

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN

IN RE: City of Detroit, Michigan

Case No. 13-53846-tjt

Chapter 9

Hon. Thomas J. Tucker

Debtor(s).

\_\_\_\_\_  
Darell Chancellor

Appellant,

v.

City of Detroit, Michigan

Appellee.  
\_\_\_\_\_

**NOTICE OF TRANSMITTAL OF COMPLETE RECORD  
REGARDING NOTICE OF APPEAL**

I hereby certify that the attached documents are transmitted to the United States District Court for the Eastern District of Michigan, which constitutes the Record on Appeal.

- Appellant’s Designation of Record.
- Appellant’s Statement of Issues
- Notice of Deficiency
- Reason for Deficiency:
- Other: Bankruptcy Matter Civil Cover Sheet, Amended Notice of Appeal and Statement of Election with Certificate of Service, Transcript Regarding Hearing Held 10/4/2023, Supplemental Appellee Designation of Contents
- Appellee’s Designation of Record
- Appellee’s Statement of Issues

**NOTE:**

- This matter was given civil case number 23-cv-12600 and assigned to District Court Judge Bernard A. Friedman
- Proof of Service of Notice of Appeal filed on: 10/18/2023
- Appeal Fee paid on: 10/12/2023
- Appeal Fee outstanding

Dated: 11/13/2023

Clerk, United States Bankruptcy Court

By: /s/ Jennifer Hawkins  
Deputy Clerk



UNITED STATES BANKRUPTCY COURT  
IN THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-DETROIT

In re:

City of Detroit, Michigan,

Debtor.

Case No. 13-53846  
Honorable Thomas J. Tucker  
Chapter 9

**APPELLANT'S DESIGNATION OF RECORD ON APPEAL**

In accordance with Rule 8009 of the Federal Rules of Bankruptcy Procedure, Darell Chancellor, Interested Party in the above-referenced bankruptcy case, hereby submits the following designation of record items to be included in the record on appeal to the United States District Court for the Eastern District of Michigan in connection with the Notice of Appeal filed by Darell Chancellor in the above-captioned case on October 12, 2023.

**DESIGNATION OF RECORD ITEMS FOR APPEAL**

1. Motion to Enforce City of Detroit's Motion for Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor – *Docket No. 13691*
2. Original Complaint for Darell Chancellor case filed in Wayne County Circuit Court – *Docket No. 13691, pp 62-73*
3. Second Amended Complaint for Darell Chancellor case filed in the U.S. District Court for the Eastern District of Michigan – *Docket No. 13691, pp 28-47*
4. Notice of Removal of Civil Action to U.S. District Court for the Eastern District of Michigan – *Docket No. 13691, pp 55-58*
5. Response to Motion to Enforce City of Detroit's Motion for Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor – *Docket No. 13699*

6. Reply to Response to Motion to Enforce City of Detroit's Motion for Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor – *Docket No. 13714*
7. Order Granting City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor – *Docket No. 13751*
8. Bankruptcy Matter Civil Cover Sheet Filed by Interested Party Darell Chancellor – *Docket No. 13788*
9. Transcript from oral argument related to City of Detroit's Motion to Bar – *Document Ordered, Not in Appellant's Possession*

Respectfully Submitted,  
**JOHNSON LAW, PLC**

By: /s/ Christopher P. Desmond  
Christopher P. Desmond (P71493)  
Attorneys for Darell Chancellor  
535 Griswold St., Ste 2600  
Detroit, Michigan 48226  
(313) 324-8300  
[cdesmond@venjohnsonlaw.com](mailto:cdesmond@venjohnsonlaw.com)

Date: October 26, 2023

UNITED STATES BANKRUPTCY COURT  
IN THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-DETROIT

In re:

City of Detroit, Michigan,

Debtor.

Case No. 13-53846  
Honorable Thomas J. Tucker  
Chapter 9

**CERTIFICATION OF SERVICE**

I certify that on October 26, 2023, I electronically filed Appellant's Designation of Record on Appeal for Interested Party Darell Chancellor with the Clerk of the Court using the CM/ECF system which will send notifications of this filing to all registered parties including:

PATRICK M. CUNNINGHAM (P67643)  
**CITY OF DETROIT LAW DEPARTMENT**  
*Counsel for Defendants City of Detroit and Stephen Geelhood*  
Two Woodward Ave, Suite 500  
Detroit, Michigan 48226  
(313) 237.5032  
[cunninghamp@detroitmi.gov](mailto:cunninghamp@detroitmi.gov)

Respectfully Submitted,  
**JOHNSON LAW, PLC**

By: /s/ Christopher P. Desmond  
Christopher P. Desmond (P71493)  
Attorney for Interested Party  
Darell Chancellor  
535 Griswold St., Ste 2600  
Detroit, Michigan 48226  
(313) 324-8300  
[cdesmond@venjohnsonlaw.com](mailto:cdesmond@venjohnsonlaw.com)

Date: October 26, 2023

UNITED STATES BANKRUPTCY COURT  
IN THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-DETROIT

In re:

City of Detroit, Michigan,

Debtor.

Case No. 13-53846  
Honorable Thomas J. Tucker  
Chapter 9

---

**STATEMENT OF ISSUE ON APPEAL**

1. Whether the Bankruptcy Court erred in granting City of Detroit's request to apply the bar date of the City's municipal bankruptcy to Darell Chancellor's claims under 42 U.S.C. § 1983 currently pending in the U.S. District Court for the Eastern District of Michigan.

Respectfully Submitted,  
**JOHNSON LAW, PLC**

By: /s/ Christopher P. Desmond  
Christopher P. Desmond (P71493)  
Attorneys for Darell Chancellor  
535 Griswold St., Ste 2600  
Detroit, Michigan 48226  
(313) 324-8300  
[cdesmond@venjohnsonlaw.com](mailto:cdesmond@venjohnsonlaw.com)

Date: October 26, 2023

UNITED STATES BANKRUPTCY COURT  
IN THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-DETROIT

In re:

City of Detroit, Michigan,

Debtor.

Case No. 13-53846  
Honorable Thomas J. Tucker  
Chapter 9

**CERTIFICATION OF SERVICE**

I certify that on October 26, 2023, I electronically filed Statement of Issue on Appeal for Interested Party Darell Chancellor with the Clerk of the Court using the CM/ECF system which will send notifications of this filing to all registered parties including:

PATRICK M. CUNNINGHAM (P67643)  
**CITY OF DETROIT LAW DEPARTMENT**  
*Counsel for Defendants City of Detroit and Stephen Geelhood*  
Two Woodward Ave, Suite 500  
Detroit, Michigan 48226  
(313) 237.5032  
[cunninghamp@detroitmi.gov](mailto:cunninghamp@detroitmi.gov)

Respectfully Submitted,  
**JOHNSON LAW, PLC**

By: /s/ Christopher P. Desmond  
Christopher P. Desmond (P71493)  
Attorney for Interested Party  
Darell Chancellor  
535 Griswold St., Ste 2600  
Detroit, Michigan 48226  
(313) 324-8300  
[cdesmond@venjohnsonlaw.com](mailto:cdesmond@venjohnsonlaw.com)

Date: October 26, 2023

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br><br>City of Detroit, Michigan,<br><br>Debtor. | Bankruptcy Case No. 13-53846<br><br>Judge Thomas J. Tucker<br><br>Chapter 9 |
|---|---|

**CITY OF DETROIT’S COUNTER-DESIGNATION OF THE CONTENTS  
OF THE RECORD ON APPEAL OF THE ORDER GRANTING  
THE CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE BAR DATE ORDER AND CONFIRMATION  
ORDER AGAINST DARELL CHANCELLOR**

Pursuant to Rule 8009(a)(2) of the Federal Rules of Bankruptcy Procedure, Appellee, the City of Detroit (“City”) hereby submits this counter-designation of the contents of the record on appeal (this “Counter-Designation”) from the *Order Granting the City’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor*.

**Counter-Designation of items to be included in the record on appeal:**

| Item Number | Docket Number | Description   | Date       |
|-------------|---------------|---|------------|
| 1           | 1146          | Motion of Debtor, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof | 10/10/2013 |

| <b>Item Number</b> | <b>Docket Number</b> | <b>Description</b>   | <b>Date</b> |
|--------------------|----------------------|--|-------------|
| 2                  | 1782                 | Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof             | 11/21/2013  |
| 3                  | 8045                 | Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (October 22, 2014)  | 10/22/2014  |
| 4                  | 8272                 | Order Confirming Eighth Amended Plan for the Adjustment of Debts of the City of Detroit  | 11/12/2014  |
| 5                  | 11159                | Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner Filed by Debtor In Possession City of Detroit, Michigan  | 05/12/2016  |
| 6                  | 11175                | Rodrick Siner's Response To The City Of Detroit's Motion For The Entry Of An Order (I) Enforcing The Plan Of Adjustment Injunction And (II) Requiring Rodrick Siner To Dismiss With Prejudice His District Court Lawsuit | 05/17/2016  |
| 7                  | 11261                | Reply in Support of the City of Detroit's Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner  | 06/10/2016  |
| 8                  | 11296                | Order Granting City Of Detroit's Motion For The Entry Of An Order Enforcing The Plan Of Adjustment Injunction And The Bar Date Order Against Rodrick Siner   | 06/17/2016  |
| 9                  | 11348                | Transcript regarding Motion To Enforce Motion For The Entry Of An Order Enforcing The Plan Of Adjustment Injunction And Bar Date Order Against Rodrick Siner   | 07/05/2016  |

| <b>Item Number</b> | <b>Docket Number</b> | <b>Description</b>   | <b>Date</b> |
|--------------------|----------------------|--|-------------|
| 10                 | 13000                | Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desirea Ricks  | 01/30/2019  |
| 11                 | 13004                | Response to Motion to Enforce Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desirea Ricks)                           | 02/13/2019  |
| 12                 | 13021                | Corrected Reply in Support of City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order against Desmond Ricks, Akilah Cobb and Desirea Ricks          | 03/15/2019  |
| 13                 | 13025                | Order Granting City Of Detroit's Motion For The Entry Of An Order Enforcing The Bar Date Order And Confirmation Order Against Desmond Ricks, Akilah Cobb And Desire' A Ricks                       | 03/20/2019  |
| 14                 | 13532                | Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris                       | 04/06/2022  |
| 15                 | 13565                | Response to Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris           | 05/14/2022  |
| 16                 | 13588                | Reply to Response filed by Interested Party Debra Marie Metris-Shamoon, Interested Party Mukhlis Shamoon, Interested Party Carl Veres, Interested Party Paul Metris, Interested Party Julia Metris | 06/24/2022  |

| <b>Item Number</b> | <b>Docket Number</b> | <b>Description</b>  | <b>Date</b> |
|--------------------|----------------------|---|-------------|
| 17                 | 13617                | Opinion Regarding the City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, et al.   | 08/26/2022  |
| 18                 | 13618                | Order Granting the City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, et. al.   | 08/26/2022  |
| 19                 | 13799                | Order for Transcript from oral argument related to City of Detroit's Motion for Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor (Filed by Interested Party Darell Chancellor) | 10/26/2023  |

**City's Designation of Transcripts That Are Not Public and Not Available for Download from the Docket.**

|    |       |   |            |
|----|-------|---|------------|
| 20 | 13792 | Transcript regarding Hearing Held 03/20/19 Re: Transcript of Hearing on City of Detroit's Motion for Entry of An Order Enforcing The Bar Date Order And Confirmation Order Against Desmond Ricks.                   | 10/24/2023 |
| 21 | 13793 | Transcript from oral argument related to City of Detroit's Motion for Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor (Filed by Interested Party Darell Chancellor) | 10/24/2023 |

November 9, 2023

Respectfully submitted,

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)

Ronald A. Spinner (P73198)

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 963-6420

Facsimile: (313) 496-7500

swansonm@millercanfield.com

ATTORNEYS FOR THE CITY OF DETROIT

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**CERTIFICATE OF SERVICE**

I, Marc N. Swanson, hereby certify that on November 9, 2023, the foregoing **CITY OF DETROIT'S COUNTER-DESIGNATION OF THE CONTENTS OF THE RECORD ON APPEAL OF THE ORDER GRANTING THE CITY OF DETROIT'S MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST DARELL CHANCELLOR** was filed and served via the Court's electronic case filing and noticing system.

By: /s/ Marc N. Swanson

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CITY OF DETROIT’S COUNTER STATEMENT OF  
THE ISSUE PRESENTED ON APPEAL**

Appellee, the City of Detroit (“City”), by and through its counsel, submits this counter statement of the issue to be presented on appeal in connection with appellant, Darell Deon Chancellor’s (“Appellant”) Statement of Issue to be Presented on Appeal filed October 26, 2023. The City states that the issue is

Whether the Bankruptcy Court correctly ordered Appellant to dismiss the City of Detroit and Officer Stephen Geelhood, in his representative capacity, from the lawsuit Appellant filed because the record showed that Appellant’s claim arose prior to the City’s bankruptcy filing under the fair contemplation test, and thus Appellant’s lawsuit violated both (1) the Bankruptcy Court’s order setting a deadline for asserting claims against the City that arose prior to the City’s bankruptcy filing and (2) the Bankruptcy Court’s order confirming the City’s plan for the adjustment of its debts.

November 9, 2023

Respectfully submitted,

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)

Ronald A. Spinner (P73198)

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 963-6420

Facsimile: (313) 496-7500

swansonm@millercanfield.com

ATTORNEYS FOR THE CITY OF DETROIT

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**CERTIFICATE OF SERVICE**

I, Marc N. Swanson, hereby certify that on November 9, 2023, the foregoing **CITY OF DETROIT'S COUNTER STATEMENT TO ISSUE ON APPEAL** was filed and served via the Court's electronic case filing and noticing system.

By: /s/ Marc N. Swanson

**U.S. Bankruptcy Court  
Eastern District of Michigan (Detroit)  
Bankruptcy Petition #: 13-53846-tjt**

Assigned to: Judge Thomas J. Tucker  
Chapter 9  
Voluntary  
No asset

Date filed: 07/18/2013  
Plan confirmed: 11/12/2014

**Debtor In Possession**  
**City of Detroit, Michigan**  
2 Woodward Avenue  
Suite 1126  
Detroit, MI 48226  
WAYNE-MI  
Tax ID / EIN: 38-6004606

represented by **Bruce Bennett**  
555 S. Flower Street  
50th Floor  
Los Angeles, CA 90071  
(213) 489-3939  
Email: [bbennett@jonesday.com](mailto:bbennett@jonesday.com)

**Eric D. Carlson**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7567  
*TERMINATED: 07/06/2020*

**Mary Beth Cobbs**  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-3075  
Fax : 313-224-5505  
Email: [cobbm@detroitmi.gov](mailto:cobbm@detroitmi.gov)

**Tamar Dolcourt**  
500 Woodward Ave.  
Suite 2700  
Detroit, MI 48226  
313-234-7161  
Email: [tdolcourt@foley.com](mailto:tdolcourt@foley.com)

**Timothy A. Fusco**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226-4415  
(313) 496-8435  
*TERMINATED: 07/06/2020*

**Eric B. Gaabo**  
2 Woodward Avenue  
Ste. 500  
Detroit, MI 48226  
313-237-3052  
Email: [gaabe@detroitmi.gov](mailto:gaabe@detroitmi.gov)

**Jonathan S. Green**  
150 W. Jefferson

Ste. 2500  
Detroit, MI 48226  
(313) 963-6420  
Email: [green@millercanfield.com](mailto:green@millercanfield.com)

**David Gilbert Heiman**  
901 Lakeside Avenue  
Cleveland, OH 44114  
(216) 586-7175  
*TERMINATED: 03/18/2019*

**Robert S. Hertzberg**  
4000 Town Center  
Suite 1800  
Southfield, MI 48075-1505  
248-359-7300  
Fax : 248-359-7700  
Email: [hertzbergr@pepperlaw.com](mailto:hertzbergr@pepperlaw.com)

**Kelly Houk**  
400 Renaissance Center  
Detroit, MI 48243  
313-568-6530  
Email: [khouk@dykema.com](mailto:khouk@dykema.com)  
*TERMINATED: 08/23/2017*

**Jeffrey S. Kopp**  
Foley & Lardner LLP  
500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Fax : (313) 234-2800  
Email: [jkopp@foley.com](mailto:jkopp@foley.com)

**Deborah Kovsky-Apap**  
Pepper Hamilton LLP  
4000 Town Center  
Suite 1800  
Southfield, MI 48075  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kovskyd@pepperlaw.com](mailto:kovskyd@pepperlaw.com)

**Kay Standridge Kress**  
4000 Town Center  
Southfield, MI 48075-1505  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kay.kress@troutman.com](mailto:kay.kress@troutman.com)

**Stephen S. LaPlante**  
150 W. Jefferson Ave.  
Suite 2500  
Detroit, MI 48226  
(313) 496-8478  
Email: [laplante@millercanfield.com](mailto:laplante@millercanfield.com)

**Heather Lennox**  
901 Lakeside Avenue  
Cleveland, OH 44114-1190  
(216) 586-7111  
Email: [hlennox@jonesday.com](mailto:hlennox@jonesday.com)

**John D. Mulvihill**  
20 W. Washington  
Suite 2  
Clarkston, MI 48346  
(248) 625-3131  
Email: [jdmassistant@sbcglobal.net](mailto:jdmassistant@sbcglobal.net)

**Scott Eric Ratner**  
One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John A. Simon**  
500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Email: [jsimon@foley.com](mailto:jsimon@foley.com)

**Ronald A. Spinner**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7829  
Email: [spinner@millercanfield.com](mailto:spinner@millercanfield.com)

**Marc N. Swanson**  
Miller Canfield Paddock and Stone, P.L.C  
150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7591  
Email: [swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**Albert Togut**  
One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John H. Willems**  
150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7544  
Email: [willems@millercanfield.com](mailto:willems@millercanfield.com)

**Stanley L. de Jongh**  
Two Woodward Ave., 5th Floor  
Suite 500  
Detroit, MI 48226  
313-237-5031  
Fax : 313-224-5505  
Email: [jongsl@detroitmi.gov](mailto:jongsl@detroitmi.gov)

*U.S. Trustee*  
**Daniel M. McDermott**  
*TERMINATED: 12/23/2019*

represented by **Sean M. Cowley (UST)**  
United States Trustee  
211 West Fort Street

Suite 700  
Detroit, MI 48226  
(313) 226-3432  
Email: [Sean.cowley@usdoj.gov](mailto:Sean.cowley@usdoj.gov)

**Richard A. Roble (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-6769  
Email: [Richard.A.Roble@usdoj.gov](mailto:Richard.A.Roble@usdoj.gov)

*U.S. Trustee*  
**Andrew R. Vara**

represented by **Sean M. Cowley (UST)**  
(See above for address)

**Richard A. Roble (UST)**  
(See above for address)

*Creditor Committee*  
**Committee of Unsecured  
Creditors**  
*TERMINATED: 03/03/2014*

represented by **Brett Howard Miller**  
1290 Avenue of the Americas  
40th Floor  
New York, NY 10104  
(212) 468-8051  
Email: [bmiller@mofocom.com](mailto:bmiller@mofocom.com), [whildbold@mofocom.com](mailto:whildbold@mofocom.com)  
*TERMINATED: 03/03/2014*

**Geoffrey T. Pavlic**  
AF Group  
200 N. Grand River Ave.  
Lansing, MI 48933  
(517) 708-5146  
Fax : (248) 352-4488  
Email: [Geoffrey.Pavlic@afgroup.com](mailto:Geoffrey.Pavlic@afgroup.com)  
*SELF- TERMINATED: 11/19/2014*

**Mark H. Shapiro**  
25925 Telegraph Rd.  
Suite 203  
Southfield, MI 48033-2518  
(248) 352-4700  
Fax : (248) 352-4488  
Email: [shapiro@steinbergshapiro.com](mailto:shapiro@steinbergshapiro.com)  
*TERMINATED: 03/03/2014*

*Creditor Committee*  
**Charlene Hearn**  
PO Box 6612  
Detroit, MI 48206

*Creditor Committee*  
**Craig Steele**

*Retiree Committee*  
**Official Committee of Retirees**

represented by **Sam J. Alberts**  
1301 K Street, NW  
Suite 600, East Tower  
Washington, DC 20005-3364  
(202) 408-7004  
Email: [sam.alberts@dentons.com](mailto:sam.alberts@dentons.com)  
*SELF- TERMINATED: 03/13/2015*

**Paula A. Hall**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [hall@bwst-law.com](mailto:hall@bwst-law.com)

**Claude D. Montgomery**  
 620 Fifth Avenue  
 New York, NY 10020  
 (212) 632-8390  
 Email: [claudio.montgomery@dentons.com](mailto:claudio.montgomery@dentons.com), [doctetny@dentons.com](mailto:doctetny@dentons.com)

**Carole Neville**  
 1221 Avenue of the Americas  
 25th Floor  
 New York, NY 10020  
 (212) 768-6889  
 Email: [carole.neville@dentons.com](mailto:carole.neville@dentons.com)

**Matthew Wilkins**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [wilkins@bwst-law.com](mailto:wilkins@bwst-law.com)

| <b>Filing Date</b> | <b>#</b>                     | <b>Docket Text</b>   |
|--------------------|------------------------------|--|
| 04/28/2023         | <a href="#"><u>13691</u></a> | Motion to Enforce <i>City Of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor</i> Filed by Debtor In Possession City of Detroit, Michigan (Attachments: # <a href="#"><u>1</u></a> Exhibit 6G through 6L) (Swanson, Marc) (Entered: 04/28/2023)  |
| 06/09/2023         | <a href="#"><u>13699</u></a> | Response to (related document(s): <a href="#"><u>13691</u></a> Motion to Enforce <i>City Of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor</i> ) Filed by Plaintiff Darell Chancellor (Attachments: # <a href="#"><u>1</u></a> Exhibit 1-Information Felony # <a href="#"><u>2</u></a> Exhibit 2-ROA # <a href="#"><u>3</u></a> Exhibit 3-Quit Claim Deed # <a href="#"><u>4</u></a> Exhibit 4-Search Warrant # <a href="#"><u>5</u></a> Exhibit 5-DPD LEIN # <a href="#"><u>6</u></a> Exhibit 6-Detainee Input # <a href="#"><u>7</u></a> Exhibit 7-Order Vacating Conviction, Sentence & Dismissing Case # <a href="#"><u>8</u></a> Exhibit 8-Court of Appeals Opinion) (Hatchett, Ayanna) (Entered: 06/09/2023) |
| 08/09/2023         | <a href="#"><u>13714</u></a> | Reply to (related document(s): <a href="#"><u>13699</u></a> Response filed by Interested Party Darell Chancellor) <i>Reply in Support of City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor</i> Filed by Debtor In Possession City of Detroit, Michigan (Swanson, Marc) (Entered: 08/09/2023)  |
| 10/04/2023         | <a href="#"><u>13751</u></a> | Order Granting City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor (Related Doc # <a href="#"><u>13691</u></a> ). (jhawk) (Entered: 10/04/2023)   |
| 10/18/2023         | <a href="#"><u>13788</u></a> | Bankruptcy Matter Civil Cover Sheet Filed by Interested Party Darell Chancellor (RE: related document(s) <a href="#"><u>13770</u></a> Notice of Appeal and Statement of Election). (Doherty, Paul) (Entered: 10/18/2023)   |

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER  
AGAINST DARELL CHANCELLOR**

The City of Detroit, Michigan (“City”) by its undersigned counsel, Miller, Canfield, Paddock and Stone, PLC, files this *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor* (“Motion”). In support of this Motion, the City respectfully states as follows:

**I. Introduction**

1. On June 19, 2020, Darell Chancellor (“Chancellor”) filed two lawsuits, one in federal and one in state court, against the City and a police officer of the City (in his representative and individual capacities) seeking monetary damages on account of the same alleged incidents that occurred in 2011 and 2012. The state court lawsuit was removed by the City and the lawsuits were then consolidated by order of the Federal District Court. Chancellor’s claims in these lawsuits arose prior to the City’s bankruptcy filing in July, 2013. Consequently, the filing of the lawsuits violates the discharge and injunction provisions in the City’s confirmed Plan and the Bar Date Order (each as defined below).

2. The City informed Chancellor of these violations and asked him to voluntarily dismiss the City from his lawsuits, but to no avail. As a result, the City is left with no choice but to seek an order barring and permanently enjoining Chancellor from asserting and prosecuting the claims described in the federal court action and the state court action against Officer Stephen Geelhood (in his representative capacity), the City, or property of the City and requiring Chancellor to dismiss each court action with prejudice to the extent it seeks any such relief.

## **II. Factual Background**

### **A. The City's Bankruptcy Case**

3. On July 18, 2013 ("Petition Date"), the City filed this chapter 9 case.

4. On October 10, 2013, the City filed its Motion Pursuant to Section 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof ("Bar Date Motion") [Doc. No. 1146], which was approved by order of this Court on November 21, 2013 ("Bar Date Order"). [Doc. No. 1782].

5. The Bar Date Order established February 21, 2014, as the deadline for filing claims against the City. Paragraph 6 of the Bar Date Order states that the

following entities must file a proof of claim on or before the Bar Date...any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this

bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment proposed by the City...

Bar Date Order ¶ 6.

6. Paragraph 22 of the Bar Date Order also provides that:

Pursuant to sections 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an “Unscheduled Claim”); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

7. Chancellor did not file a proof of claim.

8. On October 22, 2014, the City filed its *Eighth Amended Plan of the Adjustment of Debts of the City of Detroit* (“Plan”), which this Court confirmed on November 12, 2014. [Doc. Nos. 8045 & 8272].

9. The discharge provision in the Plan provides:

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and

release of all Claims arising on or before the Effective Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (ii) the Holder of a Claim based on such debt has accepted the Plan.

Plan, Art. III.D.4, at p.50.

10. Further, the Plan injunction set forth in Article III.D.5 provides in pertinent part:

### **Injunction**

**On the Effective Date, except as otherwise provided herein or in the Confirmation Order,**

**a. all Entities that have been, are or may be holders of Claims against the City...shall be permanently enjoined from taking any of the following actions against or affecting the City or its property...**

**1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affect the City of its property...**

**5. proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and**

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

Plan, Article III.D.5, at pp.50-51 (emphasis added).

11. The Court also retained jurisdiction to enforce the Plan injunction and to resolve any suits that may arise in connection with the consummation, interpretation or enforcement of the Plan. Plan, Art. VII. F, G, I, at p.72.

**B. Chancellor’s Lawsuits Against the City and Officer Stephen Geelhood**

12. On June 19, 2020, Chancellor filed a complaint against the City and Officer Stephen Geelhood (in his individual and representative capacity), in the United States District Court for the Eastern District of Michigan, commencing case number 20-11616 (“Federal Court Lawsuit”). On September 23, 2020, Chancellor filed his Second Amended Complaint (“Second Amended Complaint”). A copy of the Second Amended Complaint is attached as **Exhibit 6A** and the docket in the Federal Court Lawsuit is attached as **Exhibit 6B**.

13. On June 19, 2020, Chancellor filed a complaint (“Removed Complaint”) against the City and Officer Stephen Geelhood (in his individual and representative capacity), in the Third Judicial Circuit of Michigan, commencing case number 20-007758-NO (“Removed Lawsuit” and together with the Federal Court Lawsuit, the “Lawsuits”). A copy of the State Court Complaint is attached as **Exhibit 6C**.

14. The State Court Lawsuit was removed to the United States District Court for the Eastern District of Michigan by notice dated July 27, 2020,

commencing case number 20-11992. On September 23, 2020, Chancellor filed an amended complaint. On that same day, the District Court entered the Order of Consolidation, which consolidated case 20-11616 with case 20-11992 for all purposes, including trial. **Exhibit 6D.** The Order of Consolidation also closed case 20-11992 for administrative purposes. The docket in the Removed Lawsuit is attached as **Exhibit 6E.**

15. The complaints are substantially similar.

16. Prior to the conviction at issue here, Chancellor had been convicted of five other crimes as an adult. **Exhibit 6F,** Darell Chancellor Deposition Transcript, pp. 20-23.<sup>1</sup>

17. Three of these convictions were for possession of heroin. Darell Chancellor Deposition Transcript, pp. 20-21. The other convictions were for receiving and concealing a stolen car and armed robbery. Darell Chancellor Deposition Transcript, pp. 21-23. Chancellor spent seven to eight years in prison for the armed robbery conviction and was released in 2010. Darell Chancellor Deposition Transcript, p. 25 §§ 8-14.

18. After Chancellor was released from prison in 2010, he was paroled. Darell Chancellor Deposition Transcript, p. 25, §§14-17.

---

<sup>1</sup> Chancellor was deposed on April 23, 2021.

19. In his deposition, Chancellor stated after he was released, he moved into his mother's house at 5023 32<sup>nd</sup> Street, as he reported to his parole officer. Darell Chancellor Deposition Transcript, p. 35 §§ 22-25. However, Chancellor alleged that he moved out of his mother's house the following month, in January 2011, and moved in with his girlfriend at 9029 Robinson in violation of his parole. Chancellor alleges that he lied to his parole officer and did not tell him about the alleged move. *Id.*

20. The location where Chancellor resided is significant because Chancellor alleges that on November 2, 2011, an affidavit in support of a search warrant was falsified and sworn to by Defendant Officer Geelhood ("Geelhood") before a 36th District Court magistrate in the City of Detroit. Second Amended Complaint ¶ 8.

21. Chancellor further alleges that because of the false affidavit, a search warrant was issued by the magistrate for the search of the home of Chancellor's mother. Second Amended Complaint ¶ 9.

22. According to Chancellor, in 2011, Geelhood falsely alleged that he received information from a confidential informant on October 31, 2011, that a large quantity of heroin was being stored and sold from the home of Chancellor's mother. Second Amended Complaint ¶ 10.

23. In the affidavit, Geelhood stated that he set up surveillance at Chancellor's mother's home at 5023 32<sup>nd</sup> street on November 1, 2011, and "personally observed a black male in his '30s [, 5'8"], 180 lbs.' engaging in a 'suspected narcotics transaction' with buyers." Second Amended Complaint ¶ 11.

24. On November 2, 2011, the search warrant based on Geelhood's allegedly false affidavit was executed at Chancellor's mother's home. During the execution of the warrant, a quantity of cocaine was found on the premises. No heroin was found. Second Amended Complaint ¶ 13.

25. Chancellor alleges that he was not at his mother's house when the search warrant was executed. Second Amended Complaint ¶ 14. Darell Chancellor Deposition Transcript p. 41. Chancellor was later arrested in May of 2012 and charged with (a) the delivery/manufacture of a controlled substance (450 to 999 grams); (b) possession of a controlled substance (450 to 999 grams); (c) felon in possession of a firearm; and (d) felony firearm. Second Amended Complaint ¶ 14. When Chancellor was arrested, Chancellor stated that he knew that he was innocent. Darell Chancellor Deposition Transcript, p. 49 §§ 16-18.

26. Chancellor alleged that the false claims made and sworn to by Geelhood in the search warrant affidavit led directly to the issuance of the search warrant, the raid at Chancellor's mother's home, the seizure of the cocaine, and to Chancellor's subsequent prosecution. Second Amended Complaint ¶ 15.

27. Further, according to Chancellor, as a direct result of Geelhood's false affidavit in 2011, Chancellor was arrested and held in Wayne County Jail until his trial on November 8, 2012. Second Amended Complaint ¶¶ 16-17.

28. In 2012, Geelhood was "the prosecution's star witness at trial." He testified to both the seizure of the cocaine during the raid and the events that he claimed had occurred the two previous days. Second Amended Complaint ¶ 18.

29. During Chancellor's trial in 2012, Chancellor alleges that Geelhood testified falsely when he swore to the affidavit before the 36th District Court magistrate. Second Amended Complaint ¶ 19.

30. Chancellor alleges that Geelhood testified falsely at the trial in 2012 about receiving a tip from the confidential informant, conducting surveillance, and falsely identified Chancellor as the person that he observed selling heroin during his surveillance of Chancellor's mother's home. Second Amended Complaint ¶ 20.

31. Chancellor also alleges:

21. The falseness of Geelhood's testimony regarding the alleged three separate hand-to-hand narcotic transactions during his surveillance is magnified by the fact that he never stopped any of the individuals allegedly involved in the drug buys to verify that one had actually taken place.

22. The falseness of Geelhood's identification of Darell as the person who he allegedly observed selling drugs on November 1, 2011 was further demonstrated by the difference between the description of the alleged seller as 5'8", 180 pounds, no glasses, and the actual size and description of Darell who is 5'11", 250 pounds and has worn prescription glasses his entire adult life.

Second Amended Complaint ¶¶ 21-22.

32. Indeed, Chancellor challenged the veracity of Geelhood’s testimony at his trial in 2012. Second Amended Complaint ¶ 24.

33. In that regard, during his deposition, Chancellor’s attorney asked Chancellor:

Q. Without belaboring the point, Darell, what did it feel like to go to trial and be accused of a crime that you didn't commit?

A. I mean, it felt terrible. It feels more terrible when you get found guilty of something you ain't commit because it's like the justice system that failed you. You been taught to believe in the justice system, but to get to found guilty for something you ain't do is where the justice going to come from, yeah.

Darell Chancellor Deposition Transcript, p. 78 §§ 10-18.

34. During his trial, Chancellor testified and proclaimed his innocence.

**Exhibit 6G, Trial Transcript, pp. 78-84.**

35. On November 8, 2012, Chancellor sent Judge Hathaway – the judge presiding over his trial – a letter which provided in pertinent part that Chancellor had been “locked up for 6 months for something I know nothing about” and “the police got the wrong person.” **Exhibit 6H, Chancellor Letter to Judge Hathaway.**

36. On November 12, 2012, Chancellor was found guilty of possession of cocaine. According to Chancellor, Judge Hathaway explicitly relied on Geelhood’s

false statements that identified Chancellor as the person who was seen selling drugs from the target address. Second Amended Complaint ¶ 24.

37. Chancellor was sentenced on December 12, 2012, to serve a term of 14 years and 3 months to 30 years of imprisonment. Second Amended Complaint ¶ 25.

38. Chancellor began his sentence on December 12, 2012. **Exhibit 6I, Chancellor Commitment to Department of Corrections.**

39. Chancellor's attorney asked Chancellor what it felt like to be "wrongfully convicted":

- Q. Every single day you're in that prison cell, jail cell, precinct cell being accused and ultimately wrongfully convicted of doing something you didn't do, Darell, every day, all day what did it feel like?
- A. It feel terrible when you know you ain't do something, but you convicted for it. It was --
- Q. I listened -- did I interrupt you? I'm sorry. If you weren't done, go ahead.
- A. I mean, like I was saying, it's like, like I said, you sitting in there looking like where the justice going to come from. That's a hard feeling when you know you ain't done nothing, but a judge convicted you of something and now you stuck in prison trying to figure out how you going to get back home for something you ain't do. First, you ain't supposed to be here because you ain't did nothing. But now that you here, how you going to get back home for something you ain't do.
- Q. So when Counsel went over your previous convictions, I didn't hear anything about you ever going to trial except for this thing.
- A. Because I did that. I would never -- if I did something, I'm going to let you -- I'll say I did it.

- So if I do it --
- Q. You didn't go to trial on those other charges --
- A. No.
- Q. because ultimately you either pled nolo contendere or not guilty; right?
- A. Right; right.
- Q. Excuse me. Or guilty. Sorry.
- A. Right. I pled guilty; right.
- Q. This one you fought and went to trial; right?
- A. Right.

Darell Chancellor Deposition Transcript, pp. 83-84, §§ 2-8.

### C. Chancellor Appeals His Conviction

40. On or about January 18, 2013, Chancellor appealed his conviction and the trial court entered the Claim of Appeal and Order Appointing Counsel. **Exhibit 6J, Claim of Appeal and Order Appointing Counsel.** The docket sheet for Chancellor's appeal is attached as **Exhibit 6K, Court of Appeals Docket Sheet.**

41. The Michigan Court of Appeals affirmed the trial court despite Defendant's argument that he was the victim of mistaken identity. **Exhibit 6L, Decision of the Michigan Court of Appeals.**

42. On March 24, 2020, Chancellor's conviction was vacated. Second Amended Complaint ¶ 34.

### III. Argument

43. Chancellor violated the Plan's injunction and discharge provisions when he filed the Lawsuits to assert pre-petition claims and otherwise seek relief

against the City and Geelhood (in his representative capacity). And, he continues to violate them by persisting in prosecuting the Lawsuits.

44. Under the “fair contemplation” test, Chancellor’s claims against the City and Geelhood arose pre-petition – *i.e.*, before July 18, 2013 – because before that date, Chancellor “could have ascertained through the exercise of reasonable due diligence that [he] had a claim” against the City, based on the events which occurred in 2011 and 2012, as detailed in the Second Amended Complaint and the other exhibits to this Motion. *See In re City of Detroit, Michigan*, 548 B.R. 748, 763 (Bankr. E.D. Mich. 2016) (citation omitted); *see also* Doc. No. 11296, 13617; *Burton v. Sanders*, No. 20-11948, 2021 WL 168543, at \*9 (E.D. Mich. Jan. 1, 2021), at \*4; *Monson v. City of Detroit*, No. 18-10638, 2019 WL 1057306, at \*9 (E.D. Mich. March 6, 2019); *Sanford v. City of Detroit*, No. 17-13062, 2018 WL 6331342, at \*5-6 (E.D. Mich. Dec. 4, 2018).

45. Despite holding a pre-petition claim, Chancellor did not file a proof of claim in the City’s bankruptcy case. The Plan’s discharge provision states that the “rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date.” Plan Art. III.D.4, at p.50.

46. Consequently, Chancellor does not have a right to a distribution or payment under the Plan on account of the claims asserted in the Lawsuits. Plan,

Art. III.D.5, at p.50 (“[A]ll entities that have been, are or may be holders of Claims against the City . . . shall be permanently enjoined from . . . proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan.”). *See also* Plan, Art. I.A.19, at p.3; Art. I.A.134, at p.11; Art. VI.A.1, at p.67 (“Notwithstanding any other provision of the Plan, no payments or Distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim.”). Any claims that Chancellor may have had were discharged, and the Plan enjoins Chancellor from pursuing them. The Bar Date Order also forever barred, estopped, and enjoined Chancellor from pursuing the claims asserted in the Lawsuits.

47. Even if Chancellor could somehow seek relief on his claims against Geelhood (in his representative capacity), the City, or its property (which he cannot), the proper and only forum for doing so would be in this Bankruptcy Court. There is therefore no set of circumstances under which Chancellor is, or would have been, permitted to commence and prosecute the Lawsuits against Geelhood (in his representative capacity), the City or its property.

#### **IV. Conclusion**

48. The City thus respectfully requests that this Court enter an order, in substantially the same form as the one attached as **Exhibit 1**: (a) directing Chancellor to dismiss, or cause to be dismissed, the City and Geelhood in his

representative capacity with prejudice from the Lawsuits; (b) permanently barring, estopping and enjoining Chancellor from asserting the claims alleged in, or claims related to, the Lawsuits against Geelhood (in his representative capacity), the City or property of the City; and (c) prohibiting Chancellor from sharing in any distribution in this bankruptcy case. The City sought, but did not obtain, concurrence to the relief requested in the Motion.

Dated: April 28, 2023

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)  
Attorneys for the City of Detroit

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,  
Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**EXHIBIT LIST**

|            |  |
|------------|--|
| Exhibit 1  | Proposed Order                                     |
| Exhibit 2  | Notice of Opportunity to Object                    |
| Exhibit 3  | None   |
| Exhibit 4  | Certificate of Service                             |
| Exhibit 5  | None   |
| Exhibit 6A | Second Amended Complaint                           |
| Exhibit 6B | Federal Court Lawsuit Docket                       |
| Exhibit 6C | State Court Complaint                              |
| Exhibit 6D | Order of Consolidation                             |
| Exhibit 6E | Removed Lawsuit Docket                             |
| Exhibit 6F | Darell Chancellor Deposition Transcript            |
| Exhibit 6G | Trial Transcript                                   |
| Exhibit 6H | Chancellor Letter to Judge Hathaway                |
| Exhibit 6I | Chancellor Commitment to Department of Corrections |
| Exhibit 6J | Claim of Appeal and Order Appointing Counsel       |

Exhibit 6K Court of Appeals Docket Sheet

Exhibit 6L Decision of the Michigan Court of Appeals

**EXHIBIT 1 – PROPOSED ORDER**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br><br>City of Detroit, Michigan,<br><br>Debtor. | Bankruptcy Case No. 13-53846<br><br>Judge Thomas J. Tucker<br><br>Chapter 9 |
|---|---|

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DARELL CHANCELLOR**

This matter, having come before the Court on the Motion to Enforce Order, Pursuant to Sections 105, 501, and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing of Proofs of Claim and Approving Form and Manner of Notice Thereof Against Darell Chancellor (“Motion”),<sup>1</sup> upon proper notice and a hearing, the Court being fully advised in the premises, and there being good cause to grant the relief requested,

**THE COURT ORDERS THAT:**

1. The Motion is granted.
2. Within five days of the entry of this Order, Darell Chancellor shall dismiss, or cause to be dismissed, the City of Detroit and Officer Stephen

---

<sup>1</sup> Capitalized terms used but not otherwise defined in this Order shall have the meanings given to them in the Motion.

Geelhood in his representative capacity with prejudice from the cases captioned as:

(a) *Darell Deon Chancellor, Chancellor, v Officer Stephen Geelhood in his Individual and Representative Capacity, and the City of Detroit, a municipal entity, Defendants*, filed in the United States District Court for the Eastern District of Michigan and assigned Case No. 20-cv-11616 (“Federal Lawsuit”); and (b) *Darell Chancellor, Chancellor, v Officer Stephen Geelhood in his Individual and Representative Capacity, and the City of Detroit, a municipal entity, Defendants*, as removed to the United States District Court for the Eastern District of Michigan and assigned Case No. 20-cv-11992 (“Removed Lawsuit”, and together with Federal Lawsuit, the “Lawsuits”).

3. Darell Chancellor is permanently barred, estopped and enjoined from asserting claims asserted in the Lawsuits or claims arising from or related to the Lawsuits against Officer Geelhood (in his representative capacity), the City of Detroit, or property of the City of Detroit.

4. Darell Chancellor is prohibited from sharing in any distribution in this bankruptcy case.

5. The Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**EXHIBIT 2 – NOTICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**NOTICE OF OPPORTUNITY TO OBJECT TO CITY OF  
DETROIT’S MOTION FOR THE ENTRY OF AN ORDER ENFORCING  
THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST  
DARELL CHANCELLOR**

The City of Detroit has filed papers with the Court requesting the entry of an order enforcing the bar date order and confirmation order against Darell Chancellor.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney.**

If you do not want the Court to enter an Order granting the *City Of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor*, within 14 days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>1</sup>

United States Bankruptcy Court  
211 W. Fort St., Suite 1900  
Detroit, Michigan 48226

If you mail your response to the court for filing, you must mail it early enough so that the court will **receive** it on or before the date stated above. You must also mail a copy to:

Miller, Canfield, Paddock & Stone, PLC  
Attn: Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time, and location of that hearing.

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

---

<sup>1</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)  
Megan R. Baxter (P81945)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)  
[baxter@millercanfield.com](mailto:baxter@millercanfield.com)

Dated: April 28, 2023

**EXHIBIT 3 – NONE**

**EXHIBIT 4 – CERTIFICATE OF SERVICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on April 28, 2023, he served a copy of the foregoing **CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST DARELL CHANCELLOR** upon counsel for Darell Chancellor, in the manner described below:

Via first class mail and email:

**Madeline M. Sinkovich**  
Mike Morse Law Firm  
24901 Northwestern Hwy  
Ste 700  
Southfield, MI 48075  
Email: madeline.sinkovich@855mikewins.com

**Ayanna D. Hatchett**  
Johnson Law PLC  
535 Griswold St.  
Suite 2632  
Detroit, MI 48226-3687  
Email: ahatchett@venjohnsonlaw.com

DATED: April 28, 2023

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**EXHIBIT 5 – NONE**

**EXHIBIT 6A**  
**Second Amended Complaint**

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN**

DARELL CHANCELLOR,

Plaintiff,

Case No. 20-cv-11616

v.

Hon. George Caram Steeh

OFFICER STEPHEN GEELHOOD in his  
Individual and Representative Capacity,  
and the CITY OF DETROIT,  
a Municipal entity,

Defendants.

---

VEN R. JOHNSON (P39219)  
AYANNA D. HATCHETT (P70055)  
Counsel for Plaintiff  
The Buhl Building  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324.8300  
[vjohnson@venjohnsonlaw.com](mailto:vjohnson@venjohnsonlaw.com)  
[ahatchett@venjohnsonlaw.com](mailto:ahatchett@venjohnsonlaw.com)

---

PATRICK CUNNINGHAM  
(P67643)  
City of Detroit Law Department  
Attorneys for Defendant City of D  
2 Woodward Ave., Suite 500  
Detroit, MI 48226  
(313) 237.5032  
[cunninghamp@detroitmi.gov](mailto:cunninghamp@detroitmi.gov)

---

---

**PLAINTIFF'S SECOND AMENDED COMPLAINT**

---

NOW COMES Plaintiff, DARELL CHANCELLOR, through his counsel,  
JOHNSON LAW, PLC and for this Amended Complaint, against the defendants,  
states as follows:

1. At all times relevant to this lawsuit, Plaintiff, Darell Chancellor ("Darell")  
was a resident of Detroit, in Wayne County, Michigan.

2. At all times relevant to this lawsuit, Defendant Officer Stephen Geelhood (“Geelhood”) was employed as a police officer with the Detroit Police Department.
3. At all times relevant to this lawsuit, Geelhood acted under color of state law and is being sued in his individual and representative capacities.
4. At all times relevant to this lawsuit, Defendant City of Detroit (“The City”) was a municipal corporation, duly organized in carrying on governmental functions in the City of Detroit, in Wayne County, Michigan.
5. The amount in controversy exceeds \$25, 000.00 exclusive of costs, interest and attorney fees; and jurisdiction is otherwise conferred on this Court pursuant to the United States Constitution as well as 42 U.S.C. §1983.
6. Plaintiff relies on the jury demand that was originally filed in this Court.

### **COMMON ALLEGATIONS**

7. At all times relevant to this lawsuit, Geelhood was a member of the now-defunct narcotics unit in the police department for the City of Detroit.
8. On November 2, 2011, an affidavit in support of a search warrant was falsified and sworn to by Officer Geelhood before a 36<sup>th</sup> District Court magistrate in the City of Detroit.

9. As a result of Geelhood's swearing to the false affidavit, a search warrant was issued by the magistrate for the search of 5023 32<sup>nd</sup> Street in Detroit, the home of Darell's mother.
10. In the false affidavit, Geelhood alleged that he had received information from a confidential informant (CI) on October 31, 2011 that a large quantity of heroin was being stored at and sold from the 32<sup>nd</sup> Street home. That allegation was false.
11. In the false affidavit, Geelhood further alleged that he had set up surveillance at 5023 32<sup>nd</sup> Street on November 1, 2011, and personally observed a black male, described as being in his "30s [, 5'8",] 180 lbs." engaging in a "suspected narcotics transaction" with buyers. That allegation was also false.
12. The affidavit went on to state that based on his 17 years of experience as a police officer and 9 years in the Narcotics Unit, Geelhood believed that there was probable cause that heroin and the individual suspected of making the narcotics transaction would be found on the premises.
13. On November 2, 2011, the search warrant based on Geelhood's false affidavit was executed at 5023 32<sup>nd</sup> Street in Detroit. During the execution of the warrant, a quantity of cocaine was found on the premises. No heroin was found.

14. Darell was not at his mother's house when the search warrant was executed. But he was later arrested in May of 2012 and charge with (a) the delivery/manufacture of a controlled substance (450 to 999 grams); (b) possession of a controlled substance (450 to 999 grams); (c) felon in possession of a firearm; and (d) felony firearm.
15. The false claims made and sworn to b Geelhood in the search warrant affidavit led directly to the issuance of the search warrant, the raid at 5023 32<sup>nd</sup> Street, the seizure of the cocaine and to Darell's subsequent prosecution.
16. As a direct result of Geelhood's false affidavit, Darell was arrested in May of 2012 and held in Wayne County Jail until his trial date.
17. A bench trial was conducted before the Honorable Daniel Hathaway on November 8, 2012.
18. Geelhood was the prosecution's star witness at trial. He testified to both the seizure of the cocaine during the raid and the events that he falsely claimed had occurred the two previous days.
19. Geelhood testified falsely at trial that he was telling the truth to the magistrate when he swore to the affidavit before the 36<sup>th</sup> District Court magistrate.
20. Geelhood also testified falsely at trial about receiving a tip from the CI, conducting surveillance, and he further falsely identified Darell as the person

that he supposedly observed selling heroin during his alleged surveillance of Darell's mother's home.

21. The falseness of Geelhood's testimony regarding the alleged three separate hand-to-hand narcotic transactions during his surveillance is magnified by the fact that he never stopped any of the individuals allegedly involved in the drug buys to verify that one had actually taken place.

22. The falseness of Geelhood's identification of Darell as the person who he allegedly observed selling drugs on November 1, 2011 was further demonstrated by the difference between the description of the alleged seller as 5'8", 180 pounds, no glasses, and the actual size and description of Darell who is 5'11", 250 pounds and has worn prescription glasses his entire adult life.

23. On November 12, 2012, when Darell was found guilty of possession of cocaine, Judge Hathaway explicitly relied on Geelhood's false statements that identified Darell as the person who was seen selling drugs from the target address.

24. The reliance on Geelhood's false statements was highlighted when Judge Hathaway issued his verdict convicting Darell of possession of cocaine and stated the following:

*"So it really comes down to the reliability of Officer Geelhood's identification. As I said when [Geelhood] was*

*questioned and the discrepancies were pointed out he was adamant and maintained that the individual he saw that day through the binoculars was, in fact, the defendant Mr. Chancellor; that he recognized him from that surveillance that he did and that he was in fact the person and of course to me, this comes down to, well, part of it comes down to that identification.”* (Trial transcript, Vol. 3, pp 31-32)

25. Darell was sentenced on December 12, 2012 to serve a term of 14 years and 3 months to 30 years of imprisonment.

26. The Conviction Integrity Unit (CIU), a division of the Wayne County Prosecutor's Office, became involved in Darell's case as a result of an internal investigation by the Detroit Police Department (DPD) as well as a federal investigation into the department's Narcotics Unit concerning allegations that multiple Detroit police narcotics officers, including Geelhood, had participated in falsifying warrant affidavits, falsely accusing citizens of drug crimes and stealing case, guns and narcotics found during search warrant executions.

27. On information and belief, at the time of Darell's trial in 2012, the City was aware of the existence of the federal investigation and that the DPD had begun its own investigation of the Narcotics Unit.

28. As a result of the DPD's investigation, the Narcotic Unit, which included Geelhood, was disbanded by Detroit Police Chief James Craig in the summer of 2014.

29. In 2019, because of the numerous allegations of misconduct against multiple officers in the Narcotics Unit, Darell's conviction was reviewed by the CIU.

30. The CIU's investigation found that the records of the DPD and/or the Narcotics Unit contained no complaints of criminal activity at the 32<sup>nd</sup> Street address.

31. The CIU also found that there were no records of the tip allegedly provided by the CI to Geelhood as alleged in his false search warrant affidavit.

32. At the conclusion of their investigation, the CIU determined that the allegations contained in the search warrant affidavit and Geelhood's trial testimony could not be corroborated.

33. Likewise, the CIU concluded that the allegations in Geelhood's affidavit that supported the issuance of the search warrant for the home on 32<sup>nd</sup> Street were false.

34. An order to vacate Darell's conviction was subsequently entered on March 24, 2020.

35. From the time of Darell's false arrest that arose from Geelhood's falsified search warrant and affidavit, up through the time that his conviction was vacated, Darell was incarcerated for eight years.

36. Because of Geelhood and/or the City's negligent, grossly negligent and/or intentional misconduct, Darell was unlawfully arrested, imprisoned,

maliciously prosecuted and deprived of due process, for a crime that Geelhood and/or the City knew Darell did not commit.

**COUNT I: STATE CLAIM—FALSE ARREST--GEELHOOD**

37.Plaintiff reasserts and incorporates each of the allegations stated above.

38.Darell was arrested.

39.Darell was aware of the arrest and it was against his will.

40.Geelhood knew that the search warrant that Darell’s arrest was premised upon was not based on true and accurate information and thus didn’t provide probable cause for Darell’s arrest.

41.Geelhood knew that he had falsified statements in the affidavit to support the search warrant which led to an unlawful search and seizure of the property found at Darell’s mother’s home on 32<sup>nd</sup> Street, which ultimately led to Darell’s arrest.

42.As the direct and proximate result of Geelhood’s misconduct, Darell suffered, and will continue to suffer, damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense incurred by Darell to defend against the frivolous criminal charges prosecuted against him; and

h. All other damages learned through the course of discovery and up to the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT II: STATE CLAIM—MALICIOUS PROSECUTION—GEELHOOD**

43.Plaintiff reasserts and incorporates each of the allegations stated above.

44.Geelhood instituted and initiated the allegations of criminal activity against Darell without probable cause and with malice or a with primary purpose other than bringing about justice through the proper adjudication of the claim upon which the proceedings are based.

45.Darell’s criminal conviction was vacated in his favor.

46.As the direct and proximate result of Geelhood’s misconduct, Darell has suffered damages and will continue to suffer damages in the future, including but not limited to:

- a. Mental anguish;
- b. Embarrassment, humiliation or mortification;
- c. Denial of social pleasure and enjoyment; and
- d. All other damages learned through the course of discovery and up through time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT III: STATE CLAIM—FALSE IMPRISONMENT--GEELHOOD**

47. Plaintiff reasserts and incorporates each of the allegations stated above.

48. Darell was imprisoned by Geelhood when he was arrested without probable cause and thus deprived of his personal liberty and freedom of movement.

49. Such imprisonment was against Darell's will.

50. Geelhood accomplished the imprisonment by actual physical force.

51. Geelhood intended to deprive Darell of his personal liberty or freedom of movement.

52. Such imprisonment was unlawful because the arrest was made without probable cause.

53. The prosecution against Darell was caused by Geelhood.

54. A post-conviction proceeding vacated Darell's underlying conviction for possession which in turn released Darell from serving further time in prison.

55. There was no probable cause for initiating or continuing the proceeding.

56. The initiation or continuation of the proceeding was done with malice or a primary purpose other than that of bringing the offender to justice.

57. As the direct and proximate result of misconduct by Geelhood, Darell suffered, and will continue to suffer, damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;

- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense that Darell incurred to defend against the wrongfully prosecuted criminal charges; and
- h. All other damages learned through the course of discovery and up through the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT IV: STATE CLAIM—GROSS NEGLIGENCE—GEELHOOD**

58. Plaintiff reasserts and incorporates each of the allegations stated above.

59. Geelhood had a duty to the general public and in particular to Darell, to refrain from grossly negligent conduct.

60. Geelhood breached that duty and was grossly negligent, or was so reckless as to demonstrate a substantial lack of concern for whether an injury would result when he knowingly falsified the contents of the affidavit that supported the search warrant and knowing executed the search warrant that he knew lacked probable cause.

61. By knowingly falsifying the contents of affidavit and knowingly executing a search that he knew lacked probable cause, Geelhood withheld evidence that exculpated Darell.

62. Geelhood's gross negligence was the one most immediate, efficient, and direct cause of the injury or damage, e.g., the proximate cause, of Darell's damages and injuries, including but not limited to:

- a. False arrest for a crime he did not commit;
- b. False imprisonment for a crime he did not commit;
- d. Physical pain and suffering;
- e. Mental anguish;
- f. Fright and shock;
- g. Denial of social pleasure and enjoyment;
- h. Embarrassment, humiliation or mortification;
- i. Lost wages and/or earning capacity; and
- j. All other damages learned through the course of discovery.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT V: FEDERAL CLAIM-- MUNICIPAL LIABILITY—**  
**CITY OF DETROIT**

63. Plaintiff reasserts and incorporates each of the allegations stated above.

64. At all times relevant to this lawsuit, Darell had a right under the due process clause of the state and federal constitutions not to be deprived of his life, liberty, or property.

65. Geelhood's acts of falsifying the affidavit in support of the operative search warrant and executing the search warrant that he accordingly knew lacked the requisite probable cause amounts to withholding exculpatory evidence and

violated Darell's fundamental constitutional rights under the 4<sup>th</sup>, 8<sup>th</sup> and 14<sup>th</sup> Amendments.

66. At all times relevant to this lawsuit, the City did have a custom or practice of corruption and misconduct within the narcotics' unit that gave rise to routinely falsifying affidavits to support search warrants, falsely accusing citizens of possessing and/or selling drugs, as well as unlawfully stealing and/or seizing property obtained from searches.

67. Those customs and practices of the City's narcotics unit were so pervasive that the narcotics unit was ultimately disbanded by the Detroit Police Department's own police chief.

68. At all times relevant to this lawsuit, the City did have a custom or practice within its narcotics' unit of failing to adequately train and/or supervise its officers.

69. These failures to adequately train and/or supervise were evident by the years and years of officer corruption and misconduct that went unnoticed and undisciplined.

70. The City, by facilitating a custom and/or practice of corruption and misconduct as well as failing to adequately train and/or supervise acted as the "moving force" behind the deprivation of Darell's constitutional rights.

71. There is a direct causal link between the customs and/or practices and the injuries that Darell has suffered.

72. As a direct and proximate result of the City's customs and/or practices and Geelhood's misconduct specifically, Darell has suffered damages and will continue to suffer damages in the future, including but not limited to the following:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense that Darell incurred to defend against wrongfully prosecuted criminal charges; and
- h. All other damages learned through the course of discovery and up through the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT VI: FEDERAL CLAIMS-FALSE ARREST &  
FALSE IMPRISONMENT--GEELHOOD**

73. Plaintiff reasserts and incorporates each of the allegations stated above.

74. Pursuant to 42 U.S.C. § 1983, as well as the 4<sup>th</sup>, 8<sup>th</sup> and/or 14<sup>th</sup> Amendments to the United States Constitution, individuals are protected from detention without legal process.

75.Darell was falsely arrested and falsely imprisoned by Geelhood.

76.Geelhood intentionally and deliberately, or with a reckless disregard for the truth, made false statements, material misrepresentations and/or omissions in the search warrant and affidavit to establish probable cause for Darell's arrest and imprisonment.

77.The magistrate would not have found probable cause for the search warrant without Geelhood's false statements, material misrepresentations and/or omissions.

78.The protection from detention without legal process is a clearly established constitutional right of which a reasonable person and/or officer would have known,.

79.Hence, Geelhood's actions are objectively unreasonable considering this clearly established constitutional right.

80.As a direct and proximate result of Geelhood's misconduct, Darell has suffered damages, and will continue to suffer damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense incurred by Darell to defend against the frivolous criminal charges prosecuted against him; and

h. All other damages learned through the course of discovery and up to the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT VII: FEDERAL CLAIM—MALICIOUS PROSECUTION—GEELHOOD**

81. Plaintiff reasserts and incorporates each of the allegations stated above.

82. Pursuant to 42 U.S.C. § 1983, as well as the 4<sup>th</sup>, 8<sup>th</sup> and/or 14<sup>th</sup> Amendments to the United States Constitution, individuals are protected from criminal prosecution without probable cause.

83. A criminal prosecution was initiated by Geelhood against Darell.

84. Geelhood influenced and/or participated in the prosecution against Darell when he intentionally and deliberately, or with a reckless disregard for the truth, made false statements, material misrepresentations and/or omissions in the search warrant and affidavit.

85. Geelhood's false statements were material in establishing probable cause to prosecute Darell.

86. Darell suffered a deprivation of liberty as a consequence of the legal proceeding because he was imprisoned for over 8 years.

87. The criminal proceedings against Darell were ultimately resolved in his favor when his conviction was vacated.

88. The protection from criminal prosecution without probable cause is a clearly established constitutional right of which a reasonable person would have known.

89. Geelhood's actions were objectively unreasonable considering this clearly established constitutional right.

90. As a direct and proximate result of Geelhood's misconduct, Darell has suffered, and will continue to suffer damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense that Darell incurred to defend against wrongfully prosecuted criminal charges; and
- h. All other damages learned through the course of discovery and up through the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT VIII: FEDERAL CLAIMS—DENIAL OF DUE PROCESS—GEELHOOD**

91. Plaintiff reasserts and incorporates each of the allegations stated above.
92. Darell had a right under the due process clause in the federal constitution, as well as the due process clause in Michigan's constitution, not to be deprived of his life, liberty, or property.
93. At all times relevant to this lawsuit, Geelhood was a state actor and his conduct was subject to 42 U.S.C. §§ 1983, 1985, and 1988.
94. The search warrant and affidavit that Geelhood falsified and/or his failure to disclose that he falsified the search warrant and affidavit violated Darell's right to due process.
95. Geelhood willfully or inadvertently falsified the search warrant and affidavit and/or failed to disclose that he falsified the search warrant and affidavit.
96. Probable cause could not have been established without Geelhood's falsified statements in the search warrant and affidavit and/or without his failure to disclose that he falsified statements in the search warrant and affidavit.
97. As a result of Geelhood's falsified statements in the search warrant and affidavit and/or Geelhood's failure to disclose that he falsified statements in the search warrant and affidavit Darell was prejudiced.
98. Geelhood's knowledge that the statements he provided to establish probable cause for the search warrant and affidavit were false was exculpatory.

99. Despite having this exculpatory evidence, Geelhood never produced this evidence to the prosecution or defense counsel in violation of *Brady v. Maryland*, 373 U.S. 83 (1963).

100. The right to due process is a clearly established constitutional right of which a reasonable person would have known.

101. Geelhood's actions were objectively unreasonable considering this clearly established constitutional right.

102. As a direct and proximate result of Geelhood's misconduct, Darell has suffered damages and will continue to suffer damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense that Darell incurred to defend against wrongfully prosecuted criminal charges; and
- h. All other damages learned through the course of discovery and up through the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

Respectfully submitted,

**JOHNSON LAW, PLC.**

By: /s/ Ayanna D. Hatchett  
AYANNA D. HATCHETT (P70055)  
VEN R. JOHNSON (P39)  
Counsel for Plaintiff  
The Buhl Building  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324.8300

Dated: September 23, 2020

**EXHIBIT 6B**

**Federal Court Lawsuit Docket**

reassigned

**U.S. District Court  
Eastern District of Michigan (Detroit)  
CIVIL DOCKET FOR CASE #: 2:20-cv-11616-GCS-EAS**

Chancellor v. Geelhood et al  
Assigned to: District Judge George Caram Steeh  
Referred to: Magistrate Judge Elizabeth A. Stafford  
Demand: \$75,000  
Cause: 28:2201 Constitutionality of State Statute(s)

Date Filed: 06/19/2020  
Jury Demand: Plaintiff  
Nature of Suit: 950 Constitutional - State Statute  
Jurisdiction: Federal Question

**Plaintiff**

**Darell Deon Chancellor**

represented by **Madeline M. Sinkovich**  
Mike Morse Law Firm  
24901 Northwestern Hwy  
Ste 700  
Southfield, MI 48075  
248-621-2245  
Email:  
madeline.sinkovich@855mikewins.com  
*ATTORNEY TO BE NOTICED*

**Ayanna D. Hatchett**  
Johnson Law PLC  
535 Griswold St.  
Suite 2632  
Detroit, MI 48226-3687  
313-324-8300  
Email: ahatchett@venjohnsonlaw.com  
*ATTORNEY TO BE NOTICED*

V.

**Defendant**

**Officer Stephen Geelhood**

represented by **Patrick M. Cunningham**  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-5032  
Fax: 313-224-5505  
Email: cunninghamp@detroitmi.gov  
*ATTORNEY TO BE NOTICED*

**Defendant**

**City of Detroit, a Municipal entity**

represented by **Patrick M. Cunningham**  
(See above for address)

*ATTORNEY TO BE NOTICED*

| Date Filed | #                  | Docket Text  |
|------------|--------------------|--|
| 06/19/2020 | <a href="#">1</a>  | COMPLAINT <i>and Jury Demand</i> filed by Darell Deon Chancellor against All Defendants with Jury Demand. <b>Plaintiff requests summons issued.</b> Receipt No: AMIEDC-7875697 - Fee: \$ 400. <b>County of 1st Plaintiff: wayne - County Where Action Arose: Wayne - County of 1st Defendant: wayne. [Previously dismissed case: No] [Possible companion case(s): None]</b> (Hatchett, Ayanna) (Entered: 06/19/2020) |
| 06/19/2020 | <a href="#">2</a>  | SUMMONS Issued for *City of Detroit, a Municipal entity* (SKra) (Entered: 06/19/2020)  |
| 06/19/2020 | <a href="#">3</a>  | SUMMONS Issued for *Officer Stephen Geelhood* (SKra) (Entered: 06/19/2020)   |
| 06/19/2020 |                    | A United States Magistrate Judge of this Court is available to conduct all proceedings in this civil action in accordance with 28 U.S.C. 636c and FRCP 73. The Notice, Consent, and Reference of a Civil Action to a Magistrate Judge form is available for download at <a href="http://www.mied.uscourts.gov">http://www.mied.uscourts.gov</a> (SKra) (Entered: 06/19/2020)   |
| 07/17/2020 | <a href="#">4</a>  | ANSWER to Complaint with Affirmative Defenses by City of Detroit, a Municipal entity. (Cunningham, Patrick) (Entered: 07/17/2020)  |
| 08/04/2020 | <a href="#">5</a>  | ANSWER to Complaint with Affirmative Defenses by Officer Stephen Geelhood. (Cunningham, Patrick) (Entered: 08/04/2020)   |
| 08/04/2020 | <a href="#">6</a>  | NOTICE TO APPEAR BY TELEPHONE: <b>Scheduling Conference set for 9/14/2020 at 2:00 PM before District Judge George Caram Steeh.</b> *Plaintiff's counsel shall initiate the conference call to 313-234-5175* ***JOINT DISCOVERY PLAN DUE BY 9/08/2020*** (BSau) (Entered: 08/04/2020)   |
| 09/08/2020 | <a href="#">7</a>  | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Scheduling Conference set for 9/14/2020 at 2:00 PM before District Judge George Caram Steeh.</b> (BSau) (Entered: 09/08/2020)   |
| 09/11/2020 | <a href="#">8</a>  | DISCOVERY plan jointly filed pursuant to Federal Rules of Civil Procedure 26(f) (Hatchett, Ayanna) (Entered: 09/11/2020)   |
| 09/14/2020 |                    | Minute Entry for proceedings before District Judge George Caram Steeh: Scheduling Conference held on 9/14/2020. (Court Reporter: None Present, Not on the Record) (BSau) (Entered: 09/14/2020)   |
| 09/14/2020 | <a href="#">9</a>  | SCHEDULING ORDER: <b>Discovery due by 3/19/2021, Dispositive Motion Cut-off set for 4/23/2021, Final Pretrial Conference set for 8/17/2021 at 10:00 AM before District Judge George Caram Steeh, Jury Trial set for 8/31/2021 at 9:00 AM before District Judge George Caram Steeh.</b> Signed by District Judge George Caram Steeh. (Refer to image for additional dates) (BSau) (Entered: 09/14/2020)               |
| 09/23/2020 | <a href="#">10</a> | AMENDED COMPLAINT with Jury Demand filed by Darell Deon Chancellor against All Defendants. <b>NO NEW PARTIES ADDED.</b> (Hatchett, Ayanna) (Entered: 09/23/2020)   |
| 09/23/2020 | <a href="#">11</a> | ORDER of consolidation. Signed by District Judge George Caram Steeh. (DPer) (Entered: 09/23/2020)  |
| 09/23/2020 | <a href="#">12</a> | Notice to Parties Regarding Consolidated Case: Order of consolidation entered on *09/23/20*. Designated lead case number is *20-11616*. (DPer) (Entered: 09/23/2020)   |
| 09/23/2020 | <a href="#">13</a> | AMENDED COMPLAINT with Jury Demand <i>Plaintiff's Second Amended Complaint</i> filed by Darell Deon Chancellor against All Defendants. <b>NO NEW PARTIES ADDED.</b> (Hatchett, Ayanna) (Entered: 09/23/2020)   |

|            |                    |   |
|------------|--------------------|---|
| 10/07/2020 | <a href="#">14</a> | ANSWER to Amended Complaint with Affirmative Defenses by City of Detroit, a Municipal entity, Officer Stephen Geelhood. (Cunningham, Patrick) (Entered: 10/07/2020)   |
| 01/22/2021 | <a href="#">15</a> | <i>Defendants'</i> WITNESS LIST by City of Detroit, a Municipal entity, Officer Stephen Geelhood (Cunningham, Patrick) (Entered: 01/22/2021)  |
| 01/25/2021 | <a href="#">16</a> | <i>PLAINTIFF'S</i> WITNESS LIST by Darell Deon Chancellor (Hatchett, Ayanna) (Entered: 01/25/2021)  |
| 02/25/2021 | <a href="#">17</a> | FIRST STIPULATED ORDER to Extend Scheduling Order. <b>Discovery due by 6/18/2021, Dispositive Motion Cut-off set for 7/23/2021, Final Pretrial Conference reset for 11/16/2021 at 10:00 AM before District Judge George Caram Steeh, Jury Trial reset for 11/30/2021 at 9:00 AM before District Judge George Caram Steeh.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 02/25/2021)       |
| 04/22/2021 | <a href="#">18</a> | <i>Second</i> WITNESS LIST by City of Detroit, a Municipal entity, Officer Stephen Geelhood (Cunningham, Patrick) (Entered: 04/22/2021)   |
| 05/21/2021 | <a href="#">19</a> | SECOND STIPULATED ORDER TO EXTEND SCHEDULING ORDER. <b>Discovery due by 9/16/2021; Dispositive Motion Cut-off reset for 10/21/2021; Final Pretrial Conference reset for 2/15/2022 at 10:00 AM before District Judge George Caram Steeh; and Jury Trial reset for 3/1/2022 at 09:00 AM before District Judge George Caram Steeh.</b> Signed by District Judge George Caram Steeh. (LHos) (Entered: 05/21/2021) |
| 07/21/2021 | <a href="#">20</a> | <i>Third</i> WITNESS LIST by All Defendants (Cunningham, Patrick) (Entered: 07/21/2021)   |
| 08/30/2021 | <a href="#">21</a> | THIRD STIPULATION AND ORDER to Extend Scheduling Order. <b>Discovery due by 12/14/2021, Dispositive Motion Cut-off set for 1/18/2022, Final Pretrial Conference reset for 5/17/2022 at 10:00 AM before District Judge George Caram Steeh, Jury Trial reset for 5/31/2022 at 9:00 AM before District Judge George Caram Steeh.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 08/30/2021)   |
| 10/18/2021 | <a href="#">22</a> | <i>CERTIFICATE OF SERVICE &amp; THIRD AMENDED</i> WITNESS LIST by All Plaintiffs (Hatchett, Ayanna) (Entered: 10/18/2021)   |
| 10/18/2021 | <a href="#">23</a> | <i>FOURTH</i> WITNESS LIST by All Defendants (Cunningham, Patrick) (Entered: 10/18/2021)  |
| 12/10/2021 | <a href="#">24</a> | FOURTH STIPULATED ORDER Extending Scheduling Order. <b>Discovery due by 2/14/2022, Dispositive Motion Cut-off set for 3/18/2022.</b> Final pretrial and trial dates will be determined after ruling on any dispositive motions. Signed by District Judge George Caram Steeh. (BSau) (Entered: 12/10/2021)   |
| 02/03/2022 | <a href="#">25</a> | STIPULATED PROTECTIVE ORDER. Signed by District Judge George Caram Steeh. (BSau) (Entered: 02/03/2022)  |
| 02/11/2022 | <a href="#">26</a> | MOTION for Protective Order by City of Detroit, a Municipal entity, Officer Stephen Geelhood. (Attachments: # <a href="#">1</a> Exhibit Craig Affidavit) (Cunningham, Patrick) (Entered: 02/11/2022)  |
| 02/11/2022 | <a href="#">27</a> | MOTION Extend Discovery and Dispositive Motion Cutoff by City of Detroit, a Municipal entity, Officer Stephen Geelhood. (Attachments: # <a href="#">1</a> Exhibit A, # <a href="#">2</a> Exhibit B) (Cunningham, Patrick) (Entered: 02/11/2022)   |
| 02/14/2022 | <a href="#">28</a> | ORDER Granting Defendants' <a href="#">27</a> MOTION Extend Discovery and Dispositive Motion Cutoff. <b>Discovery due by 4/15/2022, Dispositive Motion Cut-off set for 5/16/2022.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 02/14/2022)   |

|            |                    |  |
|------------|--------------------|--|
| 02/14/2022 |                    | Text-Only Order of reassignment from Magistrate Judge R. Steven Whalen to Magistrate Judge Elizabeth A. Stafford pursuant to Administrative Order 21-AO- 013. (JOWe) (Entered: 02/14/2022)   |
| 02/14/2022 | <a href="#">29</a> | ORDER Referring Pretrial Matters Excluding Dispositive Motions to Magistrate Judge Elizabeth A. Stafford Including <a href="#">26</a> Motion for Protective Order. Signed by District Judge George Caram Steeh. (BSau) (Entered: 02/14/2022)   |
| 02/22/2022 | <a href="#">30</a> | NOTICE OF IN PERSON HEARING on <a href="#">26</a> MOTION for Protective Order . <b>Motion Hearing set for 3/22/2022 at 02:00 PM before Magistrate Judge Elizabeth A. Stafford.</b> (MarW) (Entered: 02/22/2022)  |
| 02/25/2022 | <a href="#">31</a> | RESPONSE to <a href="#">26</a> MOTION for Protective Order , <i>Brief In Support &amp; Certificate of Service</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit 1-Correspondences & Deposition Notices, # <a href="#">2</a> Exhibit 2-Emails (11-24-2021), # <a href="#">3</a> Exhibit 3-Correspondences, NOD & Subpoenas, # <a href="#">4</a> Exhibit 4-Order Re Motion Summary Judgment) (Hatchett, Ayanna) (Entered: 02/25/2022) |
| 03/04/2022 | <a href="#">32</a> | REPLY to Response re <a href="#">26</a> MOTION for Protective Order filed by All Defendants. (Cunningham, Patrick) (Entered: 03/04/2022)   |
| 03/21/2022 | <a href="#">33</a> | ORDER Canceling Hearing And Denying Defendant's Motion for Protective Order (ECF No. <a href="#">26</a> ). Signed by Magistrate Judge Elizabeth A. Stafford. (MarW) (Entered: 03/21/2022)  |
| 04/22/2022 | <a href="#">34</a> | STIPULATED ORDER Extending Scheduling Order Dates. <b>Discovery due by 6/13/2022, Dispositive Motion Cut-off set for 7/14/2022.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 04/22/2022)  |
| 06/13/2022 | <a href="#">35</a> | STIPULATED ORDER Extending Scheduling Order Dates. <b>Discovery due by 8/12/2022, Dispositive Motion Cut-off set for 9/9/2022.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 06/13/2022)   |
| 08/12/2022 | <a href="#">36</a> | MOTION to Compel by Darell Deon Chancellor. (Attachments: # <a href="#">1</a> Exhibit, # <a href="#">2</a> Exhibit, # <a href="#">3</a> Exhibit) (Sinkovich, Madeline) (Entered: 08/12/2022)   |
| 08/18/2022 | <a href="#">37</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference regarding Motion to Compel set for 8/23/2022 at 11:00 AM before Magistrate Judge Elizabeth A. Stafford.</b> See notice for AT&T conference details. (MarW) (Entered: 08/18/2022)   |
| 08/22/2022 |                    | Set Deadlines/Hearings: <b>TELEPHONIC Status Conference reset for 8/24/2022 at 11:00 AM before Magistrate Judge Elizabeth A. Stafford.</b> Counsel shall call (888) 5578511 and enter access code: 1137044 to participate in the telephonic conference. *** Please note that a security code will be emailed separately*** (MarW) (Entered: 08/22/2022)  |
| 08/22/2022 | <a href="#">38</a> | STIPULATED ORDER Extending Scheduling Order. <b>Discovery due by 11/10/2022, Dispositive Motion Cut-off set for 12/8/2022.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 08/22/2022)   |
| 08/24/2022 |                    | Minute Entry for telephonic proceedings before Magistrate Judge Elizabeth A. Stafford: Telephonic Status Conference held on 8/24/2022 (Court Reporter: None Present, Not on the Record) (MarW) (Entered: 08/24/2022)   |
| 08/24/2022 | <a href="#">39</a> | ORDER About Plaintiff's Motion to Compel (ECF No. <a href="#">36</a> ). ( <b>Response due by 8/26/2022; Notice to Court regarding motion to compel due 9/7/2022</b> ). See Order for more details. Signed by Magistrate Judge Elizabeth A. Stafford. (MarW) (Entered: 08/24/2022)  |
| 08/26/2022 | <a href="#">40</a> | RESPONSE to <a href="#">36</a> MOTION to Compel filed by All Defendants. (Cunningham, Patrick) (Entered: 08/26/2022)   |

|            |                    |  |
|------------|--------------------|--|
| 09/22/2022 |                    | TEXT-ONLY ORDER: The Court ordered the plaintiff to, by September 7, 2022, file a notice of whether its motion to compel, ECF No. 36, has become moot. ECF No. 39. If the motion had not become moot, the city was to submit unredacted and redacted copies of the internal affairs report for in camera review by September 12, 2022. <i>Id.</i> Plaintiff filed no notice about whether the motion is moot. It must do so no later than September 26, 2022. If the plaintiff still files no notice, the Court will deny the motion to compel as moot. SO ORDERED. Signed by Magistrate Judge Elizabeth A. Stafford. (MarW) (Entered: 09/22/2022) |
| 09/23/2022 | <a href="#">41</a> | NOTICE by All Plaintiffs re <a href="#">36</a> MOTION to Compel (Hatchett, Ayanna) (Entered: 09/23/2022)   |
| 09/23/2022 | <a href="#">42</a> | ORDER Extending Deadline for Defendant to Produce Documents for In Camera Review. ( <b>Documents for In Camera Review due by 9/30/2022</b> ) Signed by Magistrate Judge Elizabeth A. Stafford. (MarW) (Entered: 09/23/2022)  |
| 10/17/2022 | <a href="#">43</a> | ORDER Granting in Part and Denying in Part Plaintiff's Motion to Compel (ECF No. <a href="#">36</a> ). Signed by Magistrate Judge Elizabeth A. Stafford. (MarW) (Entered: 10/17/2022)  |
| 10/24/2022 | <a href="#">44</a> | CERTIFICATION OF COMPLETION OF PRETRIAL PROCEEDINGS by Magistrate Judge Elizabeth A. Stafford. (MarW) (Entered: 10/24/2022)  |
| 11/10/2022 | <a href="#">45</a> | STIPULATED ORDER for Limited Extension of Scheduling Order. <b>Discovery due by 2/7/2023, Dispositive Motion Cut-off set for 3/7/2023.</b> Signed by District Judge George Caram Steeh. (BSau) (Entered: 11/10/2022)   |
| 02/07/2023 | <a href="#">46</a> | <i>Plaintiff's Fourth Amended</i> WITNESS LIST by All Plaintiffs (Hatchett, Ayanna) (Entered: 02/07/2023)  |
| 03/03/2023 | <a href="#">47</a> | STIPULATED ORDER FOR LIMITED EXTENSION OF SCHEDULING ORDER: <b>Discovery due by 4/24/2023 Dispositive Motion Cut-off set for 5/24/2023.</b> Signed by District Judge George Caram Steeh. (MLan) (Entered: 03/03/2023)  |

|                             |               |                         |                       |
|-----------------------------|---------------|-------------------------|-----------------------|
| <b>PACER Service Center</b> |               |                         |                       |
| <b>Transaction Receipt</b>  |               |                         |                       |
| 04/27/2023 14:36:50         |               |                         |                       |
| <b>PACER Login:</b>         | meps3037      | <b>Client Code:</b>     |                       |
| <b>Description:</b>         | Docket Report | <b>Search Criteria:</b> | 2:20-cv-11616-GCS-EAS |
| <b>Billable Pages:</b>      | 5             | <b>Cost:</b>            | 0.50                  |

**EXHIBIT 6C**  
**State Court Complaint**

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DARELL CHANCELLOR,

Plaintiff,

CASE NO.

HON.

-vs-

OFFICER STEPHEN GEELHOOD,  
In his individual and representative capacity,  
And the CITY OF DETROIT,  
A municipal entity,

Defendants.

---

VEN R. JOHNSON (P39219)  
AYANNA D. HATCHETT (P70055)  
Attorneys for Plaintiff  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324-8300  
[vjohnson@venjohnsonlaw.com](mailto:vjohnson@venjohnsonlaw.com)  
[ahatchett@venjohnsonlaw.com](mailto:ahatchett@venjohnsonlaw.com)

---

PATRICK M. CUNNINGHAM  
(P67643)  
City of Detroit Law Department  
Attorneys for Defendant City of Detroit  
2 Woodward Avenue, Suite 500  
Detroit, MI 48226  
(313) 237-5032  
[cunninghamp@detroitmi.gov](mailto:cunninghamp@detroitmi.gov)

---

**A case between these parties arising out of the same incident is currently before this court at Case No. 20-11616.**

**Notice of Removal of Civil Action**

Under 28 U.S.C. § 1441, Defendant City of Detroit (hereinafter, “City”) removes this civil action predicated upon the following:

1. On June 19, 2020, plaintiff commenced this action in the Third Judicial Circuit of Michigan. This action is now pending before that court.

2. Defendant was served with the summons and complaint on June 29, 2020.  
(Exhibit A).
3. Paragraph 5 of Plaintiff's complaint alleges claims under the United States Constitution as well as money damages under 42 USC § 1983. (Id).
4. This Court has original jurisdiction of the above-entitled action under 28 U.S.C. § 1331 and removal of the action to this Court is proper under 28 U.S.C. § 1441.
5. Under 28 U.S.C. § 1441(c) this action is removed in its entirety to this Court.
6. Copies of all process, pleadings, and orders served upon the defendants in this matter are attached.
7. This notice is timely, having been filed within thirty days after service of the Amended Complaint upon the defendants, which raises claims under the United States Constitution as well as 42 USC § 1983.
8. Upon information and belief, no other defendants have been served, and all potential defendants are expected to consent.

9. The undersigned has prepared a written notice of the removal of this action. Such notice has been provided to counsel for plaintiff and to the clerk of the court from which this matter is removed. Promptly after filing this Notice of Removal of Civil Action, the undersigned will file a copy with the clerk of the court from which this action is removed, and provide a copy to counsel of record by first class mail and email. Based upon the authorities and facts recited above, defendants remove the above-entitled action to this Court.

CITY OF DETROIT

PATRICK M. CUNNINGAM (P67643)

By: /s/ Patrick M. Cunningham

City of Detroit Law Department

Attorney for City of Detroit

2 Woodward Avenue, Suite 500

Detroit, Michigan 48226

(313) 237-5032

[cunninghamp@detroitmi.gov](mailto:cunninghamp@detroitmi.gov)

July 27, 2020

**Certificate of Service**

The undersigned certifies that on July 27, 2020, he served the foregoing papers upon the above named counsel of record by U.S. Mail and by email.

/s/ Patrick M. Cunningham

# EXHIBIT A

Approved, SCAO

Original - Court  
1st Copy- Defendant

2nd Copy - Plaintiff  
3rd Copy -Return

|  |                |  |
|--|----------------|--|
| <b>STATE OF MICHIGAN<br/>THIRD JUDICIAL CIRCUIT<br/>WAYNE COUNTY</b> | <b>SUMMONS</b> | <b>CASE NO.<br/>20-007758-NO<br/>Hon.Edward Ewell, Jr.</b> |
|--|----------------|--|

Court address : 2 Woodward Ave., Detroit MI 48226

Court telephone no.: 313-224-5195

|   |   |   |
|---|---|---|
| Plaintiff's name(s), address(es), and telephone no(s)<br><b>CHANCELLOR, DARELL</b>  | v | Defendant's name(s), address(es), and telephone no(s).<br><b>CITY OF DETROIT, a Muncipal entity</b> |
| Plaintiff's attorney, bar no., address, and telephone no<br><br><b>Ayanna D. Hatchett 70055<br/>535 Griswold St Ste 2632<br/>Detroit, MI 48226-3687</b> |   |   |

**Instructions:** Check the items below that apply to you and provide any required information. Submit this form to the court clerk along with your complaint and, if necessary, a case inventory addendum (form MC 21). The summons section will be completed by the court clerk.

**Domestic Relations Case**

- There are no pending or resolved cases within the jurisdiction of the family division of the circuit court involving the family or family members of the person(s) who are the subject of the complaint.
- There is one or more pending or resolved cases within the jurisdiction of the family division of the circuit court involving the family or family members of the person(s) who are the subject of the complaint. I have separately filed a completed confidential case inventory (form MC 21) listing those cases.
- It is unknown if there are pending or resolved cases within the jurisdiction of the family division of the circuit court involving the family or family members of the person(s) who are the subject of the complaint.

**Civil Case**

- This is a business case in which all or part of the action includes a business or commercial dispute under MCL 600.8035
- MDHHS and a contracted health plan may have a right to recover expenses in this case. I certify that notice and a copy of the complaint will be provided to MDHHS and (if applicable) the contracted health plan in accordance with MCL 400.106(4).
- There is no other pending or resolved civil action arising out of the same transaction or occurrence as alleged in the complaint.
- A civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has

been previously filed in  this court,  \_\_\_\_\_ Court,

where it was given case number \_\_\_\_\_ and assigned to Judge \_\_\_\_\_.

The action  remains  is no longer pending.

Summons section completed by court clerk.

**SUMMONS**

**NOTICE TO THE DEFENDANT:** In the name of the people of the State of Michigan you are notified:

1. You are being sued.
2. **YOU HAVE 21 DAYS** after receiving this summons and a copy of the complaint to **file a written answer with the court** and serve a copy on the other party or **take other lawful action with the court** (28 days if you were served by mail or you were served outside this state).
3. If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.
4. If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you fully participate in court proceedings, please contact the court immediately to make arrangements.

|                         |                               |                                 |
|-------------------------|-------------------------------|---------------------------------|
| Issue date<br>6/19/2020 | Expiration date*<br>9/18/2020 | Court clerk<br>Carlita McMiller |
|-------------------------|-------------------------------|---------------------------------|

Cathy M. Garrett- Wayne County Clerk.

\*This summons is invalid unless served on or before its expiration date. This document must be sealed by the seal of the court.

MC 01 (9/19)

**SUMMONS**

MCR 1.109(D), MCR 2.102(B), MCR 2.103, MCR 2.104, MCR 2.105



**SUMMONS**  
Case No. : 20-007758-NO

**PROOF OF SERVICE**

TO PROCESS SERVER: You are to serve the summons and complaint not later than 91 days from the date of filing or the date of expiration on the order for second summons. You must make and file your return with the court clerk. If you are unable to complete service you must return this original and all copies to the court clerk.

**CERTIFICATE / AFFIDAVIT OF SERVICE / NONSERVICE**

|   |           |  |
|---|-----------|--|
| <input type="checkbox"/> <b>OFFICER CERTIFICATE</b>   | <b>OR</b> | <input type="checkbox"/> <b>AFFIDAVIT OF PROCESS SERVER</b>  |
| I certify that I am a sheriff, deputy sheriff, bailiff, appointed court officer, or attorney for a party (MCR 2.104[A][2]), and that: (notarization not required) |           | Being first duly sworn, I state that I am a legally competent adult, and I am not a party or an officer of a corporate party (MCR 2.103[A]), and that: (notarization required) |

I served personally a copy of the summons and complaint.

I served by registered or certified mail (copy of return receipt attached) a copy of the summons and complaint, together with \_\_\_\_\_

List all documents served with the Summons and Complaint

\_\_\_\_\_ on the defendant(s):

| Defendant's name | Complete address(es) of service | Day, date, time |
|------------------|---------------------------------|-----------------|
|                  |                                 |                 |
|                  |                                 |                 |

I have personally attempted to serve the summons and complaint, together with any attachments, on the following defendant(s) and have been unable to complete service.

| Defendant's name | Complete address(es) of service | Day, date, time |
|------------------|---------------------------------|-----------------|
|                  |                                 |                 |
|                  |                                 |                 |

I declare under the penalties of perjury that this proof of service has been examined by me and that its contents are true to the best of my information, knowledge, and belief.

|                             |                      |           |                 |
|-----------------------------|----------------------|-----------|-----------------|
| Service fee<br>\$           | Miles traveled<br>\$ | Fee<br>\$ |                 |
| Incorrect address fee<br>\$ | Miles traveled<br>\$ | Fee<br>\$ | Total fee<br>\$ |

Signature \_\_\_\_\_

Name (type or print) \_\_\_\_\_

Title \_\_\_\_\_

Subscribed and sworn to before me on \_\_\_\_\_, \_\_\_\_\_ County, Michigan.  
Date

My commission expires: \_\_\_\_\_ Date Signature: \_\_\_\_\_ Deputy court clerk/Notary public

Notary public, State of Michigan, County of \_\_\_\_\_

**ACKNOWLEDGMENT OF SERVICE**

I acknowledge that I have received service of the summons and complaint, together with \_\_\_\_\_ Attachments

\_\_\_\_\_ on \_\_\_\_\_ Day, date, time

\_\_\_\_\_ on behalf of \_\_\_\_\_

Signature \_\_\_\_\_

STATE OF MICHIGAN  
IN THE THIRD CIRCUIT OF WAYNE COUNTY

DARELL CHANCELLOR,

Plaintiff,

v.

Case No. 20- -NO  
Hon.

OFFICER STEPHEN GEELHOOD in his  
Individual and Representative Capacity,  
and the CITY OF DETROIT,  
a Municipal entity,

Defendants.

AYANNA D. HATCHETT (P70055)  
VEN R. JOHNSON (P39219)  
Counsel for Plaintiff  
The Buhl Building  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324.8300  
[vjohnson@venjohnsonlaw.com](mailto:vjohnson@venjohnsonlaw.com)  
[ahatchett@venjohnsonlaw.com](mailto:ahatchett@venjohnsonlaw.com)

RECEIVED  
JUN 29 2020  
CITY OF DETROIT  
LAW DEPARTMENT  
Grp Mail  
3-14  
3-pg

COMPLAINT & JURY DEMAND

There are no other pending civil actions arising out  
of the transactions or occurrences alleged in this Complaint.

/s/ Ayanna D. Hatchett  
AYANNA D. HATCHETT (P70055)

NOW COMES Plaintiff, DARELL CHANCELLOR, through his counsel, JOHNSON  
LAW, PLC and for his Complaint against the defendants states as follows:

- 1. At all times relevant to this lawsuit, Plaintiff, Darell Chancellor (“Darell”) was a resident  
of Detroit, in Wayne County, Michigan.

20-007758-NO FILED IN MY OFFICE Cathy M. Garrett WAYNE COUNTY CLERK 6/19/2020 12:49 PM Carliita McMiller

2. At all times relevant to this lawsuit, Defendant Officer Stephen Geelhood (“Geelhood”) was employed as a police officer with the Detroit Police Department.
3. At all times relevant to this lawsuit, Geelhood acted under color of state law and is being sued in his individual and representative capacities.
4. At all times relevant to this lawsuit, Defendant City of Detroit (“The City”) was a municipal corporation, duly organized in carrying on governmental functions in the City of Detroit, in Wayne County, Michigan.
5. The amount in controversy exceeds \$25, 000.00 exclusive of costs, interest and attorney fees; and jurisdiction is otherwise conferred on this Court pursuant to the United States Constitution as well as 42 U.S.C. §1983.

#### COMMON ALLEGATIONS

6. At all times relevant to this lawsuit, Geelhood was a member of the now-defunct narcotics unit in the police department for the City of Detroit.
7. On November 2, 2011, an affidavit in support of a search warrant was falsified and sworn to by Officer Geelhood before a 36<sup>th</sup> District Court magistrate in the City of Detroit.
8. As a result of Geelhood’s swearing to the false affidavit, a search warrant was issued by the magistrate for the search of 5023 32<sup>nd</sup> Street in Detroit, the home of Darell’s mother.
9. In the false affidavit, Geelhood alleged that he had received information from a confidential informant (CI) on October 31, 2011 that a large quantity of heroin was being stored at and sold from the 32<sup>nd</sup> Street home. That allegation was false.
10. In the false affidavit, Geelhood further alleged that he had set up surveillance at 5023 32<sup>nd</sup> Street on November 1, 2011, and personally observed a black male, described as being in

his “30s [, 5’8”], 180 lbs.” engaging in a “suspected narcotics transaction” with buyers.

That allegation was also false.

11. The affidavit went on to state that based on his 17 years of experience as a police officer and 9 years in the Narcotics Unit, Geelhood believed that there was probable cause that heroin and the individual suspected of making the narcotics transaction would be found on the premises.
12. On November 2, 2011, the search warrant based on Geelhood’s false affidavit was executed at 5023 32<sup>nd</sup> Street in Detroit. During the execution of the warrant, a quantity of cocaine was found on the premises. No heroin was found.
13. Darell was not at his mother’s house when the search warrant was executed. But he was later arrested in May of 2012 and charge with (a) the delivery/manufacture of a controlled substance (450 to 999 grams); (b) possession of a controlled substance (450 to 999 grams); (c) felon in possession of a firearm; and (d) felony firearm.
14. The false claims made and sworn to b Geelhood in the search warrant affidavit led directly to the issuance of the search warrant, the raid at 5023 32<sup>nd</sup> Street, the seizure of the cocaine and to Darell’s subsequent prosecution.
15. As a direct result of Geelhood’s false affidavit, Darell was arrested in May of 2012 and held in Wayne County Jail until his trial date.
16. A bench trial was conducted before the Honorable Daniel Hathaway on November 8, 2012.
17. Geelhood was the prosecution’s star witness at trial. He testified to both the seizure of the cocaine during the raid and the events that he falsely claimed had occurred the two previous days.

18. Geelhood testified falsely at trial that he was telling the truth to the magistrate when he swore to the affidavit before the 36<sup>th</sup> District Court magistrate.
19. Geelhood also testified falsely at trial about receiving a tip from the CI, conducting surveillance, and he further falsely identified Darell as the person that he supposedly observed selling heroin during his alleged surveillance of Darell's mother's home.
20. The falseness of Geelhood's testimony regarding the alleged three separate hand-to-hand narcotic transactions during his surveillance is magnified by the fact that he never stopped any of the individuals allegedly involved in the drug buys to verify that one had actually taken place.
21. The falseness of Geelhood's identification of Darell as the person who he allegedly observed selling drugs on November 1, 2011 was further demonstrated by the difference between the description of the alleged seller as 5'8", 180 pounds, no glasses, and the actual size and description of Darell who is 5'11", 250 pounds and has worn prescription glasses his entire adult life.
22. On November 12, 2012, when Darell was found guilty of possession of cocaine, Judge Hathaway explicitly relied on Geelhood's false statements that identified Darell as the person who was seen selling drugs from the target address.
23. The reliance on Geelhood's false statements was highlighted when Judge Hathaway issued his verdict convicting Darell of possession of cocaine and stated the following:

*"So it really comes down to the reliability of Officer Geelhood's identification. As I said when [Geelhood] was questioned and the discrepancies were pointed out he was adamant and maintained that the individual he saw that day through the binoculars was, in fact, the defendant Mr. Chancellor; that he recognized him from that surveillance that he did and that he was in fact the person and of course*

*to me, this comes down to, well, part of it comes down to that identification.”* (Trial transcript, Vol. 3, pp 31-32)

24. Darell was sentenced on December 12, 2012 to serve a term of 14 years and 3 months to 30 years of imprisonment.
25. The Conviction Integrity Unit (CIU), a division of the Wayne County Prosecutor’s Office, became involved in Darell’s case as a result of an internal investigation by the Detroit Police Department (DPD) as well as a federal investigation into the department’s Narcotics Unit concerning allegations that multiple Detroit police narcotics officers, including Geelhood, had participated in falsifying warrant affidavits, falsely accusing citizens of drug crimes and stealing case, guns and narcotics found during search warrant executions.
26. On information and belief, at the time of Darell’s trial in 2012, the City was aware of the existence of the federal investigation and that the DPD had begun its own investigation of the Narcotics Unit.
27. As a result of the DPD’s investigation, the Narcotic Unit, which included Geelhood, was disbanded by Detroit Police Chief James Craig in the summer of 2014.
28. In 2019, because of the numerous allegations of misconduct against multiple officers in the Narcotics Unit, Darell’s conviction was reviewed by the CIU.
29. The CIU’s investigation found that the records of the DPD and/or the Narcotics Unit contained no complaints of criminal activity at the 32<sup>nd</sup> Street address.
30. The CIU also found that there were no records of the tip allegedly provided by the CI to Geelhood as alleged in his false search warrant affidavit.
31. At the conclusion of their investigation, the CIU determined that the allegations contained in the search warrant affidavit and Geelhood’s trial testimony could not be corroborated.

32. Likewise, the CIU concluded that the allegations in Geelhood's affidavit that supported the issuance of the search warrant for the home on 32<sup>nd</sup> Street were false.
33. An order to vacate Darell's conviction was subsequently entered on March 24, 2020.
34. From the time of Darell's false arrest that arose from Geelhood's falsified search warrant and affidavit, up through the time that his conviction was vacated, Darell was incarcerated for eight years.
35. Because of Geelhood and/or the City's negligent, grossly negligent and/or intentional misconduct, Darell was unlawfully arrested, imprisoned, maliciously prosecuted and deprived of due process, for a crime that Geelhood and/or the City knew Darell did not commit.

**COUNT I: STATE CLAIM—FALSE ARREST--GEELHOOD**

36. Plaintiff reasserts and incorporates each of the allegations stated above.
37. Darell was arrested.
38. Darell was aware of the arrest and it was against his will.
39. Geelhood knew that the search warrant and affidavit that Darell's arrest was premised upon was not based on true and accurate information and thus did not provide probable cause for Darell's arrest.
40. Geelhood knew that he had falsified statements in the affidavit to support the search warrant which led to an unlawful search and seizure of the property found at Darell's mother's home on 32<sup>nd</sup> Street, which ultimately led to Darell's arrest.
41. As the direct and proximate result of Geelhood's misconduct, Darell suffered, and will continue to suffer, damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense incurred by Darell to defend against the frivolous criminal charges prosecuted against him; and
- h. All other damages learned through the course of discovery and up to the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25,000.00 and exclusive of costs, interest, and attorney fees.

**COUNT II: STATE CLAIM—MALICIOUS PROSECUTION—GEELHOOD**

42. Plaintiff reasserts and incorporates each of the allegations stated above.
43. Geelhood instituted and initiated the allegations of criminal activity against Darell without probable cause and with malice or a with primary purpose other than bringing about justice through the proper adjudication of the claim upon which the proceedings are based.
44. Darell's criminal conviction was vacated in his favor.
45. As the direct and proximate result of Geelhood's misconduct, Darell has suffered damages and will continue to suffer damages in the future, including but not limited to:

- a. Mental anguish;
- b. Embarrassment, humiliation or mortification;
- c. Denial of social pleasure and enjoyment; and
- d. All other damages learned through the course of discovery and up through time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25, 000.00 and exclusive of costs, interest, and attorney fees.

**COUNT III: STATE CLAIM—FALSE IMPRISONMENT—GEELHOOD**

46. Plaintiff reasserts and incorporates each of the allegations stated above.
47. Darell was imprisoned by Geelhood when he was arrested without probable cause and thus deprived of his personal liberty and freedom of movement.
48. Such imprisonment was against Darell's will.
49. Geelhood accomplished the imprisonment by actual physical force.
50. Geelhood intended to deprive Darell of his personal liberty or freedom of movement.
51. Such imprisonment was unlawful because the arrest was made without probable cause.
52. The prosecution against Darell was caused by Geelhood.
53. A post-conviction proceeding vacated Darell's underlying conviction for possession which in turn released Darell from serving further time in prison.
54. There was no probable cause for initiating or continuing the proceeding.
55. The initiation or continuation of the proceeding was done with malice or a primary purpose other than that of bringing the offender to justice.

56. As the direct and proximate result of misconduct by Geelhood, Darell suffered, and will continue to suffer, damages in the future, including, but not limited to:

- a. Physical pain and suffering;
- b. Mental anguish;
- c. Fright and shock;
- d. Denial of social pleasure and enjoyments;
- e. Embarrassment, humiliation or mortification;
- f. Lost wages and/or earning capacity;
- g. The legal expense that Darell incurred to defend against the wrongfully prosecuted criminal charges; and
- h. All other damages learned through the course of discovery and up through the time of trial.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25, 000.00 and exclusive of costs, interest, and attorney fees.

**COUNT IV: STATE CLAIM—GROSS NEGLIGENCE—GEELHOOD**

57. Plaintiff reasserts and incorporates each of the allegations stated above.

58. Geelhood had a duty to the general public and in particular to Darell, to refrain from grossly negligent conduct.

59. Geelhood breached that duty and was grossly negligent, or was so reckless as to demonstrate a substantial lack of concern for whether an injury would result when he

knowingly falsified the contents of the affidavit that supported the search warrant and knowing executed the search warrant that he knew lacked probable cause.

60. By knowingly falsifying the contents of affidavit and knowingly executing a search that he knew lacked probable cause, Geelhood withheld evidence that exculpated Darell.

61. Geelhood's gross negligence was the one most immediate, efficient, and direct cause of the injury or damage, e.g., the proximate cause, of Darell's damages and injuries, including but not limited to:

- a. False arrest for a crime he did not commit;
- b. False imprisonment for a crime he did not commit;
- d. Physical pain and suffering;
- e. Mental anguish;
- f. Fright and shock;
- g. Denial of social pleasure and enjoyment;
- h. Embarrassment, humiliation or mortification;
- i. Lost wages and/or earning capacity; and
- j. All other damages learned through the course of discovery.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter a Judgment in his favor and against the defendants in an amount in excess of \$25, 000.00 and exclusive of costs, interest, and attorney fees.

Respectfully submitted,

**JOHNSON LAW, PLC.**

By: /s/ Ayanna D. Hatchett  
AYANNA D. HATCHETT (P70055)  
VEN R. JOHNSON (P39)  
Counsel for Plaintiff  
The Buhl Building  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324.8300

Dated: June 19, 2020

**STATE OF MICHIGAN  
IN THE THIRD CIRCUIT OF WAYNE COUNTY**

DARELL CHANCELLOR,

Plaintiff,

Case No. 20-        -NO  
Hon.                   

v.

OFFICER STEPHEN GEELHOOD in his  
Individual and Representative Capacity,  
and the CITY OF DETROIT,  
a Municipal entity,

Defendants.

---

AYANNA D. HATCHETT (P70055)  
VEN R. JOHNSON (P39219)  
Counsel for Plaintiff  
The Buhl Building  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324.8300  
[vjohnson@venjohnsonlaw.com](mailto:vjohnson@venjohnsonlaw.com)  
[ahatchett@venjohnsonlaw.com](mailto:ahatchett@venjohnsonlaw.com)

---

**JURY DEMAND**

NOW COMES Plaintiff, DARELL CHANCELLOR, through his counsel, JOHNSON  
LAW, PLC to respectfully demand a trial by jury.

Respectfully submitted,

**JOHNSON LAW, PLC**

By: /s/ Ayanna D. Hatchett  
AYANNA D. HATCHETT (P70055)  
VEN R. JOHNSON (P39219)  
Counsel for Plaintiff  
The Buhl Building  
535 Griswold, Ste. 2632  
Detroit, MI 48226  
(313) 324.8300

Dated: June 19, 2020

20-007758-NO FILED IN MY OFFICE Cathy M. Garrett WAYNE COUNTY CLERK 6/19/2020 12:49 PM Carlita McMiller



**JOHNSON LAW, PLC**  
ATTORNEYS AND COUNSELORS  
Buhl Building . 535 Griswold Street . Suite 2632  
Detroit, Michigan 48226

Lawrence Garcia  
Mayor's Office  
2 Woodward Ave., Suite 1126  
Detroit, MI 48226  
209359

*Jim Niseda*

**RECEIVED**  
JUN 29 2020  
CITY OF DETROIT  
LAW DEPARTMENT

DuPont™ Tyvek®  
Protect What's Inside™

Surviv™  
Quality Park Products

FIRST • CLASS

# First Class Mail

**EXHIBIT 6D**  
**Order of Consolidation**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DARELL DEON CHANCELLOR,

Plaintiff,

Case No. 20-11616, 20-11992  
Honorable George Caram Steeh

v.

OFFICER STEPHEN GEELHOOD, et al.,

Defendants.

---

**ORDER OF CONSOLIDATION**

To promote convenience and judicial economy, to avoid unnecessary costs and delay, and pursuant to the stipulation of the parties, the Court orders the consolidation of separate cases pursuant to Federal Rule of Civil Procedure 42(a), which provides:

If actions before the court involve a common question of law or fact, the court may: (1) join for hearing or trial any or all matters at issue in the actions; (2) consolidate the actions; or (3) issue any other orders to avoid unnecessary cost or delay.

**IT IS THEREFORE ORDERED** that the following case 20-11616 is consolidated with civil number 20-11992 for all purposes, including trial.

**IT IS FURTHER ORDERED** that all subsequent papers filed after the date of this order shall be entered on civil number 20-11616.

**IT IS FURTHER ORDERED** that civil number 20-11992 is hereby closed for

administrative purposes.

s/George Caram Steeh  
United States District Judge

Dated: September 23, 2020

**EXHIBIT 6E**

**Docket of Removed Lawsuit**

CLOSED, reassigned

**U.S. District Court  
Eastern District of Michigan (Detroit)  
CIVIL DOCKET FOR CASE #: 2:20-cv-11992-GCS-RSW**

Chancellor v. Detroit, City of et al **\*\*CASE CLOSED - ALL ENTRIES MUST BE MADE IN 20-11616.\*\***  
Assigned to: District Judge George Caram Steeh  
Referred to: Magistrate Judge R. Steven Whalen  
Case in other court: Wayne County Circuit Court, 20-007758-NO  
Cause: 28:1983 Civil Rights

Date Filed: 07/27/2020  
Date Terminated: 09/23/2020  
Jury Demand: Plaintiff  
Nature of Suit: 440 Civil Rights: Other  
Jurisdiction: Federal Question

**Plaintiff**

**Darell Deon Chancellor**

represented by **Ayanna D. Hatchett**  
Johnson Law PLC  
535 Griswold St.  
Suite 2632  
Detroit, MI 48226-3687  
313-324-8300  
Email: ahatchett@venjohnsonlaw.com  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

V.

**Defendant**

**Detroit, City of**

represented by **Patrick M. Cunningham**  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-5032  
Fax: 313-224-5505  
Email: cunninghamp@detroitmi.gov  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Stephen Geelhood**

represented by **Patrick M. Cunningham**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

| Date Filed | #                 | Docket Text   |
|------------|-------------------|---|
| 07/27/2020 | <a href="#">1</a> | NOTICE OF REMOVAL by Detroit, City of from Wayne County Circuit Court, case number 20-007758-NO. Receipt No: AMIEDC-7948809 - Fee: \$ 400 [Previously dismissed case: No] [Possible companion case(s): United States District Court for the |

|            |                    |  |
|------------|--------------------|--|
|            |                    | <a href="#">Eastern District of Michigan, 20-11616, Judge Hon. George Caram Steeh</a> ] (Cunningham, Patrick) (Entered: 07/27/2020)  |
| 07/28/2020 | <a href="#">2</a>  | ORDER REASSIGNING CASE from District Judge Stephen J. Murphy, III and Magistrate Judge David R. Grand to District Judge George Caram Steeh and Magistrate Judge R. Steven Whalen. (NAhm) (Entered: 07/28/2020)   |
| 08/03/2020 | <a href="#">3</a>  | ANSWER to Complaint with Affirmative Defenses by Detroit, City of. (Cunningham, Patrick) (Entered: 08/03/2020)   |
| 08/04/2020 | <a href="#">4</a>  | ANSWER to Complaint with Affirmative Defenses by Stephen Geelhood. (Cunningham, Patrick) (Entered: 08/04/2020)   |
| 08/04/2020 | <a href="#">5</a>  | NOTICE TO APPEAR BY TELEPHONE: <b>Scheduling Conference set for 9/14/2020 at 2:00 PM before District Judge George Caram Steeh.</b> *Plaintiff's counsel shall initiate the conference call to 313-234-5175* ***JOINT DISCOVERY PLAN DUE BY 9/08/2020*** (BSau) (Entered: 08/04/2020)   |
| 09/08/2020 | <a href="#">6</a>  | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Scheduling Conference set for 9/14/2020 at 2:00 PM before District Judge George Caram Steeh.</b> (BSau) (Entered: 09/08/2020)   |
| 09/08/2020 | <a href="#">7</a>  | DISCOVERY plan jointly filed pursuant to Federal Rules of Civil Procedure 26(f) (Hatchett, Ayanna) (Entered: 09/08/2020)   |
| 09/14/2020 |                    | Minute Entry for proceedings before District Judge George Caram Steeh: Scheduling Conference held on 9/14/2020. (Court Reporter: None Present, Not on the Record) (BSau) (Entered: 09/14/2020)   |
| 09/14/2020 | <a href="#">8</a>  | SCHEDULING ORDER: <b>Discovery due by 3/19/2021, Dispositive Motion Cut-off set for 4/23/2021, Final Pretrial Conference set for 8/17/2021 at 10:00 AM before District Judge George Caram Steeh, Jury Trial set for 8/31/2021 at 9:00 AM before District Judge George Caram Steeh.</b> Signed by District Judge George Caram Steeh. (Refer to image for additional dates) (BSau) (Entered: 09/14/2020) |
| 09/23/2020 | <a href="#">9</a>  | AMENDED COMPLAINT with Jury Demand filed by Darell Deon Chancellor against All Defendants. <b>NO NEW PARTIES ADDED.</b> (Hatchett, Ayanna) (Entered: 09/23/2020)   |
| 09/23/2020 | <a href="#">10</a> | ORDER of consolidation. Signed by District Judge George Caram Steeh. (DPer) (Entered: 09/23/2020)  |
| 09/23/2020 | <a href="#">11</a> | Notice to Parties Regarding Consolidated Case: Order of consolidation entered on *09/23/20*. Designated lead case number is *20-11616*. (DPer) (Entered: 09/23/2020)   |

|                             |               |                         |                       |
|-----------------------------|---------------|-------------------------|-----------------------|
| <b>PACER Service Center</b> |               |                         |                       |
| <b>Transaction Receipt</b>  |               |                         |                       |
| 04/27/2023 14:54:12         |               |                         |                       |
| <b>PACER Login:</b>         | mcps3037      | <b>Client Code:</b>     |                       |
| <b>Description:</b>         | Docket Report | <b>Search Criteria:</b> | 2:20-cv-11992-GCS-RSW |
| <b>Billable Pages:</b>      | 2             | <b>Cost:</b>            | 0.20                  |

**EXHIBIT 6F**

**Darell Chancellor Deposition Transcript**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DARELL CHANCELLOR,  
Plaintiff,

v

Case No. 20-11616

HON. GEORGE CARAM STEEH

OFFICER STEPHEN GEELHOOD,  
in his individual and representative  
capacity, and the CITY OF DETROIT,  
a municipal entity,  
Defendants.

/

The Deposition of DARELL CHANCELLOR,  
Taken at Wayne County, Michigan,  
Commencing at 11:38 a.m.,  
Friday, April 23, 2021,  
Before Diane H. Draugelis, CER-2530.

1 REMOTE APPEARANCES:

2

3 VEN R. JOHNSON

4 AYANNA D. HATCHETT

5 Johnson Law, PLC

6 535 Griswold Street

7 Suite 2632

8 Detroit, Michigan 48226

9 313.324.8300

10 vjohnson@venjohnsonlaw.com

11 ahatchett@venjohnsonlaw.com

12        Appearing on behalf of the Plaintiff.

13

14 PATRICK M. CUNNINGHAM

15 City of Detroit Law Department

16 2 Woodward Avenue

17 Suite 500

18 Detroit, Michigan 48226

19 313.237.5032

20 cunninghamp@detroitmi.gov

21        Appearing on behalf of the Defendants.

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

TABLE OF CONTENTS

| WITNESS            | PAGE |
|--------------------|------|
| DARELL CHANCELLOR  |      |
| EXAMINATION        |      |
| BY MR. CUNNINGHAM: | 5    |
| BY MR. JOHNSON:    | 70   |
| RE-EXAMINATION     |      |
| BY MR. CUNNINGHAM: | 90   |

EXHIBITS

| EXHIBIT                                | PAGE |
|--|------|
| (Exhibits retained by Mr. Cunningham.) |      |
| DEPOSITION EXHIBIT 1                   | 40   |
| DEPOSITION EXHIBIT 2                   | 50   |
| DEPOSITION EXHIBIT 3                   | 50   |

1 Wayne County, Michigan

2 Friday, April 23, 2021

3 11:38 a.m.

4

5 (Witness presented identification.)

6 THE REPORTER: The attorneys participating in

7 this proceeding acknowledge that I am not physically

8 present in the conference room and that I will be

9 reporting this proceeding remotely. They further

10 acknowledge that in lieu of an oath administered in

11 person, the witness will verbally declare his testimony

12 in this matter is under penalty of perjury. The

13 parties and counsel consent to this arrangement and

14 waive any objections to this manner of reporting.

15 Please indicate your agreement on the record.

16 MR. CUNNINGHAM: Patrick Cunningham on behalf

17 of the defendants and I agree.

18 MS. HATCHETT: Ayanna Hatchett on behalf of

19 plaintiff and we have no objection to the statement as

20 read.

21 MR. JOHNSON: Ven Johnson on behalf of

22 plaintiff as well. Thanks.

23 DARELL CHANCELLOR,

24 was thereupon called as a witness herein, and after

25 having first been duly sworn to testify to the truth,

1 the whole truth, and nothing but the truth, was  
2 examined and testified as follows:

3 EXAMINATION

4 BY MR. CUNNINGHAM:

5 Q. Good morning, Mr. Chancellor, my name is Patrick  
6 Cunningham and I represent Steven Geelhood and the City  
7 of Detroit in your lawsuit against those two groups.  
8 Have you ever given deposition testimony before?

9 A. Yes.

10 Q. I'm sorry. The answer is yes?

11 A. Yes.

12 Q. How long has it been since you last gave deposition  
13 testimony?

14 A. I think since 2005.

15 Q. Did you end up coming into the office or are you at  
16 home?

17 A. I'm at home.

18 Q. Okay. If you could do your best, I can't really -- I  
19 can really only see the top of your forehead there.  
20 That's much better. Thanks.

21 Is there anybody at home with you there?

22 A. Not in the room, no.

23 Q. Okay. So, I'm sorry, when was the last time you gave  
24 deposition testimony?

25 A. 2005.

1 Q. 2005? Okay. This is the same thing, but it's a little  
2 bit different, obviously, since we're doing all of this  
3 remotely and everybody is appearing by Zoom. But the  
4 rules are still the same. You have sworn to tell the  
5 truth, and Diane is going to be taking down a written  
6 record of the things that you and I say. And in order  
7 to make it easier on Diane, there are a view things  
8 that I'm going to ask you to do. The first is to give  
9 verbal answers in words. In a normal conversation I  
10 might ask you a yes or no question and you might nod  
11 your head and shake your head and I would know what you  
12 meant, but it's difficult for Diane to take down. So  
13 please do your best to answer verbally in words. Is  
14 that fair?

15 A. Yes.

16 Q. Okay. Another thing that's particularly difficult to  
17 avoid is uh-huhs and unh-unhs which are difficult to  
18 transcribe, so please do your best to answer with  
19 yesses and nos. Is that fair?

20 A. Yes.

21 Q. Okay. The last thing is, and this is particularly true  
22 on Zoom, it's difficult to transcribe when more than  
23 one person is talking at a time, so please do your best  
24 to wait until I've finished asking a question before  
25 you start answering a question. Is that fair?

1 A. No problem.

2 Q. Okay. And the last thing is if I ask a question and  
3 you give an answer, I will assume that you heard and  
4 understood the question. Is that fair?

5 A. Yes.

6 Q. Could you please give me your full name?

7 A. Darell Deon Chancellor.

8 Q. And what is your current address?

9 A. 5023 32nd.

10 Q. And where at that location do you stay? In a room?

11 A. Yes.

12 Q. Where is your room?

13 A. In the living room.

14 Q. Do you have a bed that you sleep on?

15 A. I sleep on my mother couch.

16 Q. How many bedrooms are in the house at 5023 32nd Street?

17 A. Three.

18 Q. Who lives at 5023 32nd Street with you right now?

19 A. My mother, and my sister and her boyfriend.

20 Q. And what is your mother's name?

21 A. Janet Chancellor.

22 Q. And what is your sister's name?

23 A. Crystal Chancellor.

24 Q. And how do you spell Crystal?

25 A. What is it? C-y-t -- I mean C-y-s-t-a-l.

1 Q. Okay. And what is your mother's boyfriend's name?

2 A. Alvin Thomas.

3 Q. And nobody lives at the house besides you, your mom,  
4 your sister and her boyfriend?

5 A. Yes.

6 Q. Okay. What is your Social Security number?

7 A. \*\*\*-\*\*-3013.

8 Q. Do you have a Michigan driver's license?

9 A. No.

10 Q. Do you have a Michigan State ID?

11 A. Yes.

12 Q. Do you have it with you?

13 A. Yes.

14 Q. Could you read me the number off of it?

15 A. Which number?

16 Q. The long one that starts with a letter and ends with a  
17 bunch of numbers.

18 A. C-524-135-139-932.

19 Q. Could you hold it up to the camera so that I can see  
20 it? I think that's good. Let me just Zoom in on that.  
21 Can you just pull it back a little bit? Right there is  
22 perfect. What's the weight on that identification  
23 card?

24 A. 280.

25 Q. What's the height?

1 A. 5'11".

2 Q. And when was that issued?

3 A. Issued -- what's this?

4 Q. Should be in the top right corner?

5 A. December 14, 2020.

6 Q. And below that should be the expiration date. What's  
7 the expiration date?

8 A. December 7, 2024.

9 Q. What's your date of birth?

10 A. 12-7-81.

11 Q. So are you still 5'11"?

12 A. Yes.

13 Q. How much do you weigh right now?

14 A. Like, say about 2-, say about 300 now.

15 Q. Are you right handed?

16 A. Yes.

17 Q. Always been right handed?

18 A. Yes.

19 Q. Do you have any names that you have used in the past  
20 besides Darell Chancellor?

21 A. Yes.

22 Q. What other names have you used?

23 A. Jason Chancellor, Jason Thomas.

24 Q. What did you use the name Jason Chancellor for?

25 A. I don't recall. I think I had a -- I don't recall. I

1 think I had a dope case and I used the name.

2 Q. Did you tell the police that your name was Jason  
3 Chancellor?

4 A. Yes.

5 Q. What about Jason Thomas? What did you use that name  
6 for?

7 A. Probably the same thing.

8 Q. Was that a name you gave to the police?

9 A. Yes.

10 Q. Are there any other names that you've used in the past  
11 besides Darell Chancellor, Jason Chancellor or Jason  
12 Thomas?

13 A. No, not that I know of.

14 Q. Are you married?

15 A. No.

16 Q. Have you ever been married?

17 A. Yes.

18 Q. How many times have you been married?

19 A. Once.

20 Q. And are you divorced?

21 A. Yes.

22 Q. What's the name of your ex-wife?

23 A. Katrice Butler.

24 Q. When you were married did she go by Katrice Chancellor?

25 A. Yes.

1 Q. Did she ever have another last name besides Butler or  
2 Chancellor?

3 A. I don't know.

4 Q. Not to your knowledge?

5 A. Not to my knowledge.

6 Q. Okay. When you married her, before you married did she  
7 go by Katrice Butler?

8 A. Yes.

9 Q. Has she remarried since you guys got divorced?

10 A. Yes.

11 Q. Do you know if she uses a different last name, a  
12 married last name now?

13 A. I don't know.

14 Q. Give me one second. I'm just going to try --

15 A. No problem.

16 Q. -- and find a name here. Katrice Alford, is that  
17 Katrice's last now?

18 A. I don't -- I believe so.

19 Q. Okay. Where does Katrice live?

20 A. I don't know, sir. I don't know the name of the block.  
21 I forget the name of the block.

22 Q. When you say the name of the block, do you mean the  
23 name of the street that she lives on?

24 A. Yes.

25 Q. And do you have Katrice's phone number?

1 A. Yes.

2 Q. What's her phone number?

3 A. 313-828-4115.

4 Q. Thank you. Do you and Katrice have any children?

5 A. Yes.

6 Q. How many children do you have?

7 A. One.

8 Q. Do you have a son or a daughter?

9 A. A son.

10 Q. What's your son's name?

11 A. Darell Chancellor, Jr.

12 Q. Darell Chancellor, Jr.? And how old is Darell  
13 Chancellor, Jr.?

14 A. Nine.

15 Q. Do you have any other children besides Darell  
16 Chancellor, Jr.?

17 A. No.

18 Q. Do you pay child support for Darell Chancellor, Jr.?

19 A. No.

20 Q. Where does Darell Chancellor, Jr. live?

21 A. His mother.

22 Q. Does your son ever stay with you?

23 A. He comes over sometime.

24 Q. How often?

25 A. When he want to, whenever he call me and say he want to

1 spend the weekend with me.

2 Q. How frequently does that happen?

3 A. About -- since I've been home, about four or five  
4 times.

5 Q. Does your mom work?

6 A. No.

7 Q. Does Crystal work?

8 A. Yes.

9 Q. Where does Crystal work?

10 A. Don't know.

11 Q. Does Alvin Thomas work?

12 A. Not to my knowing.

13 Q. Is there anyone that depends on you for financial  
14 support?

15 A. Like who? I might help my son.

16 Q. Do you help him?

17 A. I can't right now, do not have a job.

18 Q. Okay. So you're not currently employed?

19 A. No.

20 Q. Where is the last place you were employed?

21 A. G&G Market.

22 Q. Where is G&G Market?

23 A. It was on Lovett and Warren.

24 Q. Is it no longer on Lovett and Warren?

25 A. No.

1 Q. There's still a gas station there, isn't there?

2 A. Yes.

3 Q. Was it the same kind of operation, G&G Market is the  
4 gas station that's there now?

5 A. Yes.

6 Q. What did you do at G&G Market?

7 A. Stock, basically. Yeah, basically stock and whatever  
8 else was asked of me.

9 Q. What else was asked of you besides stocking shelves?

10 A. I mean make sure it stay clean, try to keep riffraff up  
11 out of there.

12 Q. Who was your boss at G&G Market?

13 A. Kevin.

14 Q. What's Kevin's last name?

15 A. I can't remember. It was one of them funny last names.  
16 He used to own the gas station.

17 Q. What kind of funny last name?

18 A. One of them -- not funny, but hard to pronounce. One  
19 of them Arabic --

20 Q. I understood what you said. I'm not trying to make it  
21 offensive, but I'm just trying to know specifically how  
22 was it unusual?

23 A. One of the Arab last names, so it's hard to pronounce.

24 Q. Who did you work with at G&G Market?

25 A. I worked by myself.

1 Q. When you were working at G&G Market would you be the  
2 only person there?

3 A. I mean, Kevin would be there, but like besides that  
4 it's just mainly me.

5 Q. You didn't have any coworkers?

6 A. No.

7 Q. And when was the last time you worked at G&G Market?

8 A. 2012; like 2012.

9 Q. Do you have a phone number for Kevin?

10 A. No, I haven't talked to Kevin.

11 Q. And so Kevin worked there, but he was also the owner of  
12 the store?

13 A. Yes.

14 Q. What's the last place that you worked before G&G?

15 A. Before G&G I worked for some temp services. I don't  
16 recall the names, but it was a few temp services.

17 Q. Did you ever work for Manpower?

18 A. I don't recall that. It's probably a temp service or  
19 something, but I don't recall the name.

20 Q. Yeah, I was just asking because Manpower is a popular  
21 temp service.

22 A. Oh, okay.

23 Q. See if that jogs your memory at all. What did you  
24 do -- what kind of jobs did the temp service have you  
25 doing?

1 A. I mean, it's different jobs. You go to different sites  
2 every day. It's a different job.

3 Q. Right. So what were some of the jobs that you were  
4 doing?

5 A. I don't recall, that's why I say, it was before G&G  
6 Market, so I don't really recall.

7 Q. And so you don't recall any jobs that you did for the  
8 temp service?

9 A. No; vaguely.

10 Q. I know it was before G&G Market, but when was the last  
11 time you worked for a temp service?

12 A. Don't recall, sir.

13 Q. Have you ever filed a lawsuit before this one?

14 A. Yes. Well, I had attorney file. I never filed one  
15 myself.

16 Q. Sure. How many lawsuits have you had an attorney file  
17 for you?

18 A. One, before this one, one.

19 Q. One before this?

20 A. Yes.

21 Q. And did you testify at a deposition in connection with  
22 that lawsuit?

23 A. Yes, that's the deposition I told you, yes.

24 Q. Okay. Sir, I can only see the top of your head right  
25 now, Mr. Chancellor. There you go, that's much better.

1 Thank you.

2 And who did you sue in that lawsuit, that  
3 prior lawsuit?

4 A. The City of Detroit, an Officer Melendez.

5 Q. And what was that lawsuit about?

6 A. Basically the same things going on now. Officer  
7 Melendez lied on me.

8 Q. What did he say?

9 A. He said I had a firearm, which I didn't.

10 Q. Did Officer Melendez have any involvement in this  
11 lawsuit, the one we're talking about right now?

12 A. No, not to my knowing. I don't know.

13 Q. You're not aware of any involvement that he had?

14 A. No.

15 Q. And what was the result of that prior lawsuit?

16 A. It was settled out.

17 Q. And did you receive a payment?

18 A. Yes.

19 Q. How much did you receive?

20 MS. HATCHETT: I'm just going to object  
21 preliminarily as based on relevance, but go ahead,  
22 Darell.

23 THE WITNESS: It was 250,000.

24 BY MR. CUNNINGHAM:

25 Q. What did you do with that \$250,000?

1 A. I didn't get a chance to spend it. I was locked up, so  
2 the state took it.

3 Q. Did the state take it to pay for the cost of your  
4 imprisonment?

5 A. Yes.

6 MS. HATCHETT: Objection; relevance.

7 BY MR. CUNNINGHAM:

8 Q. In this case you were convicted of possession of  
9 cocaine; right?

10 A. In this case I was exonerated.

11 Q. Well, initially you were convicted by the judge; right?

12 A. Yes.

13 Q. Before that conviction, how many prior convictions did  
14 you have before the one underlying this case?

15 MS. HATCHETT: I'll just object based off of  
16 relevance to this whole line of questioning, if I can  
17 have a continuing objection; Patrick, on this one.

18 MR. CUNNINGHAM: I'll give you a continuing  
19 objection on the basis of relevance.

20 MS. HATCHETT: Thank you.

21 MR. CUNNINGHAM: Sure.

22 THE WITNESS: Now you say what?

23 BY MR. CUNNINGHAM:

24 Q. How many prior convictions did you have before the one  
25 underlying this case? You know, let me start over.

1 That's a confusing way to go about it. I can see that  
2 you're confused.

3 What's the first time you were ever convicted  
4 of a crime?

5 A. I think -- as a adult?

6 Q. Were you convicted before you were an adult?

7 A. I had, yes, I had a conviction as a juvenile, yes.

8 Q. How old were you when you had a juvenile conviction?

9 A. I think I was about 15, 16 at the time.

10 Q. And what was that conviction for?

11 A. I think it was like -- I don't know how to put it. It  
12 was like truant, just basic like truancy at school and  
13 acting up at home, so my mother decided to award me to  
14 the state, if that's like a case.

15 Q. Did you end up living -- when you say award you to the  
16 state, does that mean you stopped living with your mom?

17 A. Yes, my mother award me to the state, yes.

18 Q. And where did you go to live?

19 A. With the state.

20 Q. What was the name of the place where you lived?

21 A. It was like St. Thomas or Burton Center. It was one of  
22 those centers, stuff like that.

23 Q. And how long did you live at one of those centers?

24 A. Till my grandma came and got me. My grandma took  
25 custody of me, so not that long. A few months at the

1 most.

2 Q. And so I guess I'm not clear. As a juvenile were you  
3 convicted of a crime?

4 A. If that's not a crime, I guess not.

5 Q. Okay. Were there any other convictions you had as a  
6 juvenile?

7 A. I think I had a possession of marijuana or something  
8 like that.

9 Q. How old were you when you were convicted of possession  
10 of marijuana?

11 A. Around the same, about 15, 16.

12 Q. When is the first time you were convicted of a crime as  
13 an adult?

14 A. I think like 2000; 2000, 2001, something in there.

15 Q. You would have been about 20 years old, 21 years old,  
16 something like that?

17 A. Yes.

18 Q. And what were you convicted of around 2000 or 2001?

19 A. Under 50, attempted to deliver under 50.

20 Q. Under 50 grams of what?

21 A. Heroin.

22 Q. Did you have a trial for that conviction?

23 A. No.

24 Q. Did you plead guilty to that conviction?

25 A. Yes.

1 Q. Okay. After 2000 or 2001 when you were convicted of  
2 attempted delivery of under 50 grams of heroin, what's  
3 the next time you were convicted of a crime?

4 A. Right after that it was 2001, another under 50.

5 Q. Under 50 grams of what?

6 A. Heroin.

7 Q. Did you have a trial for that charge?

8 A. No.

9 Q. Did you plead guilty to that charge?

10 A. Yes.

11 Q. After your second conviction of under 50 grams of  
12 heroin, what's the next time you got convicted of a  
13 crime?

14 A. It was all around in the same time, so it was like from  
15 2000 to 2001 or 2002, it was another under 25 or under  
16 50.

17 Q. Under 25 or 50 grams of what?

18 A. Heroin.

19 Q. And did you have a trial in that case?

20 A. No.

21 Q. Did you plead guilty in that case?

22 A. Yes.

23 Q. After your third conviction of possession of heroin,  
24 what's the next time you were convicted of a crime?

25 A. What was it? I think I got -- I think it was a

1 receiving and concealing, receiving and concealing over  
2 \$1,000.

3 Q. And did you have a trial in that case?

4 A. No.

5 Q. Did you plead guilty in that case?

6 A. Yes.

7 Q. What did you plead guilty to receiving and concealing?

8 A. It was a car.

9 Q. A stolen car?

10 A. Yes.

11 Q. After your conviction of receiving and concealing the  
12 car, what's the next time you were convicted of a  
13 crime?

14 A. Armed robbery. I think it was an armed robbery, 2003  
15 armed robbery, felony firearm.

16 Q. And did you have a trial in that case?

17 A. No.

18 Q. Did you plead guilty in that case?

19 A. Plead no contact (phonetic).

20 Q. Pled no contest?

21 A. Yeah.

22 Q. And what did you do that you pled no contest to armed  
23 robbery?

24 A. What you mean? I don't understand the question.

25 Q. Did you rob someplace?

1 A. A person.

2 Q. Who did you rob?

3 A. A drug dealer.

4 Q. What did you rob this person of?

5 A. Some glasses.

6 Q. What kind of glasses?

7 A. Cartier glasses.

8 Q. And were you armed when you robbed this person of

9 Cartier glasses?

10 A. Yes.

11 Q. What were you armed with?

12 A. A gun.

13 Q. What kind of gun?

14 A. A .357.

15 Q. Was that a .357 Magnum?

16 A. I don't remember the make and the model -- I mean the

17 model.

18 Q. Where did you get a .357 from?

19 MS. HATCHETT: Object to relevance. Go

20 ahead.

21 THE WITNESS: I don't recall.

22 BY MR. CUNNINGHAM:

23 Q. After armed robbery and felony firearm, what's the next

24 thing you were convicted of?

25 A. There's no convictions after that. I was convicted of

1 this what I have been exonerated from, that was it.

2 Q. In 2001 when you were convicted of under 50 grams of  
3 heroin, were you imprisoned after that conviction?

4 A. What you mean, imprisoned?

5 Q. Did they put you in jail?

6 A. No.

7 Q. Did you get probation?

8 A. Yes.

9 Q. Okay. After the second conviction in 2001 under 50  
10 grams of heroin, did they put you in jail after that?

11 A. No.

12 Q. Did you get probation?

13 A. Yes, I didn't go to prison for none of them  
14 convictions.

15 Q. Okay. I appreciate you trying to save me some time,  
16 but just for completeness sake I'm going to go through  
17 them.

18 For the third conviction in 2002, under 25  
19 grams of heroin, did you get probation for that?

20 A. Yes.

21 Q. And were you in jail for that at all?

22 A. No.

23 Q. Okay. The conviction of receiving and concealing over  
24 \$1,000, did you get probation for that?

25 A. Yes.

1 Q. And did you go to jail at all for that?

2 A. No.

3 Q. And for the armed robbery, felony firearm conviction,  
4 were you sentenced to probation for that?

5 A. No.

6 Q. Were you sentenced to prison for that?

7 A. Yes.

8 Q. All right. And was your sentence for the armed  
9 robbery, felony firearm?

10 A. 7 to 15, 5 for the armed robbery, 2 for the gun, so  
11 altogether it was 7 to 15.

12 Q. And how long did you actually serve in prison?

13 A. Like 7-1/2 years, 8 years.

14 Q. So that was from 2003 to about 2010; is that right?

15 A. Yes.

16 Q. And when you were released in 2010, you were paroled?

17 A. Yes.

18 Q. Since you have been let out of prison in this case have  
19 you been charged with any other crimes?

20 A. No.

21 Q. Did you ever receive medical care when you were in  
22 prison?

23 A. Like what?

24 Q. Like seeing a doctor or seeing a nurse or anything like  
25 that?

1 A. I mean, yes, if I was sick I went to the doctor, yes.

2 Q. Okay. And do they have a doctor at the prison or do  
3 you leave the prison to go see a doctor somewhere else?

4 A. I mean, they got a doctor at the prison.

5 Q. And I see that you're wearing glasses; right?

6 A. Yes.

7 Q. And I always find this question difficult to ask. Why  
8 do you wear glasses? Because I need them to see.  
9 That's always the answer and it makes sense, but what  
10 kind of vision problems do you have without your  
11 glasses that your glasses correct for you?

12 A. Without my glasses, I can't see. It's blurry. I --

13 Q. Go ahead. I'm sorry.

14 A. I can't function without my glasses.

15 Q. Are things close to you blurry or are things far away  
16 from you blurry or are both of them blurry?

17 A. It's all blurry.

18 Q. Do you have an eye doctor that you go see?

19 A. Not out here.

20 Q. Did you see an eye doctor in prison?

21 A. Yes.

22 Q. Do you wear contact lenses?

23 A. No.

24 Q. Have you ever owned contact lenses?

25 A. No.

1 Q. Have you ever had a doctor prescribe contact lenses?

2 A. No.

3 Q. Do you have any kind of hearing impairment?

4 A. No.

5 Q. Do you have a recollection of the day of November 1st,  
6 2011?

7 A. Could you repeat the date?

8 Q. Sure, November 1st, 2011.

9 A. Yes.

10 Q. What do you remember about November 1st, 2011?

11 A. I mean, what do you mean what do I remember?

12 Q. Well, you woke up that morning; is that true?

13 A. Yes.

14 Q. Where were you when you woke up?

15 A. I was at home.

16 Q. Where was home?

17 A. 9209 Robison.

18 Q. And was anyone there with you?

19 A. Yes, my wife, Katrice.

20 Q. Anyone else?

21 A. My son was just newborn at the time.

22 Q. Was there anyone there with you besides Katrice and  
23 your son?

24 A. No.

25 Q. Okay. So November 1st, 2011, you wake up. What time

1 did you wake up?

2 A. Early. I had to go to work.

3 Q. How early is early, approximately?

4 A. About 8:00. I woke up about 7:30.

5 Q. And what time did you go to work?

6 A. I made it to work about 9:00, something like that,  
7 8:45; about 8:45, 9:00 o'clock.

8 Q. And how did you get to work?

9 A. I drove my car.

10 Q. What kind of car did you have?

11 A. It was a purple, like a purple Cavalier.

12 Q. Chevy Cavalier?

13 A. Yes.

14 Q. And how long were you at work?

15 A. I was at work all day.

16 Q. What time did your shift end?

17 A. My shift end about -- say about -- it really is when  
18 he's done with me. I can be there all day, but it  
19 depends on when he's done, you know, if we done working  
20 for the day.

21 Q. Well, when were you done working that day?

22 A. About that day at about 5:00; about 5:00, 6:00,  
23 something like that.

24 Q. And then what did you do at 5:00 o'clock when you were  
25 done working?

1 A. I went home.

2 Q. And where was home?

3 A. Robison, 9209 Robison.

4 Q. And when you got home was anyone else there?

5 A. Besides my wife and my kid, no.

6 Q. And what did you do when you got home?

7 A. I didn't do nothing. I watched T.V. The day was over  
8 with.

9 Q. Did you leave the house again after you got home from  
10 work?

11 A. No.

12 Q. Okay. Do you have a recollection of the day November  
13 2nd, 2011?

14 A. What do you mean?

15 Q. Do you remember that day? Can you remember that day?

16 A. Yes.

17 Q. Okay. And what do you remember about that day?

18 A. I don't understand the question.

19 Q. Okay. Just like we did with the day before, you woke  
20 up that morning; right?

21 A. Right.

22 Q. And where were you?

23 A. At home.

24 Q. And where was home?

25 A. 9209 Robison.

1 Q. And who was there?

2 A. The same person that was there the day before.

3 Q. That's your wife and your son?

4 A. Yes.

5 Q. And no one else there?

6 A. No.

7 Q. And did you work on November 2nd, 2011?

8 A. Yes.

9 Q. And what time did you start work?

10 A. About the same, about 8:00; about 8:45, 9:00.

11 Q. And how did you get to work?

12 A. My car.

13 Q. And that's the purple Chevy Cavalier?

14 A. Yes.

15 Q. And what time did you get off work?

16 A. Around the same. It was around the same, about 5:00 or  
17 6:00.

18 Q. So you started work around 9:00 and you got off around  
19 5:00; is that right?

20 A. About 5:00, 6:00.

21 Q. So were you at work from 9:00 a.m. to 5:00 p.m.?

22 A. Yes.

23 Q. And then around 5:00 or 6:00 you are done working and  
24 what did you do?

25 A. I went home to Robison.

1 Q. And who was there?

2 A. My wife and my son.

3 Q. Anyone else?

4 A. No.

5 Q. So November 1st was coming up on 10 years ago; right?

6 A. Uh-huh.

7 Q. Why do you remember that day?

8 A. Why do I remember that day?

9 Q. Yeah.

10 A. Because I -- I mean why wouldn't I remember that day?  
11 I just spent 8 years in prison over that day. If  
12 something traumatic happened to you, you remember that  
13 day, too.

14 Q. Okay. And did anything out of the ordinary happen on  
15 November 1st, 2011 to you?

16 A. What you mean, that date?

17 Q. Yes, November 1st, 2011. Anything out of the ordinary  
18 happen to you that day?

19 A. No, not that day.

20 Q. Okay. What about on November 2nd, 2011, did anything  
21 out of the ordinary happen to you that day?

22 A. No.

23 Q. Did you talk to your mother that day?

24 A. I talked to my mother, yes, that night.

25 Q. And what did you talk about?

1 A. She told me that the police had raided her house.

2 Q. Did you have a cell phone on November 2nd, 2011?

3 A. Yes.

4 Q. Do you still have that cell phone?

5 A. No.

6 Q. What happened to it?

7 A. I don't recall.

8 Q. Who was your cell phone carrier on November 2nd, 2011?

9 A. I don't recall. I don't recall.

10 Q. Where were you when your mother called you on November  
11 2nd, 2011?

12 A. I was at home.

13 Q. And what did you do after you talked to your mom?

14 A. What you mean, what did I do about what?

15 Q. About anything. But what did you do? You hung up the  
16 phone and then what happened after that?

17 A. Nothing happened after that. I hung up the phone and  
18 that was that.

19 Q. Did you leave the house that night after you got off  
20 the phone with your mom?

21 A. No.

22 Q. So your mom's house is 5023 32nd Street; right?

23 A. Yes

24 Q. And that's the house you're at right now; right?

25 A. No, I'm not right there right now, no.

1 Q. Where are you now?

2 A. I'm over a friend house right now.

3 Q. Oh, I assumed that you were.

4 A. Do I have to be at home to do this call?

5 Q. No, I asked you earlier where you were and you told me  
6 that you were at 5023 32nd Street.

7 MS. HATCHETT: Actually, I think you may have  
8 asked him specifically where he was living.

9 MR. CUNNINGHAM: Correct. Well, I asked him  
10 that, too.

11 THE WITNESS: Yeah.

12 BY MR. CUNNINGHAM:

13 Q. Okay. I asked you -- maybe I misunderstood. Where are  
14 you right now?

15 A. Do I got to answer that?

16 Q. Yeah. I wouldn't -- you're testifying remotely from a  
17 location. I would like to know the location where  
18 you're testifying from remotely.

19 MR. JOHNSON: Please answer, Darell. Thank  
20 you.

21 THE WITNESS: Okay. I'm over at my  
22 girlfriend house.

23 BY MR. CUNNINGHAM:

24 Q. All right. And what's the address there?

25 A. It's 15040 Robison.

1 Q. 1504?  
2 A. Yeah, zero, Robison.  
3 Q. I'm sorry. 15040 Robison? Did I get it right?  
4 A. Say it again for me.  
5 Q. Sure. 15040?  
6 A. Yes; Robison. I mean not Robison, Ferguson.  
7 Q. Ferguson?  
8 A. Yeah; Ferguson.  
9 Q. And what's your girlfriend's name?  
10 A. Davanek Rogers.  
11 Q. Can you spell her first name for me?  
12 A. D-a-v-a-n-e-k. Davanek.  
13 Q. And is Rogers R-o-g-e-r-s?  
14 A. Yes.  
15 Q. So 5023 32nd Street, that's your mom's house?  
16 A. Yes.  
17 Q. Is that still your mom's house?  
18 A. Yes.  
19 Q. Okay. Have you lived there in the past?  
20 A. What you mean, in the past?  
21 Q. Did you ever live at that house?  
22 A. Yes.  
23 Q. When is the last time you lived there?  
24 A. I stay there now.  
25 Q. And when did you start living there this time, if that

1 makes sense?

2 A. When I got out of prison.

3 Q. And when was that?

4 A. March 26, 2020.

5 Q. Okay. On March 26, 2020 you got out of prison and you  
6 started living at 5023 32nd Street?

7 A. Yes.

8 Q. And have you lived anywhere else in between March 26,  
9 2020 and now?

10 A. No.

11 Q. All right. Before March 26 of 2020 had lived at 5023  
12 32nd Street before that?

13 A. You said before March 2020? I was locked up.

14 Q. Correct. Ever in the past, did you ever live at that  
15 address before?

16 A. Yes; yes.

17 Q. And when is the last time you lived at that address  
18 before, before you moved back in in March 26, 2020?

19 A. I was at that location when I got out of prison the  
20 first time, in December. December 14 -- I mean  
21 December 15, 2010 I stayed there.

22 Q. Okay. So December 15, 2010 you got out of prison and  
23 you moved --

24 A. Yes.

25 Q. -- into your mom's house?

1 A. Yes.

2 Q. And when did you move out of your mom's house?

3 A. The next month when my utilities, when my lights was on  
4 on my house on Robison, I moved into Robison.

5 Q. And that would have been January 2011?

6 A. Yes.

7 Q. When you were living at -- on 32nd Street, when I say  
8 the 32nd street house, I'm going to mean your mom's  
9 house; is that fair?

10 A. Okay. Yes; yes; yes.

11 Q. All right. When you were living at the 32nd Street  
12 house in December of 2010, who lived there with you?

13 A. The same people and my brother.

14 Q. So your mom?

15 A. My mother, her boyfriend, that's my sister.

16 Q. Alvin?

17 A. Alvin, and Antonio.

18 Q. And Antonio, was your brother?

19 A. Yes.

20 Q. Also last name Chancellor?

21 A. Yes.

22 Q. So in December of 2010, did anybody live there besides  
23 you, your mom, Crystal, Alvin and Antonio?

24 A. No, that was it.

25 Q. Okay. After you moved out in January of 2011, did

1 anybody else move into the 32nd Street house?

2 A. I don't think -- I don't know. I don't recall.

3 Q. Did you have any cousins that lived there?

4 A. I don't recall.

5 Q. Did Ronald Durrell live there?

6 A. I don't recall.

7 Q. All right. In January of 2011 -- let's see. Well, I  
8 guess it's between December and January, December of  
9 2010 and January of 2011, when you were living at the  
10 32nd Street house, where did you sleep?

11 A. On the couch.

12 Q. Is it the same couch you're sleeping on now?

13 A. No.

14 Q. Is the couch the same location?

15 A. Yes.

16 Q. Is it on the first floor or the second floor?

17 A. The first floor.

18 Q. After you moved out, did you ever stay over or stay the  
19 night at the 32nd Street house?

20 A. No.

21 Q. Did you keep any of your belongings at the 32nd Street  
22 house after you moved out?

23 A. No.

24 Q. And there are only three bedrooms in the 32nd Street  
25 house?

1 A. Yes.

2 Q. How many beds?

3 A. Should be three. Yes, I say three.

4 Q. Okay. At the trial in this case, remember the trial in  
5 this case, the criminal trial?

6 A. Yes.

7 Q. Okay. There was a document introduced into evidence  
8 from the Michigan Department of Treasury, do you  
9 remember that?

10 A. Yes.

11 Q. What was that document?

12 A. It was -- it was something from my parole officer, a  
13 payment or something. If I ain't mistaken, it was some  
14 type of payment thing from my parole officer.

15 Q. You told your parole officer that you lived at 5023  
16 32nd Street right?

17 A. Yes.

18 Q. And your parole officer came to visit you at that  
19 location; right?

20 A. Yes

21 Q. And did she visit you there after January of 2011?

22 A. No, not to my -- I don't recall. I don't recall seeing  
23 her after that.

24 Q. Did you ever tell your parole officer that you moved to  
25 Robison?

1 A. No.

2 Q. So when you told your parole officer that you lived at  
3 32nd Street, you really lived at Robison; is that  
4 right?

5 A. Yes, sir.

6 Q. So you were lying to her when you told her that; right?

7 A. Yes.

8 Q. Did you tell your parole officer that you lived  
9 upstairs at 32nd Street?

10 A. No.

11 Q. So if she testified that you told her that you lived  
12 upstairs, she would be lying?

13 A. Yes.

14 MR. CUNNINGHAM: Hey, Ayanna, I have a few  
15 exhibits I'm going to show him. I'm going to e-mail  
16 them to you right now.

17 MS. HATCHETT: Okay. Thank you.

18 MR. CUNNINGHAM: Just give me one minute, Mr.  
19 Chancellor.

20 MR. JOHNSON: If you can, e-mail them to me,  
21 too, sir.

22 MR. CUNNINGHAM: I will.

23 MR. JOHNSON: I appreciate it. Thanks.

24 MR. CUNNINGHAM: Bear with me. My computer  
25 is not cooperating with me.

1 BY MR. CUNNINGHAM:

2 Q. All right. Mr. Chancellor, I'm going to share a  
3 document on your screen. You should be able to see it  
4 on your phone, I hope. So we'll see how this goes.  
5 Okay. Can you see that, Mr. Chancellor?

6 A. Yes, a little bit.

7 Q. I'll try and make it a little bit bigger.

8 A. Okay.

9 Q. Can you see what it says at the top there?

10 A. Parole conditions.

11 Q. If I highlight it, can you see the highlighting?

12 A. Yeah.

13 Q. Okay. Parole conditions. All right.

14 A. Yeah.

15 Q. And number 2 here, can you see that?

16 A. Yes.

17 Q. And could you read that for me?

18 A. Hold on one second. You must not change residence  
19 without prior permission of your agent, your field  
20 agent.

21 Q. And I'm just going to zoom out a little bit so you can  
22 it's one whole document. Is that your signature at the  
23 bottom?

24 A. Yes.

25 Q. Okay. I'm going to mark that as Exhibit 1. And then

1 I'm going to ask you to look at this also, Mr.  
2 Chancellor. Is that your writing?

3 A. Yes.

4 Q. And is that your signature at the bottom?

5 A. Yes.

6 Q. That's it for the moment.

7 All right. Are you aware that on November  
8 2nd, 2011 cocaine was found at your mom's house at 5023  
9 32nd Street?

10 A. Could you repeat the question?

11 Q. Sure. Are you aware that on November 2nd, 2011 cocaine  
12 was found at your mother's house at 5023 32nd Street?

13 A. Yeah, I'm aware they say something found there.

14 Q. I'm sorry. You aware what?

15 A. I'm aware that something was found there they say.

16 Q. At your trial do you remember your attorney stipulating  
17 that what they found was cocaine?

18 A. Yes.

19 Q. So would you disagree with me when I say that what they  
20 found there was cocaine?

21 A. I don't know what they found there. I wasn't there,  
22 sir.

23 Q. Was that your cocaine?

24 A. No.

25 Q. Do you know how that cocaine got there?

1 A. No.

2 Q. Well, it wasn't your mother's cocaine; right?

3 A. Not to my knowing.

4 Q. So do you know whether it was your mother's cocaine?

5 MS. HATCHETT: Objection; relevance.

6 BY MR. CUNNINGHAM:

7 Q. I'm sorry. I couldn't hear your response.

8 A. No, I don't know who cocaine it was.

9 Q. Was it Ronald Durrell's cocaine?

10 A. Don't know, sir.

11 Q. Was it Alvin Thomas' cocaine?

12 A. Don't know, sir.

13 MS. HATCHETT: Objection; asked and answered,  
14 lack of foundation.

15 BY MR. CUNNINGHAM:

16 Q. Was it Crystal's cocaine?

17 MS. HATCHETT: Same objection.

18 BY MR. CUNNINGHAM:

19 Q. Did it belong to one of your cousins?

20 A. Don't know, sir. Ain't belong to me.

21 Q. Okay. And so you don't know how it got there?

22 A. No, sir.

23 Q. All right. Your house on Robison, it's 9209? That's  
24 right, isn't it, 9209?

25 A. 9209, yes.

1 Q. Okay. Why did you purchase that house?

2 A. I don't understand the question.

3 Q. Were you in prison when you purchased that house?

4 A. Yes.

5 Q. So what did you need a house for?

6 A. Just because I was coming home and I wanted a house to  
7 live in.

8 Q. When did you purchase that house?

9 A. I don't recall. I don't recall. I think it was -- I  
10 don't recall, sir.

11 Q. Okay. Who did you purchase it from?

12 A. What do you mean, who I purchase it from?

13 Q. Did you pay money to somebody to get the house?

14 A. I had a, yes, my friend Roxsanna Collins.

15 Q. So you bought the house from Roxsanna?

16 A. No, she bought it for me. I was incarcerated, so I  
17 couldn't, you know, sign deeds and all that, so she  
18 bought the house for me, and when I was coming home I  
19 was getting the house from her.

20 Q. Who did she buy the house from?

21 A. I don't know, sir.

22 Q. And so I think what you're telling me is she bought it  
23 from somebody else, you're not sure who, and then you  
24 bought it from her? Really you were just kind of using  
25 her as a go-between between whoever owned it before she

1 owned it and yourself?

2 A. Yes.

3 Q. So Roxsanna never lived there?

4 A. No.

5 Q. And how do you know Roxsanna? What's your relationship  
6 with her?

7 A. I took her to her prom like years ago, way, way years  
8 ago. Used to be my girlfriend.

9 Q. Where does Roxsanna live?

10 A. Don't know.

11 Q. And, I'm sorry, Roxsanna's last name is Collins; is  
12 that right?

13 A. Yes.

14 Q. And Roxsanna by the way is R-o-x-s-a-n-n-a?

15 A. Yes.

16 Q. And what's Roxsanna's phone number?

17 A. I got to go through my phone to get it.

18 Q. Okay. If you could do that, please.

19 A. I'm kind of scared.

20 Q. It's touch and go with that, isn't it? Right. Let's  
21 hold off on that for the time being.

22 A. Right.

23 Q. We might not want to risk that.

24 A. Right.

25 Q. All right. I'm going to try to remember at the end and

1           then I'll ask you again, and then if we lose our  
2           connection, so be it.

3       A.    All right.

4       Q.    Okay.  How much did you pay for 9209 Robison?

5       A.    I don't recall.  I don't remember.  I don't remember.

6       Q.    Where did you get the money to buy it?

7                       MS. HATCHETT:  Objection to relevance.  You  
8           can go ahead, Mr. Chancellor, if you can recall.

9                       THE WITNESS:  I don't.  I don't recall.  It  
10          was -- I don't recall.

11       BY MR. CUNNINGHAM:

12       Q.    On Robison did anybody ever live there with you and  
13           your wife and your son besides the --

14       A.    No.

15       Q.    -- three of you?

16       A.    No.  Well, her kids.

17       Q.    When did her kids live there?

18       A.    When they came -- I guess when they came over.

19       Q.    So they didn't live there, but they would stay with you  
20           sometimes?

21       A.    Yes, from her and her mother, yes.

22       Q.    And what's Katrice's mother's name?

23       A.    Linda, I think.

24       Q.    And what's Linda's last name?

25       A.    Butler.

1 Q. And where does Linda live?

2 A. Don't know, sir.

3 Q. What's Linda's phone number?

4 A. Don't know, sir.

5 Q. Is Linda's number in your phone?

6 A. No.

7 Q. Before you moved into the house on Robison, who lived  
8 there?

9 A. Don't know, sir.

10 Q. Now, I've seen a utility bill from DTE for that  
11 address. You know what I'm talking about?

12 A. I can't -- I don't know what you're talking about. I  
13 can't see it.

14 Q. Okay. Let me see if I can find it. I can't put my  
15 fingers on it right now. Did you have electric service  
16 at the house at Robison when you lived there?

17 A. Yes.

18 Q. Did you have other utilities besides electricity?

19 A. Like heat?

20 Q. Yes.

21 A. Yes.

22 Q. And was that also through DTE?

23 A. Yes.

24 Q. Did you have water?

25 A. Yes.

1 Q. And was that through Detroit Water & Sewerage  
2 Department?

3 A. Yes, I think so.

4 Q. Did you have cable T.V.?

5 A. Yes.

6 Q. Who did you get your cable T.V. from?

7 A. I don't know. I didn't pay no cable bills.

8 Q. Did you have Comcast cable?

9 A. Don't know, sir.

10 Q. Did you have AT&T cable?

11 A. Don't know, sir.

12 Q. I'm going to show you another document. Can you see  
13 that document, Mr. Chancellor?

14 A. Yeah.

15 Q. And is this your signature at the bottom?

16 A. Yeah.

17 Q. All right. And this document says dated this February  
18 8, 2008; you see where it says that?

19 A. Yes.

20 Q. Was that the date you signed this document?

21 A. I don't recall.

22 Q. And did Roxsanna sign her name or did you sign her  
23 name?

24 A. She had to sign on her own name.

25 Q. Okay. And do you see this identification card here at

1 the bottom?

2 A. Yes.

3 Q. Is that your identification card?

4 A. Yes.

5 Q. It's also got your signature at the bottom?

6 A. Yes.

7 Q. And that's a picture of you?

8 A. Yes.

9 Q. Where were you on February 8th, 2008?

10 A. I was locked up.

11 Q. Did Roxsanna ever come to the prison to see you?

12 A. Unh-unh.

13 Q. Is that a no?

14 A. I don't recall, sir, no.

15 Q. Did you ever have a notary come to the prison where you  
16 were to sign this deed?

17 A. I don't recall.

18 Q. Who recorded this deed?

19 A. I don't recall, sir.

20 Q. When were you arrested for this case?

21 A. May 2nd, 2012.

22 Q. And where were you when you were arrested?

23 A. I was driving. I was pulled over.

24 Q. And was that in the city of Detroit?

25 A. Yes.

1 Q. And where did they take you when they arrested you?

2 A. The jail.

3 Q. Was that the Detroit Detention Center or was that  
4 before the Detroit Detention Center?

5 A. That was before the Detroit Detention Center.

6 Q. So which jail was it?

7 A. If I can recall, it was the precinct, the 2nd Precinct.

8 Q. And how long were you at the 2nd Precinct?

9 A. For a couple days.

10 Q. And then what happened after a couple days?

11 A. I went to Wayne County.

12 Q. And how long we're you at Wayne County Jail?

13 A. To trial, till I lost the trial.

14 Q. Never bonded out?

15 A. No.

16 Q. When you were arrested did you believe that you were  
17 innocent?

18 A. I know I was innocent.

19 Q. I'm going to show you another document. Can you see  
20 that document, Mr. Chancellor?

21 A. Yes.

22 Q. Do you recognize that document?

23 A. Yes.

24 Q. That document was -- I think it was the Defense Exhibit  
25 A in your trial; right?

1 A. I don't recall what exhibit it was.

2 Q. Okay. But you were aware of that at the time of trial,  
3 this document?

4 A. I'm aware of this, yes.

5 Q. I know you were aware of it now, but back then you were  
6 aware of it, too; right?

7 A. Yes.

8 Q. And at the time of your trial did you believe that the  
9 statements in this affidavit were false?

10 A. Could you repeat the question?

11 Q. Sure. Let's take a look at the -- part of the search  
12 warrant. I'm sorry. I'd like to mark this as Exhibit  
13 3, and I'd like to mark the deed we looked at before as  
14 Exhibit 2, which I failed to mention.

15 Okay. Can you see the part where it says --  
16 I'm going to try and highlight it here -- on November  
17 1st, 2011 affiant set up a fixed surveillance?

18 A. Yes.

19 Q. Okay. And during the course of 30 minutes, affiant  
20 observed at least three persons separately go to the  
21 above address, knock on the door of 5023 32nd, engage  
22 in a short conversation with the person matching the  
23 above seller description. Then the suspected buyer  
24 would stay outside and the above-described seller  
25 returned and made a suspected narcotic transaction with

1 the buyer in which money was exchanged for suspected  
2 heroin. Affiant has seen this type of activity several  
3 times in the past and finds this type of activity to be  
4 consistent with ongoing narcotic activity.

5 Do you believe that's a true statement?

6 A. I believe --

7 MR. JOHNSON: First of all, hold on. It's  
8 affiant, first of all, but go ahead.

9 THE WITNESS: I believe I ain't got nothing  
10 to do nothing in this statement, so I don't true or  
11 guess who, I don't know who you're talking about.

12 BY MR. CUNNINGHAM:

13 Q. Okay. I guess then my question is do you know whether  
14 that statement is true or not?

15 A. No, I don't know nothing about nothing in this  
16 statement.

17 Q. Okay. Now, all right, Mr. Chancellor, I'm going to ask  
18 you to look at another paragraph. It says on October  
19 31st, 2011, affiant received information from a  
20 credible and reliable informant. The CI stated to  
21 affiant that he/she knows there is a large amount of  
22 heroin at the above location which is being stored and  
23 sold at this location. The affiant has sued the CI in  
24 over three occasions resulting in three arrests for  
25 VSCA with cases pending in 36th District and Third

1 Circuit resulting in the confiscation of quantities of  
2 marijuana, cocaine and firearms proving the CI is  
3 familiar with narcotics and it's packaging. Do you  
4 know if that statement is true?

5 A. I don't know nothing about none of that.

6 Q. Okay. Do you own a motor vehicle?

7 A. No.

8 Q. Have you owned a motor vehicle since the purple Chevy  
9 Cavalier that you used to own?

10 A. Yes.

11 Q. What other motor vehicle have you owned?

12 A. I had a -- what was it? -- a Crown Victoria and a  
13 Trailblazer.

14 Q. When did you own a Crown Victoria?

15 A. Like, I want to say the end of 2011, beginning of 2012.

16 Q. What color was the Crown Victoria?

17 A. Gold, brownish gold.

18 Q. Okay. Did you own that gold Crown Victoria on November  
19 1st, 2011?

20 A. What was the date?

21 Q. November 1st, 2011.

22 A. No, not that I can recall.

23 Q. Have you ever spoken to Stephen Geelhood before?

24 A. No.

25 Q. Have you ever spoken to him on the telephone?

1 A. No.

2 Q. Had you ever met Stephen Geelhood before November 1st  
3 of 2011?

4 A. No.

5 Q. Do you know of any reason why he would make up a fake  
6 affidavit and come to search your mom's house on  
7 November 1st, 2011?

8 A. No, don't have the slightest idea.

9 Q. Do you currently receive any government benefits?

10 A. No. What do you mean?

11 Q. Sure. Medicaid? Do you get Medicaid?

12 A. I got a Medicaid card. I haven't used it or nothing.

13 Q. And you're not Medicare eligible, are you?

14 A. What you mean?

15 Q. Medicare is usually for people 65 and older, but also  
16 for some people with chronic health conditions.

17 A. No.

18 Q. It's that red, white and blue card that says Medicare  
19 on it if you're eligible.

20 A. No.

21 Q. Do you receive any kind of Social Security benefits?

22 A. No.

23 Q. Do you get food stamps or a Bridge card or anything  
24 like that?

25 A. Get a Bridge card.

1 Q. Other than Medicaid, do you have any other kind of  
2 health insurance?

3 A. No, not to my knowing.

4 Q. Do you have any kind of automobile insurance?

5 A. No.

6 Q. Any other kind of insurance?

7 A. No.

8 Q. All right. I have one more document to look at. Okay.  
9 Can you see that document, Mr. Chancellor?

10 A. Yeah.

11 Q. Do you recognize that document?

12 A. Not right offhand.

13 Q. Well, I'm going to suggest to you that this is a  
14 document -- actually, I don't even know if this is  
15 true, so let me ask you a question about this document.  
16 It looks to me like a document that the CIU sent to you  
17 and had you provide them information and you sent it  
18 back to them. Does that sound right to you?

19 A. No, I don't recall.

20 Q. Okay. I'm going to ask you to look at this. Is that  
21 your handwriting?

22 A. Yes.

23 Q. And what about this part, this is my new evidence? Is  
24 that your handwriting?

25 A. Yeah.

1 Q. And is this what you believe was new evidence in your  
2 criminal case?

3 A. I believe it was just evidence that wasn't looked at.

4 Q. Okay. I'm going to ask you to look at this handwritten  
5 number 10 here. It says, please tell us of the new  
6 evidence which supports your claim that you are  
7 innocent of the crimes of conviction. You see that?

8 A. Yes.

9 Q. Now, here you have a whole section of evidence, and  
10 then here you have another section that says, my new  
11 evidence. And is this evidence that you thought was  
12 new evidence that shows your innocence?

13 A. I thought this was evidence that wasn't submitted at  
14 trial.

15 Q. Okay. Okay. Fair enough. And so new evidence you  
16 have listed here, my original state ID card that shows  
17 my height and weight, which is your height is 5'11" and  
18 your weight is 220 pounds, do you see that?

19 A. Right.

20 Q. And you thought that was something that should have  
21 been considered at trial but was not?

22 A. Right.

23 Q. Correct?

24 A. Yes.

25 Q. Yeah. Okay. And then the second one was my quit claim

1 deed to the house I stayed at. Is that also evidence  
2 that you -- was not considered at your criminal trial  
3 that you thought should have been considered?

4 A. Yes.

5 Q. And that's the quit claim deed that we just looked at;  
6 right?

7 A. Yes.

8 Q. The third thing here is my detainee input sheet to show  
9 my weight before I got to jail. That's also something  
10 that you thought should have been considered at your  
11 trial but wasn't?

12 A. Yes.

13 Q. Okay. The next thing is my DTE energy bill. That's  
14 evidence that you thought should have been considered  
15 at your trial but wasn't?

16 A. Yes.

17 Q. And that's -- the DTE bill I was referring to earlier,  
18 but I can't seem to put my fingers on now.

19 Chapter 5. Affidavit for Janet Chancellor to  
20 testify. That's Janet Chancellor is your mom; right?

21 A. Yes.

22 Q. And so you thought she was going to give some testimony  
23 that she didn't offer at trial; right?

24 A. That she -- yes.

25 Q. Okay. Besides this new evidence that you listed here,

1 is there any other new evidence that you think should  
2 have been considered at your criminal trial that wasn't  
3 considered?

4 MR. JOHNSON: Calls for a legal conclusion.  
5 Go ahead.

6 THE WITNESS: Like, could you repeat that  
7 question?

8 MR. CUNNINGHAM: Yes.

9 BY MR. CUNNINGHAM:

10 Q. So you made a list of things and you said I think these  
11 things should have been considered at my criminal  
12 trial, but they weren't. I want to make sure that if  
13 there's anything else that you think should have been  
14 on this list, what else is it?

15 MR. JOHNSON: Calls for a legal conclusion.  
16 Go ahead.

17 THE WITNESS: No, I think everything is on  
18 there.

19 BY MR. CUNNINGHAM:

20 Q. So you can't think of another document that you have  
21 that you wish the court to consider --

22 MR. JOHNSON: Same --

23 MR. CUNNINGHAM: -- in your --

24 MR. JOHNSON: Sorry. I apologize, Patrick.  
25 Same objection. I apologize.

1 MR. CUNNINGHAM: No problem.

2 THE WITNESS: No.

3 BY MR. CUNNINGHAM:

4 Q. Here. I'm going to ask the question real slow. Give  
5 Mr. -- give your lawyer an opportunity to object, and  
6 then if you could answer. All right, Mr. Chancellor?

7 A. Go ahead.

8 Q. Okay. Besides the stuff you listed that we just went  
9 over, is there any other document that you know of that  
10 you wish had been admitted into evidence at your  
11 criminal trial?

12 MR. JOHNSON: Calls for legal conclusion. Go  
13 ahead, please, Darell.

14 THE WITNESS: Not right now.

15 BY MR. CUNNINGHAM:

16 Q. Okay. And, again, let's do the same thing. I'll ask  
17 real slow. Give your attorney an opportunity to object  
18 and then please answer.

19 Are there any other witnesses -- like you  
20 said my mom, Janet Chancellor would testify. Are there  
21 any other witnesses besides your mom, Janet Chancellor,  
22 who you thought should have testified at your criminal  
23 trial, but didn't?

24 MR. JOHNSON: Same objection. Go ahead,  
25 Darell.

1 THE WITNESS: No.

2 BY MR. CUNNINGHAM:

3 Q. Okay. Have you seen a doctor since you were released  
4 from prison?

5 A. Yes. What type of doctor?

6 Q. Any type of doctor.

7 A. Yes.

8 Q. What doctors have you seen since you were released from  
9 prison?

10 A. I've seen a doctor, I just left a doctor. I was  
11 getting checked for COVID.

12 Q. Okay. And besides getting checked for COVID, have you  
13 seen a doctor for any other reason since you were  
14 released from prison?

15 A. Yes.

16 Q. What other reasons have you seen a doctor for?

17 A. I seen a doctor, I forget his name. I forget the name.

18 A. What did you see him for?

19 A. Because I been going through a lot of stuff since I've  
20 been released from prison.

21 Q. Have you seen a psychiatrist since you got released  
22 from prison?

23 A. Yes.

24 Q. What psychiatrist have you seen?

25 A. I forget his name. I forget his name.

1 Q. How many times have you seen him?

2 A. Once.

3 MR. JOHNSON: Darell, are you talking about  
4 Dr. Shiner? S-h-i-n-e-r.

5 THE WITNESS: That's him.

6 BY MR. CUNNINGHAM:

7 Q. Have you seen any other psychiatrist besides Dr.  
8 Shiner?

9 A. No.

10 Q. And you only saw him one time?

11 A. Yes.

12 Q. Have you seen a psychologist since you were released  
13 from prison?

14 A. No.

15 Q. Do you have any kind of physical ailment that you link  
16 to your time in prison?

17 A. I mean, what do you mean?

18 Q. Like, so you see a psychiatrist I guess for mental  
19 issues. Do you have any physical issues that you see a  
20 doctor for?

21 A. No, no physical issue.

22 Q. And how long were you in prison?

23 A. Eight years.

24 Q. Is that the longest stretch of prison time you've done?

25 A. Yes.

1 Q. How long is the next longest time?

2 A. For the armed robbery.

3 Q. And what did you talk about with Dr. Shiner?

4 A. I told him what was going on with me. I don't like --  
5 I'm really -- how I feel. I don't feel safe really  
6 going outside or being, really, I don't feel safe in  
7 the law enforcements no more. You know, I stay -- I  
8 tell him I stay in the house nowadays because I don't  
9 want another episode to happen. I don't know what will  
10 happen next. That's what we talked about. I tell him  
11 I don't want to go outside, really.

12 Q. Are you taking any kind of medication?

13 A. No.

14 Q. Are you doing any kind of talk therapy where you go  
15 talk to a doctor, or a social worker or a psychologist?

16 A. No.

17 Q. What do you want to tell me about your time in prison?

18 A. It was long, hard and terrible. I mean you see things  
19 you not supposed to see in prison.

20 Q. Things like what?

21 A. Like I had a bunkie used to get butt naked in middle of  
22 the night and jack off while I'm laying there. Like I  
23 had 300-pound bunkie wanted to fight and --

24 Q. I'm sorry. You cut out on me a little bit. You had a  
25 300-pound bunkie that what?

1 A. Wanted to fight every night.

2 Q. He wanted to fight you?

3 A. He wanted to fight. He didn't care who it was. I was  
4 just locked in the room with him.

5 Q. Did you ever have any fights while you were in prison?

6 A. I had a lot of fights when I was in prison.

7 Q. How many fights?

8 A. More than I can count.

9 Q. More than 10 fights?

10 A. I don't recall the number of fights.

11 Q. Well, can you put like a ballpark estimate on it?

12 A. I just said I had a bunkie that woke up, wanted to  
13 fight. I don't recall the nights or how many nights in  
14 a row that he woke up, wanted to do this, but it was a  
15 lot of nights.

16 Q. What was his name?

17 A. I don't recall. I really didn't want to know his name.

18 Q. How long was he your bunkie?

19 A. For months, for about six months.

20 Q. Did you get a GED while you were in prison?

21 A. Yes.

22 Q. Was that the first stretch or the second stretch?

23 A. The first stretch.

24 Q. Did you do any education in prison during the second  
25 stretch?

1 A. No.

2 Q. Did you have a job at the prison during the second  
3 stretch?

4 A. Yes.

5 Q. What was your job?

6 A. I was a porter.

7 Q. What does a porter do?

8 A. Clean up doo-doo. Clean up after everybody. Like the  
9 people use the bathroom, you got to go in there and  
10 clean it when they done. If there was doo-doo on the  
11 floor or pee on the floor, you got to clean that up.

12 Q. You just told me you got your GED. Did you ever attend  
13 a high school?

14 A. Yes.

15 Q. What high school did you attend?

16 A. Chadsey.

17 Q. Where is that?

18 A. It's on Martin and McGraw. Well, yeah, between Martin  
19 and McGraw.

20 Q. And that's a Detroit Public School high school?

21 A. Yes.

22 Q. What's the last grade you attended?

23 A. The 11th.

24 Q. Did you complete the 11th grade?

25 A. No.

1 Q. So you completed 10th grade and part of 11th grade?

2 A. Yes.

3 Q. We talked about your bunkies in prison. Is there  
4 anything else you want to tell me about prison?

5 A. Don't go.

6 Q. Sound advice.

7 Are there any other experiences you had  
8 during this stretch of prison that stick out in your  
9 memory?

10 A. No. Like I said, worst is seeing another man jack off  
11 in front of you. That's a terrible feeling.

12 Q. I can understand that. Have you filed a lawsuit under  
13 the Wrongful Imprisonment Compensation Act?

14 A. I don't know, what's the name of it?

15 Q. I think it's actually incarceration. The state --

16 MR. JOHNSON: WICA; WICA. W-I-C-A.

17 BY MR. CUNNINGHAM:

18 Q. Are you familiar with that, Mr. Chancellor, at all?

19 A. No, I ain't. No, I haven't.

20 Q. Okay.

21 MR. JOHNSON: We have not filed as of now.

22 BY MR. CUNNINGHAM:

23 Q. What injuries have you suffered as a result of your  
24 imprisonment?

25 A. What you mean, physically? I don't know what you mean.

1 Q. Any kind, physical or emotional.

2 A. Like I'm very paranoid now. Like I told you, I don't  
3 want to go outside. I don't. I can't even spend like  
4 time with my son like I want to outside because I'm  
5 scared. I don't know what can happen next. Like I  
6 say, it ain't -- I don't know, I don't trust the  
7 police. I can't just go outside like that. I mean  
8 there's more than Geelhood. I don't trust none of  
9 them. I can't -- I don't want to go outside. Like I  
10 say, I don't go outside. I don't sleep well. It's  
11 just it's a total -- it's totally different.

12 Q. Do you have any financial expense that you've incurred  
13 as a result of your imprisonment? Did it cost you any  
14 money?

15 A. That what cost me any money?

16 Q. Being in prison.

17 MR. JOHNSON: Foundation. Go ahead.

18 THE WITNESS: Yes. I mean, I spent money on  
19 lawyers, I lost my house due to me being in prison and  
20 I was -- I was, what was it? -- had to pay restitution  
21 while I was in prison.

22 BY MR. CUNNINGHAM:

23 Q. What lawyers did you pay?

24 A. I had Ronnie Cromer and Ray Paige.

25 Q. Ray Paige was your trial attorney at the criminal

1 trial; right?

2 A. Yes.

3 Q. What did Ronnie Cromer do for you?

4 A. Ronnie, he was my first lawyer before. He's the one I  
5 had before trial. Ray just stepped in at trial.

6 Q. Did you have to pay any lawyers besides Ronnie Cromer  
7 and Ray Paige?

8 A. Pay them for what?

9 Q. Fair question. Did you have to pay any lawyers as a  
10 result of your imprisonment other than Ronnie Cromer or  
11 Ray Paige?

12 A. No.

13 Q. You said you lost your house. Why did you lose your  
14 house?

15 A. The mortgage. It wasn't going to pay itself. If I'm  
16 locked up, I'm the one paying the bills there.

17 Q. Did you have a mortgage on your house?

18 A. I mean not -- no, I did not have a mortgage. Excuse  
19 me.

20 Q. Okay.

21 A. But the taxes. Excuse me.

22 Q. Taxes? Okay. Was the house foreclosed on?

23 A. Yes.

24 Q. And how much restitution did you pay?

25 A. I think they made me pay like \$1,000 for victim fees or

1 something. I don't --

2 Q. Aside from what we just talked about, are there any  
3 other expenses that incurred, money that you had to pay  
4 out as a result of your imprisonment?

5 A. No.

6 Q. Have you ever met Valerie Newman?

7 A. Yes.

8 Q. When did you meet Valerie Newman?

9 A. I met Valerie Newman like when I got released. I think  
10 it was a month or so after I got released.

11 Q. Did she ever come to talk to you while you were in  
12 prison?

13 A. No.

14 Q. Do you know Pat Little?

15 A. Pat Little? No.

16 Q. Do you know Carol Stanyar?

17 A. No.

18 Q. Do you know Tim Ewald?

19 A. I know Tim Ewald, yes.

20 Q. How do you know Tim Ewald?

21 A. Tim, I had -- Tim came, talked to me.

22 Q. When is the first time you met Tim?

23 A. Well, I knew Tim since Officer Melendez case.

24 Q. That was like the year 2000, is that about right or is  
25 that not the right time frame?

1 A. No, like 2000 and -- yeah. No, about 2003, something  
2 like that, 2002.

3 Q. Around 2002, 2003? And how did you know Tim Ewald in  
4 around 2002 or 2003?

5 A. Officer Melendez.

6 Q. What was Tim's role in that situation?

7 A. I guess he was on Officer Melendez case.

8 Q. And what kind of involvement did you have with Tim?

9 A. Like during my case he just had me really point out  
10 Officer Melendez in the lineup and all that.

11 Q. Was he a police officer investigating Melendez?

12 A. I don't recall. I don't know.

13 Q. Okay. Did you keep in touch with Tim after the  
14 Melendez --

15 A. No, I haven't seen him since.

16 Q. Did you ever speak to him on the phone?

17 A. No.

18 Q. After you moved out of your mom's house on 32nd Street,  
19 how often would you go over there?

20 A. What days? What time you talking?

21 Q. I'm talking about after you moved out in January of  
22 2011.

23 A. Oh, I mean I go over there like -- like I go over there  
24 about probably -- I used to go probably three, four  
25 times out the week, check on my mother.

1 Q. Were you over there on November 1st, 2011?

2 A. No. November 1st? No.

3 Q. You didn't go over to check on your mother that day?

4 A. No.

5 Q. Are there any other injuries that you suffered or  
6 damages that you incurred that you want to tell me  
7 about that we didn't already talk about?

8 A. No.

9 MR. JOHNSON: Foundation. Go ahead. Sorry.

10 BY MR. CUNNINGHAM:

11 Q. Is there any other kind of treatment you've sought  
12 since you got released from prison other than with Dr.  
13 Shiner?

14 A. No.

15 Q. Is there a Katie Chancellor in your family?

16 A. A who?

17 Q. Katie Chancellor?

18 A. No, I never heard the name.

19 MR. CUNNINGHAM: Okay. All right. I think  
20 that's all I have.

21 MS. HATCHETT: Okay. We don't have any other  
22 questions. We don't have any follow-up questions,  
23 Patrick.

24 MR. JOHNSON: Wait a minute, Hatchett. Wait  
25 a minute.

1 MS. HATCHETT: Oh, sorry.

2 MR. JOHNSON: What's this "we: stuff?

3 EXAMINATION

4 BY MR. JOHNSON:

5 Q. I'm going to ask you a couple questions about the  
6 search warrant that Counsel asked you about, Exhibit 3,  
7 if my notes are at all legible and correct.

8 At the time of November 2, 2011, were you  
9 5'8" and 1800 pounds?

10 A. No.

11 Q. Okay. Now, we've seen some documents and so forth  
12 around that time that said how tall you were. If you  
13 weren't 5'8", how tall were you?

14 A. 5'11".

15 Q. So three inches taller than 5'8"?

16 A. Right.

17 Q. And 180 pounds. How much were you -- did you weigh on  
18 November 2, 2011?

19 A. 220.

20 Q. So 40 pounds more?

21 A. Right.

22 Q. Okay. Do you even know when is the last time you  
23 weighed only 180 pounds?

24 A. No.

25 Q. Has it been, shall I say, a lot of years?

1 A. Yeah, it's been a lot of years.

2 Q. No offenses, brother, me, too, but I'm just asking.

3 A. Right.

4 Q. So if in the search warrant Officer Geelhood was  
5 describing a black male, 30s -- let me ask you that.  
6 How old were you back on November 2 of 2011, roughly?

7 A. I think I want 29.

8 Q. All right. So at least if that's true, he says 30s,  
9 you'd be within a year or so of that; right?

10 A. Right.

11 Q. All right. So if he's talking about a black male who  
12 is in his 30s, 5'8", 180, that is not you, a black male  
13 5'11", 220?

14 A. Correct, that is not me.

15 Q. So do you have any knowledge if he says he, Geelhood in  
16 his affidavit, that on October 31, 2011 someone that  
17 looked like that was inside the home at 5023 32nd  
18 Street, Detroit, Michigan, that was allegedly seen by a  
19 confidential informant --

20 A. You talking?

21 Q. Yeah, I know. Sorry. The hamster is on the wheel  
22 though still, brother, so give me a minute.

23 A. Okay. Go ahead.

24 Q. Where he knew that there was a large -- the  
25 confidential informant, that he knew there was a large

1 amount of heroin stored and sold at that location, do  
2 you have any information about that?

3 A. No.

4 Q. Did you have any large amount of heroin stored and sold  
5 at that location on October 31, 2011?

6 A. No.

7 Q. Did the confidential informant in any way testify at  
8 your trial?

9 A. No.

10 Q. Was the confidential informant ever revealed to you or  
11 your counsel that you're aware of as to who that person  
12 is?

13 A. No.

14 Q. If, according to Geelhood -- excuse me -- Officer  
15 Geelhood on November 1, 2011, the day before you were  
16 arrested, he claims that 5023 32nd Street, over the  
17 course of 30 minutes he observed three people  
18 separately go into the address, knock on the door and  
19 engage in short conversation with a person matching the  
20 above-seller description, first of all, is 5'8", 180,  
21 is that matching your description, yes or no?

22 A. No.

23 Q. So if Geelhood claims to have seen that on November 1,  
24 was it you?

25 A. No.

1 Q. You said you weren't even at the house on November 1;  
2 correct?

3 A. Correct.

4 Q. The suspected buyer would stay outside and  
5 above-described seller returned and made suspected  
6 narcotic transition. Any idea who that is or what  
7 they're doing?

8 A. No.

9 Q. And then there was alleged money exchanged for  
10 suspected heroin. Okay? Was that you?

11 A. No.

12 Q. What were you charged with on November 2, the next day?

13 A. I wasn't charged the next day. It was -- I wasn't -- I  
14 didn't get arrested on this thing. I got charged --  
15 what was it? -- May 2nd, 2012, and they charged --

16 Q. What were you charged with?

17 A. I was charged with attempt to deliver.

18 Q. Of what?

19 A. 450 grams.

20 Q. Of what?

21 A. Of cocaine.

22 Q. Okay. Well, this affidavit said heroin.

23 A. Right.

24 Q. Do you have any information --

25 A. No.

1 Q. -- as to why Geelhood would say that there was activity  
2 on November 1 relative to suspected heroin if  
3 ultimately you were charged with cocaine?

4 A. No, I do not.

5 Q. Are you aware at all of Officer Geelhood's record with  
6 the Detroit Police Department in terms of how many  
7 times he's been investigated or written up for  
8 suspected criminal activity related to him being a  
9 narcotics officer?

10 A. No, I don't know nothing about it.

11 Q. You mentioned Melendez many times today. You sued that  
12 officer; correct?

13 A. Correct.

14 Q. Apparently you were successful at least in terms of  
15 getting a settlement; true?

16 A. Correct.

17 Q. I think I heard you say 250 grand; right?

18 A. Yes; yes.

19 Q. And so you told us that that money was in the bank and  
20 that's in part what the state took after you were  
21 improperly and illegally arrested and charged with  
22 this; right?

23 A. Right.

24 Q. And did they take all that money?

25 A. Yes, basically. They took half.

1 Q. I need to know how much money did they take out of the  
2 money that you had while you were in prison on this  
3 charge in this case.

4 A. No, not on this case. They took it when I was locked  
5 up for armed robbery.

6 Q. I apologize. My bad. Got it.

7 On November 2 were you at your mom's house?

8 A. No.

9 Q. On October 31, 2011 were you at your mom's house?

10 A. No.

11 Q. Going back to my question about Melendez. What  
12 happened, when did that lawsuit settle, to the best of  
13 your memory, Darell?

14 A. I think it was 2006.

15 Q. Do you know what, if anything, happened to Melendez?

16 A. Unh-unh.

17 Q. Did he remain a police officer? Did he get in trouble?  
18 Do you have any idea? If you don't know, tell me.

19 A. I just -- well, recently when I was coming home on this  
20 case, I mean I just got exonerated on this case, I  
21 think he just got locked up for something else. I'm  
22 not for sure though.

23 Q. Okay. And do you know when he last worked with DPD?

24 A. Unh-unh; no.

25 Q. Are you aware of any issue at all between Geelhood and

1 your mom?

2 A. No.

3 Q. So in terms of the activities that are identified in  
4 this November 2, 2011 search warrant by Geelhood,  
5 number one, had nothing to do with you?

6 A. Nothing to do with me.

7 Q. Not you?

8 A. No.

9 Q. Correct?

10 A. Correct; not me.

11 Q. How long was your trial, Darell?

12 A. I think my trial was two days.

13 Q. Okay. So you told us you got arrested on this May 2,  
14 2012; correct?

15 A. Correct.

16 Q. So about six months after the affidavit we're talking  
17 about; right?

18 A. Right.

19 Q. Did you have any knowledge that you were about to be  
20 arrested?

21 A. No, I got pulled over on a routine traffic stop.

22 Q. And then did they ultimately tell you that they charged  
23 you based on this affidavit of search warrant and what  
24 they found in your mom's house from six months earlier?

25 A. They just told me I had a warrant.

1 Q. And that's when you found out it was for this?

2 A. I found out that -- I didn't find out what it was for  
3 until I went to my -- to court to have a hearing.

4 Q. Your mom told you that they raided the house; right?

5 A. Right.

6 Q. When did she tell you that?

7 A. The same day, the day they raided.

8 Q. November 2, 2011?

9 A. Right.

10 Q. Did she tell you that they found anything?

11 A. No, she just told me that they -- the police searched  
12 her house.

13 Q. Did she tell you that they confiscated any drugs?

14 A. No.

15 Q. Did she tell you that they are asking about you and  
16 whether you lived there or anything like that?

17 A. No, she only thing she said they asked who stayed at  
18 the house.

19 Q. And you may not know this, do you know what your mom  
20 told them?

21 A. No.

22 Q. So from May 2, 2012, you getting arrested, you said a  
23 couple days in the precinct in that jail, then went to  
24 Wayne County Jail; right?

25 A. Right.

1 Q. Remained there through trial?

2 A. Right.

3 Q. Trial was when?

4 A. Trial was November 12, 2012.

5 Q. November 12, 2012?

6 A. 2012, yeah.

7 Q. About a year after this search warrant we've been  
8 talking about; right?

9 A. Right.

10 Q. Without belaboring the point, Darell, what did it feel  
11 like to go to trial and be accused of a crime that you  
12 didn't commit?

13 A. I mean, it felt terrible. It feels more terrible when  
14 you get found guilty of something you ain't commit  
15 because it's like the justice system that failed you.  
16 You been taught to believe in the justice system, but  
17 to get to found guilty for something you ain't do is  
18 where the justice going to come from, yeah.

19 Q. Did you have a jury or was it just Judge Hathaway?

20 A. Just Judge Hathaway.

21 Q. Did you ever any experience with Judge Dan Hathaway  
22 before?

23 A. Never, never, never in life.

24 Q. When you heard him say the word guilty --

25 A. Huh.

1 Q. And you just made a sound, didn't you?

2 A. Yeah.

3 Q. Darell, you can still feel it?

4 A. Yeah, I'm guilty, yeah, when you hear guilty, I mean  
5 it's like there's nothing else come after that. That's  
6 the last say-so, guilty. So --

7 Q. And from --

8 A. Yes, sir.

9 Q. -- that day all the way through March 26th, of 2020 you  
10 remained jailed and then ultimately in prison?

11 A. I remained in prison, yes.

12 Q. Obviously, the entire time that you're in jail, whether  
13 it's the precinct, Wayne County or prison, you ain't  
14 working at G&G?

15 A. No.

16 Q. Or anywhere else?

17 A. I'm a porter. Like I just told, I'm cleaning people  
18 feces that just got to use the bathroom.

19 Q. At the jail prison; right?

20 A. At the jail prison.

21 Q. My question though is when you're in jail or prison,  
22 you're not able to work an outside job?

23 A. No.

24 Q. And earn any wages?

25 A. Correct.

1 Q. That otherwise you'd be able to earn?

2 A. Correct.

3 Q. You tell us that you last worked for G&G in 2012. I  
4 thought that's what I heard. Am I wrong about that?

5 A. Correct; you're correct.

6 Q. So, in other words, you were working at G&G when you  
7 got arrested on May 2, 2012?

8 A. Yes.

9 Q. Roughly, if you know, Darell, how much money were you  
10 making at G&G?

11 A. It wasn't -- it was like \$10 an hour, something like  
12 that.

13 Q. But it was a job?

14 A. But it was a job.

15 Q. When you were working, Counsel asked you about some of  
16 your temporary agency jobs. Really what he's trying to  
17 ask you, Darell, is can you tell us not necessarily the  
18 names of places and stuff, but the type of work you  
19 were doing. In other words, were you being a stock guy  
20 and putting stuff at a grocery store, were you stamping  
21 parts with a press at a, you know, at a stamping  
22 facility?

23 A. Right.

24 Q. Can you think back at all and let us better understand  
25 while you were working for any type of temp agency what

1 types of work you were doing?

2 A. Like -- well, like I told you with the temp service,  
3 one day you can be stocking, one day you could be  
4 stamping.

5 Q. And that's what we want to hear about. Tell us what  
6 you can think of. Again, we'll talk about where it was  
7 later, and if you remember, you do, you don't, but we  
8 want to know what type of jobs, please.

9 A. It was like with the temp service, it's mainly -- like  
10 you say, it's mainly packing and -- it's mainly packing  
11 with temp services.

12 Q. Packing like what?

13 A. Like produce, or whatever, whatever they bring in that  
14 got to be packed. It can be produce. You can pack  
15 sugar. You can pack whatever they got to be packed,  
16 got to be packed.

17 Q. By the way, when they arrested you on May 2, 2012, you  
18 didn't have the unregistered gun on you, did you?

19 A. No; no.

20 Q. All right. You told us you were making roughly 10  
21 bucks an hour at G&G. When you were working your jobs  
22 through the temp agencies, what was your hourly rate,  
23 approximately?

24 A. \$8, \$9, you know, the job varies.

25 Q. Yeah.

1 A. So wherever the temp service, whatever they pay, that  
2 what you working for that day.

3 Q. Were you and Katrice still married then when you got  
4 arrested?

5 A. Yeah.

6 Q. When did you all get a divorce?

7 A. I mean, when we -- too much time, I'll just say that.  
8 I had too much time to do.

9 Q. So she divorced you?

10 A. Yeah.

11 Q. While you were in prison for this thing that you didn't  
12 do?

13 A. Yes.

14 Q. Approximately when?

15 A. Let me see. It was -- I think it was 2016.

16 Q. So about four years or so after you were wrongfully  
17 convicted?

18 A. Yeah. She looked at like four years after, 10 more to  
19 go.

20 Q. Yeah. And I should have asked you that. So when you  
21 were convicted the sentence the judge gave, Judge  
22 Hathaway --

23 A. Yeah.

24 Q. -- was what?

25 A. 14; 14 to 30. 14 years, 3 -- it was 14 years, 3 months

1 to 30 years.

2 Q. Every single day you're in that prison cell, jail cell,  
3 precinct cell being accused and ultimately wrongfully  
4 convicted of doing something you didn't do, Darell,  
5 every day, all day what did it feel like?

6 A. It feel terrible when you know you ain't do something,  
7 but you convicted for it. It was --

8 Q. I listened -- did I interrupt you? I'm sorry. If you  
9 weren't done, go ahead.

10 A. I mean, like I was saying, it's like, like I said, you  
11 sitting in there looking like where the justice going  
12 to come from. That's a hard feeling when you know you  
13 ain't done nothing, but a judge convicted you of  
14 something and now you stuck in prison trying to figure  
15 out how you going to get back home for something you  
16 ain't do. First, you ain't supposed to be here because  
17 you ain't did nothing. But now that you here, how you  
18 going to get back home for something you ain't do.

19 Q. So when Counsel went over your previous convictions, I  
20 didn't hear anything about you ever going to trial  
21 except for this thing.

22 A. Because I did that. I would never -- if I did  
23 something, I'm going to let you -- I'll say I did it.  
24 So if I do it --

25 Q. You didn't go to trial on those other charges --

1 A. No.

2 Q. -- because ultimately you either pled nolo contendere  
3 or not guilty; right?

4 A. Right; right.

5 Q. Excuse me. Or guilty. Sorry.

6 A. Right. I pled guilty; right.

7 Q. This one you fought and went to trial; right?

8 A. Right.

9 Q. Unfortunately, lost.

10 A. Exactly.

11 Q. So you lost your wife -- right, Darell -- from this?

12 A. Yes; yes.

13 Q. You didn't just lose her though, you lost somebody else  
14 really important in your life, too?

15 A. I lost a lot -- to death, yes, I lost a lot of people  
16 to death due to me being locked up. I lost my auntie.

17 Q. I'm talking about your son.

18 A. I lost eight, nine years, the first nine years of his  
19 life, eight years of his life.

20 Q. That's where I'm going, brother.

21 A. So, yeah, I mean, yeah, I lost that.

22 Q. What's his date of birth?

23 A. 8-25th, that's the day, birthday.

24 Q. August 25?

25 A. Yes. Excuse me. Yes, it's August 25th.

1 Q. Why are you putting the phone down?

2 A. Because, like you say, I mean, it's emotional.

3 Q. You're crying?

4 A. Basically. It's emotional. I -- it's emotional.

5 Q. And what ultimately you're crying about is when I asked  
6 you questions about the time you missed with your son?

7 A. Right. I mean, it's hard to -- you can't get that  
8 back.

9 Q. Was he born on August 25, 2011?

10 A. Yes.

11 Q. So about three months before this false affidavit?

12 A. Right. You can't get that back.

13 Q. So when he was born, where did Katrice have your son?

14 A. Huh?

15 Q. Where did she have him? What hospital?

16 A. At Children's.

17 Q. And were you with her when she delivered?

18 A. Yes.

19 Q. When you brought the baby home, where did you all live?

20 A. On Robison.

21 Q. You, Katrice and your son, brand new son?

22 A. Yes.

23 Q. Every day for the rest of that year throughout 2011  
24 you, Katrice and the son lived there on Robison?

25 A. Yes.

1 Q. Your son did not live with anybody at 5023 32nd Street  
2 ever, did he?

3 A. No.

4 Q. I think I heard you tell Counsel the last time you  
5 lived at that house was in early I think January 2011?

6 A. Yes.

7 Q. And you lived there then why?

8 A. Because my electricity wasn't on at my house.

9 Q. At Robison?

10 A. Right.

11 Q. And the only way you could live in Robison, obviously,  
12 if the utilities are working?

13 A. Exactly.

14 Q. And you got those working approximately when?

15 A. The next month I was released from prison.

16 Q. Which is when?

17 A. Was January.

18 Q. 2011?

19 A. 2011, yes.

20 Q. Why did you list 5023 32nd Street on any of the  
21 documents about parole and all that other stuff?

22 A. The G&G Market and the parole office is literally six  
23 to seven blocks apart. So if I got to report, I could  
24 still -- it won't bother my work. I can leave work and  
25 literally go report and be back at work in less than 20

1 minutes. That's why.

2 Q. How often did you have to report?

3 A. Every two weeks.

4 Q. And did you report?

5 A. Every two weeks.

6 Q. And did you have any problem at all with your parole  
7 officer?

8 A. I didn't have a problem at all.

9 Q. But why tell them that the 5023 address if you were  
10 really living on Robison?

11 A. Because if I was to tell them to change the address  
12 they would change my parole officer to a parole  
13 building that's so -- it's totally out of the way. The  
14 other parole office was on 8 Mile and something at the  
15 time.

16 Q. Okay. You were simply trying to keep your job at G&G?

17 A. Basically.

18 Q. Did your parole officer, to the best of your  
19 knowledge -- if you remember, great, if you don't, tell  
20 us -- write you up for anything that you're aware of  
21 from when you got out of prison in January 2011 up  
22 until the time that you were arrested in May of 2012?

23 A. No, she didn't write me up for nothing. I went back to  
24 prison. She didn't wrote me up anything.

25 Q. That's why I asked.

1                   So I asked you for the rest of 2011 about  
2                   where you lived with your baby and your wife. But now  
3                   January 1, 2012 up until the time you were arrested on  
4                   May 2, 2012, for those five months -- actually, four  
5                   full months and two days -- where did you live?

6           A.    On Robison.

7           Q.    With your wife and your son?

8           A.    With my wife and my son.

9           Q.    Is that the last time where you actually lived with  
10           either one of them?

11          A.    Yes.

12          Q.    So from May 2, 2012, the time you were jailed, did your  
13           wife, Katrice, ever bring your son up to the prison or  
14           the jail?

15          A.    I seen him like twice.

16          Q.    Did you ask her to bring him more often?

17          A.    Yes. She, I mean, yeah, but you can't make nobody do  
18           nothing.

19          Q.    I hear you, man, but did you ask?

20          A.    Yes, I asked. You know, I asked. I wanted to see him,  
21           but, you know, she had other plans.

22          Q.    Let me ask you. Roles reversed, can you blame her not  
23           wanting to bring a baby, a brand new baby up to a  
24           prison to visit somebody he doesn't even know?

25          A.    I'm not mad at her. To this day I'm not mad at her.

1 Q. But if anybody truly wants to know about you and what  
2 you've gone through, a huge part of you is that young  
3 man?

4 A. Yes.

5 Q. That's been taken from you, Darell?

6 A. Yeah.

7 Q. How do you get that time back?

8 A. You can't. That's time gone.

9 Q. All right. In any regard, you told us about Tim Ewald.  
10 E-w-a-l-d. Is that the gentleman who is an  
11 investigator for the feds?

12 A. Yes.

13 Q. Did you ever talk to anybody from Wayne County at all  
14 other than Val Newman after your exoneration and  
15 release from prison?

16 A. No.

17 Q. I said Wayne County. City of Detroit, too? Same  
18 question, City of Detroit.

19 A. No.

20 Q. Other than what information you got from -- well, Val  
21 Newman is on behalf of the County, so my question is  
22 has anybody from the city ever written you, talked to  
23 you, apologized to you for any of this?

24 A. No; no. No one.

25 MR. JOHNSON: Appreciate your time. Thank

1           you, sir. I've got no more questions.

2                       MR. CUNNINGHAM: I just have two follow-ups.

3                               RE-EXAMINATION

4 BY MR. CUNNINGHAM:

5 Q. Have you filed state or federal tax returns in the  
6 past, Mr. Chancellor?

7 A. No.

8 Q. Never?

9 A. Not -- no, not that I know of.

10 Q. Okay. So nothing you can recall?

11 A. Not that I can recall.

12 Q. And when you were arrested, that wasn't Officer  
13 Geelhood who placed you under arrest; right?

14 A. Correct.

15                       MR. CUNNINGHAM: That's all I have.

16                       MR. JOHNSON: No more questions. Thank you  
17 very much.

18                               (Deposition concluded at 2:19 p.m.

19 Signature of the witness was not requested by  
20 counsel for the respective parties hereto.)

21

22

23

24

25

CERTIFICATE OF NOTARY

STATE OF MICHIGAN )

) SS

COUNTY OF WAYNE )

I, DIANE H. DRAUGELIS, certify that this deposition was taken before me on the date hereinbefore set forth; that the foregoing questions and answers were recorded electronically and transcribed by me; that this is a true, full, and correct transcript of my recording so taken; and that I am not related to, nor of counsel to, either party nor interested in the event of this cause.



DIANE H. DRAUGELIS, CER-2530

Notary Public,

Wayne County, Michigan.

My Commission expires: December 12, 2022

|  |   |  |  |
|--|---|--|--|
| <hr/> <b>\$</b> <hr/>                            | 25:10,11<br>35:21,22  | <b>2003</b><br>22:14 25:14<br>68:1,3,4   | <b>2024</b><br>9:8   |
| <b>\$1,000</b><br>22:2 24:24<br>66:25            | <b>1504</b><br>34:1   | <b>2005</b><br>5:14,25 6:1   | <b>21</b><br>20:15   |
| <b>\$10</b><br>80:11                             | <b>15040</b><br>33:25 34:3,5  | <b>2006</b><br>75:14   | <b>220</b><br>55:18 70:19<br>71:13   |
| <b>\$250,000</b><br>17:25                        | <b>16</b><br>19:9 20:11   | <b>2008</b><br>47:18 48:9  | <b>23</b><br>4:2   |
| <b>\$8</b><br>81:24                              | <b>180</b><br>70:17,23<br>71:12 72:20   | <b>2010</b><br>25:14,16<br>35:21,22<br>36:12,22<br>37:9  | <b>25</b><br>21:15,17<br>24:18 84:24<br>85:9                                     |
| <b>\$9</b><br>81:24                              | <b>1800</b><br>70:9   | <b>2011</b><br>27:6,8,10,25<br>29:13 30:7<br>31:15,17,20<br>32:2,8,11<br>36:5,25<br>37:7,9 38:21<br>41:8,11<br>50:17 51:19<br>52:15,19,21<br>53:3,7 68:22<br>69:1 70:8,18<br>71:6,16<br>72:5,15 75:9<br>76:4 77:8<br>85:9,23<br>86:5,18,19<br>87:21 88:1 | <b>250</b><br>74:17  |
| <hr/> <b>-</b> <hr/>                             | <b>1st</b><br>27:5,8,10,25<br>31:5,15,17<br>50:17 52:19,<br>21 53:2,7<br>69:1,2                                 | <b>2012</b><br>15:8 48:21<br>52:15 73:15<br>76:14 77:22<br>78:4,5,6<br>80:3,7 81:17<br>87:22 88:3,<br>4,12   | <b>250,000</b><br>17:23  |
| <b>-**-3013</b><br>8:7                           | <hr/> <b>2</b> <hr/>  | <b>2016</b><br>82:15   | <b>25th</b><br>84:25   |
| <hr/> <b>1</b> <hr/>                             | <b>2</b><br>25:10 40:15<br>50:14 70:8,<br>18 71:6<br>73:12 75:7<br>76:4,13<br>77:8,22 80:7<br>81:17 88:4,<br>12 | <b>2020</b><br>9:5 35:4,5,<br>9,11,13,18<br>79:9   | <b>26</b><br>35:4,5,8,11,<br>18  |
| <b>1</b><br>40:25 72:15,<br>23 73:1 74:2<br>88:3 | <b>2-</b><br>9:14   | <b>2021</b><br>4:2   | <b>26th</b><br>79:9  |
| <b>10</b><br>31:5 55:5<br>62:9 81:20<br>82:18    | <b>20</b><br>20:15 86:25  |  | <b>280</b><br>8:24   |
| <b>10th</b><br>64:1                              | <b>2000</b><br>20:14,18<br>21:1,15<br>67:24 68:1  |  | <b>29</b><br>71:7  |
| <b>11:38</b><br>4:3                              | <b>2001</b><br>20:14,18<br>21:1,4,15<br>24:2,9  |  | <b>2:19</b><br>90:18   |
| <b>11th</b><br>63:23,24<br>64:1                  | <b>2002</b><br>21:15 24:18<br>68:2,3,4  |  | <b>2nd</b><br>29:13 30:7<br>31:20 32:2,<br>8,11 41:8,11<br>48:21 49:7,8<br>73:15 |
| <b>12</b><br>78:4,5                              |   |  | <hr/> <b>3</b> <hr/>   |
| <b>12-7-81</b><br>9:10                           |   |  | <b>3</b><br>50:13 70:6<br>82:25  |
| <b>14</b><br>9:5 35:20<br>82:25                  |   |  | <b>30</b><br>50:19 72:17<br>82:25 83:1   |
| <b>15</b><br>19:9 20:11                          |   |  | <b>300</b><br>9:14   |

|   |  |   |   |
|---|--|---|---|
| <b>300-pound</b><br>61:23,25  | 21:2,4,5,11,<br>16,17 24:2,9                     | <hr/>   | 64:6  |
| <b>30s</b><br>71:5,8,12   | <b>5023</b><br>7:9,16,18                         | <b>9</b> <hr/>  | <b>affiant</b><br>50:17,19<br>51:2,8,19,<br>21,23   |
| <b>31</b><br>71:16 72:5<br>75:9   | 32:22 33:6<br>34:15 35:6,<br>11 38:15<br>41:8,12 | <b>9209</b><br>27:17 29:3,<br>25 42:23,24,<br>25 45:4                       | <b>affidavit</b><br>50:9 53:6<br>56:19 71:16<br>73:22 76:16,<br>23 85:11                            |
| <b>313-828-4115</b><br>12:3   | 50:21 71:17<br>72:16 86:1,<br>20 87:9            | <b>9:00</b><br>28:6,7<br>30:10,18,21  | <b>agencies</b><br>81:22  |
| <b>31st</b><br>51:19  | <b>5:00</b><br>28:22,24<br>30:16,19,20,<br>21,23 | <hr/> <b>A</b> <hr/>  | <b>agency</b><br>80:16,25   |
| <b>32nd</b><br>7:9,16,18<br>32:22 33:6<br>34:15 35:6,<br>12 36:7,8,11<br>37:1,10,19,<br>21,24 38:16<br>39:3,9 41:9,<br>12 50:21<br>68:18 71:17<br>72:16 86:1,<br>20 | <hr/> <b>6</b> <hr/>                             | <b>a.m.</b><br>4:3 30:21  | <b>agent</b><br>40:19,20  |
| <b>357</b><br>23:14,15,18   | <b>65</b><br>53:15                               | <b>above-</b><br><b>described</b><br>50:24 73:5                             | <b>agree</b><br>4:17  |
| <b>36th</b><br>51:25  | <b>6:00</b><br>28:22 30:17,<br>20,23             | <b>above-seller</b><br>72:20  | <b>agreement</b><br>4:15  |
| <hr/> <b>4</b> <hr/>  | <hr/> <b>7</b> <hr/>                             | <b>accused</b><br>78:11 83:3  | <b>ahead</b><br>17:21 23:20<br>26:13 45:8<br>51:8 57:5,16<br>58:7,13,24<br>65:17 69:9<br>71:23 83:9 |
| <b>40</b><br>70:20  | <b>7</b><br>9:8 25:10,11                         | <b>acknowledge</b><br>4:7,10  | <b>ailment</b><br>60:15   |
| <b>450</b><br>73:19   | <b>7-1/2</b><br>25:13                            | <b>Act</b><br>64:13   | <b>Alford</b><br>11:16  |
| <hr/> <b>5</b> <hr/>  | <b>7:30</b><br>28:4                              | <b>acting</b><br>19:13  | <b>alleged</b><br>73:9  |
| <b>5</b><br>25:10 56:19   | <hr/> <b>8</b> <hr/>                             | <b>activities</b><br>76:3   | <b>allegedly</b><br>71:18   |
| <b>5'11"</b><br>9:1,11 55:17<br>70:14 71:13   | <b>8</b><br>25:13 31:11<br>47:18 87:14           | <b>activity</b><br>51:2,3,4<br>74:1,8                                       | <b>altogether</b><br>25:11  |
| <b>5'8"</b><br>70:9,13,15<br>71:12 72:20  | <b>8-25th</b><br>84:23                           | <b>address</b><br>7:8 33:24<br>35:15,17<br>46:11 50:21<br>72:18 87:9,<br>11 | <b>Alvin</b><br>8:2 13:11<br>36:16,17,23<br>42:11   |
| <b>50</b><br>20:19,20   | <b>8:00</b><br>28:4 30:10                        | <b>administered</b><br>4:10   | <b>amount</b><br>51:21 72:1,4   |
|   | <b>8:45</b><br>28:7 30:10                        | <b>admitted</b><br>58:10  | <b>answering</b><br>6:25  |
|   | <b>8th</b><br>48:9                               | <b>adult</b><br>19:5,6 20:13  | <b>answers</b><br>6:9   |
|   |  | <b>advice</b>   |   |



April 23, 2021

|  |  |  |  |
|--|--|--|--|
| <b>brother</b><br>36:13,18<br>71:2,22<br>84:20 | <b>called</b><br>4:24 32:10  | <b>Chadsey</b><br>63:16  | <b>Children's</b><br>85:16   |
| <b>brought</b><br>85:19                        | <b>Calls</b><br>57:4,15<br>58:12   | <b>chance</b><br>18:1  | <b>chronic</b><br>53:16  |
| <b>brownish</b><br>52:17                       | <b>camera</b><br>8:19  | <b>Chancellor</b><br>4:23 5:5<br>7:7,21,23<br>9:20,23,24<br>10:3,11,24<br>11:2 12:11,<br>12,13,16,18,<br>20 16:25<br>36:20 39:19<br>40:2,5 41:2<br>45:8 47:13<br>49:20 51:17<br>54:9 56:19,<br>20 58:6,20,<br>21 64:18<br>69:15,17<br>90:6 | <b>CI</b><br>51:20,23<br>52:2  |
| <b>bucks</b><br>81:21                          | <b>car</b><br>22:8,9,12<br>28:9,10<br>30:12  | <b>change</b><br>40:18 87:11,<br>12  | <b>Circuit</b><br>52:1   |
| <b>building</b><br>87:13                       | <b>card</b><br>8:23 47:25<br>48:3 53:12,<br>18,23,25<br>55:16  | <b>Chapter</b><br>56:19  | <b>city</b><br>5:6 17:4<br>48:24 89:17,<br>18,22   |
| <b>bunch</b><br>8:17                           | <b>care</b><br>25:21 62:3  | <b>charge</b><br>21:7,9 75:3   | <b>CIU</b><br>54:16  |
| <b>bunkie</b><br>61:21,23,25<br>62:12,18       | <b>Carol</b><br>67:16  | <b>charged</b><br>25:19 73:12,<br>13,14,15,16,<br>17 74:3,21<br>76:22  | <b>claim</b><br>55:6,25 56:5   |
| <b>bunkies</b><br>64:3                         | <b>carrier</b><br>32:8   | <b>charges</b><br>83:25  | <b>claims</b><br>72:16,23  |
| <b>Burton</b><br>19:21                         | <b>Cartier</b><br>23:7,9   | <b>check</b><br>68:25 69:3   | <b>clean</b><br>14:10 63:8,<br>10,11   |
| <b>Butler</b><br>10:23 11:1,7<br>45:25         | <b>case</b><br>10:1 18:8,<br>10,14,25<br>19:14 21:19,<br>21 22:3,5,<br>16,18 25:18<br>38:4,5 48:20<br>55:2 67:23<br>68:7,9 75:3,<br>4,20 | <b>checked</b><br>59:11,12   | <b>cleaning</b><br>79:17   |
| <b>butt</b><br>61:21                           | <b>cases</b><br>51:25  | <b>Chevy</b><br>28:12 30:13<br>52:8  | <b>clear</b><br>20:2   |
| <b>buy</b><br>43:20 45:6                       | <b>Cavalier</b><br>28:11,12<br>30:13 52:9  | <b>child</b><br>12:18  | <b>close</b><br>26:15  |
| <b>buyer</b><br>50:23 51:1<br>73:4             | <b>cell</b><br>32:2,4,8<br>83:2,3  | <b>children</b><br>12:4,6,15   | <b>cocaine</b><br>18:9 41:8,<br>11,17,20,23,<br>25 42:2,4,8,<br>9,11,16 52:2<br>73:21 74:3 |
| <hr/> <b>C</b> <hr/>                           | <b>Center</b><br>19:21 49:3,<br>4,5  |  | <b>Collins</b><br>43:14 44:11  |
| <b>C-524-135-<br/>139-932</b><br>8:18          | <b>centers</b><br>19:22,23   |  | <b>color</b><br>52:16  |
| <b>C-Y-S-T-A-L</b><br>7:25                     |  |  | <b>Comcast</b><br>47:8   |
| <b>C-Y-T</b><br>7:25                           |  |  | <b>commit</b><br>78:12,14  |
| <b>cable</b><br>47:4,6,7,8,<br>10              |  |  | <b>Compensation</b><br>64:13   |
| <b>call</b><br>12:25 33:4                      |  |  | <b>complete</b><br>63:24   |

|                                  |                                  |                                 |                               |
|----------------------------------|----------------------------------|---------------------------------|-------------------------------|
| <b>completed</b><br>64:1         | <b>continuing</b><br>18:17,18    | 90:20                           | 17:24 18:7,                   |
| <b>completeness</b><br>24:16     | <b>conversation</b><br>6:9 50:22 | <b>count</b><br>62:8            | 18,21,23                      |
| <b>computer</b><br>39:24         | 72:19                            | <b>County</b><br>4:1 49:11,12   | 23:22 33:9,                   |
| <b>concealing</b><br>22:1,7,11   | <b>convicted</b><br>18:8,11      | 77:24 79:13                     | 12,23 39:14,                  |
| 24:23                            | 19:3,6 20:3,                     | 89:13,17,21                     | 18,22,24                      |
| <b>concluded</b><br>90:18        | 9,12,18                          | <b>couple</b><br>49:9,10 70:5   | 40:1 42:6,                    |
| <b>conclusion</b><br>57:4,15     | 21:1,3,12,24                     | 77:23                           | 15,18 45:11                   |
| 58:12                            | 22:12 23:24,                     | <b>court</b><br>57:21 77:3      | 51:12 57:8,                   |
| <b>conditions</b><br>40:10,13    | 25 24:2                          | <b>cousins</b><br>37:3 42:19    | 9,19,23                       |
| 53:16                            | 82:17,21                         | <b>COVID</b><br>59:11,12        | 58:1,3,15                     |
| <b>conference</b><br>4:8         | 83:4,7,13                        | <b>coworkers</b><br>15:5        | 59:2 60:6                     |
| <b>confidential</b><br>71:19,25  | <b>conviction</b><br>18:13 19:7, | <b>credible</b><br>51:20        | 64:17,22                      |
| 72:7,10                          | 8,10 20:22,                      | <b>crime</b><br>19:4 20:3,4,    | 65:22 69:10,                  |
| <b>confiscated</b><br>77:13      | 24 21:11,23                      | 12 21:3,13,                     | 19 90:2,4,15                  |
| <b>confiscation</b><br>52:1      | 22:11 24:3,                      | 24 22:13                        | <b>current</b><br>7:8         |
| <b>confused</b><br>19:2          | 9,18,23 25:3                     | 78:11                           | <b>custody</b><br>19:25       |
| <b>confusing</b><br>19:1         | 55:7                             | <b>crimes</b><br>25:19 55:7     | <b>cut</b><br>61:24           |
| <b>connection</b><br>16:21 45:2  | <b>convictions</b><br>18:13,24   | <b>criminal</b><br>38:5 55:2    | <hr/> <b>D</b> <hr/>          |
| <b>consent</b><br>4:13           | 20:5 23:25                       | 56:2 57:2,11                    | <b>D-A-V-A-N-E-K</b><br>34:12 |
| <b>considered</b><br>55:21 56:2, | 24:14 83:19                      | 58:11,22                        | <b>damages</b><br>69:6        |
| 3,10,14                          | <b>cooperating</b><br>39:25      | 65:25 74:8                      | <b>Dan</b><br>78:21           |
| 57:2,3,11                        | <b>corner</b><br>9:4             | <b>Cromer</b><br>65:24 66:3,    | <b>Darell</b><br>4:23 7:7     |
| <b>consistent</b><br>51:4        | <b>correct</b><br>26:11 33:9     | 6,10                            | 9:20 10:11                    |
| <b>contact</b><br>22:19 26:22,   | 35:14 55:23                      | <b>Crown</b><br>52:12,14,16,    | 12:11,12,15,                  |
| 24 27:1                          | 70:7 71:14                       | 18                              | 18,20 17:22                   |
| <b>contendere</b><br>84:2        | 73:2,3                           | <b>crying</b><br>85:3,5         | 33:19 58:13,                  |
| <b>contest</b><br>22:20,22       | 74:12,13,16                      | <b>Crystal</b><br>7:23,24       | 25 60:3                       |
|                                  | 76:9,10,14,                      | 13:7,9 36:23                    | 75:13 76:11                   |
|                                  | 15 79:25                         | <b>Crystal's</b><br>42:16       | 78:10 79:3                    |
|                                  | 80:2,5 90:14                     | <b>Cunningham</b><br>4:16 5:4,6 | 80:9,17 83:4                  |
|                                  | <b>cost</b><br>18:3 65:13,       |                                 | 84:11 89:5                    |
|                                  | 15                               |                                 | <b>date</b><br>9:6,7,9 27:7   |
|                                  | <b>couch</b><br>7:15 37:11,      |                                 | 31:16 47:20                   |
|                                  | 12,14                            |                                 | 52:20 84:22                   |
|                                  | <b>counsel</b><br>4:13 70:6      |                                 | <b>dated</b><br>47:17         |

April 23, 2021

|  |  |   |   |
|--|--|---|---|
| <b>daughter</b><br>12:8  | <b>delivery</b><br>21:2  | 6,10,13,16,<br>17 60:20   | <hr/> <b>E</b> <hr/>                                |
| <b>Davanek</b><br>34:10,12   | <b>Deon</b><br>7:7   | 61:15   | <b>e-mail</b><br>39:15,20                           |
| <b>day</b><br>16:2 27:5<br>28:15,18,20,<br>21,22 29:7,<br>12,15,17,19<br>30:2 31:7,8,<br>10,11,13,18,<br>19,21,23<br>69:3 72:15<br>73:12,13<br>77:7 79:9<br>81:3 82:2<br>83:2,5 84:23<br>85:23 88:25 | <b>Department</b><br>38:8 47:2<br>74:6   | <b>doctors</b><br>59:8  | <b>E-W-A-L-D</b><br>89:10                           |
| <b>dealer</b><br>23:3  | <b>depends</b><br>13:13 28:19  | <b>document</b><br>38:7,11<br>40:3,22<br>47:12,13,17,<br>20 49:19,20,<br>22,24 50:3<br>54:8,9,11,<br>14,15,16<br>57:20 58:9 | <b>earlier</b><br>33:5 56:17<br>76:24               |
| <b>death</b><br>84:15,16   | <b>deposition</b><br>5:8,12,24<br>16:21,23<br>90:18                                      | <b>documents</b><br>70:11 86:21   | <b>early</b><br>28:2,3 86:5                         |
| <b>December</b><br>9:5,8 35:20,<br>21,22 36:12,<br>22 37:8   | <b>describing</b><br>71:5  | <b>doo-doo</b><br>63:8,10   | <b>earn</b><br>79:24 80:1                           |
| <b>decided</b><br>19:13  | <b>description</b><br>50:23 72:20,<br>21   | <b>door</b><br>50:21 72:18  | <b>easier</b><br>6:7                                |
| <b>declare</b><br>4:11   | <b>detainee</b><br>56:8  | <b>dope</b><br>10:1   | <b>education</b><br>62:24                           |
| <b>deed</b><br>48:16,18<br>50:13 56:1,5  | <b>Detention</b><br>49:3,4,5   | <b>DPD</b><br>75:23   | <b>electric</b><br>46:15                            |
| <b>deeds</b><br>43:17  | <b>Detroit</b><br>5:7 17:4<br>47:1 48:24<br>49:3,4,5<br>63:20 71:18<br>74:6 89:17,<br>18 | <b>driver's</b><br>8:8  | <b>electricity</b><br>46:18 86:8                    |
| <b>defendants</b><br>4:17  | <b>Diane</b><br>6:5,7,12   | <b>driving</b><br>48:23   | <b>eligible</b><br>53:13,19                         |
| <b>Defense</b><br>49:24  | <b>difficult</b><br>6:12,16,17,<br>22 26:7   | <b>drove</b><br>28:9  | <b>emotional</b><br>65:1 85:2,4                     |
| <b>deliver</b><br>20:19 73:17  | <b>disagree</b><br>41:19   | <b>drug</b><br>23:3   | <b>employed</b><br>13:18,20                         |
| <b>delivered</b><br>85:17  | <b>District</b><br>51:25   | <b>drugs</b><br>77:13   | <b>end</b><br>5:15 19:15<br>28:16,17<br>44:25 52:15 |
|  | <b>divorce</b><br>82:6   | <b>DTE</b><br>46:10,22<br>56:13,17  | <b>ends</b><br>8:16                                 |
|  | <b>divorced</b><br>10:20 11:9<br>82:9  | <b>due</b><br>65:19 84:16   | <b>energy</b><br>56:13                              |
|  | <b>doctor</b><br>25:24 26:1,<br>2,3,4,18,20<br>27:1 59:3,5,                              | <b>duly</b><br>4:25   | <b>enforcements</b><br>61:7                         |
|  |  | <b>Durrell</b><br>37:5  | <b>engage</b><br>50:21 72:19                        |
|  |  | <b>Durrell's</b><br>42:9  | <b>entire</b><br>79:12                              |
|  |  |   | <b>episode</b><br>61:9                              |
|  |  |   | <b>estimate</b><br>62:11                            |

April 23, 2021

|   |   |  |   |
|---|---|--|---|
| <b>evidence</b><br>38:7 54:23<br>55:1,3,6,9,<br>11,12,13,15<br>56:1,14,25<br>57:1 58:10 | <hr/> <b>F</b> <hr/>                                | <b>fight</b><br>61:23 62:1,<br>2,3,13        | 25  |
| <b>Ewald</b><br>67:18,19,20<br>68:3 89:9  | <b>facility</b><br>80:22                            | <b>fights</b><br>62:5,6,7,9,<br>10           | <b>fought</b><br>84:7   |
| <b>ex-wife</b><br>10:22   | <b>failed</b><br>50:14 78:15                        | <b>figure</b><br>83:14                       | <b>found</b><br>41:8,12,13,<br>15,17,20,21<br>76:24 77:1,<br>2,10 78:14,<br>17                                    |
| <b>EXAMINATION</b><br>5:3 70:3  | <b>fair</b><br>6:14,19,25<br>7:4 36:9<br>55:15 66:9 | <b>file</b><br>16:14,16                      | <b>foundation</b><br>42:14 65:17<br>69:9  |
| <b>examined</b><br>5:2  | <b>fake</b><br>53:5                                 | <b>filed</b><br>16:13,14<br>64:12,21<br>90:5 | <b>frame</b><br>67:25   |
| <b>exchanged</b><br>51:1 73:9   | <b>false</b><br>50:9 85:11                          | <b>financial</b><br>13:13 65:12              | <b>frequently</b><br>13:2   |
| <b>excuse</b><br>66:18,21<br>72:14 84:5,<br>25  | <b>familiar</b><br>52:3 64:18                       | <b>find</b><br>11:16 26:7<br>46:14 77:2      | <b>Friday</b><br>4:2  |
| <b>exhibit</b><br>40:25 49:24<br>50:1,12,14<br>70:6                                     | <b>family</b><br>69:15                              | <b>finds</b><br>51:3                         | <b>friend</b><br>33:2 43:14   |
| <b>exhibits</b><br>39:15  | <b>February</b><br>47:17 48:9                       | <b>fingers</b><br>46:15 56:18                | <b>front</b><br>64:11   |
| <b>exonerated</b><br>18:10 24:1<br>75:20  | <b>feces</b><br>79:18                               | <b>finished</b><br>6:24                      | <b>full</b><br>7:6 88:5   |
| <b>exoneration</b><br>89:14   | <b>federal</b><br>90:5                              | <b>firearm</b><br>17:9 22:15<br>23:23 25:3,9 | <b>function</b><br>26:14  |
| <b>expense</b><br>65:12   | <b>feds</b><br>89:11                                | <b>firearms</b><br>52:2                      | <b>funny</b><br>14:15,17,18   |
| <b>expenses</b><br>67:3   | <b>feel</b><br>61:5,6 78:10<br>79:3 83:5,6          | <b>fixed</b><br>50:17                        | <hr/> <b>G</b> <hr/>  |
| <b>experience</b><br>78:21  | <b>feeling</b><br>64:11 83:12                       | <b>floor</b><br>37:16,17<br>63:11            | <b>G&amp;g</b><br>13:21,22<br>14:3,6,12,24<br>15:1,7,14,15<br>16:5,10<br>79:14 80:3,<br>6,10 81:21<br>86:22 87:16 |
| <b>experiences</b><br>64:7  | <b>feels</b><br>78:13                               | <b>follow-up</b><br>69:22                    | <b>gas</b><br>14:1,4,16   |
| <b>expiration</b><br>9:6,7  | <b>fees</b><br>66:25                                | <b>follow-ups</b><br>90:2                    | <b>gave</b><br>5:12,23 10:8<br>82:21  |
| <b>eye</b><br>26:18,20  | <b>felony</b><br>22:15 23:23<br>25:3,9              | <b>food</b><br>53:23                         | <b>GED</b><br>62:20 63:12   |
|   | <b>felt</b><br>78:13                                | <b>foreclosed</b><br>66:22                   |   |
|   | <b>Ferguson</b><br>34:6,7,8                         | <b>forehead</b><br>5:19                      |   |
|   | <b>field</b><br>40:19                               | <b>forget</b><br>11:21 59:17,                |   |

|   |  |  |  |
|---|--|--|--|
| <b>Geelhood</b><br>5:6 52:23<br>53:2 65:8<br>71:4,15<br>72:14,15,23<br>74:1 75:25<br>76:4 90:13 | <b>grocery</b><br>80:20  | <b>Hatchett</b><br>4:18 17:20<br>18:6,15,20<br>23:19 33:7<br>39:17 42:5,<br>13,17 45:7<br>69:21,24<br>70:1 | <b>highlighting</b><br>40:11   |
| <b>Geelhood's</b><br>74:5   | <b>groups</b><br>5:7   | <b>Hathaway</b><br>78:19,20,21<br>82:22  | <b>hold</b><br>8:19 40:18<br>44:21 51:7  |
| <b>gentleman</b><br>89:10   | <b>guess</b><br>20:2,4 37:8<br>45:18 51:11,<br>13 60:18<br>68:7                    | <b>he/she</b><br>51:21   | <b>home</b><br>5:16,17,21<br>13:3 19:13<br>27:15,16<br>29:1,2,4,6,<br>9,23,24<br>30:25 32:12<br>33:4 43:6,18<br>71:17 75:19<br>83:15,18<br>85:19   |
| <b>girlfriend</b><br>33:22 44:8   | <b>guilty</b><br>20:24 21:9,<br>21 22:5,7,18<br>78:14,17,24<br>79:4,6 84:3,<br>5,6 | <b>head</b><br>6:11 16:24  | <b>hope</b><br>40:4  |
| <b>girlfriend's</b><br>34:9   | <b>gun</b><br>23:12,13<br>25:10 81:18  | <b>health</b><br>53:16 54:2  | <b>hospital</b><br>85:15   |
| <b>give</b><br>6:8 7:3,6<br>11:14 18:18<br>39:18 56:22<br>58:4,5,17<br>71:22                    | <b>guy</b><br>80:19  | <b>hear</b><br>42:7 79:4<br>81:5 83:20<br>88:19  | <b>hour</b><br>80:11 81:21   |
| <b>glasses</b><br>23:5,6,7,9<br>26:5,8,11,<br>12,14   | <b>guys</b><br>11:9  | <b>heard</b><br>7:3 69:18<br>74:17 78:24<br>80:4 86:4  | <b>hourly</b><br>81:22   |
| <b>go-between</b><br>43:25  | <hr/> <b>H</b> <hr/>   | <b>hearing</b><br>27:3 77:3  | <b>house</b><br>7:16 8:3<br>29:9 32:1,<br>19,22,24<br>33:2,22<br>34:15,17,21<br>35:25 36:2,<br>4,8,9,12<br>37:1,10,19,<br>22,25 41:8,<br>12 42:23<br>43:1,3,5,6,<br>8,13,15,18,<br>19,20 46:7,<br>16 53:6 56:1<br>61:8 65:19<br>66:13,14,17,<br>22 68:18<br>73:1 75:7,9<br>76:24 77:4,<br>12,18 86:5,8 |
| <b>gold</b><br>52:17,18   | <b>half</b><br>74:25   | <b>heat</b><br>46:19   | <b>huge</b><br>89:2  |
| <b>good</b><br>5:5 8:20   | <b>hamster</b><br>71:21  | <b>height</b><br>8:25 55:17  |  |
| <b>government</b><br>53:9   | <b>handed</b><br>9:15,17   | <b>hereto</b><br>90:20   |  |
| <b>grade</b><br>63:22,24<br>64:1  | <b>handwriting</b><br>54:21,24   | <b>heroin</b><br>20:21 21:2,<br>6,12,18,23<br>24:3,10,19<br>51:2,22<br>72:1,4<br>73:10,22<br>74:2          |  |
| <b>grams</b><br>20:20 21:2,<br>5,11,17<br>24:2,10,19<br>73:19                                   | <b>handwritten</b><br>55:4   | <b>Hey</b><br>39:14  |  |
| <b>grand</b><br>74:17   | <b>happen</b><br>13:2 31:14,<br>18,21 61:9,<br>10 65:5                             | <b>high</b><br>63:13,15,20   |  |
| <b>grandma</b><br>19:24   | <b>happened</b><br>31:12 32:6,<br>16,17 49:10<br>75:12,15                          | <b>highlight</b><br>40:11 50:16  |  |
| <b>great</b><br>87:19   | <b>hard</b><br>14:18,23<br>61:18 83:12<br>85:7                                     |  |  |

|  |  |   |  |
|--|--|---|--|
| <b>hung</b><br>32:15,17                                      | <b>initially</b><br>18:11  | <b>jailed</b><br>79:10 88:12  | 83:11  |
| <hr/>  | <b>injuries</b><br>64:23 69:5  | <b>Janet</b><br>7:21 56:19,<br>20 58:20,21  | <b>juvenile</b><br>19:7,8 20:2,<br>6   |
| <hr/>  | <b>innocence</b><br>55:12  | <b>January</b><br>36:5,25<br>37:7,8,9<br>38:21 68:21<br>86:5,17<br>87:21 88:3   | <hr/>  |
| <b>I</b>   | <b>innocent</b><br>49:17,18<br>55:7  | <b>Jason</b><br>9:23,24<br>10:2,5,11  | <b>K</b>   |
| <b>ID</b><br>8:10 55:16                                      | <b>input</b><br>56:8   | <b>job</b><br>13:17 16:2<br>63:2,5 79:22<br>80:13,14<br>81:24 87:16   | <b>Katie</b><br>69:15,17   |
| <b>idea</b><br>53:8 73:6<br>75:18                            | <b>inside</b><br>71:17   | <b>jobs</b><br>15:24 16:1,<br>3,7 80:16<br>81:8,21  | <b>Katrice</b><br>10:23,24<br>11:7,16,19<br>12:4 27:19,<br>22 82:3<br>85:13,21,24<br>88:13   |
| <b>identificatio<br/>n</b><br>4:5 8:22<br>47:25 48:3         | <b>insurance</b><br>54:2,4,6   | <b>jogs</b><br>15:23  | <b>Katrice's</b><br>11:17,25<br>45:22  |
| <b>identified</b><br>76:3                                    | <b>interrupt</b><br>83:8   | <b>Johnson</b><br>4:21 33:19<br>39:20,23<br>51:7 57:4,<br>15,22,24<br>58:12,24<br>60:3 64:16,<br>21 65:17<br>69:9,24<br>70:2,4 89:25<br>90:16 | <b>Kevin</b><br>14:13 15:3,<br>9,10,11   |
| <b>illegally</b><br>74:21                                    | <b>introduced</b><br>38:7  | <b>Jr</b><br>12:11,12,13,<br>16,18,20   | <b>Kevin's</b><br>14:14  |
| <b>impairment</b><br>27:3                                    | <b>investigated</b><br>74:7  | <b>judge</b><br>18:11 78:19,<br>20,21 82:21<br>83:13  | <b>kid</b><br>29:5   |
| <b>important</b><br>84:14                                    | <b>investigating</b><br>68:11  | <b>jury</b><br>78:19  | <b>kids</b><br>45:16,17  |
| <b>imprisoned</b><br>24:3,4                                  | <b>investigator</b><br>89:11   | <b>justice</b><br>78:15,16,18   | <b>kind</b><br>14:3,17<br>15:24 23:6,<br>13 26:10<br>27:3 28:10<br>43:24 44:19<br>53:21 54:1,<br>4,6 60:15<br>61:12,14<br>65:1 68:8<br>69:11 |
| <b>imprisonment</b><br>18:4 64:13,<br>24 65:13<br>66:10 67:4 | <b>involvement</b><br>17:10,13<br>68:8   |   | <b>knew</b><br>67:23 71:24,<br>25  |
| <b>improperly</b><br>74:21                                   | <b>issue</b><br>60:21 75:25  |   | <b>knock</b><br>50:21 72:18  |
| <b>incarcerated</b><br>43:16                                 | <b>issued</b><br>9:2,3   |   | <b>knowing</b><br>13:12 17:12<br>42:3 54:3   |
| <b>incarceration</b><br>64:15                                | <b>issues</b><br>60:19   |   |  |
| <b>inches</b><br>70:15                                       | <hr/>  |   |  |
| <b>incurred</b><br>65:12 67:3<br>69:6                        | <b>J</b>   |   |  |
| <b>informant</b><br>51:20 71:19,<br>25 72:7,10               | <b>jack</b><br>61:22 64:10   |   |  |
| <b>information</b><br>51:19 54:17<br>72:2 73:24<br>89:20     | <b>jail</b><br>24:5,10,21<br>25:1 49:2,6,<br>12 56:9<br>77:23,24<br>79:12,19,20,<br>21 83:2<br>88:14 |   |  |

|  |  |   |   |
|--|--|---|---|
| <p><b>knowledge</b><br/>11:4,5 71:15<br/>76:19 87:19</p> <hr/> <p style="text-align: center;"><b>L</b></p> <hr/> <p><b>lack</b><br/>42:14</p> <p><b>large</b><br/>51:21 71:24,<br/>25 72:4</p> <p><b>law</b><br/>61:7</p> <p><b>lawsuit</b><br/>5:7 16:13,22<br/>17:2,3,5,11,<br/>15 64:12<br/>75:12</p> <p><b>lawsuits</b><br/>16:16</p> <p><b>lawyer</b><br/>58:5 66:4</p> <p><b>lawyers</b><br/>65:19,23<br/>66:6,9</p> <p><b>laying</b><br/>61:22</p> <p><b>leave</b><br/>26:3 29:9<br/>32:19 86:24</p> <p><b>left</b><br/>59:10</p> <p><b>legal</b><br/>57:4,15<br/>58:12</p> <p><b>legible</b><br/>70:7</p> <p><b>lenses</b><br/>26:22,24<br/>27:1</p> <p><b>letter</b><br/>8:16</p> <p><b>license</b><br/>8:8</p> <p><b>lied</b><br/>17:7</p> | <p><b>lieu</b><br/>4:10</p> <p><b>life</b><br/>78:23 84:14,<br/>19</p> <p><b>lights</b><br/>36:3</p> <p><b>Linda</b><br/>45:23 46:1</p> <p><b>Linda's</b><br/>45:24 46:3,5</p> <p><b>lineup</b><br/>68:10</p> <p><b>link</b><br/>60:15</p> <p><b>list</b><br/>57:10,14<br/>86:20</p> <p><b>listed</b><br/>55:16 56:25<br/>58:8</p> <p><b>listened</b><br/>83:8</p> <p><b>literally</b><br/>86:22,25</p> <p><b>live</b><br/>11:19 12:20<br/>19:18,23<br/>34:21 35:14<br/>36:22 37:5<br/>43:7 44:9<br/>45:12,17,19<br/>46:1 85:19<br/>86:1,11 88:5</p> <p><b>lived</b><br/>19:20 34:19,<br/>23 35:8,11,<br/>17 36:12<br/>37:3 38:15<br/>39:2,3,8,11<br/>44:3 46:7,16<br/>77:16 85:24<br/>86:5,7 88:2,<br/>9</p> <p><b>lives</b><br/>7:18 8:3<br/>11:23</p> | <p><b>living</b><br/>7:13 19:15,<br/>16 33:8<br/>34:25 35:6<br/>36:7,11 37:9<br/>87:10</p> <p><b>location</b><br/>7:10 33:17<br/>35:19 37:14<br/>38:19 51:22,<br/>23 72:1,5</p> <p><b>locked</b><br/>18:1 35:13<br/>48:10 62:4<br/>66:16 75:4,<br/>21 84:16</p> <p><b>long</b><br/>5:12 8:16<br/>19:23,25<br/>25:12 28:14<br/>49:8,12<br/>60:22 61:1,<br/>18 62:18<br/>76:11</p> <p><b>longer</b><br/>13:24</p> <p><b>longest</b><br/>60:24 61:1</p> <p><b>looked</b><br/>50:13 55:3<br/>56:5 71:17<br/>82:18</p> <p><b>lose</b><br/>45:1 66:13<br/>84:13</p> <p><b>lost</b><br/>49:13 65:19<br/>66:13 84:9,<br/>11,13,15,16,<br/>18,21</p> <p><b>lot</b><br/>59:19 62:6,<br/>15 70:25<br/>71:1 84:15</p> <p><b>Lovett</b><br/>13:23,24</p> <p><b>lying</b></p> | <p>39:6,12</p> <hr/> <p style="text-align: center;"><b>M</b></p> <hr/> <p><b>mad</b><br/>88:25</p> <p><b>made</b><br/>28:6 50:25<br/>57:10 66:25<br/>73:5 79:1</p> <p><b>Magnum</b><br/>23:15</p> <p><b>make</b><br/>6:7 14:10,20<br/>23:16 40:7<br/>53:5 57:12<br/>88:17</p> <p><b>makes</b><br/>26:9 35:1</p> <p><b>making</b><br/>80:10 81:20</p> <p><b>male</b><br/>71:5,11,12</p> <p><b>man</b><br/>64:10 88:19<br/>89:3</p> <p><b>manner</b><br/>4:14</p> <p><b>Manpower</b><br/>15:17,20</p> <p><b>March</b><br/>35:4,5,8,11,<br/>13,18 79:9</p> <p><b>marijuana</b><br/>20:7,10 52:2</p> <p><b>mark</b><br/>40:25 50:12,<br/>13</p> <p><b>Market</b><br/>13:21,22<br/>14:3,6,12,24<br/>15:1,7 16:6,<br/>10 86:22</p> <p><b>married</b><br/>10:14,16,18,<br/>24 11:6,12<br/>82:3</p> |
|--|--|---|---|

April 23, 2021

|   |   |   |   |
|---|---|---|---|
| <b>Martin</b><br>63:18  | <b>minute</b><br>39:18 69:24,<br>25 71:22   | <b>mortgage</b><br>66:15,17,18  | 37:19 61:22<br>62:1   |
| <b>matching</b><br>50:22 72:19,<br>21   | <b>minutes</b><br>50:19 72:17<br>87:1   | <b>mother</b><br>7:15,19<br>12:21 19:13,<br>17 31:23,24<br>32:10 36:15<br>45:21 68:25<br>69:3 | <b>nights</b><br>62:13,15   |
| <b>matter</b><br>4:12   | <b>missed</b><br>85:6   | <b>mother's</b><br>7:20 8:1<br>41:12 42:2,4<br>45:22  | <b>nod</b><br>6:10  |
| <b>Mcgraw</b><br>63:18,19   | <b>mistaken</b><br>38:13  | <b>motor</b><br>52:6,8,11   | <b>nolo</b><br>84:2   |
| <b>meant</b><br>6:12  | <b>misunderstood</b><br>33:13   | <b>move</b><br>36:2 37:1  | <b>normal</b><br>6:9  |
| <b>Medicaid</b><br>53:11,12<br>54:1   | <b>model</b><br>23:16,17  | <b>moved</b><br>35:18,23<br>36:4,25<br>37:18,22<br>38:24 46:7<br>68:18,21                     | <b>nos</b><br>6:19  |
| <b>medical</b><br>25:21   | <b>mom</b><br>8:3 13:5<br>19:16 32:13,<br>20 36:14,23<br>56:20 58:20,<br>21 76:1<br>77:4,19 | <b>motor</b><br>52:6,8,11   | <b>notary</b><br>48:15  |
| <b>Medicare</b><br>53:13,15,18  | <b>mom's</b><br>32:22 34:15,<br>17 35:25<br>36:2,8 41:8<br>53:6 68:18<br>75:7,9 76:24       | <b>move</b><br>36:2 37:1  | <b>notes</b><br>70:7  |
| <b>medication</b><br>61:12  | <b>moment</b><br>41:6   | <b>move</b><br>36:2 37:1  | <b>November</b><br>27:5,8,10,25<br>29:12 30:7<br>31:5,15,17,<br>20 32:2,8,10<br>41:7,11<br>50:16 52:18,<br>21 53:2,7<br>69:1,2 70:8,<br>18 71:6<br>72:15,23<br>73:1,12 74:2<br>75:7 76:4<br>77:8 78:4,5 |
| <b>meet</b><br>67:8   | <b>money</b><br>43:13 45:6<br>51:1 65:14,<br>15,18 67:3<br>73:9 74:19,<br>24 75:1,2<br>80:9 | <b>move</b><br>36:2 37:1  | <b>nowadays</b><br>61:8   |
| <b>Melendez</b><br>17:4,7,10<br>67:23 68:5,<br>7,10,11,14<br>74:11 75:11,<br>15 | <b>month</b><br>36:3 67:10<br>86:15   | <b>naked</b><br>61:21   | <b>number</b><br>8:6,14,15<br>11:25 12:2<br>15:9 40:15<br>44:16 46:3,5<br>55:5 62:10<br>76:5  |
| <b>memory</b><br>15:23 64:9<br>75:13  | <b>months</b><br>19:25 62:19<br>76:16,24<br>82:25 85:11<br>88:4,5                           | <b>names</b><br>9:19,22<br>10:10 14:15,<br>23 15:16<br>80:18                                  | <b>numbers</b><br>8:17  |
| <b>mental</b><br>60:18  | <b>morning</b><br>5:5 27:12<br>29:20  | <b>narcotic</b><br>50:25 51:4<br>73:6   | <b>nurse</b><br>25:24   |
| <b>mention</b><br>50:14   |   | <b>narcotics</b><br>52:3 74:9   |   |
| <b>mentioned</b><br>74:11   |   | <b>necessarily</b><br>80:17   |   |
| <b>met</b><br>53:2 67:6,9,<br>22  |   | <b>newborn</b><br>27:21   |   |
| <b>Michigan</b><br>4:1 8:8,10<br>38:8 71:18                                     |   | <b>Newman</b><br>67:6,8,9<br>89:14,21   |   |
| <b>middle</b><br>61:21  |   | <b>night</b><br>31:24 32:19   |   |
| <b>Mile</b><br>87:14  |   |   |   |

---

N

---

|          |   |  |   |
|----------|---|--|---|
| <b>O</b> | <p><b>ongoing</b><br/>51:4</p> <p><b>operation</b><br/>14:3</p> <p><b>opportunity</b><br/>58:5,17</p> <p><b>order</b><br/>6:6</p> <p><b>ordinary</b><br/>31:14,17,21</p> <p><b>original</b><br/>55:16</p> <p><b>owned</b><br/>26:24 43:25<br/>44:1 52:8,11</p> <p><b>owner</b><br/>15:11</p> <hr/> <p style="text-align: center;"><b>P</b></p> <hr/> <p><b>p.m.</b><br/>30:21 90:18</p> <p><b>pack</b><br/>81:14,15</p> <p><b>packaging</b><br/>52:3</p> <p><b>packed</b><br/>81:14,15,16</p> <p><b>packing</b><br/>81:10,12</p> <p><b>Paige</b><br/>65:24,25<br/>66:7,11</p> <p><b>paragraph</b><br/>51:18</p> <p><b>paranoid</b><br/>65:2</p> <p><b>parole</b><br/>38:12,14,15,<br/>18,24 39:2,8<br/>40:10,13<br/>86:21,22<br/>87:6,12,14,<br/>18</p> <p><b>paroled</b><br/>25:16</p> | <p><b>part</b><br/>50:11,15<br/>54:23 64:1<br/>74:20 89:2</p> <p><b>participating</b><br/>4:6</p> <p><b>parties</b><br/>4:13 90:20</p> <p><b>parts</b><br/>80:21</p> <p><b>past</b><br/>9:19 10:10<br/>34:19,20<br/>35:14 51:3<br/>90:6</p> <p><b>Pat</b><br/>67:14,15</p> <p><b>Patrick</b><br/>4:16 5:5<br/>18:17 57:24<br/>69:23</p> <p><b>pay</b><br/>12:18 18:3<br/>43:13 45:4<br/>47:7 65:20,<br/>23 66:6,8,9,<br/>15,24,25<br/>67:3 82:1</p> <p><b>paying</b><br/>66:16</p> <p><b>payment</b><br/>17:17 38:13,<br/>14</p> <p><b>pee</b><br/>63:11</p> <p><b>penalty</b><br/>4:12</p> <p><b>pending</b><br/>51:25</p> <p><b>people</b><br/>36:13 53:15,<br/>16 63:9<br/>72:17 79:17<br/>84:15</p> <p><b>perfect</b><br/>8:22</p> | <p><b>perjury</b><br/>4:12</p> <p><b>permission</b><br/>40:19</p> <p><b>person</b><br/>4:11 6:23<br/>15:2 23:1,4,<br/>8 30:2 50:22<br/>72:11,19</p> <p><b>persons</b><br/>50:20</p> <p><b>phone</b><br/>11:25 12:2<br/>15:9 32:2,4,<br/>8,16,17,20<br/>40:4 44:16,<br/>17 46:3,5<br/>68:16 85:1</p> <p><b>phonetic</b><br/>22:19</p> <p><b>physical</b><br/>60:15,19,21<br/>65:1</p> <p><b>physically</b><br/>4:7 64:25</p> <p><b>picture</b><br/>48:7</p> <p><b>place</b><br/>13:20 15:14<br/>19:20</p> <p><b>places</b><br/>80:18</p> <p><b>plaintiff</b><br/>4:19,22</p> <p><b>plans</b><br/>88:21</p> <p><b>plead</b><br/>20:24 21:9,<br/>21 22:5,7,<br/>18,19</p> <p><b>pled</b><br/>22:20,22<br/>84:2,6</p> <p><b>point</b><br/>68:9 78:10</p> <p><b>police</b><br/>10:2,8 32:1</p> |
|----------|---|--|---|

April 23, 2021

|                      |                     |                     |                     |
|----------------------|---------------------|---------------------|---------------------|
| 65:7 68:11           | 69:12 75:2          | <b>put</b>          | <b>read</b>         |
| 74:6 75:17           | 79:10,11,13,        | 19:11 24:5,         | 4:20 8:14           |
| 77:11                | 19,20,21            | 10 46:14            | 40:17               |
| <b>popular</b>       | 82:11 83:2,         | 56:18 62:11         | <b>real</b>         |
| 15:20                | 14 86:15            | <b>putting</b>      | 58:4,17             |
| <b>porter</b>        | 87:21,24            | 80:20 85:1          | <b>reason</b>       |
| 63:6,7 79:17         | 88:13,24            |                     | 53:5 59:13          |
| <b>possession</b>    | 89:15               |                     | <b>reasons</b>      |
| 18:8 20:7,9          | <b>probation</b>    |                     | 59:16               |
| 21:23                | 24:7,12,19,         | <b>Q</b>            |                     |
| <b>pounds</b>        | 24 25:4             |                     | <b>recall</b>       |
| 55:18 70:9,          | <b>problem</b>      | <b>quantities</b>   | 9:25 15:16,         |
| 17,20,23             | 7:1 11:15           | 52:1                | 18,19 16:5,         |
| <b>precinct</b>      | 58:1 87:6,8         | <b>question</b>     | 6,7,12 23:21        |
| 49:7,8 77:23         | <b>problems</b>     | 6:10,24,25          | 32:7,9 37:2,        |
| 79:13 83:3           | 26:10               | 7:2,4 22:24         | 4,6 38:22           |
| <b>preliminarily</b> | <b>proceeding</b>   | 26:7 29:18          | 43:9,10             |
| 17:21                | 4:7,9               | 41:10 43:2          | 45:5,8,9,10         |
| <b>prescribe</b>     | <b>produce</b>      | 50:10 51:13         | 47:21 48:14,        |
| 27:1                 | 81:13,14            | 54:15 57:7          | 17,19 49:7          |
| <b>present</b>       | <b>prom</b>         | 58:4 66:9           | 50:1 52:22          |
| 4:8                  | 44:7                | 75:11 79:21         | 54:19 62:10,        |
| <b>presented</b>     | <b>pronounce</b>    | 89:18,21            | 13,17 68:12         |
| 4:5                  | 14:18,23            | <b>questioning</b>  | 90:10,11            |
| <b>press</b>         | <b>provide</b>      | 18:16               | <b>receive</b>      |
| 80:21                | 54:17               | <b>questions</b>    | 17:17,19            |
| <b>previous</b>      | <b>proving</b>      | 69:22 70:5          | 25:21 53:9,         |
| 83:19                | 52:2                | 85:6 90:1,16        | 21                  |
| <b>prior</b>         | <b>psychiatrist</b> | <b>quit</b>         | <b>received</b>     |
| 17:3,15              | 59:21,24            | 55:25 56:5          | 51:19               |
| 18:13,24             | 60:7,18             |                     | <b>receiving</b>    |
| 40:19                | <b>psychologist</b> | <b>R</b>            | 22:1,7,11           |
| <b>prison</b>        | 60:12 61:15         |                     | 24:23               |
| 24:13 25:6,          | <b>Public</b>       | <b>R-O-G-E-R-S</b>  | <b>recently</b>     |
| 12,18,22             | 63:20               | 34:13               | 75:19               |
| 26:2,3,4,20          | <b>pull</b>         | <b>R-O-X-S-A-N-</b> | <b>recognize</b>    |
| 31:11 35:2,          | 8:21                | <b>N-A</b>          | 49:22 54:11         |
| 5,19,22 43:3         | <b>pulled</b>       | 44:14               | <b>recollection</b> |
| 48:11,15             | 48:23 76:21         | <b>raided</b>       | 27:5 29:12          |
| 59:4,9,14,           | <b>purchase</b>     | 32:1 77:4,7         | <b>record</b>       |
| 20,22 60:13,         | 43:1,8,11,12        | <b>rate</b>         | 4:15 6:6            |
| 16,22,24             | <b>purchased</b>    | 81:22               | 74:5                |
| 61:17,19             | 43:3                | <b>Ray</b>          | <b>recorded</b>     |
| 62:5,6,20,24         | <b>purple</b>       | 65:24,25            | 48:18               |
| 63:2 64:3,4,         | 28:11 30:13         | 66:5,7,11           | <b>red</b>          |
| 8 65:16,19,          | 52:8                | <b>RE-</b>          | 53:18               |
| 21 67:12             |                     | <b>EXAMINATION</b>  | <b>referring</b>    |
|                      |                     | 90:3                | 56:17               |

April 23, 2021

|  |   |   |  |
|--|---|---|--|
| <b>regard</b><br>89:9  | <b>REPORTER</b><br>4:6  | 25 30:25<br>33:25 34:2,                                   | <b>sake</b><br>24:16   |
| <b>related</b><br>74:8   | <b>reporting</b><br>4:9,14  | 3,6 36:4<br>38:25 39:3                                    | <b>save</b><br>24:15   |
| <b>relationship</b><br>44:5  | <b>represent</b><br>5:6   | 42:23 45:4,<br>12 46:7,16                                 | <b>say-so</b><br>79:6  |
| <b>relative</b><br>74:2  | <b>requested</b><br>90:19   | 85:20,24<br>86:9,11                                       | <b>scared</b><br>44:19 65:5                                      |
| <b>release</b><br>89:15  | <b>residence</b><br>40:18   | 87:10 88:6  | <b>school</b><br>19:12 63:13,<br>15,20                           |
| <b>released</b><br>25:16 59:3,<br>8,14,20,21<br>60:12 67:9,<br>10 69:12<br>86:15                                   | <b>respective</b><br>90:20  | <b>Rogers</b><br>34:10,13                                 | <b>screen</b><br>40:3  |
| <b>relevance</b><br>17:21 18:6,<br>16,19 23:19<br>42:5 45:7  | <b>response</b><br>42:7   | <b>role</b><br>68:6                                       | <b>search</b><br>50:11 53:6<br>70:6 71:4<br>76:4,23 78:7         |
| <b>reliable</b><br>51:20   | <b>rest</b><br>85:23 88:1   | <b>Roles</b><br>88:22                                     | <b>searched</b><br>77:11   |
| <b>remain</b><br>75:17   | <b>restitution</b><br>65:20 66:24                                 | <b>Ronald</b><br>37:5 42:9                                | <b>section</b><br>55:9,10  |
| <b>remained</b><br>78:1 79:10,<br>11   | <b>result</b><br>17:15 64:23<br>65:13 66:10<br>67:4               | <b>Ronnie</b><br>65:24 66:3,<br>4,6,10                    | <b>Security</b><br>8:6 53:21                                     |
| <b>remarried</b><br>11:9   | <b>resulting</b><br>51:24 52:1                                    | <b>room</b><br>4:8 5:22<br>7:10,12,13<br>62:4             | <b>seller</b><br>50:23,24<br>73:5                                |
| <b>remember</b><br>14:15 23:16<br>27:10,11<br>29:15,17<br>31:7,8,10,12<br>38:4,9 41:16<br>44:25 45:5<br>81:7 87:19 | <b>returned</b><br>50:25 73:5                                     | <b>roughly</b><br>71:6 80:9<br>81:20                      | <b>sense</b><br>26:9 35:1  |
| <b>remotely</b><br>4:9 6:3<br>33:16,18   | <b>returns</b><br>90:5  | <b>routine</b><br>76:21                                   | <b>sentence</b><br>25:8 82:21                                    |
| <b>repeat</b><br>27:7 41:10<br>50:10 57:6  | <b>revealed</b><br>72:10  | <b>row</b><br>62:14                                       | <b>sentenced</b><br>25:4,6                                       |
| <b>report</b><br>86:23,25<br>87:2,4  | <b>reversed</b><br>88:22  | <b>Roxsanna</b><br>43:14,15<br>44:3,5,9,14<br>47:22 48:11 | <b>separately</b><br>50:20 72:18                                 |
|  | <b>riffraff</b><br>14:10  | <b>Roxsanna's</b><br>44:11,16                             | <b>serve</b><br>25:12  |
|  | <b>risk</b><br>44:23  | <b>rules</b><br>6:4                                       | <b>service</b><br>15:18,21,24<br>16:8,11<br>46:15 81:2,9<br>82:1 |
|  | <b>rob</b><br>22:25 23:2,4  | <hr/> <b>S</b> <hr/>                                      | <b>services</b><br>15:15,16<br>81:11                             |
|  | <b>robbed</b><br>23:8   | <b>S-H-I-N-E-R</b><br>60:4                                | <b>set</b><br>50:17  |
|  | <b>robbery</b><br>22:14,15,23<br>23:23 25:3,<br>9,10 61:2<br>75:5 | <b>safe</b><br>61:5,6                                     |  |
|  | <b>Robison</b><br>27:17 29:3,                                     |   |  |

April 23, 2021

|                   |                  |                     |                    |
|-------------------|------------------|---------------------|--------------------|
| <b>settle</b>     | 12,20,22         | <b>sound</b>        | <b>station</b>     |
| 75:12             | 43:10,21         | 54:18 64:6          | 14:1,4,16          |
| <b>settled</b>    | 46:2,4,9         | 79:1                | <b>stay</b>        |
| 17:16             | 47:9,11          | <b>speak</b>        | 7:10 12:22         |
| <b>settlement</b> | 48:14,19         | 68:16               | 14:10 34:24        |
| 74:15             | 79:8 90:1        | <b>specifically</b> | 37:18 45:19        |
| <b>Sewerage</b>   | <b>sister</b>    | 14:21 33:8          | 50:24 61:7,8       |
| 47:1              | 7:19 8:4         | <b>spell</b>        | 73:4               |
| <b>shake</b>      | 36:15            | 7:24 34:11          | <b>stayed</b>      |
| 6:11              | <b>sister's</b>  | <b>spend</b>        | 35:21 56:1         |
| <b>share</b>      | 7:22             | 13:1 18:1           | 77:17              |
| 40:2              | <b>sites</b>     | 65:3                | <b>Stephen</b>     |
| <b>sheet</b>      | 16:1             | <b>spent</b>        | 52:23 53:2         |
| 56:8              | <b>sitting</b>   | 31:11 65:18         | <b>stepped</b>     |
| <b>shelves</b>    | 83:11            | <b>spoken</b>       | 66:5               |
| 14:9              | <b>situation</b> | 52:23,25            | <b>Steven</b>      |
| <b>shift</b>      | 68:6             | <b>St</b>           | 5:6                |
| 28:16,17          | <b>sleep</b>     | 19:21               | <b>stick</b>       |
| <b>Shiner</b>     | 7:14,15          | <b>stamping</b>     | 64:8               |
| 60:4,8 61:3       | 37:10 65:10      | 80:20,21            | <b>stipulating</b> |
| 69:13             | <b>sleeping</b>  | 81:4                | 41:16              |
| <b>short</b>      | 37:12            | <b>stamps</b>       | <b>stock</b>       |
| 50:22 72:19       | <b>slightest</b> | 53:23               | 14:7 80:19         |
| <b>show</b>       | 53:8             | <b>Stanyar</b>      | <b>stocking</b>    |
| 39:15 47:12       | <b>slow</b>      | 67:16               | 14:9 81:3          |
| 49:19 56:8        | 58:4,17          | <b>start</b>        | <b>stolen</b>      |
| <b>shows</b>      | <b>social</b>    | 6:25 18:25          | 22:9               |
| 55:12,16          | 8:6 53:21        | 30:9 34:25          | <b>stop</b>        |
| <b>sick</b>       | 61:15            | <b>started</b>      | 76:21              |
| 26:1              | <b>sold</b>      | 30:18 35:6          | <b>stopped</b>     |
| <b>sign</b>       | 51:23 72:1,4     | <b>starts</b>       | 19:16              |
| 43:17 47:22,      | <b>someplace</b> | 8:16                | <b>store</b>       |
| 24 48:16          | 22:25            | <b>state</b>        | 15:12 80:20        |
| <b>signature</b>  | <b>son</b>       | 8:10 18:2,3         | <b>stored</b>      |
| 40:22 41:4        | 12:8,9,22        | 19:14,16,17,        | 51:22 72:1,4       |
| 47:15 48:5        | 13:15 27:21,     | 19 55:16            | <b>street</b>      |
| 90:19             | 23 30:3 31:2     | 64:15 74:20         | 7:16,18            |
| <b>signed</b>     | 45:13 65:4       | 90:5                | 11:23 32:22        |
| 47:20             | 84:17 85:6,      | <b>stated</b>       | 33:6 34:15         |
| <b>simply</b>     | 13,21,24         | 51:20               | 35:6,12            |
| 87:16             | 86:1 88:7,8,     | <b>statement</b>    | 36:7,8,11          |
| <b>single</b>     | 13               | 4:19 51:5,          | 37:1,10,19,        |
| 83:2              | <b>son's</b>     | 10,14,16            | 21,24 38:16        |
| <b>sir</b>        | 12:10            | 52:4                | 39:3,9 41:9,       |
| 11:20 16:12,      | <b>sought</b>    | <b>statements</b>   | 12 68:18           |
| 24 39:5,21        | 69:11            | 50:9                | 71:18 72:16        |
| 41:22 42:10,      |                  |                     | 86:1,20            |

|   |   |  |  |
|---|---|--|--|
| <b>stretch</b><br>60:24 62:22,<br>23,25 63:3<br>64:8          | <b>taking</b><br>6:5 61:12  | <b>testified</b><br>5:2 39:11<br>58:22   | <b>time</b><br>5:23 6:23<br>15:7 16:11<br>19:3,9 20:12<br>21:3,12,14,<br>24 22:12<br>24:15 27:21,<br>25 28:5,16<br>30:9,15<br>34:23,25<br>35:17,20<br>44:21 50:2,8<br>60:10,16,24<br>61:1,17 65:4<br>67:22,25<br>68:20 70:8,<br>12,22 79:12<br>82:7,8 85:6<br>86:4 87:15,<br>22 88:3,9,12<br>89:7,8,25 |
| <b>stuck</b><br>83:14   | <b>talk</b><br>31:23,25<br>61:3,14,15<br>67:11 69:7<br>81:6 89:13                                     | <b>testify</b><br>4:25 16:21<br>56:20 58:20<br>72:7  | <b>times</b><br>10:18 13:4<br>51:3 60:1<br>68:25 74:7,<br>11   |
| <b>stuff</b><br>19:22 58:8<br>59:19 70:2<br>80:18,20<br>86:21 | <b>talked</b><br>15:10 31:24<br>32:13 61:10<br>64:3 67:2,21<br>89:22                                  | <b>testifying</b><br>33:16,18  | <b>today</b><br>74:11  |
| <b>submitted</b><br>55:13                                     | <b>talking</b><br>6:23 17:11<br>46:11,12<br>51:11 60:3<br>68:20,21<br>71:11,20<br>76:16 78:8<br>84:17 | <b>testimony</b><br>4:11 5:8,13,<br>24 56:22   | <b>told</b><br>16:23 32:1<br>33:5 38:15<br>39:2,6,11<br>61:4 63:12<br>65:2 74:19<br>76:13,25<br>77:4,11,20<br>79:17 81:2,<br>20 89:9   |
| <b>successful</b><br>74:14                                    | <b>taller</b><br>70:15  | <b>therapy</b><br>61:14  | <b>top</b><br>5:19 9:4<br>16:24 40:9   |
| <b>sue</b><br>17:2  | <b>taught</b><br>78:16  | <b>thing</b><br>6:1,16,21<br>7:2 10:7<br>23:24 38:14<br>56:8,13<br>58:16 73:14<br>77:17 82:11<br>83:21 | <b>total</b><br>65:11  |
| <b>sued</b><br>51:23 74:11                                    | <b>tall</b><br>70:12,13   | <b>things</b><br>6:6,7 17:6<br>26:15 57:10,<br>11 61:18,20   | <b>totally</b><br>65:11 87:13  |
| <b>suffered</b><br>64:23 69:5                                 | <b>tax</b><br>90:5  | <b>Thomas</b><br>8:2 9:23<br>10:5,12<br>13:11 19:21  | <b>touch</b><br>44:20 68:13  |
| <b>sugar</b><br>81:15   | <b>taxes</b><br>66:21,22  | <b>Thomas'</b><br>42:11  |  |
| <b>suggest</b><br>54:13                                       | <b>telephone</b><br>52:25   | <b>thought</b><br>55:11,13,20<br>56:3,10,14,<br>22 58:22<br>80:4                                       |  |
| <b>support</b><br>12:18 13:14                                 | <b>telling</b><br>43:22   | <b>till</b><br>19:24 49:13   |  |
| <b>supports</b><br>55:6                                       | <b>temp</b><br>15:15,16,18,<br>21,24 16:8,<br>11 80:25<br>81:2,9,11,22<br>82:1                        | <b>Tim</b><br>67:18,19,20,<br>21,22,23<br>68:3,8,13<br>89:9  |  |
| <b>supposed</b><br>61:19 83:16                                | <b>temporary</b><br>80:16   | <b>Tim's</b><br>68:6   |  |
| <b>surveillance</b><br>50:17                                  | <b>terms</b><br>74:6,14 76:3  |  |  |
| <b>suspected</b><br>50:23,25<br>51:1 73:4,5,<br>10 74:2,8     | <b>terrible</b><br>61:18 64:11<br>78:13 83:6  |  |  |
| <b>sworn</b><br>4:25 6:4                                      |   |  |  |
| <b>system</b><br>78:15,16                                     |   |  |  |
| <hr/> <b>T</b> <hr/>  |   |  |  |
| <b>T.V.</b><br>29:7 47:4,6                                    |   |  |  |

April 23, 2021

|  |  |   |  |
|--|--|---|--|
| <b>traffic</b><br>76:21  | <b>type</b><br>38:14 51:2,3                                | 16:9  | <b>wanting</b><br>88:23  |
| <b>Trailblazer</b><br>52:13  | 59:5,6   | <b>Val</b><br>89:14,20                                  | <b>warrant</b><br>50:12 70:6   |
| <b>transaction</b><br>50:25  | 80:18,25   | <b>Valerie</b><br>67:6,8,9                              | 71:4 76:4,<br>23,25 78:7   |
| <b>transcribe</b><br>6:18,22   | 81:8   | <b>varies</b><br>81:24                                  | <b>Warren</b><br>13:23,24  |
| <b>transition</b><br>73:6  | <b>types</b><br>81:1                                       | <b>vehicle</b><br>52:6,8,11                             | <b>watched</b><br>29:7   |
| <b>traumatic</b><br>31:12  | <hr/> <b>U</b> <hr/>                                       | <b>Ven</b><br>4:21                                      | <b>water</b><br>46:24 47:1   |
| <b>Treasury</b><br>38:8  | <b>Uh-huh</b><br>31:6                                      | <b>verbal</b><br>6:9                                    | <b>Wayne</b><br>4:1 49:11,12   |
| <b>treatment</b><br>69:11  | <b>uh-huhs</b><br>6:17                                     | <b>verbally</b><br>4:11 6:13                            | 77:24 79:13  |
| <b>trial</b><br>20:22 21:7,<br>19 22:3,16<br>38:4,5 41:16<br>49:13,25<br>50:2,8<br>55:14,21<br>56:2,11,15,<br>23 57:2,12<br>58:11,23<br>65:25 66:1,5<br>72:8 76:11,<br>12 78:1,3,4,<br>11 83:20,25<br>84:7 | <b>ultimately</b><br>74:3 76:22<br>79:10 83:3<br>84:2 85:5 | <b>victim</b><br>66:25                                  | 89:13,17   |
| <b>trouble</b><br>75:17  | <b>underlying</b><br>18:14,25                              | <b>Victoria</b><br>52:12,14,16,<br>18                   | <b>wear</b><br>26:8,22   |
| <b>truancy</b><br>19:12  | <b>understand</b><br>22:24 29:18<br>43:2 64:12<br>80:24    | <b>view</b><br>6:7                                      | <b>wearing</b><br>26:5   |
| <b>truant</b><br>19:12   | <b>understood</b><br>7:4 14:20                             | <b>vision</b><br>26:10                                  | <b>week</b><br>68:25   |
| <b>true</b><br>6:21 27:12<br>51:5,10,14<br>52:4 54:15<br>71:8 74:15  | <b>Unh-unh</b><br>48:12 75:16,<br>24                       | <b>visit</b><br>38:18,21<br>88:24                       | <b>weekend</b><br>13:1   |
| <b>trust</b><br>65:6,8   | <b>unh-unhs</b><br>6:17                                    | <b>VSCA</b><br>51:25                                    | <b>weeks</b><br>87:3,5   |
| <b>truth</b><br>4:25 5:1 6:5   | <b>unregistered</b><br>81:18                               | <hr/> <b>W</b> <hr/>                                    | <b>weigh</b><br>9:13 70:17   |
|  | <b>unusual</b><br>14:22                                    | <b>W-I-C-A</b><br>64:16                                 | <b>weighed</b><br>70:23  |
|  | <b>upstairs</b><br>39:9,12                                 | <b>wages</b><br>79:24                                   | <b>weight</b><br>8:22 55:17,<br>18 56:9                              |
|  | <b>utilities</b><br>36:3 46:18<br>86:12                    | <b>wait</b><br>6:24 69:24                               | <b>wheel</b><br>71:21  |
|  | <b>utility</b><br>46:10                                    | <b>waive</b><br>4:14                                    | <b>white</b><br>53:18  |
|  | <hr/> <b>V</b> <hr/>                                       | <b>wake</b><br>27:25 28:1                               | <b>WICA</b><br>64:16   |
|  | <b>vaguely</b>   | <b>wanted</b><br>43:6 61:23<br>62:1,2,3,12,<br>14 88:20 | <b>wife</b><br>27:19 29:5<br>30:3 31:2<br>45:13 84:11<br>88:2,7,8,13 |
|  |  |   | <b>witnesses</b><br>58:19,21   |

|   |   |  |
|---|---|--|
| <p><b>woke</b><br/> 27:12,14<br/> 28:4 29:19<br/> 62:12,14</p> <p><b>word</b><br/> 78:24</p> <p><b>words</b><br/> 6:9,13 80:6,<br/> 19</p> <p><b>work</b><br/> 13:5,7,9,11<br/> 14:24 15:17<br/> 28:2,5,6,8,<br/> 14,15 29:10<br/> 30:7,9,11,<br/> 15,18,21<br/> 79:22 80:18<br/> 81:1 86:24,<br/> 25</p> <p><b>worked</b><br/> 14:25 15:7,<br/> 11,14,15<br/> 16:11 75:23<br/> 80:3</p> <p><b>worker</b><br/> 61:15</p> <p><b>working</b><br/> 15:1 28:19,<br/> 21,25 30:23<br/> 79:14 80:6,<br/> 15,25 81:21<br/> 82:2 86:12,<br/> 14</p> <p><b>worst</b><br/> 64:10</p> <p><b>write</b><br/> 87:20,23</p> <p><b>writing</b><br/> 41:2</p> <p><b>written</b><br/> 6:5 74:7<br/> 89:22</p> <p><b>wrong</b><br/> 80:4</p> <p><b>Wrongful</b><br/> 64:13</p> | <p><b>wrongfully</b><br/> 82:16 83:3</p> <p><b>wrote</b><br/> 87:24</p> <hr/> <p style="text-align: center;"><b>Y</b></p> <hr/> <p><b>year</b><br/> 67:24 71:9<br/> 78:7 85:23</p> <p><b>years</b><br/> 20:15 25:13<br/> 31:5,11 44:7<br/> 60:23 70:25<br/> 71:1 82:16,<br/> 18,25 83:1<br/> 84:18,19</p> <p><b>yesses</b><br/> 6:19</p> <p><b>young</b><br/> 89:2</p> <hr/> <p style="text-align: center;"><b>Z</b></p> <hr/> <p><b>zoom</b><br/> 6:3,22 8:20<br/> 40:21</p> |  |
|---|---|--|

**EXHIBIT 6G**  
**Trial Transcript**

STATE OF MICHIGAN  
IN THE THIRD CIRCUIT COURT FOR THE COUNTY OF WAYNE

THE PEOPLE OF THE  
STATE OF MICHIGAN

Case No. 12-4974-01

vs.

DARELL DEON CHANCELLOR,  
Defendant.

-----/

**COPY**

WAIVER TRIAL

Proceedings had in the above-entitled cause before  
the Honorable DANIEL A. HATHAWAY, Judge of the Circuit Court for  
the County of Wayne at 1441 St. Antoine Street, Detroit,  
Michigan, on Thursday, November 8, 2012.

13 APR 16 PM 3:46  
FHMJ  
RECEIVED  
CLERK'S OFFICE

APPEARANCES:

For the People

STEPHANIE L. ZEIGER, ESQ. P66819  
Assistant Prosecuting Attorney  
Wayne County Prosecutor's Office  
1441 St. Antoine Street  
Detroit, Michigan 48226  
Telephone (313) 224-5761

For the Defendant

RAY A. PAIGE, ESQ. P41848  
615 Griswold Suite 1308  
Detroit, Michigan 48226  
Telephone (313) 510-3335

Reported by

ZELDA HARRIS RELEFORD, CSR 4897  
Official Court Reporter

TABLE OF CONTENTS

|                                    |      |
|------------------------------------|------|
| WITNESSES: For the People          | PAGE |
| BRIAN ANTHONY JOHNSON              |      |
| Direct Examination by Ms. Zeiger   | 5    |
| Cross-Examination by Mr. Paige     | 14   |
| Redirect Examination by Ms. Zeiger | 21   |
| Re-cross Examination by Mr. Paige  | 22   |
| STEVEN GEELHOOD                    |      |
| Direct Examination by Ms. Zeiger   | 26   |
| Cross-Examination by Mr. Paige     | 37   |
| Redirect Examination by Ms. Zeiger | 44   |
| Re-cross Examination by Mr. Paige  | 46   |
| Redirect Examination by Ms. Zeiger | 55   |
| Re-cross Examination by Mr. Paige  | 60   |
| CYNDI IZUMI                        |      |
| Direct Examination by Ms. Zeiger   | 63   |
| Cross-Examination by Mr. Paige     | 66   |
| TOMMY BELL                         |      |
| Direct Examination by Ms. Zeiger   | 69   |
| Cross-Examination by Mr. Paige     | 75   |

WITNESSES: For the Defendant

|                                 |    |
|---------------------------------|----|
| DARELL DEON CHANCELLOR          |    |
| Direct Examination by Mr. Paige | 78 |
| Cross-Examination by Ms. Zeiger | 84 |

Matter adjourned 93

E X H I B I T S

|               | Identified | Admitted | Stipulated |
|---------------|------------|----------|------------|
| People's 1    | 13         | 14       | --         |
| People's 2    | --         | --       | 62         |
| People's 4    | 74         | 74       | --         |
| People's 5    | 73         | 73       | --         |
| People's 6    | 44         | 45       | --         |
| Defendant's A | --         | 20       |            |

1 Detroit, Michigan

2 Thursday, November 8, 2012

3 Afternoon Session

4 --- --- ---

5 COURT CLERK: Calling Case No. 12-4974, People  
6 vs. Darell Chancellor. Here for a continuation of a trial.

7 MS. ZEIGER: Good afternoon, your Honor.

8 Stephanie Zeiger, on behalf of the People.

9 THE COURT: Good afternoon.

10 MR. PAIGE: May it please the Honorable Court,  
11 Ray Paige, on behalf of the Defendant, your Honor.

12 Today is the date set for a waiver trial,  
13 your Honor.

14 THE COURT: Okay.

15 MR. PAIGE: I've had the occasion to be given a  
16 letter that's --

17 THE COURT: Yeah, it just came in from the  
18 Defendant addressed to me. So I wanted to make sure that  
19 you knew what had been sent to me. That you've got a copy,  
20 and that the People got a copy.

21 MR. PAIGE: Yeah. And I'm just now reading it,  
22 Your Honor. I was not aware of this.

23 THE COURT: Honestly, I wasn't either until  
24 literally thirty seconds before I walked out. So there we  
25 have it.

1 MS. ZEIGER: Your Honor, the People will be.  
2 moving for a sequestration motion with the exception to my  
3 officer-in-charge, Sergeant Joe Tucker, Jr., who will not  
4 be testifying. The individual sitting behind me is my  
5 intern, your Honor, David Klein (ph.). He's not a witness  
6 at all.

7 THE COURT: Okay. I'm issuing a mutual order of  
8 sequestration. If there's anyone in the courtroom who  
9 intends to testify in this matter, you're instructed to  
10 remove yourself from the courtroom until such time as you  
11 are called as a witness. Then when you're called as a  
12 witness, you're free to stay in the courtroom. I'm making  
13 an exception for the officer-in-charge.

14 MS. ZEIGER: Thank you.

15 MR. PAIGE: One moment, your Honor.

16 THE COURT: Okay.

17 All right. Do you wish to make an opening  
18 statement, at this time, Ms. Zeiger?

19 MS. ZEIGER: No, your Honor. The People will  
20 continue with our waiver of opening statement, if there's  
21 no objection.

22 THE COURT: All right. Any objection?

23 MR. PAIGE: No, objection, your Honor.

24 THE COURT: All right.

25 MR. PAIGE: We reserve the right to make one,

1 your Honor.

2 THE COURT: All right. You reserve. All right.

3 Thank you.

4 Then, Ms. Zeiger, do you want to call your first

5 witness?

6 MS. ZEIGER: Yes, your Honor. The People will

7 call Officer Brian Johnson.

8 COURT CLERK: Would you come and spell your name

9 for her, please.

10 OFFICER JOHNSON: Yes.

11 Brian Anthony Johnson, B-R-I-A-N A-N-T-H-O-N-Y

12 J-O-H-N-S-O-N.

13 COURT CLERK: Do you solemnly swear or affirm the

14 testimony you're about to give to the Court will be the

15 truth so help you God?

16 OFFICER JOHNSON: I do.

17 THE COURT: Have a seat, please.

18 MS. ZEIGER: May I proceed, your Honor?

19 THE COURT: Please.

20 MS. ZEIGER: Thank you.

21 B R I A N A N T H O N Y J O H N S O N ,

22 having been duly sworn was examined and testified as

23 follows:

24 DIRECT EXAMINATION.

25 BY MS. ZEIGER:

1 Q Good afternoon, sir.

2 A Good afternoon, ma'am.

3 Q Could you please state your name for the record.

4 A Brian Anthony Johnson. I'm a Detroit Police Officer,  
5 currently assigned to the narcotics division for the last  
6 eleven years.

7 Q How long have you been a police officer total, Officer  
8 Johnson?

9 A Fifteen years.

10 Q I'm going to direct your attention back to November 2nd,  
11 2011 at about 5:30 in the afternoon. Were you working on  
12 that day and at that time?

13 A Yes, ma'am.

14 Q And did you have occasion to go to an address of 5023  
15 32nd Street in the City of Detroit, County of Wayne?

16 A Yes, ma'am.

17 Q What was your reason for going to that address?

18 A To execute a narcotic search warrant.

19 Q What is at that address?

20 A A home.

21 Q Did you go there with other members of the narcotics unit?

22 A Yes, ma'am.

23 Q And when you got to that home, did you, in fact, execute  
24 that search warrant on that home?

25 A Yes, ma'am.

1 Q What role did you play in executing that search warrant?

2 A The shotgun man.

3 Q What is the shotgun man?

4 A The shotgun man is the first one to enter the location. My  
5 duties is to encounter and neutralize any possible threat  
6 to myself or the crew.

7 Q And do you remember -- was presence and purpose announced  
8 that day?

9 A Yes, ma'am.

10 Q And was entry forced into that home or were you let in, if  
11 you remember?

12 A May I refer to my PCR?

13 Q Will that refresh your recollection?

14 A Yes, ma'am.

15 We went in through an open front door.

16 BY MS. ZEIGER:

17 Q So the front door was open. That means you don't have to  
18 breach any doors?

19 A Correct.

20 THE COURT: But did someone let you in, or it  
21 was just open?

22 THE WITNESS: It was unlocked, sir. The door  
23 was closed, but it was unlocked.

24 THE COURT: All right. Thank you.

25 BY MS. ZEIGER:

1 Q When you execute a search warrant, do you always check  
2 first to see if a door is unlocked or locked?

3 A I always check and make sure to see if the door is open.

4 Q Did you go into the home?

5 A Yes, ma'am.

6 Q Did you encounter anyone in that home?

7 A Well, we encountered someone on the front porch.

8 Q On the front porch?

9 A Detained that person, and entered the location and  
10 encountered a female inside.

11 Q The person on the front porch male or female?

12 A Male.

13 Q So when you first got to that location, was that person  
14 already on the porch?

15 A Yes, ma'am.

16 Q Did one of your crew members deal with him or did you deal  
17 with him?

18 A I gave him some verbal orders. I said, get down. He got  
19 down. And I proceeded inside of the location. So one of  
20 my crew members detained him.

21 Q You said there was a black female in the home; is that  
22 correct?

23 A Yes, ma'am.

24 Q Where was that black female at?

25 A She was in the dining room..

1 Q Do you see that black female any where here in court today?

2 A Yes, ma'am.

3 Q Where is she at?

4 A Sitting in the last row of the courtroom.

5 Q Was there anybody else in the home at that time besides the  
6 black female?

7 A No, ma'am.

8 THE COURT: Can we know who it is he's talking  
9 about? Who is he talking about?

10 MS. ZEIGER: Sorry, your Honor.

11 THE COURT: Okay.

12 (Lady in audience acknowledged her presence)

13 THE COURT: Thank you, ma'am. I appreciate it.

14 MS. ZEIGER: Sorry, your Honor. I didn't realize  
15 there was more than one black female in the back. Thank  
16 you.

17 THE COURT: Thanks.

18 BY MS. ZEIGER:

19 Q Can you describe for us the inside of this home. How it's  
20 broken down.

21 A You enter like a living room area. Then a dining room.  
22 Going straight back is a kitchen. And then a stairwell  
23 leading upstairs. Going in it would be -- the bedrooms  
24 would be to the right -- to the left, I'm sorry.

25 Q Upstairs -- was there a kitchen upstairs?

- 1 A Yes, ma'am.
- 2 Q And there was a kitchen downstairs?
- 3 A Yes, ma'am.
- 4 Q Two kitchens in this house?
- 5 A Yes, ma'am.
- 6 Q Was this a two -- was it a two-family flat?
- 7 A No, ma'am.
- 8 Q It was a one -- it was a one family home?
- 9 A It had one address, yes, ma'am.
- 10 Q Were there bedrooms upstairs and downstairs?
- 11 A Yes, ma'am.
- 12 Q How many entrance doors did this home have?
- 13 A A front door and, I believe, there was a back door.
- 14 Q So in the front there was only one door?
- 15 A Yes, ma'am.
- 16 Q It wasn't set up like a flat where there would have been
- 17 two entrances?
- 18 A No, ma'am.
- 19 Q Would there have been a way for you to get to the upstairs
- 20 from the front foyer area of the home.
- 21 A No, ma'am.
- 22 Q Would the only way to get upstairs was through the main
- 23 floor living area on the first floor?
- 24 A Yes, ma'am.
- 25 Q Did you go upstairs and search?

1 A After the location was cleared, yes, ma'am.

2 Q Did you find anybody upstairs?

3 A No, ma'am.

4 Q Did you search the entire home, top and bottom?

5 A I didn't, no, ma'am.

6 Q Do you know if crew members searched the entire home, top  
7 and bottom?

8 A Yes, ma'am.

9 Q Did you assist in searching?

10 A Yes, ma'am.

11 Q Where did you search?

12 A I searched upstairs.

13 Q Did you seize anything when you searched?

14 A Yes. After the location was cleared, I seized some POR,  
15 off the kitchen table.

16 Q What's P --

17 COURT REPORTER: I'm sorry. Repeat that. You  
18 retrieved something off the table.

19 THE WITNESS: Some POR, proof of residence.

20 COURT REPORTER: Thank you.

21 BY MS. ZEIGER:

22 Q Proof of residence. What exactly did you seize?

23 A It was State of Treasury mail in the name of Darell  
24 Chancellor.

25 Q Did it have an address associated with it?

1 A Yes, ma'am.

2 Q What address was that?

3 A The address of that location, ma'am.

4 Q 502 --

5 A 5023, yes, ma'am.

6 Q 32nd Street?

7 A Yes, ma'am.

8 Q Officer Johnson, was that letter opened or closed when you  
9 found it?

10 A It was open.

11 THE COURT: Where exactly did you say you found  
12 it?

13 THE WITNESS: On the kitchen table.

14 THE COURT: The kitchen upstairs --

15 THE WITNESS: Upstairs.

16 THE COURT: -- or downstairs?

17 THE WITNESS: The upstairs kitchen table.

18 THE COURT: Upstairs kitchen table.

19 Thank you.

20 MS. ZEIGER: Your Honor, may I approach the  
21 witness?

22 THE COURT: Yes.

23 (People's proposed Exhibit No. 1 marked for  
24 identification)

25 BY MS. ZEIGER:

1 Q Officer Johnson, I'm going to show you what's been marked  
2 as People's proposed Exhibit No. 1. And actually let me  
3 just ask you a question before that. The item, the proof  
4 of residency, that you've testified that you seized did you  
5 place that under evidence tag number?

6 A Yes, ma'am.

7 Q Do you remember that evidence tag number off of your  
8 memory?

9 A No, ma'am.

10 Q Do you need your report to refresh your recollection as to  
11 that number?

12 A Yes, ma'am.

13 MR. PAIGE: Stipulate. I'll stipulate to it.

14 BY MS. ZEIGER:

15 Q I'm going to hand you what's been marked as People's  
16 proposed Exhibit No. 1. Is that the -- can you tell us  
17 what is inside of that item?

18 A From the outside of the envelope it states:

19 "Michigan Department of Treasury."

20 It's addressed to a Darell Deon Chancellor.

21 The date on the outside of the envelope is 11/1/11.

22 Inside it says:

23 "Department of Treasury."

24 And it's dated -- again, addressed to a

25 Mr. Darell Chancellor, with a date on it of 11/5/11.

1 MS. ZEIGER: Your Honor, we ask for the admission  
2 of People's proposed Exhibit No 1.

3 THE COURT: Any objection?

4 MR. PAIGE: No, objection, your Honor.

5 THE COURT: All right. People's 1 is admitted.

6 (People's Exhibit 1 admitted into evidence.)

7 MS. ZEIGER: Thank you, your Honor.

8 BY MS. ZEIGER:

9 Q Officer Johnson, did you seize anything else from the  
10 residence that day, either upstairs or downstairs?

11 A No, ma'am.

12 MS. ZEIGER: Nothing further, your Honor.

13 THE COURT: Okay. Cross-examine.

14 MR. PAIGE: Just a few questions with the  
15 Court's permission?

16 THE COURT: Sure.

17 CROSS-EXAMINATION

18 BY MR. PAIGE:

19 Q Officer Johnson, I just want to be clear about a couple  
20 things because I plan to argue this at the end of the day.  
21 One is that this gentleman was not on the premises when you  
22 got there, right?

23 A That's correct, sir.

24 THE COURT: And when he says -- for the record,  
25 when he says, "this gentleman," he's talking about the

1 Defendant.

2 BY MR. PAIGE:

3 Q The Defendant, right?

4 A That's correct, sir.

5 Q And, so that I'm clear, this dwelling appeared to be  
6 occupied, meaning that there were lights on?

7 A Yes, sir.

8 Q There was furniture in the house?

9 A Yes, sir.

10 Q Bedrooms?

11 A Yes, sir.

12 Q Upstairs and downstairs?

13 A Yes, sir.

14 Q Refrigerator?

15 A There were appliances.

16 Q Appliances.

17 A person detained on the porch?

18 A Yes, sir.

19 Q Black female?

20 A Inside the location, yes, sir.

21 THE COURT: She was inside. There was a  
22 different person on the porch.

23 BY MR. PAIGE:

24 Q Black female, who is present in the courtroom today, right?

25 A That was inside the location, yes, sir.

1 Q Right. All right. And there was a black male that was on  
2 the porch?

3 A Yes, sir.

4 Q What was his name?

5 A I don't have that in my report, sir.

6 Q You don't?

7 A No, sir.

8 Q Can you give me a description of that person?

9 A Black male, probably '5 9", '5 10". I think I have that --  
10 it's on my sergeant's PCR.

11 THE COURT: Do you remember if you were able to  
12 determine whether that particular person that was on the  
13 porch was a resident of that location or not?

14 THE WITNESS: He was not a resident, sir. He  
15 stated he was there doing some work for the lady that owned  
16 the residence.

17 THE COURT: Okay.

18 BY MR. PAIGE:

19 Q And you took that to be -- you believed that, right?

20 A Yes, sir.

21 Q Did you investigate that? Did you talk to the lady of the  
22 -- whoever the lady purportedly was supposed to be of the  
23 residence as to whether that person was doing some work for  
24 her or not?

25 A Yes, sir.

1 Q All right. And did you submit that to a writing?

2 A No, sir.

3 Q Okay. And this is your report here.

4 Before you got to the premises, you had a search  
5 warrant, right?

6 This is your report?

7 A No, that's Sergeant Tucker's report.

8 MS. ZEIGER: I thought you wanted Sergeant  
9 Tucker's report. I'm sorry.

10 THE WITNESS: I was saying that the name of the  
11 gentleman on the porch --

12 THE COURT: Yeah, that report has the name of  
13 the --

14 THE WITNESS: -- was on Sergeant Tucker's  
15 report.

16 THE COURT: -- or the description of the person  
17 that's on the porch.

18 BY MR. PAIGE:

19 Q Okay. The description is on his report, right? This is  
20 the report you were referring to, right?

21 A Yes, sir.

22 Q Okay. That will refresh your memory as far as the height  
23 and weight, right?

24 A We have the name, and the birthdate, and the address of the  
25 gentleman that was detained on the porch.

1 Q Does it have the height on it?

2 A No, sir.

3 Q Does it have the weight on it?

4 A No, sir.

5 Q Do you have a recollection of -- you've already told us the  
6 person was approximately '5 8", '5 9", right?

7 A Probably about '5 9", '5 10", slim build.

8 Q Slim build.

9 Okay. When you -- before you got to the  
10 premises -- and I'm going to move on -- you were armed with  
11 a search warrant, right?

12 A Yes, sir.

13 Q And in the search warrant, there was a description of a  
14 person to be searched, right?

15 A Yes, sir.

16 Q And the description of the person to be searched was  
17 approximately '5 9", and a hundred and sixty something  
18 pounds, right?

19 A Officer Geelhood gave that, and --

20 Q I'm just asking does that comport with your recollection?

21 A I can't recall, sir.

22 Q Okay. Do you have a recollection of -- were you -- you  
23 were interested in searching a person when you got to the  
24 premises, right?

25 A Yes, sir.

1 Q And is there anything that can refresh your memory relative  
2 to who was the person to be searched or the description of  
3 the person?

4 A We're briefed off the search warrant.

5 Q I understand that.

6 A So the search warrant would refresh my memory.

7 MR. PAIGE: This is the original, ma'am?

8 MS. ZEIGER: It's the original copied. I made a  
9 copy of the original.

10 THE COURT: It's the closest she has.

11 MS. ZEIGER: It's all I've got.

12 BY MR. PAIGE:

13 Q After looking at the search warrant, does this refresh your  
14 memory of the description of the person to be searched?

15 A Yes, sir.

16 Q And what was that?

17 A The person of interest was a black male, 30s, '5 8", 180  
18 pounds.

19 Q Okay. No mention of glasses, right?

20 A No, sir.

21 MR. PAIGE: Stand up, Mr. Chancellor.

22 BY MR. PAIGE:

23 Q How much would you say he weighs?

24 A I'd probably say on the plus side of 200.

25 Q 200 and if I told you about 220 -- I'm just -- I'm just

1 saying.

2 A Yeah.

3 Q About 220. All right. And if I were to tell you he's  
4 about '5 11".

5 A I would probably have to stand next to him, sir.

6 Q You can stand next to him. You want to?

7 A Yeah.

8 Q Because we -- this is a search for the truth. You know,  
9 this is not a -- we just trying to get it where it's at.

10 A Probably.

11 Q Okay. You want to be as close to '6 0" tall as you can be,  
12 huh?

13 A Yes, sir.

14 MR. PAIGE: May I mark this into evidence, if  
15 there's no objection?

16 THE COURT: Any objection to the search warrant  
17 being placed into evidence?

18 MS. ZEIGER: No, your Honor, that's fine.

19 THE COURT: All right. So that's going to be  
20 Defense A. Defense A, the copy of the search warrant, is  
21 admitted.

22 (Defense Exhibit A admitted into evidence.)

23 MR. PAIGE: Nothing further.

24 Thank you, sir.

25 THE COURT: Redirect?

1 MS. ZEIGER: Yes, your Honor.

2 Thank you:

3 May I approach the witness?

4 THE COURT: Yes.

5 MS. ZEIGER: Thank you.

6 REDIRECT EXAMINATION

7 BY MS. ZEIGER:

8 Q Officer Johnson, you were just shown Sergeant Tucker's  
9 report. Can you tell us the name of the individual that  
10 was on the porch?

11 A Mr. Ronald Durhall (ph.), black male, birthdate 12/1/58,  
12 of 4981 32nd Street.

13 Q So that would have been down the street then from the  
14 location that you were at?

15 A Yes, ma'am.

16 Q And he was born in 1958?

17 A 1958.

18 Q Thank you.

19 Also, you were asked whether the house was  
20 furnished. Was the upstairs furnished?

21 A Yes, ma'am.

22 Q Did it appear to be currently being lived in, in your  
23 opinion?

24 A Yes, ma'am.

25 MS. ZEIGER: Nothing further, your Honor.

1 THE COURT: Anything based upon that, Mr. Paige?

2 RECROSS-EXAMINATION

3 BY MR. PAIGE:

4 Q Were you aware that -- do you see the Durhall (ph.) that  
5 -- do you see him in the courtroom? The person that you  
6 detained?

7 A No, sir.

8 MR. PAIGE: Mr. Durhall, would you stand up.  
9 Just stand up.

10 BY MR. PAIGE:

11 Q Is this the person that you detained?

12 A It could be. Without seeing his name, or his ID, I  
13 couldn't tell you, sir.

14 THE COURT: You can't tell from looking at him  
15 now?

16 THE WITNESS: No, sir.

17 MR. PAIGE: If you can -- come closer, sir.

18 BY MR. PAIGE:

19 Q Is this the person --

20 Just stay right there. Don't be too excited.

21 BY MR. PAIGE:

22 Q Is the person that you detained, was he approximately his  
23 height?

24 A He was similar to his height.

25 Q And was he approximately his weight?

1 A I couldn't tell you that, sir.

2 Q I mean, is it --

3 A He was slim build. I don't know how much that gentleman  
4 weighs.

5 Q Well, would you consider --

6 Take your jacket off.

7 BY MR. PAIGE:

8 Q Would you consider him slim build?

9 A Yes, sir.

10 Q All right.

11 Have a seat.

12 BY MR. PAIGE:

13 Q And this -- okay, if I were to tell you that this person,  
14 Mr. Durhall (ph.), was not a handy man, but he lived there,  
15 and was the boyfriend of Mr. Chancellor's mother, could you  
16 refute that?

17 A Only thing I can tell you is that that gentleman and the  
18 lady inside the location lied to me that day then.

19 Q Okay. And people do -- it's not unusual to lie to the  
20 police, is it?

21 A Not at all.

22 Q All right.

23 Did you search every bedroom in the house?

24 A No, sir.

25 Q Did you go through the drawers in the bedrooms to look for

1 proof of residencies for whatever reason?

2 A I didn't, sir, no.

3 Q Have you to this date did a record search to make a  
4 determination of who owned the house?

5 A I didn't, no, sir.

6 Q To this date, your role as it relates to an officer --  
7 you're a sergeant, right?

8 A No, sir.

9 Q You should be.

10 Yeah, but you've been a law enforcement officer  
11 for a while, right?

12 A Yes, sir.

13 Q Did you trace any proceeds from what purports -- this is a  
14 drug raid, right?

15 A Yes, sir.

16 Q Did you seize any cars or monies from Defendant Chancellor?

17 A No, sir.

18 Q Airplanes, boats?

19 A No, sir.

20 MR. PAIGE: Nothing further -- no, no.

21 BY MR. PAIGE:

22 Q Were you aware that Defendant Chancellor has a brother that  
23 lived in that house?

24 A No, sir.

25 Q That is about '5 10" and slim build, were you aware of

1 that?

2 A No, sir.

3 Q Were you aware that there was a cousin who lived in that  
4 house by the name of Willie Chancellor that was similarly  
5 build as Antonio Chancellor, the Defendant's brother?  
6 Just yes or no.

7 A No, sir.

8 Q And so that it's clear -- and I know the Judge knows this  
9 and you know it, but I just want to put it on the record  
10 you don't know if Defendant Chancellor ever opened that  
11 mail, do you?

12 A No, sir.

13 Q And notwithstanding whether he did or not -- I'll leave  
14 that alone.

15 MR. PAIGE: Nothing further.

16 MS. ZEIGER: Nothing further, your Honor.

17 THE COURT: All right.

18 Thank you, officer.

19 THE WITNESS: Thank you, sir.

20 (Witness excused.)

21 MS. ZEIGER: Your Honor, the People would call  
22 Officer Steven Geelhood next.

23 THE COURT: All right.

24 COURT CLERK: Can you spell your name for her.

25 OFFICER GEELHOOD: Steven with a V, last name

1 G-E-E-L-H-O-O-D.

2 COURT REPORTER: Thank you.

3 COURT CLERK: Do you solemnly swear or affirm the  
4 testimony you're about to give to the Court will be the  
5 truth so help you God?

6 OFFICER GEELHOOD: Yes.

7 THE COURT: Have a seat, please.

8 MS. ZEIGER: May I proceed, your Honor?

9 THE COURT: Please.

10 MS. ZEIGER: Thank you.

11 S T E V E N G E E L H O O D,

12 having been duly sworn was examined and testified as  
13 follows:

14 DIRECT EXAMINATION

15 BY MS. ZEIGER:

16 Q Good afternoon, sir.

17 A Good afternoon.

18 Q Can you please state your name for the record.

19 A Steven Geelhood.

20 Q And, sir, how are you employed?

21 A City of Detroit for 18 years.

22 Q Are you currently assigned to a unit within the Detroit  
23 Police Department?

24 A Yes.

25 Q What is that?

1 A Narcotics.

2 Q How long have you been with narcotics?

3 A Over ten years.

4 Q I'm going to direct your attention to November 2nd, 2011  
5 were you at 5023 32nd Street in the City of Detroit, County  
6 of Wayne around 5:30 in the afternoon?

7 A Yes.

8 Q What was your reason for going to that location?

9 A Execute a search warrant.

10 Q What is at that address?

11 A Single family dwelling.

12 Q And did you go to that location with other members of the  
13 narcotics unit?

14 A I did.

15 Q When you got to that home, did you make entry into that  
16 home?

17 A Yes.

18 Q Do you remember what role you played during execution of  
19 that search warrant?

20 A I would have been on the entry team.

21 Q And, as you were entering into that home, did you see  
22 anybody outside on the front porch?

23 A I did.

24 Q Who -- do you know who that person was?

25 A He said -- he stated he worked on the house or something.

1 Q You said, "he". Was it a male?  
2 A It was a male.  
3 Q And can you tell us what ethnicity he is?  
4 A He was black.  
5 Q Did you have any dealings with him?  
6 A He was talked to, yes.  
7 Q By yourself or by somebody else in your crew?  
8 A Crew members. I don't think I had interest.  
9 Q When you -- did you go inside the home?  
10 A Yes.  
11 Q Was anybody inside the home?  
12 A There was.  
13 Q Who was that?  
14 A It was a woman in the home.  
15 Q Do you know what her name was?  
16 A I don't have recollection. It was the mother of the  
17 Defendant.  
18 Q And when you say, "the Defendant" are you referring to  
19 Darell Chancellor?  
20 A I am.  
21 Q Where did you encounter this woman at?  
22 A The front room.  
23 Q Was anybody else in the home?  
24 A No.  
25 Q Can you tell us how this home was set up?

1 A When you go into the house, there was a living room, and  
2 then like a dining room, and then the kitchen. The  
3 bedrooms would be to your left. Then the upstairs would be  
4 through the back. Kitchen area, up the stairs, and the  
5 same way reversed. Kitchen, dining room, living room.

6 Q So there was, it seems as though, a separate home or  
7 separate living quarters upstairs?

8 A Yes.

9 Q Did it appear to you as though somebody was currently  
10 living in that area?

11 A Yes, there was clothes there.

12 Q Could you tell what type of clothes? Were they men's or  
13 women's, children?

14 A Men's clothes.

15 THE COURT: I'm sorry. Did you say there was  
16 one bedroom upstairs?

17 THE WITNESS: I recall one for sure that there  
18 was a bed in, and there might have been two rooms that were  
19 -- could have been bedrooms.

20 THE COURT: You don't recall for sure. I'm just  
21 wondering where did you say you saw the men's clothing?

22 THE WITNESS: It would have been in the kitchen.

23 THE COURT: Oh, in the kitchen?

24 THE WITNESS: Yes.

25 THE COURT: Okay.

1 BY MS. ZEIGER:

2 Q Let's talk about that. Where did you find men's clothing  
3 in the kitchen?

4 A In the hamper in the kitchen under the kitchen table.

5 THE COURT: Officer, there's a clothes hamper in  
6 the kitchen?

7 THE WITNESS: Yes.

8 BY MS. ZEIGER:

9 Q Was there anything else in that clothes hamper besides male  
10 clothing?

11 A Yes, I made a confiscation of narcotics from that hamper.

12 Q And, specifically, what type of narcotics?

13 A It would have been cocaine.

14 Q Did you place that cocaine on a lock sealed folder number?

15 A I did.

16 Q What was that?

17 A Referring to my PCR, --

18 Q Will that refresh your recollection?

19 A It would.

20 Q Please do so.

21 A Nancy 03346711.

22 MS. ZEIGER: May I approach, your Honor?

23 THE COURT: Yes.

24 MS. ZEIGER: Thank you.

25 BY MS. ZEIGER:

1 Q Officer, I'm going to show you what's marked as People's  
2 proposed Exhibit No. 2.

3 MR. PAIGE: I'll stipulate that that's it.

4 MS. ZEIGER: Okay. But I'm going to ask him some  
5 follow up questions.

6 BY MS. ZEIGER:

7 Q Is that the lock sealed folder number that you just read  
8 off to us as being the lock sealed folder number that you  
9 placed the cocaine on that day?

10 A It is.

11 Q And how many -- did you find more than one bag of cocaine?

12 A There was one bag with four bags inside.

13 Q The way that the cocaine is today, is that the way that it  
14 was when you found it back on November 2nd, 2011?

15 A No.

16 Q Can you describe it the way it looked back on November 2nd?

17 A It would have been all white chunks of cocaine.

18 Q And would you agree with me that that's liquified --

19 A It has.

20 Q -- inside? Okay. Was that the way that you seized it  
21 that day?

22 A No.

23 Q Okay. Does it have a stench to it?

24 A Very much so.

25 THE COURT: Is that normal? Is that what

1 happens to it when it sits in a bag?

2 THE WITNESS: If it sits too long in the heat.

3 MS. ZEIGER: Your Honor, we have someone from the  
4 Michigan State Police who can explain why this is like  
5 this.

6 THE COURT: Okay. I've never seen that before.

7 MS. ZEIGER: Yes..

8 THE COURT: I was just more curious than  
9 anything.

10 BY MS. ZEIGER:

11 Q And, Officer Geelhood, was that a small amount of cocaine?

12 A Very large amount.

13 Q And in your training and experience this amount of cocaine  
14 is that indicative of anything to you?

15 A Yes, dealing of cocaine. Major dealing of cocaine.

16 Q Did you have a further conversation with the -- you  
17 described her as the Defendant's mother?

18 A Yes.

19 Q Did you order her or ask her to do anything for you?

20 A I asked her to contact the Defendant.

21 Q Did she comply?

22 A She did.

23 Q How did she make contact with him?

24 A With a -- with her cell phone.

25 Q Did you observe her talk to anybody?

1 A I did.

2 Q Did you talk to anybody?

3 A I did.

4 Q Can you tell us the person you talked to was that male or  
5 female?

6 A It was a male.

7 Q Can you tell us what your side of the conversation was?

8 A It would have been that we would like to make contact and  
9 talk about what happened during the raid.

10 Q Did you ask that person to come to the home at all?

11 A I did.

12 Q Did that person ever come to that home?

13 A No.

14 Q Had you been to that house before November 2nd, 2011 or in  
15 the area of that home of 5023 32nd Street?

16 A I had.

17 Q When was that?

18 A During my pre-raid surveillance.

19 Q And do you remember specifically what date that was?

20 A I would have to refer to my search warrant.

21 MS. ZEIGER: Your Honor, --

22 THE COURT: No, I don't have it.

23 THE WITNESS: There is a copy right here. I can  
24 see it.

25 THE COURT: Ms. Zeiger, do you want to give it

1 to the witness?

2 MS. ZEIGER: Yes.

3 BY MS. ZEIGER:

4 Q And this has been marked, I believe, as Defense --

5 MR. PAIGE: 1.

6 THE COURT: Defense A.

7 MR. PAIGE: Oh, it's A?

8 MS. ZEIGER: Defense A.

9 THE COURT: Yeah. People 1, Defense A.

10 MS. ZEIGER: Yes.

11 BY MS. ZEIGER:

12 Q So we have marked this already, and it has been admitted as  
13 Defense A.

14 A I was there the day before the raid.

15 Q So that would have been November 1st, 2011?

16 A Correct.

17 Q And what was your reason for being around that location on  
18 November 1st?

19 A I had received information on the 31st of October that  
20 there was drugs being sold by -- at this location.

21 Q Do you remember what time of day it was that you were in  
22 that area on November 1st?

23 A It would have been later in the evening.

24 Q Did you observe anything?

25 A I did.

1 Q What did you observe?

2 A Referring to my search warrant --

3 Q Would that refresh your recollection?

4 A It would.

5                   Within thirty minutes, I observed three people  
6 independently go into the front door of that house having  
7 conversation with the described Defendant seated here, and  
8 making purchases of suspected heroin.

9 Q You just pointed to somebody. Who did you point to?

10 A The gentleman sitting in front of the defense table with  
11 the blue shirt, black pants.

12 Q Thank you.

13                   MS. ZEIGER: May the record reflect that the  
14 witness has identified the Defendant Mr. Darell Chancellor?

15                   THE COURT: Yes, it will.

16                   MS. ZEIGER: Thank you.

17 BY MS. ZEIGER:

18 Q Where did you exactly see the Defendant?

19 A At the front of the -- at the door of that house of the  
20 house that we raided.

21 Q You described it it seems as though this home is broken up  
22 into two living spaces. Did this home have more than one  
23 front door?

24 A No.

25 Q Were there any lights on in the front of this house?

1 A When we hit it?

2 Q No, on November 1st. Excuse me.

3 A I could visually see, yes, that it was this person sitting  
4 at this table right here. I could see him. It was lit  
5 enough for me to see him.

6 THE COURT: Was it daylight or night?

7 THE WITNESS: It would have been towards the  
8 evening hours, but I could see. It probably would have  
9 been around 5:00 or 6:00, but it was October so it was  
10 late.

11 THE COURT: Okay.

12 THE WITNESS: Dark.

13 BY MS. ZEIGER:

14 Q I see that you're wearing glasses today.

15 A Yes.

16 Q Are those reading glasses or are those prescription  
17 glasses?

18 A Readers.

19 Q On November 1st, 2011 when you were outside doing  
20 surveillance were you using anything to assist you in your  
21 ability to see?

22 A I had binoculars in the vehicle. I was using those, yes.

23 Q You were using your binoculars, okay.

24 And; approximately, how far away from the  
25 home were you set up conducting your surveillance with your

1 binoculars?

2 A I'd say, approximately, three to four hundred feet.

3 Q Are these binoculars that you use on a daily basis doing  
4 surveillance?

5 A All the time when I'm on surveillance, yes.

6 MS. ZEIGER: Nothing further at this time, your  
7 Honor.

8 THE COURT: Okay. Cross-exam.

9 CROSS-EXAMINATION

10 BY MR. PAIGE:

11 Q How do you pronounce your last name?

12 A Geelhood.

13 Q Geelhood?

14 A Geelhood.

15 Q Geelhood. Listen, I think you're the key to this case. So  
16 I'm going to spend a little bit of time with you, but not  
17 that much, all right?

18 A Yes, sir.

19 Q All right. You was the affiant on the search warrant,  
20 right?

21 A Yes.

22 Q All right. And when you gave information to a magistrate,  
23 were you telling the truth then about the description --

24 A Yes, sir.

25 Q -- of the person?

1 A Yes.

2 Q And in that description, you indicated that the person was  
3 approximately '5 --

4 A If I can refer to my paperwork?

5 Q Yes, please do.

6 A I put he was '5 8", a 180 pounds.

7 Q '5 8" and a 180 pounds.

8 You never said anything about glasses, did you?

9 A No, sir.

10 MR. PAIGE: Stand up, Mr. Chancellor.

11 BY MR. PAIGE:

12 Q How much do you say he weighs right here?

13 A Probably 210.

14 Q 210, 220?

15 A I guess, yes.

16 Q Yeah. So are you normally 40 pounds --

17 Have a seat.

18 BY MR. PAIGE:

19 Q Are you normally -- would you agree with me the difference  
20 between 220 and 180 would put a person from a description  
21 of mainly a slim build to a -- would you consider him a  
22 medium build?

23 A Would I consider him a medium build?

24 Q A medium build, right.

25 A No, he's on the heavier side.

1 Q So you would say on a heavier side?

2 A Correct.

3 Q You would call him heavy build then? I'm just trying to  
4 get the vernacular right.

5 A Yes, sir.

6 Q In your description of the person in the search warrant,  
7 in your every day vernacular, would you say that a person  
8 '5 8", '5 9", and a 180 pounds is heavy build?

9 A No.

10 Q Have you ever been wrong before?

11 A Yes, sir.

12 Q And would you not agree that identification evidence is  
13 probably the most unreliable evidence?

14 MS. ZEIGER: Objection, argumentative.

15 MR. PAIGE: Well, I'll just say this.

16 BY MR. PAIGE:

17 Q Have you ever made a mistake about identifying someone  
18 before thinking that you know someone, and then all of a  
19 sudden you say, oh, that's not the person that I thought it  
20 was? Has that ever happened to you?

21 A Not like this, sir, no.

22 Q Well, no. I'm not saying like this.

23 I'm just saying have you ever made a mistake  
24 in identification?

25 A No, sir. I'm quite positive this was the gentleman at the

1 house.

2 Q No, you -- no, no, no, no. See you -- you're trying to  
3 protect yourself, and I'm not beating you up.

4 I'm saying have you ever made a mistake about  
5 identification about -- for any reason?

6 MS. ZEIGER: Your Honor, this has been asked and  
7 answered.

8 MR. PAIGE: I'll move on.

9 THE COURT: Yeah.

10 BY MR. PAIGE:

11 Q Did you see --

12 Stand up, sir.

13 BY MR. PAIGE:

14 Q Did you see this person on the premises on the date that  
15 you executed the search warrant?

16 A It could have been him, yes.

17 Q It could have been him.

18 Come closer, again.

19 How would you describe him?

20 A What his build is?

21 Q Yes.

22 A From a distance, probably '5 10", 170.

23 Q Bingo.

24 Have a seat.

25 BY MR. PAIGE:

1 Q So you can get it right.

2 So were you aware that the Defendant had a  
3 brother on the premises that was named Antonio? Were you  
4 aware of that, that lived there?

5 A I wasn't aware of that, no.

6 Q And that he was -- he is described as about '5 10", '5 11",  
7 a 170, 180 pounds. Are you aware of that?

8 A No, sir.

9 Q Are you aware that there was another black male, his  
10 cousin, living on those premises?

11 A No, sir.

12 Q November of last year, right?

13 A A year ago, yes.

14 Q What was the date, November what?

15 A It was the 2nd.

16 Q November 2nd around election time, right?

17 A Correct.

18 Q Okay. And it was about what time in the evening?

19 A Like I said earlier, about 5:00 or 6:00, maybe.

20 Q 5:00 or 6:00, all right.

21 THE COURT: You're talking about the  
22 surveillance or the execution of the warrant?

23 MR. PAIGE: The surveillance.

24 THE COURT: Okay. That was the 1st, not the  
25 2nd, right?

1 THE WITNESS: That was the 1st, yes.

2 BY MR. PAIGE:

3 Q Okay. About what time was the surveillance?

4 A About 5:00 or 6:00.

5 Q About 5:00 or 6:00.

6 Now, listen, when I asked this man to stand up,  
7 he's approximately how far away from you right now?

8 You don't have to stand up again.

9 BY MR. PAIGE:

10 Q How far away would you say he's from you?

11 A Sixty feet.

12 Q Sixty feet.

13 And you had to ask me to have him come closer to  
14 you, did you not?

15 No, I'm not laughing.

16 A Did I have him come closer?

17 Q I -- I had him come closer to you.

18 A I did not ask for him to come closer, no. You did.

19 Q No, I did for you -- so you could --

20 A Thank you for that, yeah.

21 Q But I brought him closer to you --

22 A You did bring him closer, yes.

23 Q -- because you couldn't really make a determination from  
24 where he was at, at that point, right?

25 A Yes.

1 Q So it's nighttime. It's nighttime November 1st  
2 at about 6:00. It's nighttime, right?

3 A Yes. Evening time, yes.

4 Q Evening, nighttime.

5 Was the person -- strike that. And I've already  
6 gotten it out.

7 Did you describe the person in the search warrant  
8 wearing glasses?

9 A No, I didn't.

10 Q And if I were to tell you that this man has a heavy  
11 prescription because he has problems, like me, and maybe  
12 not like you because you got reading glasses, right?

13 A Yes, sir.

14 Q If I were to tell you that he has a heavy prescription, you  
15 couldn't refute that, could you?

16 A If what now? If he had a prescription?

17 Q I mean --

18 A I wouldn't have any idea whether he has a prescription.

19 Q All right. Well, it wasn't -- a guy didn't have a cane  
20 and a dog, a blind man, you know. That's not necessary.

21 MR. PAIGE: Nothing further.

22 THE COURT: Redirect.

23 MS. ZEIGER: Thank you, your Honor.

24 May I approach, your Honor?

25 THE COURT: Yes.

1 MS. ZEIGER: Thank you.

2 REDIRECT EXAMINATION

3 BY MS. ZEIGER:

4 Q Officer, I'm going to show you what's been marked as  
5 People's proposed Exhibit No. 6. Can you tell me what that  
6 is.

7 A It's the Defendant.

8 Q And is that a picture of the Defendant?

9 A It is.

10 Q And do you know when that was taken?

11 A Let's see 11/2 of '11 -- no, that's when it was run.

12 Q Yes.

13 Is that a Secretary of State document?

14 A Oh, expires on 12/7/14. It was effective on 1/10/11.

15 Q And is the Defendant wearing glasses in that picture?

16 A He is not.

17 Q And is that the picture that Mr. Chancellor would have been  
18 -- had taken for his driver's license?

19 A It is.

20 Q And what address is associated with that?

21 A 5023 32nd.

22 Q Thank you.

23 MS. ZEIGER: Your Honor, we ask for the admission  
24 of People's proposed Exhibit No. 6.

25 MR. PAIGE: No objection.

1 THE COURT: People's 6 is admitted.

2 MS. ZEIGER: Thank you.

3 (People's Exhibit No. 6 admitted into evidence.)

4 BY MS. ZEIGER:

5 Q The person that you saw outside on November 1st, 2011 --

6 A Yes.

7 Q -- this is the person that you described as doing  
8 hand-to-hand transactions?

9 A Yes.

10 Q Was that person wearing glasses?

11 A No.

12 Q When you were using your binoculars, did you have any  
13 troubles viewing that individual?

14 A None.

15 Q And was that the Defendant?

16 A Absolutely.

17 Q Does the Defendant look the same way today as he did a year  
18 ago?

19 A He's heavier.

20 Q And I'm going to show you People's Exhibit No. 6. Is he  
21 heavier now than what he was in this photograph? Looking  
22 at the picture as comparison.

23 A Yes. It appears to me that he's thinner here than he is  
24 here.

25 Q Okay. He's thinner where?

1 A In this picture.

2 Q Okay. Than he is seating --

3 A Correct.

4 Q -- sitting here today?

5 A Yes.

6 Q Okay.

7 THE COURT: And did we determine the picture was  
8 taken in January of 2011? Is that what it says?

9 THE WITNESS: Yes, sir.

10 THE COURT: Okay. Thank you.

11 BY MS. ZEIGER:

12 Q Are you aware of any other family member living at that  
13 home besides the Defendant and the Defendant's mother?

14 A No.

15 Q The person that was brought up to you and you were asked to  
16 look at, do you know if that was the person who was on the  
17 porch that day? And when I say "that day," I mean the day  
18 of the raid?

19 A It appears that he is, yes.

20 Q Was that the person that you saw the day before when you  
21 were doing your surveillance on December -- November 1st,  
22 2011?

23 A No.

24 MS. ZEIGER: Nothing further, your Honor.

25 RE-CROSS-EXAMINATION

1 BY MR. PAIGE:

2 Q You told your Honor that this picture was taken from the  
3 Secretary of State --

4 A Yes.

5 Q -- to get a driver's license?

6 A Yes.

7 Q How do you know that?

8 A It says it on the top.

9 Q Just point to it because I can't see where.

10 A That's what this means.

11 Q You said, "that's what this means?"

12 A Yes.

13 Q It doesn't say driver's license on that, does it?

14 A To me it does.

15 THE COURT: What does it say? Tell me what it  
16 says.

17 BY MR. PAIGE:

18 Q It's a code, right?

19 A That's what it means, sir.

20 Q Well, let me tell you what I think it means. I think it  
21 means that he was getting a state ID. So, I think that's  
22 a difference. Because I want to -- this is a search for  
23 the truth. Are you telling me that on this particular date  
24 that this man was getting a driver's license and not  
25 complying with the requirement to get a state ID?

1 A That's him going to the Secretary of State and getting an  
2 ID of some sort from the Secretary of State.

3 Q Now, it's some sort.

4 MS. ZEIGER: I didn't understand what you yelled  
5 out.

6 BY MR. PAIGE:

7 Q Now, it's some sort of ID, right?

8 A It has to be done through the Secretary of State of  
9 Michigan. That's what that document states.

10 Q That's not the question I asked you under oath.

11 I asked you did you tell this Court that  
12 this man was getting a driver's license, specifically?  
13 Did you tell your Honor, Judge Hathaway, that this man was  
14 getting a driver's license picture? Did you say that?

15 A Yes.

16 Q And now I'm going to ask you another question. When you  
17 got that search warrant, what day was that on?

18 A It was on the 2nd.

19 Q The 2nd.

20 Did you -- and I don't mean to insult you.

21 A Please don't.

22 Q Did you pull a picture of Darell Chancellor prior to  
23 getting that search warrant? Yes or no.

24 A Prior to, no.

25 Q Did you -- when did this become in your possession?

1 A After the search warrant. It probably was --  
2 Q What -- when?  
3 A Probably when we were doing the paperwork.  
4 Q No, I don't want to know probably. Because if you had this  
5 -- did you -- did you pull his picture and then go and make  
6 a false affidavit about this man? Did you do that?  
7 A No, sir.  
8 Q Because his lower torso is not published in this purported  
9 picture, right?  
10 A It doesn't appear to be, sir.  
11 Q And so it gives opportunity for error for the description  
12 as far as his body weight, does it not?  
13 A What are you asking me?  
14 Q I'm telling you that you can't tell how much this man  
15 weighs based on this picture.  
16 A She asked me my opinion of his weight. That's what I  
17 answered.  
18 Q No. It ain't she talking to you now.  
19 I said, you cannot determine this man's weight by  
20 this picture, can you? Can you?  
21 A I believe that I can. That he looks smaller there than he  
22 does when he's sitting here.  
23 Q Would you make a guesstimate about his weight without  
24 knowing his weight in using this -- as far as talking to a  
25 judge and --

1 A I could not give a total weight from that picture, no, sir.

2 Q And what if I were to tell you that as a requirement of a  
3 state ID, he was told to take his glasses off.

4 A I was not there, sir.

5 Q Of course you were not.

6 Big dope transaction, right? Big dope  
7 transaction. That's a lot of dope. You've already told us  
8 that, right? That's a question. It's a lot of dope,  
9 right?

10 A What question are you asking me the transaction or the  
11 amount of the dope?

12 Q The amount of the dope.

13 A It's a lot of dope, yes, sir.

14 Q Yes. And what would be the value of that dope?

15 A I believe that it's about \$400.00 a gram, and it was over  
16 600 grams.

17 Q So give me a guesstimate. You're good with numbers.

18 A Approximately \$240,000.00.

19 Q How much?

20 A Approximately \$240,000.00.

21 Q \$240,000.00?

22 A Yes.

23 Q Okay. Did you do any trace -- traces to make a  
24 determination of what kind of assets this man owned on/or  
25 about November 1st or 2nd of 2011? Did you do any trace

1 evidence on that? You.

2 A I had another address from the mother that she'd given me  
3 at the house.

4 Q I'm asking you a question, sir. Did you do --

5 A And I'm trying to answer it, sir.

6 Q So what did you determine?

7 A Whether he lived at the other house that she gave me.

8 Q I'm not asking you that question. I'm asking you did you  
9 make a determination of what his net worth was on November  
10 1st or 2nd of 2011?

11 MS. ZEIGER: And, your Honor, I'm going to  
12 object at this point. If I may be allowed to redirect  
13 again based upon this questioning? Because I think this  
14 goes outside the scope of my redirect. If I can --

15 THE COURT: It does go outside the scope, but  
16 I'll allow it with the understanding that you can reopen --

17 MS. ZEIGER: Thank you.

18 THE COURT: -- your redirect.

19 MS. ZEIGER: Thank you, your Honor.

20 BY MR. PAIGE:

21 Q Did you do any trace evidence on this guy to make a  
22 determination what his assets -- what his net worth was?

23 A No, sir.

24 Q The dope that you found was not in plain view?

25 A Correct.

1 Q And, in fact, the dope was covered up by clothing, right?

2 A Yes.

3 Q That's what you put in your report, did you not?

4 A I said, yes.

5 Q And it was pushed under a table?

6 A I didn't know who pushed it there or why it was pushed  
7 there. It was under a table. That's why I confiscated  
8 it.

9 Q I didn't ask you --

10 THE COURT: The hamper was under a table?

11 THE WITNESS: Yes, sir.

12 THE COURT: Okay.

13 BY MR. PAIGE:

14 Q There is no fingerprints on the dope that is traced back to  
15 him, right?

16 A I didn't believe we got any back, no.

17 Q No latent prints, right?

18 A I didn't get any back.

19 Q You never saw him touch that dope, did you?

20 A Not that particular bag that we confiscated, no.

21 Q Did you ever confiscate a bag of dope that he purportedly  
22 sold? Did you ever confiscate a bag that he sold?

23 A No.

24 Q Did you detain the people who you thought were making drug  
25 transactions?

1 A No, sir.

2 Q Did you go into all the bedrooms?

3 A Yes.

4 Q You went in everyone of the bedrooms in that house?

5 A I went over the whole house, yes.

6 Q So how many bedrooms did you go into?

7 A Approximately four.

8 Q Sir, if I tell you it's three bedrooms downstairs and three  
9 upstairs, you might have missed two?

10 A I told you I went into approximately four. I went into  
11 every room in that house.

12 Q So you don't really know how many you went into. That  
13 would be a better answer. It could be --

14 A I'm trying to answer you, sir. Some of the rooms didn't  
15 have beds in them.

16 Q So if -- some of the rooms didn't have beds in them?

17 A Right.

18 Q So you didn't call them bedrooms then. There were rooms  
19 that appeared to be bedrooms, but they didn't have beds  
20 in them, and so you didn't -- you won't call them  
21 bedrooms?

22 A I'll answer by saying I went in every room in the house.

23 Q All right. Were the lights on?

24 A Where?

25 Q Were the lights on in the house?

1 A Some of the rooms, not all of the rooms.  
2 Q Did you get an electricity bill? That's all I'm trying to  
3 get. Did you get an electricity bill?  
4 A Did I get an electricity bill?  
5 Q Yes, out of the house?  
6 A Did I, no.  
7 Q Did you get a cable bill?  
8 A You're asking me if I got one?  
9 Q Yes.  
10 A No.  
11 Q Did anybody in your crew get one, if you know?  
12 A There's other confiscations. I did not make them.  
13 Q Okay. Did you get any other proof of residency in the  
14 house?  
15 A I did not get any other proof of residency.  
16 Q You saw a female in the house, right?  
17 A Yes.  
18 Q Is she in the courtroom today?  
19 A Yes.  
20 Q Did you get any proof of residency from her?  
21 A I --  
22 Q Did you check her for ID?  
23 A I made a confiscation of the dope. That's all I made.  
24 MR. PAIGE: Stand up.  
25 BY MR. PAIGE:

1 Q Did you check her for ID?

2 A I did not.

3 Q You weren't looking for proof of residency from her?

4 A I did not.

5 Q The person that was detained on the porch, that you don't  
6 know if this was the man or not, did you get proof of  
7 residency or check his -- that person's driver's license?

8 A You're asking me if I did, I did not.

9 Q And do you know if anybody in your crew did?

10 A They would have.

11 Q They would have?

12 A Yes.

13 Q Well, we've already had one person to testify and said that  
14 he -- claimed that he did not.

15 MS. ZEIGER: Your Honor, I'm going to object.

16 He cannot tell what one person's testimony is. That's the  
17 whole purpose of the sequestration.

18 THE COURT: I'll sustain the objection.

19 MR. PAIGE: Correct. I got it.

20 THE COURT: Go ahead, Ms. Zeiger.

21 MS. ZEIGER: Thank you..

22 REDIRECT EXAMINATION

23 BY MS. ZEIGER:

24 Q Officer Geelhood, did you have this picture of People's  
25 Exhibit No. 6 with you before you executed a search

1 warrant?

2 A No.

3 Q Did you know the Defendant's name before you executed the  
4 search warrant?

5 A No.

6 Q Did you put a name into your search warrant?

7 A No.

8 Q Had you had a name, would you have put that into the search  
9 warrant?

10 A Yes.

11 Q Where did you learn the name of Darell Chancellor from?

12 MR. PAIGE: Objection to hearsay.

13 MS. ZEIGER: Your Honor, he went on and on about  
14 how my officer knew who this person was ahead of time, and  
15 lied in the search warrant, lied to the magistrate, and did  
16 it based upon this document.

17 MR. PAIGE: I never said he lied. I asked him  
18 the question did he lie. And it's still hearsay.

19 THE COURT: All right. What was the question  
20 again?

21 MS. ZEIGER: Your Honor, I asked him where it was  
22 that he got the name of Darell Chancellor from.

23 THE COURT: Well, I -- I don't think that that's  
24 hearsay unless it's -- the answer to it is that someone  
25 told him. If the answer is that someone told him, then it

1 would be hearsay.

2 MR. PAIGE: That's what --

3 THE COURT: But if he gets some form of  
4 identification from someone or something, then I don't  
5 think that's hearsay. That's something that he obtained as  
6 part of his police work.

7 MS. ZEIGER: And I would agree that he got  
8 identification from someone.

9 THE COURT: Okay. Then I'm going to allow it.

10 BY MS. ZEIGER:

11 Q Who did you get the name of Darell Chancellor from that  
12 day?

13 A We got it from POR that was upstairs, and we also got it  
14 from the mother.

15 Q And the mother this is the woman standing -- sitting in the  
16 back?

17 A Yes.

18 MR. PAIGE: Your Honor, I ask that the mother's  
19 information be stricken because it's hearsay.

20 THE COURT: Well, --

21 MR. PAIGE: It's not a big deal, but it is  
22 hearsay.

23 THE COURT: Yeah, I will -- I'll allow it to be  
24 stricken as hearsay. But I just thought that there was  
25 from Officer Johnson that that came out without objection.

1 I don't know. Maybe I'm not remembering his testimony  
2 properly. But I'll allow that that be stricken, and go on  
3 the basis of the fact that he got it from the proof of  
4 residence.

5 Go ahead, please.

6 BY MS. ZEIGER:

7 Q But you didn't have that name before you got to the house  
8 that day?

9 A Correct.

10 Q Okay. You were asked about the assets of the Defendant.  
11 After you were at this house executing the search warrant,  
12 did you end up going to another location?

13 A I did.

14 Q What location is that?

15 A It would have been on the west side. I'm trying to recall  
16 the address. I'm -- the mother gave it to me at the scene.

17 Q What was your reason for going to that location?

18 A She gave me that location that he also --

19 MR. PAIGE: Objection to the hearsay.

20 THE COURT: All right. I'll sustain that.

21 BY MS. ZEIGER:

22 Q Were you checking out another home?

23 A Yes.

24 Q And when you got to that home, did you see any vehicles  
25 outside?

1 A I did.

2 Q What vehicles did you see outside?

3 A The same one I saw during the surveillance that the  
4 Defendant was driving, a later model either an Aurora or a  
5 Riviera.

6 Q So you saw this Aurora or Riviera on November 1st, 2011 at  
7 5023 32nd Street when you were conducting your  
8 surveillance?

9 A Yes.

10 Q And then you also saw this Riviera or Aurora at another  
11 location on the west side?

12 A Correct.

13 THE COURT: Where did you see it when you were  
14 doing the surveillance on the 1st?

15 THE WITNESS: It was in front of the house.

16 THE COURT: Okay.

17 THE WITNESS: The 50 --

18 THE COURT: Parked on the street in front of the  
19 house?

20 THE WITNESS: Yes.

21 BY MS. ZEIGER:

22 Q Where did you see it in relationship to this other address  
23 on the 2nd?

24 A In the driveway.

25 Q The height on People's Exhibit No. 6 what is that listed

1 at?

2 A '5 11".

3 Q And what height did you have in your search warrant?

4 A Referring to my document it's '5 8".

5 Q And, again, you did not have this picture before the search  
6 warrant?

7 A No.

8 Q Was the description that you put in the search warrant  
9 based upon your observations on November 1st?

10 A Yes.

11 MS. ZEIGER: Nothing further, your Honor.

12 THE COURT: All right. Thank you.

13 Re-cross limited to the area that she covered.

14 MR. PAIGE: Let's try to get through this  
15 because I know we're trying to get this in.

16 RE-CROSS-EXAMINATION

17 BY MR. PAIGE:

18 Q The Riviera did you run a license plate check on it? Did  
19 you?

20 A I would have. I don't recall what came back.

21 Q If you would have, then that would be evidence, right?  
22 I mean, that would be -- you would have memorialized that,  
23 right?

24 A Yes.

25 Q Is there any where in your records you can refresh your

1 memory?

2 A I would have ran the plate that was in front of the house.  
3 Whether it came back to that gentleman or not, I can't  
4 recall.

5 Q Well, wouldn't you put that in your notes that you ran the  
6 plate and it came back to John or Jane Doe?

7 A I would have run the plate to ensure it was run. I do not  
8 know who it came back to. It is not in front of me.

9 MR. PAIGE: All right. Nothing further.

10 THE COURT: Okay.

11 Thank you.

12 MS. ZEIGER: Nothing further, your Honor.

13 THE COURT: All right. You're all set. Thank  
14 you, officer.

15 (Witness excused.)

16 MS. ZEIGER: We're going to put a stipulation on  
17 the record.

18 THE COURT: Okay.

19 MS. ZEIGER: As it relates to People's Exhibit  
20 No. 2, the cocaine that was found by Officer Geelhood and  
21 in lock sealed folder N, as in Nancy 03346711. Officer  
22 Geelhood testified that the cocaine was not in the manner  
23 that it is today. Today it is now melted, for lack of a  
24 better word, I'm using a non-scientific word. But he  
25 testified that it was not like this. That is was a hard

1 substance on November 2nd, 2011.

2 And we also have a laboratory analysis that was  
3 offered by Holli Proulx, her last name is spelled  
4 P-R-O-U-L-X. Her first name is Holli, H-O-L-L-I. She is a  
5 Forensic Scientist in the Control Substances Unit in the  
6 Michigan State Police. She received one sealed plastic bag  
7 N, as in Nancy 03346711 containing one plastic bag  
8 containing four knotted plastic bags containing off white  
9 material. She analyzed two of the bags. She came up with  
10 a weight of 516.65 grams. It was a Schedule II cocaine  
11 base was the substance identified within the bag.

12 So stipulated?

13 MR. PAIGE: So stipulated.

14 THE COURT: Okay.

15 MS. ZEIGER: And, your Honor, --

16 THE COURT: That stipulation is made a part of  
17 the record then.

18 MS. ZEIGER: And, your Honor, at this time I do  
19 have Ms. Proulx in court, and I'm going to be releasing her  
20 as a result of this stipulation.

21 THE COURT: Okay.

22 MS. ZEIGER: Thank you.

23 THE COURT: That's fine.

24 Thanks for being here.

25 MS. ZEIGER: And I'll grab my next witness.

1 THE COURT: Give the court reporter the spelling  
2 of your name, please.

3 MS. IZUMI: Cyndi C-Y-N-D-I. Last name Izumi,  
4 I-Z-U-M-I.

5 COURT REPORTER: Thank you.

6 THE COURT: All right, ma'am.

7 Would you raise your right hand, please.

8 Do you swear or affirm that the testimony  
9 you're about to give in this matter shall be the truth so  
10 help you God?

11 MS. IZUMI: Yes.

12 THE COURT: Have a seat, please.

13 MS. ZEIGER: May I proceed, your Honor?

14 THE COURT: Yes.

15 MS. ZEIGER: Thank you.

16 C Y N D I I Z U M I ,

17 having been duly sworn was examined and testified as  
18 follows:

19 DIRECT EXAMINATION

20 BY MS. ZEIGER:

21 Q Could you please state your name for the record.

22 A Cyndi Izumi.

23 Q And, Ms. Izumi, are you a police officer?

24 A No.

25 Q Are you familiar with someone by the name of Darell

1 Chancellor?

2 A Yes.

3 Q Do you see Mr. Chancellor here in court today?

4 A Yes.

5 Q Can you point to him and tell me what he's wearing.

6 A He's wearing black pants and a gray shirt.

7 Q Thank you.

8 MS. ZEIGER: May the record reflect that the  
9 witness has identified the Defendant Mr. Darell Chancellor.

10 THE COURT: It will reflect that.

11 MS. ZEIGER: Thank you.

12 BY MS. ZEIGER:

13 Q Ms. Izumi, have you ever been to a location or home at  
14 5023 32nd Street in the City of Detroit, County of Wayne?

15 A Yes.

16 Q And approximately how many times have you been there?

17 A Three times.

18 Q Have you ever been there when the Defendant has been  
19 present?

20 A Yes.

21 Q How many times?

22 A I believe two of the three times.

23 Q Do you remember when the first time was that you were at  
24 the home and the Defendant was there?

25 Are you referring to some notes?

1 A Yes, I am.

2 Q And would that refresh your recollection?

3 A Yes.

4 Q Thank you.

5 A It was 7/19/11.

6 Q And when he was there, did he represent that home as his  
7 home?

8 A Yes.

9 Q Did he indicate whether he lived there with anybody else?

10 A His mother and, I believe, his sister.

11 Q Do you see -- do you know his mom?

12 A Yes.

13 Q Do you see her in court at all here today?

14 A Yes.

15 Q Where is she at?

16 A She's on the back row with the glasses.

17 Q Dressed in black?

18 A Yes.

19 Q Thank you.

20 THE COURT: Just for the record, it's the same  
21 woman that was earlier identified as Defendant's mother.

22 MS. ZEIGER: Thank you, your Honor.

23 BY MS. ZEIGER:

24 Q That was on July 19th, 2011?

25 A Yes.

1 Q When was the next time that you were at the home?

2 A It was March 21st, 2012.

3 Q Was the Defendant present then?

4 A Yes.

5 Q And was he representing that as his home at that time, as  
6 well?

7 A Yes.

8 Q Was the mother present there?

9 A She was in the backyard, but she was still at the home.

10 Q Was anybody else present?

11 A Not that I was aware of.

12 Q Okay.

13 MS. ZEIGER: Nothing further, your Honor.

14 THE COURT: Okay.

15 CROSS-EXAMINATION

16 BY MR. PAIGE:

17 Q Did he tell you, for instance, where did he sleep in the  
18 house? Did he tell you he slept on the couch?

19 A No, we never discussed --

20 Q You never talked about that?

21 A I believe it was the upper level, but he never specified  
22 whether he slept on a couch or on a bed or whatnot.

23 Q But you never -- you never went into an area of where he  
24 purportedly lived to his bedroom or anything?

25 A Me, myself, no, sir.

1 Q Isn't it true that as a -- one of the requirements is that  
2 you have to have two good addresses?

3 A What requirement?

4 THE COURT: Requirement to what?

5 BY MR. PAIGE:

6 Q Well, you were visiting for a state agency, right?

7 A Yes, sir.

8 Q And as a condition, did you have two addresses on him?  
9 Yes or no.

10 A No.

11 Q You just had that one address?

12 A Yes.

13 Q Okay. Are you aware of a person by the name of Mr. Durhall  
14 (ph.) that lived at that address?

15 A No.

16 Q Are you aware of how many siblings the Defendant had at the  
17 time that you visited him at that address? Whether he had  
18 brothers or sisters or cousins that were living there?

19 A I was just aware of the sister living there.

20 Q Did you know about his brothers?

21 A No.

22 Q Did you do any -- have you ever done an asset run on him to  
23 make a determination of what his net worth was?

24 A No.

25 Q Do you know if he was receiving any state aid?

1 A As far as I know, he told me he was receiving a Bridge  
2 Card.

3 Q He was receiving a Bridge Card?

4 A Yes.

5 MR. PAIGE: All right. Nothing further.

6 MS. ZEIGER: Nothing further, your Honor.

7 THE COURT: Okay. I just want to make sure I  
8 understood one thing. Did you say he told you he lived in  
9 the upstairs? Is that what I heard you testify?

10 THE WITNESS: His sleeping area.

11 THE COURT: I'm not understanding. He told you  
12 his sleeping area was upstairs; is that what you're telling  
13 me?

14 THE WITNESS: I don't know offhand either him or  
15 his mother when I did the initial investigation --

16 THE COURT: Someone told you?

17 THE WITNESS: Yes.

18 THE COURT: Okay. You don't remember  
19 specifically who?

20 THE WITNESS: I do not.

21 THE COURT: Okay. Anything based upon my  
22 additional question?

23 MR. PAIGE: No.

24 MS. ZEIGER: No, your Honor.

25 THE COURT: All right. Thanks.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Thanks, ma'am.

THE WITNESS: Thank you.

(Witness excused)

MS. ZEIGER: Your Honor, I have one more witness to call.

THE COURT: Okay.

Sir, give the court reporter the spelling of your name, please.

OFFICER BELL: Tommy T-O-M-M-Y Bell, B-E-L-L.

COURT REPORTER: Thank you.

OFFICER BELL: You're welcome.

THE COURT: Mr. Bell, could you raise your right hand.

Do you swear or affirm the testimony you're about to give in this matter shall be the truth so help you God?

OFFICER BELL: Yes, sir, I do.

THE COURT: All right.

Have a seat, please.

MS. ZEIGER: May I proceed, your Honor?

THE COURT: Please.

MS. ZEIGER: Thank you,

T O M M Y B E L L ,

having been duly sworn was examined and testified as follows:

DIRECT EXAMINATION

1 BY MS. ZEIGER:

2 Q Good afternoon, sir.

3 A Good afternoon.

4 Q Could you please state your name for the record.

5 A Tommy Bell.

6 Q And, sir, how are you employed?

7 A Police Officer for the City of Detroit.

8 Q Are you assigned to a specific unit within the City of  
9 Detroit?

10 A Assigned to the narcotics division.

11 Q How long have you been a police officer?

12 A Police officer for over 25 years; narcotics division for  
13 over 13 years.

14 Q Directing your attention back to November 2nd, 2011 at 5:30  
15 in the afternoon were you at 5023 32nd Street in the City  
16 of Detroit, County of Wayne?

17 A Yes.

18 Q Why were you at that location?

19 A To execute a search warrant.

20 Q And what is at that address?

21 A A single family dwelling.

22 Q What was your role in executing the search warrant?

23 A Initial at the house I was outside security.

24 Q And did you encounter somebody on the porch that day when  
25 you were executing the search warrant?

1 A It was somebody, yes.

2 Q And when you say "it was somebody," were they male or  
3 female?

4 A It was a male.

5 Q Do you see that person any where here in court today, if  
6 you remember?

7 A I don't recall what he was -- looked like.

8 Q Okay. Did you ever end up going inside of the location?

9 A Yes.

10 Q And was that after entry was made by the entry team?

11 A That's correct.

12 Q Did you assist in the clearing of the home, or did you go  
13 in after the house was cleared?

14 A I went into the home after the house was cleared.

15 Q Did you assist in searching at all?

16 A Yes.

17 Q And can you tell us how this house is set up?

18 A It's a regular house. Bedrooms, kitchen, living room  
19 downstairs. You go to the rear of the house going from  
20 front to the back of the house facing the door you go to  
21 the back it's an upstairs area also has a kitchen, dining  
22 room, living room, bedrooms upstairs.

23 Q Would it be fair to say that it was set up as a two family  
24 flat, but yet it only had one address and one front door?

25 A Correct.

1 Q Did you search either the top or the bottom of that home?  
2 A The upstairs.  
3 Q And did you seize anything upstairs?  
4 A Yes.  
5 Q Specifically, where did seize something from?  
6 A A clothes hamper?  
7 Q And where was that clothes hamper at?  
8 A It was in the upstairs area I would define as in the  
9 kitchen.  
10 Q And did you observe Officer Geelhood seize anything from  
11 the same hamper?  
12 A Yes.  
13 Q What was that?  
14 A Suspected narcotics.  
15 Q What did you seize from this hamper?  
16 A Two handguns.  
17 Q Can you tell me about the first one that you seized?  
18 A If I may refer to my report?  
19 Q Will that refresh your recollection?  
20 A Yeah.  
21 Q Please do so.  
22 A It was a .40 caliber glock, blue steel automatic, loaded  
23 with nine live rounds.  
24 Q Did you put that one on an evidence tag number?  
25 A That's correct.

1 Q Okay. What evidence tag number was that?

2 A Referring to my report that would be evidence tag 371904

3 -- E371904.

4 MS. ZEIGER: Your Honor, may I approach the  
5 witness?

6 THE COURT: Yes.

7 MS. ZEIGER: Thank you.

8 BY MS. ZEIGER:

9 Q I'm going to show you what's been marked as People's  
10 proposed Exhibit No. 5.

11 MS. ZEIGER: And, your Honor, for the record,  
12 this gun has been checked by your deputy.

13 THE COURT: Thank you.

14 BY MS. ZEIGER:

15 Q Is that the evidence tag that correlates with that item?

16 A That's correct.

17 Q And what is inside that?

18 A It's a glock handgun.

19 Q Okay. Thank you.

20 MS. ZEIGER: We would ask the admission of  
21 People's proposed Exhibit No. 5.

22 MR. PAIGE: No objection.

23 THE COURT: People's 5 is admitted.

24 (People's Exhibit No. 5 admitted into evidence.)

25 BY MS. ZEIGER:

1 Q Did you seize anything else?

2 A A .9mm Ruger handgun.

3 Q Was that glock that I just showed you and admitted into  
4 evidence, was that loaded?

5 A Yes, it was.

6 Q How many times?

7 A Nine live rounds.

8 Q Okay. That Ruger was that loaded, as well?

9 A Fifteen live rounds.

10 Q I'm going to show you what's been marked as People's  
11 proposed Exhibit No. 4. Can you look at that item. And  
12 what is that?

13 A It's a blue steel automatic .9mm Ruger with magazine,  
14 nine rounds.

15 Q Is that the item that you seized from the hamper --

16 A That's correct.

17 Q -- along with the .40 caliber glock?

18 A Yes, ma'am.

19 Q Thank you.

20 MS. ZEIGER: We ask the admission of People's  
21 proposed Exhibit No. 4.

22 THE COURT: Any objection?

23 MR. PAIGE: No objection.

24 THE COURT: People's 4 is admitted.

25 (People's Exhibit No. 4 admitted into evidence.)

1 BY MS. ZEIGER:

2 Q Officer Bell, the clothing that was in that hamper, can you  
3 describe that for us.

4 A As far as my recollection, it was just jeans. I would say  
5 men's jeans, shirts, underwear, socks.

6 Q It was all male clothing?

7 A Yes.

8 Q Did you seize anything else that day?

9 A No, I did not.

10 MS. ZEIGER: Nothing further, your Honor.

11 THE COURT: Okay. Cross-examine.

12 MR. PAIGE: Real quick.

13 CROSS-EXAMINATION

14 BY MR. PAIGE:

15 Q One gun was in the hamper, right?

16 A Both guns, sir.

17 Q Oh, both guns were in the hamper?

18 A Yes, sir.

19 MR. PAIGE: Nothing further.

20 THE COURT: Okay.

21 You're all set. Thank you, sir.

22 THE WITNESS: Thank you, sir.

23 (Witness excused.)

24 MS. ZEIGER: Your Honor, at this time there's a  
25 stipulation between defense counsel and the People that

1 back on November 2nd, 2011 the Defendant had previously  
2 been convicted of a felony and was ineligible to possess a  
3 firearm. So stipulated, Mr. Paige?

4 MR. PAIGE: Yes, it is.

5 MS. ZEIGER: Thank you.

6 THE COURT: All right. That stipulation is made  
7 a part of the record in this case.

8 MS. ZEIGER: Thank you, your Honor.

9 The People would rest at this time.

10 THE COURT: Okay. Defense witnesses?

11 MR. PAIGE: Your Honor, I'm going to reserve the  
12 right to make a directed verdict motion.

13 THE COURT: Okay.

14 MR. PAIGE: And do it all at one time.

15 THE COURT: All right.

16 MR. PAIGE: But I'm not giving up that right --

17 THE COURT: Sure. Yeah, absolutely.

18 MR. PAIGE: -- to make a motion for directed  
19 verdict.

20 May I counsel with my client just for one second?

21 THE COURT: Sure.

22 MR. PAIGE: Two minutes in the box so I can --

23 THE COURT: Yeah, we'll take a brief recess.  
24 We'll come back in three minutes.

25 MR. PAIGE: Yes, thank you.

1 MS. ZEIGER: Thank you, your Honor.

2 (Matter in recess)

3 (Matter reconvened)

4 THE COURT: Okay. How do you wish to proceed at  
5 this time, Mr. Paige?

6 MR. PAIGE: Your Honor, the defense -- the  
7 Defendant wants to testify.

8 THE COURT: Okay.

9 MR. PAIGE: Can I voir dire him real quick --

10 THE COURT: Absolutely, yeah.

11 MR. PAIGE: -- on this?

12 THE COURT: Yes.

13 Stand up, please.

14 MR. PAIGE: You know you have the absolute right  
15 not to testify?

16 THE DEFENDANT: Yes.

17 MR. PAIGE: And if you do not testify, your  
18 Honor would instruct himself like he would instruct a jury  
19 that he can't use that against you? You understand that?

20 THE DEFENDANT: Yes.

21 MR. PAIGE: And I've had the occasion to talk to  
22 you about this?

23 THE DEFENDANT: Yes.

24 MR. PAIGE: And I've given you the admonishment  
25 that it's been my experience a lot of times when defendants

1 take the stand they hang themselves?

2 THE DEFENDANT: Yes.

3 MR. PAIGE: And so we understand what's at risk?

4 THE DEFENDANT: Yes.

5 MR. PAIGE: You swear to tell the truth?

6 THE DEFENDANT: Yes.

7 MR. PAIGE: I can't do all the Judge's work.

8 THE COURT: Yeah. I'll do the swearing in.

9 Okay. Can you raise your right hand.

10 Do you swear or affirm the testimony you're  
11 about to give in this matter shall be the truth so help you  
12 God?

13 THE DEFENDANT: Yes.

14 THE COURT: All right. Have a seat, please,  
15 Mr. Chancellor.

16 D A R E L L D E O N C H A N C E L L O R,  
17 sworn by the Court, was examined and testified as follows:

18 DIRECT EXAMINATION

19 BY MR. PAIGE:

20 Q Mr. Chancellor, just, again, for the record your name.

21 A Darell Deon Chancellor.

22 Q Could you speak up.

23 A Darell Deon Chancellor.

24 Q And how old are you?

25 A I'm 30.

1 Q You're 30 years old?

2 A Yes.

3 Q And how tall are you?

4 A I'm '5 11".

5 Q And how much do you weigh?

6 A 250.

7 Q 250?

8 A Yes.

9 THE COURT: Two five 0?

10 THE WITNESS: Yes, sir.

11 BY MR. PAIGE:

12 Q You're not just putting those numbers up so you can get  
13 away from the 180, are you?

14 A No, sir. We can get a scale.

15 Q How about on November 2nd -- November 1st of last year how  
16 much did you weigh?

17 A I was 245.

18 Q 245?

19 A Yes.

20 Q First of all, where did you live on November 2nd, of 2011?

21 A I lived on 9209 Robson.

22 Q Okay. What's your mother's address?

23 A 5023 32nd.

24 Q Okay. You heard a person on the stand indicate that she  
25 visited you three times at the second address, right?

1 A Yes.

2 Q Was that true?

3 A She visit me, yes, once in the inside and once on the  
4 outside.

5 Q And did you give the state that address?

6 A Yes.

7 Q And when you gave them that information, was that  
8 information true?

9 A At the time it was. Because when I first came home, she  
10 asked me where -- was that my location? I told her, yes.  
11 But my lights was cut off on Robson. So I had to parole to  
12 that house.

13 Q Okay. Now the house on Robson give us that address again.

14 A 9209 Robson.

15 Q Okay. The majority of your clothing, if all, was where at  
16 on November 2nd, 2011?

17 A All my clothes was on Robson.

18 Q Who did you live with on Robson, if anyone?

19 A My wife and my son, my newborn.

20 Q Your wife's name is what?

21 A Katrice Chancellor.

22 Q On November 2nd, 2011 were you working?

23 A Yes.

24 Q And where did you work?

25 A G and G Market.

1 Q And what is G and G Market?

2 A It's, like, a gas station/market where -- it was, like, a  
3 grocery store/gas station.

4 Q And what hours did you work?

5 A From like 8:00 to 4:00, 8:00 to 5:00 or whenever he called.  
6 Whenever he needed me.

7 Q Okay. And on November 2nd, of 2011, did you own your own  
8 home?

9 A Yes.

10 Q Where was that?

11 A On Robson.

12 Q Okay. And what was the value of that house?

13 A I think \$3,500.00.

14 Q \$3,500.00?

15 A Yes.

16 Q Okay. You didn't live out in Farmington Hills in a  
17 \$400,000.00 house?

18 A No, sir.

19 Q How many new Eldorado Cadillacs did you own on November  
20 2nd?

21 A None.

22 Q How many fur coats?

23 A None.

24 Q Those glasses is that a prop for court today?

25 A No, sir.

1 Q Are those prescription glasses?

2 A Yes, sir.

3 Q Without those glasses you would be a version of Stevie  
4 Wonder?

5 A Without these glasses, I probably can't walk out of the  
6 courtroom.

7 Q And how long have you worn glasses?

8 A All my life.

9 Q The house on 32nd who lived there on November 2nd, if you  
10 know, of 2011?

11 A My mother, my sister, my cousin.

12 Q What's your cousin's name?

13 A Willie Chancellor.

14 Q Who else lived there, if you know?

15 A Antonio Chancellor.

16 Q Who is that?

17 A My brother.

18 Q Can you describe him.

19 A He's about '5 9", 165, 170.

20 Q Okay. Your cousin -- strike that.

21 Did Mr. Durhall (ph.) live there -- stay there  
22 sometimes?

23 A Yes.

24 Q Okay. Do you see him in the courtroom?

25 A Yes.

1 Q Okay. And could you just point him out for the record.  
2 He's already been put into the record, but could you point  
3 him out.  
4 A He's in the back row. He's the only guy in the back row.  
5 Q Yeah, I can even see that.  
6 And what's his relationship to your family?  
7 A He's my mother's boyfriend.  
8 Q Okay. I guess that makes him a handy man. He does some  
9 work around the house sometimes?  
10 A He better, if he want to still stay there.  
11 Q All right. Did you have any clothing upstairs?  
12 A No.  
13 Q What size shoe do you wear? You look like you've got big  
14 feet.  
15 A 11.  
16 Q They not that big. 11?  
17 A Okay.  
18 Q And your pant size?  
19 A 44.  
20 Q 44?  
21 A Yes.  
22 Q And your shirt size?  
23 A 5X.  
24 Q 5X. If I looked in that collar right now, I'll see a 5X?  
25 A Yes, sir.

1 Q 5X large. You're not even helping yourself out. It says  
2 5X large; is that right?

3 A Yes, sir.

4 Q So you've been locked up for a while, right?

5 A Yes.

6 Q We got a judge. We don't have a jury. You've been locked  
7 up for a while. You didn't get fat on the prison food did  
8 you -- or jail food, did you?

9 A No, sir, they didn't feed us enough.

10 Q Whose dope is it?

11 A I don't know.

12 Q Is it your dope?

13 A No, sir.

14 Q Is it your guns?

15 A No, sir.

16 Q What were you doing with your life on November 2nd, 2011?  
17 What were you doing with your life? If Judge Hathaway had  
18 to get a synopsis of what you were doing with your life,  
19 what were you doing with your life?

20 A I was working. I was taking care of my family.

21 MR. PAIGE: Nothing further.

22 THE COURT: All right. Thank you.

23 Cross-examine.

24 MS. ZEIGER: Thank you.

25 CROSS-EXAMINATION

1 BY MS. ZEIGER:

2 Q Good afternoon, Mr. Chancellor.

3 A Good afternoon.

4 Q When did you start working at G and G Market?

5 A I'd say around the summertime of 2011.

6 Q And did you have to get that job as a condition of your  
7 parole?

8 A Yes. I had to maintain a job, yes.

9 Q Okay. And you had to prove to Agent Izumi that you have a  
10 job, correct?

11 A Yes.

12 Q A legitimate job?

13 A Yes.

14 Q How much money did you make an hour?

15 A Like \$7.50.

16 Q How many hours did you work a week?

17 A It varies.

18 Q Give me a range.

19 A Like a week probably thirty five; forty hours.

20 Q You get taxes taken out or is it under the table?

21 A It's under the table.

22 Q Does your wife work, Katrice?

23 A Yes.

24 Q What does she do?

25 A She worked at -- what's the clothing store name? Forman

1 Mills. But right now she work at Family Dollar.

2 Q When did she work at Forman Mills?

3 A This was, like, when I first came home.

4 Q When was that?

5 A 2010, December 2010.

6 Q How long did she -- when did she stop working at Forman  
7 Mills?

8 A She stopped working there about I'd say February. She got  
9 pregnant so she stopped working.

10 Q February of 2011?

11 A Yes.

12 Q When was your son born?

13 A My son was born in August, August 25th.

14 Q Of 2011?

15 A Yes.

16 Q Okay. When did she go to work at the Family Dollar?

17 A Last year sometime.

18 Q So since you've been in?

19 A No, it was right before I got locked up.

20 Q Are those Cartiers that you're wearing?

21 A Yes.

22 Q How expensive are those glasses?

23 A About \$300.00, \$400.00.

24 Q Okay. Your address 9209 Robson is Robson R-O-B-S-O-N?

25 A Yes.

1 Q How long have you owned that house?

2 A I was incarcerated when I bought that house.

3 Q You were incarcerated when you bought that house?

4 A Yes.

5 Q Okay. Did they bring the documents to you in jail to have

6 you sign?

7 A No. I went through another person. She bought the house,

8 and it was mine.

9 Q Is the house legally deeded in your name?

10 A Yes.

11 Q Okay. When did that happen?

12 A Like November of 2010 right before I got out. Right before

13 I was to get out.

14 Q Okay. So right when you got out, you had a home to live

15 in?

16 A I didn't have no lights.

17 Q Okay. When did you get lights?

18 A January of 2011.

19 Q All right. Fair to say that Agent Izumi came out July 19th

20 2011 and you represented your mom's house as your house;

21 isn't that correct?

22 A Yes.

23 Q Okay. Did you have lights at the Robson address then?

24 A Yes.

25 Q Okay. When you didn't have lights, where were you living

1 at?

2 A I was staying with my mother.

3 Q How long did you not have lights for?

4 A I came home in December. The next month I had lights.

5 Q Was Katrice staying with you then, also?

6 A On Robson?

7 Q No, at your mom's house when you first came out?

8 A No.

9 Q How long have you and Katrice been married?

10 A Since 2008. I got married when I was incarcerated.

11 Q Okay. And Agent Izumi she was back out there in March

12 of 2012, as well, too, correct?

13 A Yes.

14 Q And you were there?

15 A Yes.

16 Q And you represented that home to her, again, as your home?

17 A Yes.

18 Q Were you embarrassed of your Robson house?

19 A No.

20 Q Were you hiding that house from her?

21 A No.

22 Q Why were you lying to her?

23 A Because I worked -- my job is closer to my mother's house.

24 If I would have told her I had a different address, she

25 would have switched offices and it would have made me go way

1 on Eight Mile to report when it's out the way of my job.  
2 Q So the whole reason why you were lying was that you could  
3 stay at the office where Agent Izumi is?  
4 A Yes. Because the parole office is right down the street  
5 from my job.  
6 Q Where is the G and G Market?  
7 A On Eleven and Warren.  
8 Q And it's fair to say that lying to your parole agent is a  
9 violation of your parole about where you're living?  
10 A Yes.  
11 Q Okay. Now you said that on 11 -- on November 2nd, 2011 you  
12 were working between 8:00 and 4:00, 8:00 and 5:00, correct?  
13 A Yes.  
14 Q Okay. But you were not present at your mom's house when  
15 the search warrant was executed?  
16 A No, sir -- no, ma'am.  
17 Q It's okay. You received a phone call from a police officer  
18 that day, didn't you?  
19 A No.  
20 Q No. You never talked to officer Geelhood?  
21 A No.  
22 Q What were you doing on November 1st, 2011? Do you  
23 remember?  
24 A No, ma'am.  
25 Q Mr. Durhall (ph.) does he also live down the street?

1 Does he have an address down the street of 4981 32nd  
2 Street?  
3 A No, not to my knowledge.  
4 Q No, okay. How long have he and your mom been boyfriend and  
5 girlfriend?  
6 A For a long time.  
7 Q Your brother Antonio Chancellor how old is he?  
8 A He's 36 -- 37.  
9 Q Your cousin Willie how old is he?  
10 A He's 34.  
11 Q And you're testifying that they all stay with your mom?  
12 A Yes.  
13 Q What's your sister's name?  
14 A Crystal Chancellor.  
15 Q Now, can you stand up for me so that I can see your  
16 clothing. It's fair to say that you're clothing is a  
17 little bit baggie, correct?  
18 A Yes.  
19 Q What was that?  
20 A Yes.  
21 Q Yes, it is baggie.  
22 A Yes.  
23 Q Okay. And you can sit down. Thank you.  
24 And you have access to snacks and things of that  
25 nature in the jail, correct?

1 A What at Dickerson?

2 Q Dickerson.

3 A Yes.

4 Q Okay.

5 MS. ZEIGER: Nothing further, your Honor.

6 THE COURT: All right.

7 MR. PAIGE: No further questions.

8 THE COURT: Thank you, Mr. Chancellor. You're  
9 all set. Step down, sir.

10 All right. Any additional witnesses or evidence  
11 on behalf of defense?

12 MS. ZEIGER: Not on behalf of the People, your  
13 Honor.

14 MR. PAIGE: Neither on behalf of the defense.

15 THE COURT: Okay. So at this point, the defense  
16 rest?

17 MR. PAIGE: Yes, your Honor.

18 THE COURT: All right. Defense rest. So do you  
19 want to make a closing argument at this time? The reason  
20 I'm bringing that up is I'm not going to be prepared to  
21 make a decision on this case today. Because I want to give  
22 some thought to the evidence that's been presented. I  
23 don't want to rush it. I want to give some thought to  
24 this. So I'm saying that because I'm happy to have closing  
25 arguments now, and then have you come back in the morning,

1 and I'll deliberate and make a decision. Or, if you  
2 prefer, you can come first thing in the morning and do  
3 closing, and then I'll deliberate at that time, as well.

4 MS. ZEIGER: Is there any way that we can come at  
5 like 8:30? I have to be at the airport at 11:00, and I  
6 have a motion in front of Judge Bill with Danny Blanc that  
7 I'm going to try and get done between --

8 MR. PAIGE: Will you be here Monday?

9 MS. ZEIGER: Yes, I will be here Monday.

10 THE COURT: Do you want to just do it Monday  
11 morning?

12 MR. PAIGE: Yes.

13 MS. ZEIGER: You want to do it Monday morning?

14 MR. PAIGE: Yes, your Honor, yes.

15 THE COURT: Because 8:30 does present a problem  
16 for us.

17 MS. ZEIGER: I understand.

18 THE COURT: We're trying to get our Friday  
19 docket put together --

20 MS. ZEIGER: Gotcha.

21 THE COURT: -- and when we do that, it makes it  
22 more difficult on everybody.

23 MS. ZEIGER: Just knowing that I'm with Mr. Blanc  
24 I know that it's going to be a lengthy motion.

25 THE COURT: Yeah. So let's plan on 9:00 a.m. --

1 MS. ZEIGER: Okay.

2 THE COURT: -- Monday morning. We'll get  
3 finished up. We'll have closing argument, and then I'll  
4 deliberate at that time.

5 MS. ZEIGER: Thank you, your Honor.

6 MR. PAIGE: Thank you, your Honor.

7 MS. ZEIGER: Your Honor, would you want me to  
8 bring any of the guns and the drugs?

9 THE COURT: Leave the guns and the cocaine.

10 MS. ZEIGER: Okay. I'll keep the paper documents  
11 with me.

12 THE COURT: Right.

13 MS. ZEIGER: Okay. Sounds good.

14 THE COURT: Just make sure you bring them back

15 --

16 MS. ZEIGER: Will do.

17 THE COURT: -- so that I'll have them when I  
18 deliberate.

19 MS. ZEIGER: Will do. I'll make sure I do that.

20 (Matter adjourned)

21 --- --- ---

22

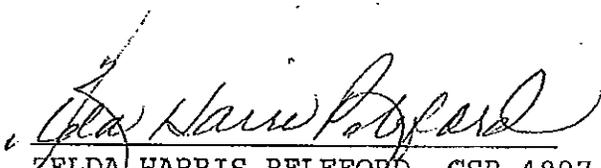
23

24

25

CERTIFICATE OF COURT REPORTER

I certify that this transcript, consisting of 94 pages, is a complete, true, and correct transcript of the proceedings and testimony taken in this case on Thursday, November 8, 2012.

  
ZELDA HARRIS RELEFORD, CSR 4897  
Official Court Reporter

**EXHIBIT 6H**

**Chancellor Letter to Judge Hathaway**

Dear: Honorable Judge D. Hathaway

My name is [redacted] and I have  
trial November 8 in front of you case # 2012701246.  
I didn't want a jury trial because I'm fighting  
for my life, and I'm working in the court room.  
I know the laws and can read the facts better  
than you. I been locked up 6 months for something  
I know nothing about. Me and my wife had my  
first baby I missed his first birthday and that's  
killing me. I know what I'm about to say you  
hear it all the time, but the police got the wrong  
person you will see that by the description they  
got do not match me at all. I know I'm facing  
alot of time if I get found guilty so please  
believe me if I did or know anything I wouldn't  
be taking this chance of trial. The evidence and  
the facts will show that I haven't did anything.

P.S

Thank you kindly for your time

**EXHIBIT 6I**

**Chancellor Commitment to Department of Corrections**

Approved, SCAO Original - Court

1<sup>st</sup> copy - Corrections  
2<sup>nd</sup> copy - Corrections (for return)  
3<sup>rd</sup> copy - Michigan State Police C/JIC

4<sup>th</sup> copy - Defendant  
5<sup>th</sup> copy - Prosecutor  
6<sup>th</sup> copy - Cashier

|  |   |                                     |
|--|---|-------------------------------------|
| <b>STATE OF MICHIGAN<br/>THIRD JUDICIAL CIRCUIT<br/>WAYNE COUNTY</b> | <b>JUDGMENT OF SENTENCE<br/>COMMITMENT TO DEPARTMENT OF CORRECTIONS</b><br><input type="checkbox"/> Amended | <b>CASE NO.<br/>12-004974-01-FH</b> |
|--|---|-------------------------------------|

ORI MI - 821095J Court Address 1441 St. Antoine, Detroit, MI 48226 Courtroom 604\* Court Telephone No. 313-224-2441  
Police Report No.

THE PEOPLE OF THE STATE OF MICHIGAN

Prosecuting attorney name Bar no.  
Stephanie L. Zeiger 66019

v Defendant name, address, and telephone no.  
Darell Chancellor 12-10620 B/m  
Alias(es) - [REDACTED] DEW III 351588

|                        |              |                   |
|------------------------|--------------|-------------------|
| CTN/TCN<br>12701246-01 | SID 2082932H | DOB<br>12/07/1981 |
|------------------------|--------------|-------------------|

Defendant attorney name Bar no.  
Ray A. Paige 41848

**THE COURT FINDS:**

1. The defendant was found guilty on 11/12/2012 of the crime(s) stated below:

| Count | CONVICTED BY |       |      | DISMISSED BY* | CRIME                                 | CHARGE CODE (S)<br>MCL citation/PACC Code |
|-------|--------------|-------|------|---------------|---------------------------------------|---|
|       | Plea*        | Court | Jury |               |                                       |   |
| 1     |              | G     |      |               | POSS NARC 450-999 G<br>ENH SENT 4 OFF | 333.74032A2<br>769.12                     |

\*For plea: insert "G" for guilty plea, "NC" for nolo contendere, or "MI" for guilty but mentally ill, For dismissal; insert "D" for dismissed by court or "NP" for dismissed by prosecutor/plaintiff.

- 2. The conviction is reportable to the Secretary of State under MCL 257.625(21)(b).
- 3. HIV testing and sex offender registration is completed.
- 4. The defendant has been fingerprinted according to MCL 28.243.

Defendant's driver license number \_\_\_\_\_

**IT IS ORDERED:**

- 5. Probation is revoked.
- 6. Participating in a special alternative incarceration unit is  prohibited.  permitted.

7. Defendant is sentenced to custody of Michigan Department of Corrections. This sentence shall be executed immediately.

| Count | SENTENCE DATE | MINIMUM |      |      | MAXIMUM |      | DATE SENTENCE BEGINS | JAIL CREDIT |      | OTHER INFORMATION |
|-------|---------------|---------|------|------|---------|------|----------------------|-------------|------|-------------------|
|       |               | Years   | Mos. | Days | Years   | Mos. |                      | Mos.        | Days |                   |
| 1     | 12/12/2012    | 14      | 3    | 0    | 30      | 0    | 12/12/2012           | 0           | 0    |                   |

8. Sentence(s) to be served consecutively to: (if this item is not checked, the sentence is concurrent)

- each other.  case numbers PAROLE.

9. Defendant shall pay as follows:

| State Minimum   | Crime Victim | Restitution | Court Costs | Attorney Fees | Fine | Other Costs | Total  |
|-----------------|--------------|-------------|-------------|---------------|------|-------------|--------|
| \$ 68.00 x 1=68 | \$ 130       | \$ 0        | \$ 600      | \$ 0          | \$ 0 | \$ 0        | \$ 798 |

The due date for payment is at sentencing. Fine, costs, and fees not paid within 56 days of the due date are subject to a 20% late penalty on the amount owed.

10. The concealed weapon board shall suspend for \_\_\_\_\_ days permanently revoke the concealed weapon license, permit number \_\_\_\_\_ issued by \_\_\_\_\_ County.

11. The defendant is subject to lifetime monitoring pursuant to MCL 750.520n.

12. Court recommendation:

12/12/2012

Date

Judge

Hon Daniel A. Hoffman

P48434

Bar no.

I certify that this is a correct and complete abstract from the original court records. The sheriff shall, without needless delay, deliver defendant to the Michigan Department of Corrections at a place designated by the department.

(SEAL)

Deputy court clerk

MCL 765.15(2), MCL 769.1k, MCL 769.16a, MCL 775.22,

CC 219b-3CC - (4/2009) JUDGMENT OF SENTENCE, COMMITMENT TO DEPARTMENT OF CORRECTIONS

MCL 780.766 MCR 6.427

**EXHIBIT 6J**

**Claim of Appeal and Order Appointing Counsel**



**EXHIBIT 6K**

**Court of Appeals Docket Sheet**

---

# COA 314437 MSC 150944

PEOPLE OF MI V DARELL CHANCELLOR  
Lower Court/Tribunal  
WAYNE CIRCUIT COURT  
Judge(s)  
HATHAWAY DANIEL A

Docket

Case Documents

---

## Case Information



### Case Header

Case Number

COA #314437

MSC #150944

Case Status

MSC Closed

COA Case Concluded; File Archived

## Parties & Attorneys to the Case – Court of Appeals

1

PEOPLE OF MI

Plaintiff - Appellee

Attorney(s)

STEER VALERIE M

#38489, Prosecutor

---

2

CHANCELLOR DARELL

Defendant - Appellant

Attorney(s)

PAGAC CHRISTINE A

#67095, State Appellate Defender

## Parties & Attorneys to the Case – Supreme Court

1

PEOPLE OF MI

Plaintiff

Attorney(s)

Valerie M Steer

#38489

---

2

CHANCELLOR DARELL

Defendant

Attorney(s)

Christine A. Pagac  
#67095

**COLLAPSE ALL**

EXPAND ALL

---

01/23/2013      1 Claim of Appeal - Criminal

×

Attorney

STATE APPELLATE DEFENDER  
#1284

Service Date

01/18/2013

Fee Code

Prisoner Indigent

---

12/12/2012      2 Order Appealed From

×

Trial Court

WAYNE CIRCUIT COURT

Case Number

12-004974-FH

Trial Court Judge

HATHAWAY DANIEL A  
#48434

Nature Of Case

Control Subs - PWID

Habitual Offender 3rd or Higher

Comments

Cir Ct #12-004974-01-FH

01/23/2013 3 Transcript Ordered By Trial Court

×

---

Document Date

01/18/2013

Reporter

COURY GARY #3827

Timely

Yes

Hearing Dates

12/12/2012

11/12/2012

10/30/2012

Comments

Please see evt 1 for scanned document

---

01/26/2013 4 Steno Certificate - Tr Request Received

×

---

Document Date

01/18/2013

Reporter

RELEFORD ZELDA H #4897

Timely

Yes

Hearing Dates

11/08/2012

---

02/05/2013 5 Invol Dismissal Warning - No Steno Cert

×

---

Attorney

STATE APPELLATE DEFENDER

#1284

Related Reporters

13-53846-tjt Doc 13808-3 Filed 02/26/23 Entered 02/28/23 09:26:05 Page 106 of

COURY GARY #3827

Related Events

3. Transcript Ordered By Trial Court

Due Date

02/26/2013

Comments

No Steno Cert for Transcripts in Event 3

02/06/2013 6 Steno Certificate - Tr Request Received

×

---

Document Date

01/18/2013

Reporter

COURY GARY #3827

Timely

Yes

Hearing Dates

11/08/2012

11/12/2012

12/12/2012

02/06/2013 7 Transcript Not Taken By Steno

×

---

Document Date

02/04/2013

Reporter

COURY GARY #3827

Timely

Yes

Hearing Dates

10/30/2012

02/11/2013 8 Transcript Ordered By Trial Court

×

---

Document Date

02/06/2013

Reporter

ABDULLAH WYLENE N #3400

Timely

Yes

Hearing Dates

10/30/2012

Comments

Amended - correct court reporter

---

02/11/2013 9 Correspondence Received

×

Party

2. CHANCELLOR DARELL

Attorney

SACKS JONATHAN R

#67389

Service Date

02/08/2013

Comments

Aty reqst trs 5/29/12; 8/17/12; 8/20/12 & 10/9/12

---

02/11/2013 10 Correspondence Received

×

Party

2. CHANCELLOR DARELL

Attorney

SACKS JONATHAN R

#67389

Service Date

02/08/2013

Comments

Reqst steno cert from reporter Abdullah

---

02/12/2013      11 Steno Certificate - Tr Request Received

×

---

Document Date

02/06/2013

Reporter

ABDULLAH WYLENE N #3400

Timely

Yes

Hearing Dates

10/30/2012

---

02/19/2013      12 Transcript Ordered By Trial Court

×

---

Document Date

02/14/2013

Reporter

COURY GARY #3827

Timely

Yes

Hearing Dates

10/09/2012

08/20/2012

08/17/2012

05/29/2012

---

02/20/2013      13 Notice Of Filing Transcript

×

---

Document Date

13-53846-tjt

Doc 13608-3

Filed 04/26/23

Entered 04/26/23 09:26:05

Page 109 of

02/19/2013

Reporter

ABDULLAH WYLENE N #3400

Timely

Yes

Hearing Dates

10/30/2012

03/14/2013

14 Notice Of Filing Transcript

×

---

Document Date

03/13/2013

Reporter

COURY GARY #3827

Timely

Yes

Hearing Dates

12/12/2012

11/12/2012

04/22/2013

15 Notice Of Filing Transcript

×

---

Document Date

04/19/2013

Reporter

RELEFORD ZELDA H #4897

Timely

Yes

Hearing Dates

11/08/2012

04/23/2013 16 Transcript Overdue - Notice to Reporter

×

Reporter

COURY GARY #3827

Comments

Hearing Date 11/8/12 (Docket Event 6)

04/26/2013 17 Steno Certificate - Tr Request Received

×

Document Date

02/14/2013

Reporter

COURY GARY #3827

Timely

Yes

Hearing Dates

10/09/2012

08/20/2012

08/17/2012

05/29/2012

05/07/2013 18 Telephone Contact

×

Reporter

COURY GARY #3827

Comments

Per Rptr Coury; He Erroneously Listed 11/8/12 Hrng on his Steno Cert - Will Fax an Amd Steno Cert

05/07/2013 19 Transcript Not Taken By Steno

×

Document Date

05/07/2013

Reporter  
COURY GARY #3827

Hearing Dates  
11/08/2012

Comments  
See T/C in Event 18

05/28/2013 20 Notice Of Filing Transcript

×

Document Date  
05/22/2013

Reporter  
COURY GARY #3827

Timely  
Yes

Hearing Dates  
10/09/2012

05/28/2013 21 Notice Of Filing Transcript

×

Document Date  
05/22/2013

Reporter  
COURY GARY #3827

Timely  
Yes

Hearing Dates  
05/29/2012  
08/17/2012  
08/20/2012

07/16/2013 22 Motion: Extend Time - Appellant

×

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A  
#67095

Service Date

07/16/2013

Answer Due

07/23/2013

Fee Code

Prisoner Indigent

Requested Extension

09/10/2013

---

07/23/2013      23 Submitted on Administrative Motion Docket      X

---

Submitted Events

22. Motion: Extend Time - Appellant

07/25/2013      24 Order: Extend Time - Appellant Brief - Grant      X

---

Related Events

22. Motion: Extend Time - Appellant

Panel

Gleicher Elizabeth L.

Attorney

PAGAC CHRISTINE A  
#67095

Amount

\$0.00

Extend To  
09/10/2013

[VIEW ORDER →](#)

09/10/2013 25 Motion: Extend Time - Appellant

×

---

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A  
#67095

Service Date

09/10/2013

Answer Due

09/17/2013

Fee Code

Prisoner Indigent

Requested Extension

10/08/2013

Comments

Extraordinary extension

---

09/17/2013 26 Submitted on Administrative Motion Docket

×

---

Submitted Events

25. Motion: Extend Time - Appellant

---

09/18/2013 27 Order: Extend Time - Appellant Brief - Grant with Invol Warning

×

---

Related Events

25. Motion: Extend Time - Appellant

Panel

13-53846-tjt Doc 13608-3 Filed 09/26/23 Entered 09/26/23 09:26:05 Page 114 of

Gleicher Elizabeth L.

Attorney  
PAGAC CHRISTINE A  
#67095

Amount  
\$0.00

Extend To  
10/08/2013

Comments  
Clerk shall place matter on invl dsmsl dkt w/o furtr notice to ptys if AT brf not fl'd by 10/8/13

[VIEW ORDER →](#)

10/08/2013 28 Brief: Appellant

×

Party  
2. CHANCELLOR DARELL

Attorney  
PAGAC CHRISTINE A  
#67095

Service Date  
10/08/2013

Oral Argument Requested  
Yes

Joint Parties

Timely  
Yes

11/13/2013 29 Noticed

×

Date Sent  
11/18/2013

12/05/2013 30 Stipulation: Extend Time - AE Brief

×

---

Party  
1. PEOPLE OF MI

Attorney  
STEER VALERIE M  
#38489

Extend To  
12/10/2013

12/11/2013 31 Record Request

×

---

Date Sent  
12/11/2013

Agency  
WAYNE CIRCUIT COURT

12/12/2013 32 Record Filed

×

---

Comments  
file;trs(8)

02/13/2014 34 Prosecutor Advisory - No Brief

×

---

Attorney  
WAYNE COUNTY PROSECUTOR  
#1182

02/20/2014

37 Brief: Appellee

×

---

Party

1. PEOPLE OF MI

Attorney

STEER VALERIE M  
#38489

Service Date

02/20/2014

Joint Parties

Timely

No

---

04/16/2014

46 Motion: Extend Time - Standard 4 - Appointed Attorney

×

---

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A  
#67095

Service Date

04/16/2014

Answer Due

04/23/2014

Fee Code

Prisoner Indigent

Comments

Brief filed w/motion

---

04/16/2014

47 Submitted on Motion Docket Affecting Call

×

Submitted Events

46. Motion: Extend Time - Standard 4 - Appointed Attorney

04/16/2014 5 1 Brief: Standard 4

×

---

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A  
#67095

Service Date

04/16/2014

Joint Parties

Comments

Allowed per 4/17/14; Brf attached to motion

---

04/17/2014 4 9 Order: Extend Time - Standard 4 - Grant

×

Related Events

46. Motion: Extend Time - Standard 4 - Appointed Attorney

Panel

Murray Christopher M.  
Jansen Kathleen  
Shapiro Douglas B.

Attorney

PAGAC CHRISTINE A  
#67095

Amount

\$0.00

Comments

Responsive brf may be filed by 5/1/14

[VIEW ORDER →](#)

04/17/2014 50 Verbal Order to Parties-Phone ×

---

Comments

Read content of order to aty Steer and secretary to aty Pagac

05/07/2014 44 Submitted on Case Call ×

---

05/07/2014 52 Oral Argument Audio ×

---

08/15/2014 53 Telephone Contact ×

---

Comments

W:joycelynn sharpe@wcc req peo's exh 6

08/19/2014 54 Material Received by Record Room ×

---

Comments

exh(6)

09/30/2014 63 Opinion - Per Curiam - Unpublished ×

---

Result

L/Ct Judgment/Order Affirmed

Panel

Murray Christopher M.

Jansen Kathleen

Shapiro Douglas B.

Pages

3

[READ OPINION →](#)

09/30/2014

64 Opinion - Dissent

×

Author

Shapiro Douglas B.

Pages

5

[READ OPINION →](#)

10/21/2014

65 Motion: Reconsideration of Opinion

×

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A  
#67095

Service Date

10/21/2014

Answer Due

11/04/2014

Fee Code

Prisoner Indigent

11/18/2014

66 Submitted on Reconsideration Docket

×

Submitted Events

65. Motion: Reconsideration of Opinion

---

Related Events

65. Motion: Reconsideration of Opinion

Panel

Murray Christopher M.  
Jansen Kathleen  
Shapiro Douglas B.

Attorney

PAGAC CHRISTINE A  
#67095

Amount

\$0.00

Comments

A new opinion is attached to order

[VIEW ORDER →](#)

Result

L/Ct Judgment/Order Affirmed

Panel

Murray Christopher M.  
Jansen Kathleen  
Shapiro Douglas B.

Pages

3

[READ OPINION →](#)

Author

Shapiro Douglas B.

Pages

5

[READ OPINION →](#)

01/29/2015 70 Application for Leave to SCt

×

Supreme Court Number

150944

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A

#67095

01/29/2015 71 Supreme Court Motion: Miscellaneous

×

Party

2. CHANCELLOR DARELL

Attorney

PAGAC CHRISTINE A

#67095

Comments

to file pro per supplement; supplement attached

02/19/2015 72 Supreme Court - File & Record Sent To

×

Comments

sc#150944 lcf;8 tr;env(exh)

02/20/2015 73 COA and TCt Received

×

8 tr; 1 exh; 1 files;

03/13/2015 74 Supreme Court: Answer - SCt Application/Complaint

×

Party

1

Attorney

STEER VALERIE M

#38489

05/28/2015 75 Supreme Court Order: Deny Application/Complaint

×

Comments

Grant motion to file pro per supplement.

[VIEW ORDER →](#)

06/04/2015 76 File Closed-Out

×

**EXHIBIT 6L**

**Decision of the Michigan Court of Appeals**

**Court of Appeals, State of Michigan**

**ORDER**

People of MI v Darell Chancellor

Docket No. 314437

LC No. 12-004974-FH

Christopher M. Murray  
Presiding Judge

Kathleen Jansen

Douglas B. Shapiro  
Judges

---

The Court orders that the motion for reconsideration is GRANTED, and this Court's opinion issued September 30, 2014 is hereby VACATED. A new opinion is attached to this order.



A true copy entered and certified by Jerome W. Zimmer Jr., Chief Clerk, on

DEC 04 2014

Date

\_\_\_\_\_  
Chief Clerk

**STATE OF MICHIGAN**  
**COURT OF APPEALS**

---

PEOPLE OF THE STATE OF MICHIGAN,  
  
Plaintiff-Appellee,

UNPUBLISHED  
December 4, 2014

v

DARELL CHANCELLOR,  
  
Defendant-Appellant.

No. 314437  
Wayne Circuit Court  
LC No. 12-004974-FH

---

**ON RECONSIDERATION**

Before: MURRAY, P.J., and JANSEN and SHAPIRO, JJ.

PER CURIAM.

Defendant appeals as of right his conviction after a bench trial of possession of 450 to 999 grams of cocaine, MCL 333.7403(2)(a)(ii). The trial court sentenced defendant, as a fourth habitual offender, MCL 769.12, to a term of 14 years and 3 months to 30 years' imprisonment.<sup>1</sup> We affirm.

This case arises out of a search of a house and seizure of 516.65 grams of cocaine. On November 1, 2011, Detroit police surveilled a house at 5023 32nd Street during which Officer Steven Geelhood observed a black male engage in three independent hand-to-hand transactions of suspected drugs at the front door of the house. The next day, police executed a search warrant. Upon searching a second-floor kitchen area, police found a bag containing four smaller bags of cocaine and two loaded handguns. The items were inside a clothes hamper that was tucked under a kitchen table. On top of the kitchen table, police found an open letter sent from the Michigan Department of Treasury and addressed to defendant at 5023 32nd Street. Police detained defendant's mother and a man during the search. Defendant was not then present at the house, but was later arrested.

---

<sup>1</sup> Defendant was also charged with possession with intent to deliver 450 to 999 grams of cocaine, MCL 333.7401(2)(a)(ii), felon in possession of a firearm, MCL 750.224f, and possession of a firearm during the commission of a felony (felony-firearm), MCL 750.227b, but was acquitted of those other charges.

Defendant raises a single issue on appeal, arguing that there was insufficient evidence presented at trial to support his conviction of possessing cocaine under a constructive possession theory. When reviewing a claim of insufficient evidence, this Court reviews the record de novo. *People v Meissner*, 294 Mich App 438, 452; 812 NW2d 37 (2011). We review the evidence in the light most favorable to the prosecution and determine whether a rational trier of fact could find that the essential elements of the crime were proven beyond a reasonable doubt. *People v Reese*, 491 Mich 127, 139; 815 NW2d 85 (2012).

Possession of a controlled substance requires a showing of “dominion or right of control over the drug with knowledge of its presence and character.” *People v Meshell*, 265 Mich App 616, 621; 696 NW2d 754 (2005), quoting *People v Nunez*, 242 Mich App 610, 615; 619 NW2d 550 (2000), in turn quoting *People v Maliskey*, 77 Mich App 444, 453; 258 NW2d 512 (1977). Possession can be actual or constructive. *People v Wolfe*, 440 Mich 508, 520; 489 NW2d 748 (1992), amended 441 Mich 1201 (1992). Constructive possession exists when the totality of the circumstances indicates a sufficient nexus between the defendant and the controlled substance. *Id.* at 521; see also, *People v Konrad*, 449 Mich 263, 271; 536 NW2d 517 (1995), citing *People v Germaine*, 234 Mich 623, 627; 208 NW 705 (1926) (analyzing whether the defendant had sufficient dominion or control to support a conviction based on constructive possession). By itself, a defendant’s presence at a location where drugs are found is insufficient to establish possession. *Wolfe*, 440 Mich at 520.

Defendant contends that he was not the person police observed during the surveillance and that he did not live at 5023 32nd Street at the time of the search. But viewing the evidence in the light most favorable to the prosecution, a rational trier of fact could find beyond a reasonable doubt that defendant constructively possessed the seized cocaine. Officer Geelhood testified at trial that he was “[a]bsolutely” certain defendant was the person he saw involved in the suspected drug transactions at the front door of the house. Although defendant argues that he is the victim of mistaken identity – citing his heavier weight at the time of trial and reliance on prescription glasses – Officer Geelhood testified that he had a clear view of defendant during the surveillance. The prosecution also introduced as a trial exhibit a Secretary of State document depicting defendant as thinner and not wearing glasses. The trial court found Officer Geelhood’s testimony concerning his identification of defendant to be reliable, and those questions of credibility are left to the trier of fact to resolve. *People v Harrison*, 283 Mich App 374, 378; 768 NW2d 98 (2009).

Also, police found the cocaine in the second-floor living quarters, and sufficient evidence suggested defendant occupied or had control over that area. The cocaine was in a clothes hamper that held male clothing, and police seized the letter addressed to defendant from the table under which the cocaine was found. Additionally, defendant’s parole agent, Cyndi Izumi, testified that she visited defendant at 5023 32nd Street and that defendant told her he lived there. Indeed, defendant admitted that he told Izumi that he lived at the house and that he had, in fact, lived there for a time. The Secretary of State document listed defendant’s address as 5023 32nd Street, and Officer Geelhood testified that during the search, defendant’s mother directed him to a second residence where he could find defendant. Officer Geelhood went there and observed a vehicle that had been parked in front of 5023 32nd Street during the surveillance.

On this record, there was sufficient evidence to link defendant to both the house (through identification of him as the person involved in the front-door transactions and his admission that he at times lived there)<sup>2</sup> and that he had control over the area where police found the cocaine (through the evidence of the mail and clothing). Though there was no direct evidence that defendant actually possessed the drugs found inside the house (though there certainly was direct evidence of him possessing drugs at the front door), circumstantial evidence and the reasonable inferences that arise from the evidence can constitute satisfactory proof of the elements of a crime. *People v Carines*, 460 Mich 750, 757; 597 NW2d 130 (1999). And, all conflicts in the evidence must be resolved in favor of the prosecution. *People v Kanaan*, 278 Mich App 594, 619; 751 NW2d 57 (2008). The prosecution was not required to show that defendant was the only person with access to or control over the cocaine. Possession may be joint, with more than one person actually or constructively possessing a controlled substance. *Konrad*, 449 Mich at 271, citing *Wolfe*, 440 Mich at 520. Under these circumstances, there was sufficient evidence of the required nexus between defendant and the cocaine to reasonably find constructive possession beyond a reasonable doubt.<sup>3</sup>

Our dissenting colleague argues that the trial court's factual findings were not sufficient to support defendant's conviction. Defendant, however, does not argue or raise this issue in his counsel's brief nor in his own Standard 4 brief. Therefore, it is not an issue properly before us. In any event, "[a]lthough the circuit court's findings were brief, they established that it was aware of the relevant issues in the case and correctly applied the law . . ." *People v Smith*, 211 Mich App 233, 235; 535 NW2d 248 (1995). See, also, MCR 6.403 and MCR 2.517(A)(2). The main issue was whether defendant could be connected to the cocaine—and the trial court made findings that (1) defendant resided at the house and (2) defendant's residence was "upstairs" (where the cocaine was located) such that he constructively possessed the cocaine. Given the evidence as outlined above, the trial court's findings—albeit brief—were sufficient enough for us to conclude that the trial court was aware of the relevant issues and made findings on those issues that were supported by the evidence.

Affirmed.

/s/ Christopher M. Murray  
/s/ Kathleen Jansen

---

<sup>2</sup> In his Standard 4 brief, defendant argues that he received the ineffective assistance of counsel when his trial counsel did not present defendant's wife and mother as witnesses who could testify that defendant did not live at this house, and when failing to object to "liquid formed narcotics" at trial. Even assuming those acts were ineffective, defendant is not entitled to relief because in light of the facts presented to the court, he has not established prejudice. *People v Corbin*, 463 Mich 590, 599-600; 623 NW2d 884 (2001).

<sup>3</sup> Defendant suggests that that trial court rendered inconsistent rulings with respect to the cocaine and firearm possession charges. The requirement that a firearm be readily accessible distinguishes the firearm possession charges from the drug possession charge. See, *People v Williams (After Remand)*, 198 Mich App 537, 541; 499 NW2d 404 (1993).

STATE OF MICHIGAN  
COURT OF APPEALS

---

PEOPLE OF THE STATE OF MICHIGAN,  
Plaintiff-Appellee,

UNPUBLISHED  
December 4, 2014

V  
DARELL CHANCELLOR,

No. 314437  
Wayne Circuit Court  
LC No. 12-004974-FH

Defendant-Appellant.

---

Before: MURRAY, P.J., and JANSEN and SHAPIRO, JJ.

SHAPIRO, J. (*dissenting*).

I respectfully dissent. This case concerns a bench trial with highly controverted proofs. The majority reviews the most inculpatory proofs, and based upon them, concludes that there was sufficient evidence to convict. I would agree with the majority's conclusion if the trial court had made factual findings adopting those proofs or even if it provided a clear indication that it based defendant's conviction upon them even without formal fact-finding. However, the trial court did not do so and so it cannot be determined whether defendant's conviction was based on the facts referenced by the majority or by a conclusion on the part of the trial court that defendant could be convicted of possession of cocaine solely on the basis of a finding that he resided in the relevant house, a finding which by itself would not be sufficient. Accordingly, I would reverse defendant's conviction and remand for a new trial.

I. FACTS

Defendant was charged with both possession and possession with intent to deliver 450 to 999 grams of cocaine, MCL 333.7401(2)(a)(ii) (possession with intent to deliver); MCL 333.7403(2)(a)(ii) (possession), and possession of a firearm during the commission of a felony (felony-firearm), MCL 750.227b. After a bench trial, the court acquitted defendant of possession with intent to deliver and felony-firearm. However, the court convicted defendant of possession. Defendant was sentenced as a fourth habitual offender, MCL 769.12, to the statutory 30-year maximum term and to a minimum term of 170 months, the lowest term within the relevant sentencing guidelines range.

The charges arose out of a search of a home on 32nd Street in Detroit at approximately 5:30 p.m. on November 2, 2011. Three police officers and defendant's parole officer testified in the prosecution's case-in-chief. Defendant testified on his own behalf.

Officer Geelhood testified that on October 31, 2011, he received information that heroin was being sold from the 32nd Street house. The following evening, he watched the house and within 30 minutes saw three people independently go to the front door, have a conversation with a black man (who he later identified as the “seller” in his search warrant affidavit), and make purchases of what he believed to be heroin. He testified that he observed these activities from about 400 feet away, using binoculars, and although it was dark, there was a light on at the front of the house. Geelhood testified, consistent with the description he set forth in the search warrant affidavit, that the seller he saw during this period of observation was a black male, 5’7” to 5’8” tall, 170-180 pounds, and of slim build. He also testified that the man was not wearing glasses.

Geelhood testified that he was “absolutely certain” that the man he observed was defendant. However, he conceded that defendant was 5’11” tall and of “heavy build,” weighing, in his estimation, between 210 and 220 pounds. Given the clear divergence between his description of the seller and defendant’s actual appearance, Geelhood was asked if his description of the seller in the affidavit could have been mistaken. He denied any error and reaffirmed his description of the seller as a man as much as 4 inches shorter and up to 50 pounds lighter than defendant appeared to him at trial.

All three officers testified that defendant was not present at the 32nd Street house when the warrant was executed. Present at the home were defendant’s mother and a black male in his 50s, about 5’9” tall and of slim build, weighing approximately 170 pounds. This individual told the officers that he was working on the house, but that he did not live there. He was apparently not pursued as a suspect.

The officers testified that the 32nd Street house had at least four bedrooms – two on the first floor and two on the second. There were kitchens on both the first and second floors, though the second floor could only be accessed by stairs from the first floor, i.e., there was no separate entrance or private stairs to the second floor. There was a table in the upstairs kitchen. Beneath the table was a clothes hamper in which the officers found men’s clothing, the large quantity of cocaine at issue, and two guns. None of the clothes were offered as evidence and the officers did not further describe the type or size of the clothing.

One of the officers testified that he found an envelope on the table in the upstairs kitchen that had been opened and contained a letter from the State of Michigan addressed to defendant at the 32nd Street address. The officer testified that prior to the discovery of this letter they did not have a name associated with the suspected seller. An officer asked defendant’s mother where they could find defendant and she provided the officers with a different address. An officer testified that he went to that address and observed a car in the driveway that had been seen at the 32nd Street house the night before during surveillance. He ran the license plate and learned that the vehicle belonged to defendant. When defendant was later arrested, he was not in possession of any drugs.

Defendant’s parole officer also testified. She stated that she had met with defendant on two occasions at the 32nd Street address and that he told her that he lived there.

Defendant testified on his own behalf and stated that neither the cocaine nor the guns found at the 32nd Street house belonged to him. He testified that at the time of trial he was 30 years old, 5'11" tall, and weighed 250 pounds. He testified that on the date of the search, he weighed 245 pounds. He testified that he always wore the glasses he was wearing in the courtroom and could not function without them. He testified that he wore size 44 waist pants and it was shown that the shirt he was wearing was 5XL, though he conceded that the clothes were baggy.

The prosecution speculated in argument that defendant probably gained weight (apparently 40-60 lbs) due to eating jail food while awaiting trial.<sup>1</sup> In addition, the prosecution introduced a Secretary of State photo of defendant's head and shoulders taken in January 2011 in which he was not wearing glasses. Geelhood testified that, in his opinion, defendant appeared thinner in the photo than he did at trial.

Defendant testified that he lived on Robson Street with his wife and son at the time of the search and kept all of his clothes there. He testified that he had lived at his mother's home on 32nd Street when he was initially released from prison in November 2010, i.e., when he gave that address to the parole officer. He stated that after moving to the Robson address, he continued to represent to his parole officer that he lived at the 32nd Street house. He testified that he misrepresented his address to the parole officer because his workplace was near his mother's home and if he reported the change in address, he would have been reassigned to a parole office located a greater distance away. He testified that on the date of the search, the persons living at the 32nd Street house were his mother, his brother, his sister, and a male cousin. He described his brother as 37 years old, 5'9" tall, and weighing approximately 165-170 pounds. He described his cousin as 34 years old. He stated that another person, the man present at the house at the time of the search, was his mother's boyfriend, who lived in the house.

After hearing proofs and argument, the trial court delivered its findings and verdict. It found defendant guilty of constructively possessing the cocaine, but not acquitted him of possession with intent to deliver and felony-firearm.

## II. ANALYSIS

Where a criminal case is bench tried, it is not sufficient for the court to simply state a verdict. Under MCR 6.403, "[t]he court must find the facts specially . . . . The court must state its findings and conclusions on the record or in a written opinion made part of the record." "[I]n criminal cases . . . a judge who sits without a jury is obligated to articulate the reasons for his decision in findings of fact. Findings of fact in a nonjury case serve a function paralleling the judge's charge in a jury case, that of revealing the law applied by the fact finder." *People v Jackson*, 390 Mich 621, 627; 212 NW2d 918 (1973). In other words, the requirement that the trial court make factual findings is not to require that the court resolve each and every factual

---

<sup>1</sup> Contrary to this argument, when defendant was admitted to the jail, a "detainee input sheet" was prepared that listed defendant's weight at 240 lbs. Admittedly, this document, while in the lower court record, was not admitted into evidence.

dispute, but to assure that the court correctly applied the law. See *People v Armstrong*, 175 Mich App 181, 184; 437 NW2d 343 (1989). Further, a trial judge sitting as fact-finder in a bench trial is not permitted to reach “compromise” verdicts. *Wayne Co Prosecutor v Detroit Recorder’s Court Judge*, 177 Mich App 762, 765; 442 NW2d 771 (1989), citing *People v Burgess*, 419 Mich 305, 310-311; 353 NW2d 444 (1984).

In this case, the trial court’s findings were inadequate to determine the factual basis for defendant’s conviction and to determine whether the trial court properly applied the law in reaching its verdict.

The trial court’s factual findings and conclusions of law as to the relevant charge read in their entirety as follows:

[O]n Count II, I do find that there was sufficient basis to show proof beyond a reasonable doubt that the defendant did in fact possess the cocaine that was found in the laundry hamper and that it did exceed 450 grams or more; that the proof of residence was established beyond a reasonable doubt for [defendant]; that the fact that the mail was found in the upstairs location indicates to me that the residence was upstairs and that in fact there is a sufficient basis for me to find constructive possession by [defendant] of that cocaine, and I find him guilty of Count II, controlled substance possession, cocaine.

It is reasonable to infer from the trial court’s findings that the conviction may have been based solely on the court’s conclusion that defendant resided at the 32nd Street house. However, “[i]t is well established that a person’s presence, by itself, at a location where drugs are found is insufficient to establish constructive possession.” *People v Wolfe*, 440 Mich 508, 520; 441 Mich 1201 (1992). While residence at the subject house is certainly relevant to the question of constructive possession, the legal standard is not satisfied by residence alone, but rather whether that the defendant exercised “*dominion or right of control* over the drug with knowledge of its presence and character.” *People v McKinney*, 258 Mich App 157, 165; 670 NW2d 254 (2003) (quotation marks and citations omitted).

Beyond mere presence or possible residence, demonstrating dominion and control requires additional circumstances, albeit ones that may vary from case to case. *Wolfe*, 440 Mich at 520 (“some additional connection between the defendant and the contraband must be shown.”); see also *id.* at 522-524 (the defendant attempted to destroy drugs when police arrived, was found in possession of \$5 used to purchase cocaine by an undercover officer, and possessed the only key to the apartment where the drugs were discovered); *McKinney*, 258 Mich App at 166 (the defendant claimed ownership of \$3,000 discovered by police and shared the bedroom where the drugs were discovered); *People v Nunez*, 242 Mich App 610, 615-616; 619 NW2d 550 (2000) (possession established where police found utility bills addressed to the defendant, the defendant had a key to the apartment, and a witness testified that the defendant resided in the apartment).

In the instant case, the prosecution did not assert that defendant lived alone in the 32nd Street home and the defense presented evidence that at least two other men resided there. Finding the proofs sufficient is even more difficult, given that the contraband was found in a

common area, i.e., a room in the house accessible to all residents and as to which defendant, if he did live there, had no special or exclusive dominion. Thus, even if only one member of the household had dominion and control over the contraband and the others never exercised any control over it, by definition, each member of the household shared a “nexus” with the contraband, by virtue of their residence in the home where it was found. However, this does not answer the question of which of the residents had dominion and control over the drugs. It is not a crime to merely live in a house in which someone else possesses drugs. And again, “[i]t is well established that a person’s presence, by itself, at a location where drugs are found is insufficient to prove constructive possession.” *Wolfe*, 440 Mich at 520.

The court did note that the letter addressed to defendant was found on a table and the drugs were found in a clothing hamper under that table. I agree that the location of the letter is of some relevance, but it was not found in the hamper along with the drugs and no drugs were on the table. I do not agree that the mere presence of the letter in the same common room as the hidden drugs is sufficient to establish defendant’s dominion and control over the drugs. See *Nunez*, 242 Mich App at 615-616 (in addition to utility bills addressed to the defendant, police found defendant in possession of a key, and a witness testified explicitly that defendant resided there). Indeed, the letter was the sole object in the house identified as belonging to defendant. No other items were linked to the defendant. There were four bedrooms, none of which were identified as belonging to defendant or containing any of his possessions. There was no evidence that any items found in any bedrooms or closets belonged to defendant and the clothes in the hamper were not linked to him other than by the fact that they were men’s clothes. I would agree that the fact that they were men’s clothes would have been sufficient had the trial court concluded that no other men lived in the house, but it did not.

In my view, a conviction based solely on the letter would rest on insufficient evidence. Thus, the critical question is whether the man Geelhood observed the night before the search, making suspect transactions, was defendant. However, the trial court made no findings in this regard and its absence of such a finding is critical. Had the court found that the man seen the night before was defendant, I would defer to that finding and affirm the conviction as the events of the night before would link him to the drugs.<sup>2</sup> However, if the trial court found that the man seen the night before was not defendant, then he could not be properly found to have exercised dominion and control over the drugs found in the house.

In sum, the trial court did not render sufficient factual findings for a reviewing court to determine whether it properly applied the law. *Jackson*, 390 Mich at 627. The proper remedy in such a case is to reverse the conviction and remand for a new trial. Accordingly, I would reverse defendant’s conviction and remand for a new trial.

/s/ Douglas B. Shapiro

---

<sup>2</sup> Of course, if the trial court found that defendant was the man the police observed, it would lead to the conclusion that defendant was guilty of possession with intent to distribute.

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re: Bankruptcy Case No. 13-53846  
City of Detroit, Michigan, Honorable Thomas J. Tucker  
Debtor. Chapter 9

---

**DARELL CHANCELLOR’S RESPONSE IN OPPOSITION TO THE  
CITY OF DETROIT’S MOTION FOR ENTRY OF AN ORDER  
ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DARELL CHANCELLOR**

Darell Chancellor, by his Attorneys Johnson Law, PLC, responds to the City of Detroit’s motion as follows:

**I. Introduction**

1. It is admitted that Chancellor filed the subject lawsuits which have been consolidated by order of the Federal District Court. Chancellor’s claims did not accrue or arise until his conviction was vacated on March 24, 2020, and as such the filing of the lawsuit does not violate the discharge and injunction instructions in the City’s confirmed plan in the Bar Date Order.

2. The first notification that Plaintiff received that Defendant intended to assert a bankruptcy discharge wasn’t provided until shortly before the filing of this motion in April of 2023. The case had been pending since Defendant filed their answer to the original complaint in July of 2020. Discovery had been continuing

and up to 30 depositions have already been taken. The City of Detroit did not raise a bankruptcy discharge as an affirmative defense pursuant to FRCP 8(c) in answer to the original complaint or the amended complaint as they were required to do. See *Mickowski v Visi-Trak Worldwide, LLC*, 415 F3d 501, 506 (6<sup>th</sup> Cir. 2005).

## **II. Factual Background**

### **A. The City's Bankruptcy Case**

3. Admitted.
4. Admitted.
5. Admitted.
6. Admitted.
7. Admitted.
8. Admitted.
9. Admitted.
10. Admitted.
11. Admitted.

### **B. Chancellor's Lawsuits against the City and Officer Stephen Geelhood**

12. Admitted.
13. Admitted.
14. Admitted.

15. Neither admit nor deny while noting that the state and federal claims involved distinct elements and defenses.

16. Prior to being tried and wrongfully convicted in 2012 of constructive possession of 450-990 grams of cocaine at issue in the pending civil action, between 2000 and 2003, Plaintiff plead guilty to charges of possessing narcotics less than 50 grams and one armed robbery. (Exhibit 1, Criminal General Information/Habitual). Notably, as he did in 2012, Plaintiff entered a not guilty plea in April of 2002, to a fraudulent gun charge that was falsely asserted against him by another notorious member of the Detroit Police Department—former Officer Melendez. (Exhibit 2, ROA). Officer Melendez was later fired for misconduct and the fraudulent gun charge against Plaintiff was dismissed on May 7, 2002.

17. Admitted.

18. Admitted.

19. Before being discharged from prison on parole in December of 2010, Plaintiff acquired the home on 9209 Robson Street in Detroit by quit claim deed which was recorded on November 9, 2010. While his home on Robson was being renovated, Plaintiff briefly stayed with his mother on 32<sup>nd</sup> Street. (Exhibit 3, Recorded Quit Claim Deed).

20. Admitted.

21. Admitted.

22. Admitted. Geelhood falsely alleged that he received information from a confidential informant (CI). Neither the City or Geelhood have ever been able to substantiate or confirm that the CI referenced in the subject affidavit ever existed.

23. Admitted. Long after Plaintiff had moved into his home with his wife, Katrice Alford, and his newborn son, Geelhood falsely swore to conducting surveillance at Plaintiff's mother's home on 32<sup>nd</sup> Street and to seeing Plaintiff purportedly conducting narcotic transactions. (Exhibit 4, Search Warrant/Affidavit). Moreover, he claimed to observe a Black male who was 5'8" and 180 pounds. *Id.* The LIEN information pulled up by the Detroit Police Department one day after the raid dated on November 2, 2011 didn't even substantiate the description in the affidavit that Geelhood falsely swore to. That LEIN identified Plaintiff as two inches taller at 5'10" and 50lbs heavier at 230 lb. (Exhibit 5, DPD LIEN Info).

24. Geelhood claimed to have discovered 450-999 grams of cocaine in a laundry hamper of clothes that was in a common room upstairs on 32<sup>nd</sup> Street next to a room that was occupied by Plaintiff's sister, Crystal Chancellor.

25. Admitted. It is undisputed that Plaintiff was not present at his mother's home when the search warrant was executed. Chancellor wasn't even arrested until he was pulled over on a traffic stop the next year on May 2, 2012. (Exhibit 6, Detainee Input Sheet).

26. Admitted.

27. Admitted. Plaintiff further alleges that he was wrongfully convicted and imprisoned for over eight years until the Wayne County Prosecutor's Office moved to have his conviction and sentence vacated on March 24, 2020. (Exhibit 7, Order to Vacate)

28. Admitted. Geelhood never accounted for the gross discrepancies in his descriptions of Plaintiff's weight and height versus Plaintiff's actual height and weight. Geelhood never corroborated his undocumented "sighting" of Plaintiff with something like a utility bill that connected Plaintiff to his mother's home, property search, or CLEAR . Yet at the criminal trial Geelhood insisted that Plaintiff was the same person he purportedly observed during his 30-minute surveillance the day before the raid.

29. Admitted.

30. Admitted.

31. Admitted. The two paragraphs quoted by the City of Detroit are allegations from Plaintiff's Second Amended Complaint. (ECF No. 13, PageID.100).

32. Admitted.

33. Admitted.

34. Admitted.

35. Admitted.

36. Admitted.

37. Admitted.

38. Admitted.

39. Admitted.

### **C. Chancellor's Appeal**

40. Admitted.

41. Admitted. Judge Shapiro's dissent, however, was telling. (Exhibit 8, COA Dissent).

42. Admitted. The Conviction Integrity Unit, a division of the Wayne County Prosecutor's Office, began investigating Plaintiff's conviction in 2018 and ultimately concluded that Plaintiff had been wrongfully convicted as a result of Geelhood's false statements.

### **III. Argument**

43. These allegations are denied as Plaintiff's claims did not accrue until his conviction was vacated on March 24, 2020.

44. It is disputed that under the "fair contemplation" test, Mr. Chancellor could have ascertained through the exercise of reasonable due diligence that he had a claim against the City. His claim did not accrue until it was found that Ofcr. Geelhood committed fraud in obtaining the subject search warrant.

45. It is denied that the plan's discharge provision applies to Mr. Chancellor as he did not have a responsibility to file a proof of claim as he did not, under the "fair contemplation" test, have a reason to file such claim.

46. It is denied that Plaintiff's claims should be barred by the discharge plan. In furtherance of this position, Plaintiff asserts that the City should be prohibited from raising this discharge claim due to the fact that they did not raise the claim in their affirmative defenses in answer to the complaint and amended complaint filed in violation of FRCP 8(c).

47. Mr. Chancellor denies the allegations in paragraph 47 as under the circumstances of this case, in which the City failed to assert the affirmative defense of bankruptcy discharge, the filing of the complaint in the United States District Court for the Eastern District of Michigan was appropriate.

#### **IV. Conclusion**

48. Plaintiff requests the following relief:

- a. Plaintiff requests that the City of Detroit's motion be denied in its entirety; or
- b. That if the Court does grant a portion of the City of Detroit's motion, the order should be limited to:
  - i. An order (a) directing Chancellor dismiss or cause to be dismissed his claims against the City and Geelhood in his representative capacity with prejudice from the lawsuit; (b) permanently barring, estopping and enjoining Chancellor from asserting claims alleged in, or claims related to the lawsuits against Geelhood (in his

representative capacity, and the City; (c) prohibiting Chancellor from sharing in any distribution in this bankruptcy case.

- c. In the event the Court does grant a portion of the City’s relief, Plaintiff requests that the Court deny the City’s request to have the order apply to claims against “the property of the City” as said claims have never been made in the underlying lawsuit. There has never been a claim made by Mr. Chancellor against the City’s property in this case (e.g. garnishment, foreclosure, etc.), and as such, the relief sought goes beyond the terms of the underlying lawsuit and is moot. Furthermore, if the Plaintiff is successful in his claims against Geelhood individually, the City may be responsible for indemnifying and that indemnity claim would not be subject the bankruptcy discharge pursuant to: *In re: City of Detroit*, 524 B.R. 147, 294-296 (U.S. Bankruptcy Ct. Ed. Mich 2014). If the Court to enter an order prohibiting Plaintiff from pursuing claims against “property of the City” an argument could be made that this would impermissibly apply to a potential indemnity claim and this should be avoided in this order;
- d. As to Geelhood, Defendant has only asked for the relief sought applies to claims against Geelhood in his “representative capacity”. This order should clearly state that any relief awarded does not apply to claims against Geelhood in his “individual capacity”.

Respectfully submitted,

JOHNSON LAW, PLC

By: /s/Ayanna D. Hatchett  
Ayanna D. Hatchett (P70055)

535 Griswold, Ste.2632

Detroit, MI 48226

(313)324-8300

[ahatchett@venjohnsonlaw.com](mailto:ahatchett@venjohnsonlaw.com)

Dated: June 9, 2023

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on June 9, 2023, she served a copy of the foregoing **DARELL CHANCELLOR'S RESPONSE TO DEFENDANT, CITY OF DETROIT'S MOTION FOR ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION AGAINST DARELL CHANCELLOR** upon Counsel for City of Detroit:

- Mark Swanson, Esq.  
150 West Jefferson, Suite 2500  
Detroit, MI 48226  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

# EXHIBIT 1

STATE OF MICHIGAN

INFORMATION  
FELONY36TH DISTRICT COURT DETROIT  
3rd Judicial Circuit

The People of the State of Michigan

vs

DARELL CHANCELLOR 82-12701246-01

**Offense Information****Police Agency / Report No.**

82DPNA 1111020353

**Date of Offense**

11/02/2011 SL

**Place of Offense**

5023 32ND, DETROIT

**Complainant or Victim**

SGT. TUCKER &amp; CREW

**Complaining Witness**

SGT. TUCKER &amp; CREW

STATE OF MICHIGAN, COUNTY OF WAYNE

**IN THE NAME OF THE PEOPLE OF THE STATE OF MICHIGAN:** The prosecuting attorney for this county appears before the court and informs the court that on the date and at the location described above, the Defendant(s):**COUNT 1: CONTROLLED SUBSTANCE - DELIVERY/MANUFACTURE (COCAINE, HEROIN OR ANOTHER NARCOTIC) 450 TO 999 GRAMS**

did, possess with intent to deliver 450 grams or more but less than 1000 grams of a mixture containing the controlled substance, cocaine; contrary to MCL 333.7401(2)(a)(ii). [333.74012A2]

FELONY: 30 Years and/or \$500,000.00. Unless sentenced to more than 1 year in prison, the court shall impose license sanctions pursuant to MCL 333.7408a.

**COUNT 2: CONTROLLED SUBSTANCE - POSSESSION (COCAINE, HEROIN OR ANOTHER NARCOTIC) 450 TO 999 GRAMS**

did, knowingly or intentionally possess 450 grams or more, but less than 1000 grams, of a mixture containing the controlled substance cocaine; contrary to MCL 333.7403(2)(a)(ii). [333.74032A2]

FELONY: 30 Years and/or \$500,000.00. Unless sentenced to more than 1 year in prison, the court shall impose license sanctions pursuant to MCL 333.7408a.

**COUNT 3: WEAPONS - FIREARMS - POSSESSION BY FELON**

did possess a firearm when ineligible to do so because he or she had been convicted of Armed Robbery, a specified felony, and the requirements for regaining eligibility had not been met; contrary to MCL 750.224f. [750.224F]

FELONY: 5 Years and/or \$5,000.00; Mandatory forfeiture of weapon or device [See MCL 750.239]

**COUNT 4: WEAPONS - FELONY FIREARM**

did carry or have in his/her possession a firearm, to-wit: Handgun, at the time he/she committed or attempted to commit a felony, to-wit: Possession of Cocaine and/or Possession with Intent to Deliver Cocaine and/or Felon in Possession of a Firearm; contrary to MCL 750.227b. [750.227B-A]

FELONY: 2 Years consecutively with and preceding any term of imprisonment imposed for the felony or attempted felony conviction; Mandatory forfeiture of weapon or device [See MCL 750.239]**did SECOND OFFENSE NOTICE**

Although the People are not required to notify the court or defendant of prior convictions that may result in an enhanced sentence, we are voluntarily informing the court that according to our current information, the defendant was previously convicted of violating MCL 750.227b on or about 6/26/2003, and therefore, upon conviction, may be subject to an enhanced sentence under MCL 750.227b. [750.227B-B]

FELONY: 5 Years consecutively with and preceding any term of imprisonment imposed for the felony or attempted felony conviction; Mandatory forfeiture of weapon or device [See MCL 750.239]

**HABITUAL OFFENDER - FOURTH OFFENSE NOTICE**

Take notice that the defendant was previously convicted of three or more felonies or attempts to commit felonies in that on or about 6/26/2003, he or she was convicted of the offense of Armed Robbery in violation of 750.529; in the Third Circuit Court for County of Wayne, State of Michigan;

And on or about 8/21/2001, he or she was convicted of the offense of Possession with Intent to Deliver Narcotics Under 50g in violation of 333.74012A4; in the Third Circuit Court for County of Wayne, State of Michigan;

And on or about 12/20/2000, he or she was convicted of the offense of Attempt Possession with Intent to Deliver Under 50g in violation of 333.74012A4; in the Third Circuit Court for County of Wayne, State of Michigan;

Therefore, defendant is subject to the penalties provided by MCL 769.12. [769.12]

PENALTY: Life if primary offense has penalty of 5 Years or more; 15 Years or less if primary offense has penalty under 5 Years. The maximum penalty cannot be less than the maximum term for a first conviction.

Upon conviction of a felony or an attempted felony court shall order law enforcement to collect DNA identification profiling samples.

and against the peace and dignity of the State of Michigan.

Kym Worthy  
P38875  
Prosecuting Attorney

By: \_\_\_\_\_  
Bar Number

01/20/2012  
Date

# EXHIBIT 2

# Case Details

Additional Resources ▾

|   |  |
|---|--|
| <b>Case ID</b><br>2003-0306012001-FY                      | <b>Court Location</b><br>36th District Court         |
| <b>Case Entitlement</b><br>STATE OF MICHIGAN V CHANCELLOR | <b>Judge of Record</b><br>BALTIMORE, JOSEPH NORVELL, |
| <b>Date Filed</b><br>05/10/2003                           | <b>Case Status</b><br>CLOSED                         |
| <b>Closed Date</b><br>05/23/2003                          | <b>Balance</b>                                       |

|   |  |
|---|--|
| <b>Parties (1)</b>                          |  |
| <b>Party Name</b><br>CHANCELLOR/DARELL/DEON | <b>Party Type/Number</b><br>DEFENDANT - 1    |
| <b>Age</b><br>41 (1981)                     | <b>Attorney Name</b><br>RONNIE E. CROMER JR. |
| <b>Alternate Name(s)</b>                    |  |

|   |   |
|---|---|
| <b>Charges (5)</b>  |   |
| <b>Count</b><br>1   | <b>Offense Date</b><br>05/08/2003                           |
| <b>Current Charge</b><br>ROBBERY-ARMED (750529)               | <b>Original Charge</b><br>ROBBERY-ARMED (750529)            |
| <b>Officer/Agency or Petitioner</b><br>DPD - CRIMS CONVERSION | <b>Amended or Reduced</b>                                   |
| <b>Charge Level</b><br>FELONY                                 | <b>Attempted, Conspired, Solicited</b>                      |
| <b>Arrest Date</b><br>05/11/2003                              | <b>Notice</b>   |
| <b>Disposition Date</b><br>05/23/2003                         | <b>Disposition</b><br>EXAM CONDUCTED ; DEFENDANT BOUND OVER |
| <b>Sentencing Date</b>  | <b>License Suspension Clearance Fee Due</b>                 |

|   |   |
|---|---|
| <b>Count</b><br>2   | <b>Offense Date</b><br>05/08/2003                             |
| <b>Current Charge</b><br>WEAPONS-CARRYING CONCEALED (750227)  | <b>Original Charge</b><br>WEAPONS-CARRYING CONCEALED (750227) |
| <b>Officer/Agency or Petitioner</b><br>DPD - CRIMS CONVERSION | <b>Amended or Reduced</b>                                     |
| <b>Charge Level</b><br>FELONY                                 | <b>Attempted, Conspired, Solicited</b>                        |
| <b>Arrest Date</b><br>05/11/2003                              | <b>Notice</b>   |
| <b>Disposition Date</b><br>05/23/2003                         | <b>Disposition</b><br>DISMISSED                               |

Sentencing Date

License Suspension Clearance Fee Due

Count

3

Offense Date

05/08/2003

Current Charge

WEAPONS-FIREARMS-POSSESSION BY FELON (750224F)

Original Charge

WEAPONS-FIREARMS-POSSESSION BY FELON (750224F)

Officer/Agency or Petitioner

DPD - CRIMS CONVERSION

Amended or Reduced

Charge Level

FELONY

Attempted, Conspired, Solicited

Arrestment Date

05/11/2003

Notice

Disposition Date

05/23/2003

Disposition

DISMISSED

Sentencing Date

License Suspension Clearance Fee Due

Count

4

Offense Date

05/08/2003

Current Charge

WEAPONS-FELONY FIREARM (750227B-A)

Original Charge

WEAPONS-FELONY FIREARM (750227B-A)

Officer/Agency or Petitioner

DPD - CRIMS CONVERSION

Amended or Reduced

Charge Level

FELONY

Attempted, Conspired, Solicited

Arrestment Date

05/11/2003

Notice

Disposition Date

05/23/2003

Disposition

EXAM CONDUCTED ; DEFENDANT BOUND OVER

Sentencing Date

License Suspension Clearance Fee Due

Count

5

Offense Date

05/08/2003

Current Charge

CONT SUBS-POSSESSION OF MARIJUANA (33374032D)

Original Charge

CONT SUBS-POSSESSION OF MARIJUANA (33374032D)

Officer/Agency or Petitioner

DPD - CRIMS CONVERSION

Amended or Reduced

Charge Level

MISDEMEANOR

Attempted, Conspired, Solicited

Arrestment Date

05/11/2003

Notice

Disposition Date

05/23/2003

Disposition

DISMISSED

Sentencing Date

License Suspension Clearance Fee Due

Bonds (0)

Hearings (0)

# EXHIBIT 3

Wayne County Register of Deeds  
November 09, 2010 03:02 PM  
Liber 48835 Page 1314-1314  
#2010377227 QCD FEE: \$15.00

**QUIT CLAIM DEED**

KNOW ALL MEN BY THESE PRESENT:

THAT GRANTOR(S) ROXSANNA COLLINS, whose address is 20455 West Chicago. Apartment 209, Detroit, MI. 48228, CONVEYS & QUIT CLAIM(S) TO GRANTEE: DARELL CHANCELLOR, whose address is 5023 32<sup>nd</sup> street, Detroit, MI. 48210, the following described land situated in the City of Detroit, County of Wayne, in the state of Michigan.

Lot 253, Plymouth Garden Subdivision, as recorded in Liber 48, Page 39 of Plats, Wayne County Records.

Commonly known as 9209 Robson, Detroit, MI. 48228

THIS INSTRUMENT AND TRANSFER WERE MADE FOR THE SUM OF ONE HUNDRED DOLLARS (\$100.00)

Dated this: 2-8-08

Signed by: Roxsanna Collins  
ROXSANNA COLLINS

Signed in the presence of  
Janet Chancellor

Signed by: Darell Chancellor  
DARELL CHANCELLOR

State of Michigan)  
County of Wayne)

The forgoing instrument was acknowledged before me on the 8 day of Feb 2010 by Darell Chancellor and Roxsanna Collins.

Notary Public. Janet B. Perry SONJA B. PERRY  
County of Wayne State of MI  
My Commission Expires: 8-6-15

When recorded return to: Grantee  
Send subsequent Tax Bills to Grantee

Prepared by: Attorney Ronnie Cromer Jr. P59418  
65 Cadillac Bldg./ Ste. 3610  
Detroit, MI. 48226

Recording Fee \_\_\_\_\_ Transfer Tax \_\_\_\_\_

IDENTIFICATION CARD  
C 524 135 139 933

DARELL DEON CHANCELLOR  
5023 32ND ST  
DETROIT, MI 48210-2542

Date of birth Sex Height Eyes Weight  
12-07-1981 M 511 BRD 220

Darell Chancellor 2010138

STATE OF MICHIGAN  
Wayne County  
November 09, 2010 03:02:00 PM  
Receipt # 349320



REAL ESTATE TRANSFER TAX  
\$0.55 - CO  
\$3.75 - ST  
Stamp # 203201

RECEIVED by Michigan Court of Appeals 4/16/2014 3:31:26 PM

# EXHIBIT 4

STATE OF MICHIGAN  
COUNTY OF WAYNE SS

11-3/23

SEARCH WARRANT AND AFFIDAVIT

TO THE SHERIFF OR ANY PEACE OFFICER OF SAID COUNTY: PO. GEBELHOOD.

Affiant, having subscribed and sworn to an affidavit for a Search Warrant, and I having under oath examined affiant, am satisfied that probable cause exists: **THEREFORE IN THE NAME OF THE PEOPLE OF THE STATE OF MICHIGAN, I COMMAND THAT YOU SEARCH THE FOLLOWING PLACE:** The entire premises known as 5023 32<sup>nd</sup>, Detroit Michigan, described as a single family dwelling, located in the city of Detroit, County of Wayne and the State of Michigan.

**ALSO TO BE SEARCH:** Seller's B/M/30s' 5'-8" 180 lbs.

**And to seize secure, tabulate and make return according to the law the following property.**

All Controlled substance, all monies, books, and records used in the connection with illegal Narcotic trafficking, all equipment and supplies used in the manufacture, delivery, sale or use of Controlled Substances, all firearms used in connection with the above described activities, all evidence of ownership, occupancy or control of the

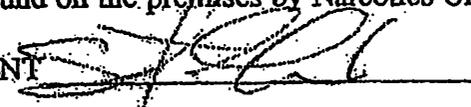
**THE FOLLOWING FACTS ARE SWORN TO BY AFFIANT IN SUPPORT OF ISSUANCE OF THIS WARRANT:** The affiant is a member of the Detroit Police Department, Wayne County, Michigan. The Affiant has been a police officer for over 17 years. The Affiant is currently assigned to the Narcotics Division, Conspiracy Section.

1. On 10/31/11 Affiant received information from a creditable and reliable informant. This CI stated to affiant that he/she knows there is a large amount of Heroin at the above location, which is being stored and sold at this location. The affiant has used this CI on over (3) occasion resulting in (3) arrest for VSGA with cases pending in 36<sup>th</sup> district and 3<sup>rd</sup> circuit court resulting in the confiscation of quantities of Marijuana, Cocaine and firearms. Proving this CI is familiar with narcotics and its packaging.

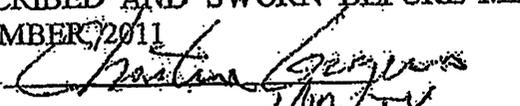
2. On 11/01/11 Affiant set up a fixed surveillance on 5023 32<sup>nd</sup>, and during the course of 30 minutes, Affiant observed at least 3 persons separately go to the above address, knock on the door of 5023 32<sup>nd</sup>, engage in a short conversation with a person matching the above seller description, then the suspected buyer would stay outside and the above described seller returned and made a suspected narcotic transaction with the buyer in which money was exchanged for suspected Heroin. Affiant has seen this type activity several times in the past, and finds this type of activity to be consistent with on going narcotic activity.

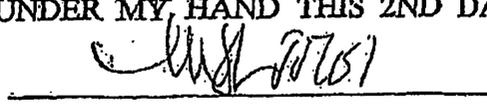
3. Based on the affiant's 17 years experience as a police officer in the City of Detroit, having been assigned to the narcotics division for 9 years, having been on the execution of over a hundred search warrant and being familiar with the narcotic trade and habits of its sellers and the above facts, wherefore the affiant having probable cause to believe that the above described items will be found on the premises by Narcotics Officer in the City of Detroit.

AFFIANT



SUBSCRIBED AND SWORN BEFORE ME AND ISSUED UNDER MY HAND THIS 2ND DAY OF NOVEMBER, 2011

  
Assistant Prosecuting Attorney



Judge/Magistrate 36th District Court,  
Wayne County Michigan

# EXHIBIT 5

11/02/11 | 19:10:22 | LEIN | INQUIRY ON SID: 2082932H

35500

A LEIN 35500 15225 11/02/11 1854 DDBGCOMP.

MI8234994

PUR: C/VCSA RESPONSE TO INQUIRY ON SID: 2082932H

OPR: JOHNSONB257

FOR: TUCKER/BASE 22

REMARKS: WARRANT

CRIMINAL HISTORY RECORD RESPONSES ARE DEPENDENT UPON CRIMINAL HISTORY RECORD INFORMATION (CHRI) BEING REPORTED TO THE CENTRAL REPOSITORY.

USERS SHOULD CONTACT LOCAL CRIMINAL JUSTICE AGENCIES TO DETERMINE CHRI THAT COULD BE IN LOCAL FILES.

MICHIGAN CRIMINAL HISTORY RECORD INFORMATION MEETING DISSEMINATION CRITERIA FOR SID: 2082932H AS OF 11/02/2011

NAM: CHANCELLOR, JASON  
RAC: B SEX: M  
HGT: 510 WGT: 230  
EYE: BRO POB: MI  
DLN:  
PRN: 351588  
CIZ:

DOB: 12/07/1980  
HAI: BLK

SID: 2082932H  
FBI: 624406NB1  
III: MICHIGAN ONLY

MNU:  
SOC: ~~XXXXXXXXXX~~

AFIS PRINTS AVAILABLE: YES  
PALM PRINTS AVAILABLE: NO  
PHOTO AVAILABLE: YES  
DNA RECORD AVAILABLE: YES - (PHONE 517-636-0465)

ADDITIONAL IDENTIFIERS AND COMMENTS:

NAM: CHANCELLOR, DARNELL DEON  
THOMAS, JASON  
CHANCELLOR, DARRELL DEON

CHANCELLOR, DARELL D  
CHANCELLOR, DARELL DEON

DOB: 12/07/1981

=====

CRIMINAL TRACKING NUMBER: 820020794601  
TCN/OCA: A100522478W/616477  
NAME USED: CHANCELLOR, JASON

=====

INCIDENT DATE: 03/25/2000

=====

|                          |                         |                         |
|--------------------------|-------------------------|-------------------------|
| ARREST SEGMENT           | : CHARGE SEGMENT        | : JUDICIAL SEGMENT      |
| =====                    | =====                   | =====                   |
| DATE: 03/25/2000         | : DATE: 03/25/2000      | : DATE: 08/21/2001      |
| MI8234900                | : MI820013A             | : MI821095J             |
| DETROIT POLICE           | : WAYNE COUNTY          | : 3RD CIRCUIT COURT     |
| DEPARTMENT               | : PROSECUTING ATT       | : CRIMINAL DIV DETROIT  |
| OCA: 578503              | : 1 CNT MCL 333.74032A5 | : CFN: 0100802201       |
| 1 CNT OF 3500            | : FELONY                | :                       |
| FELONY                   | : CONTROLLED            | : CNT-1 MCL 333.74032A5 |
| DANGEROUS DRUGS          | : SUBSTANCE-POSSESS     | : FELONY                |
| DISP: CHGD BY PROSECUTOR | : (COCAINE, HERION OR   | : CONTROLLED            |

=====

: ANOTHER NARCOTIC) : SUBSTANCE-POSSESS  
 : LESS THAN 25 GRAMS : (COCAINE, HEROIN OR  
 : ANOTHER NARCOTIC)  
 : LESS THAN 25 GRAMS  
 : DISP: DISMISSED

=====

CRIMINAL TRACKING NUMBER: 820021382901 INCIDENT DATE: 06/05/2000  
 TCN/OCA: A100542617W/617575  
 NAME USED: CHANCELLOR, DARNELL DEON

=====

| ARREST SEGMENT           | : CHARGE SEGMENT        | : JUDICIAL SEGMENT      |
|--------------------------|-------------------------|-------------------------|
| =====                    | =====                   | =====                   |
| DATE: 06/05/2000         | : DATE: 06/05/2000      | : DATE: 12/20/2000      |
| MI8234900                | : MI820013A             | : MI821095J             |
| DETROIT POLICE           | : WAYNE COUNTY          | : 3RD CIRCUIT COURT     |
| DEPARTMENT               | : PROSECUTING ATT       | : CRIMINAL DIV DETROIT  |
| OCA: 578503              | : 1 CNT MCL 333.74012A4 | : CFN: 0000778101       |
| 1 CNT OF 3500            | : FELONY                | : CNT-1 MCL 333.74012A4 |
| FELONY                   | : CONTROLLED            | : FELONY                |
| DANGEROUS DRUGS          | : SUBSTANCE-DEL/MFG     | : CONTROLLED            |
| DISP: CHGD BY PROSECUTOR | : (COCAINE, HEROIN OR   | : SUBSTANCE-DEL/MFG     |
|                          | : ANOTHER NARCOTIC)     | : (COCAINE, HEROIN OR   |
|                          | : LESS THAN 50 GRAMS    | : ANOTHER NARCOTIC)     |
|                          |                         | : LESS THAN 50 GRAMS    |
|                          |                         | : DISP: DISMISSED       |
|                          |                         | : CNT-2 MCL 333.74012A4 |
|                          |                         | : ATTEMPT-FELONY        |
|                          |                         | : CONTROLLED            |
|                          |                         | : SUBSTANCE-DEL/MFG     |
|                          |                         | : (COCAINE, HEROIN OR   |
|                          |                         | : ANOTHER NARCOTIC)     |
|                          |                         | : LESS THAN 50 GRAMS    |
|                          |                         | : DISP: FOUND GUILTY    |
|                          |                         | : SENT/REMARKS:         |
|                          |                         | : PROBATION 00YR 00MTH  |
|                          |                         | : 000DAY TO 00YR 00MTH  |
|                          |                         | : 000DAY PROB: 02YR     |
|                          |                         | : 00MTH 000DAY          |

=====

CRIMINAL TRACKING NUMBER: 820021694901 INCIDENT DATE: 07/07/2000  
 TCN/OCA: A101462332A/578503  
 NAME USED: CHANCELLOR, DARELL D

=====

| ARREST SEGMENT   | : CHARGE SEGMENT        | : JUDICIAL SEGMENT      |
|------------------|-------------------------|-------------------------|
| =====            | =====                   | =====                   |
| DATE: 07/07/2000 | : DATE: 07/07/2000      | : DATE: 01/26/2001      |
| MI8234900        | : MI820013A             | : MI821095J             |
| DETROIT POLICE   | : WAYNE COUNTY          | : 3RD CIRCUIT COURT     |
| DEPARTMENT       | : PROSECUTING ATT       | : CRIMINAL DIV DETROIT  |
| OCA: 578503      | : 1 CNT MCL 333.74032A5 | : CFN: 0000843201       |
| 1 CNT OF 3500    | : FELONY                | : CNT-1 MCL 333.74032A5 |
| FELONY           | : CONTROLLED            |                         |

DANGEROUS DRUGS : SUBSTANCE-POSSESS : FELONY  
 DISP: CHGD BY PROSECUTOR : (COCAINE, HERION OR : CONTROLLED  
 : ANOTHER NARCOTIC) : SUBSTANCE-POSSESS  
 : LESS THAN 25 GRAMS : (COCAINE, HERION OR  
 : : ANOTHER NARCOTIC)  
 : : LESS THAN 25 GRAMS  
 : : DISP: DISMISSED  
 : :  
 : : CNT-2 MCL 333.74032A5  
 : : ATTEMPT-MISDEMEANOR  
 : : CONTROLLED  
 : : SUBSTANCE-POSSESS  
 : : (COCAINE, HERION OR  
 : : ANOTHER NARCOTIC)  
 : : LESS THAN 25 GRAMS  
 : : DISP: FOUND GUILTY  
 : : SENT/REMARKS:  
 : : PROB: 02YR  
 : : PV(11/02)CNF-30D  
 : : PRB-CNT

=====

CRIMINAL TRACKING NUMBER: 820020734901 INCIDENT DATE: 07/03/2001  
 TCN/OCA: A101571442K/578503  
 NAME USED: CHANCELLOR, DARRELL DEON

=====

| ARREST SEGMENT           | CHARGE SEGMENT        | JUDICIAL SEGMENT      |
|--------------------------|-----------------------|-----------------------|
| DATE: 07/03/2001         | DATE: 07/03/2001      | DATE: 08/21/2001      |
| MI8234900                | MI820013A             | MI821095J             |
| DETROIT POLICE           | WAYNE COUNTY          | 3RD CIRCUIT COURT     |
| DEPARTMENT               | PROSECUTING ATT       | CRIMINAL DIV DETROIT  |
| OCA: 578503              | 1 CNT MCL 333.74012A4 | CFN: 0100802101       |
| 1 CNT OF 3500            | FELONY                |                       |
| FELONY                   | CONTROLLED            | CNT-1 MCL 333.74012A4 |
| DANGEROUS DRUGS          | SUBSTANCE-DEL/MFG     | FELONY                |
| DISP: CHGD BY PROSECUTOR | (COCAINE, HEROIN OR   | CONTROLLED            |
|                          | ANOTHER NARCOTIC)     | SUBSTANCE-DEL/MFG     |
|                          | LESS THAN 50 GRAMS    | (COCAINE, HEROIN OR   |
|                          |                       | ANOTHER NARCOTIC)     |
|                          |                       | LESS THAN 50 GRAMS    |
|                          |                       | DISP: FOUND GUILTY    |
|                          |                       | SENT/REMARKS:         |
|                          |                       | LIFE/PROB             |
|                          |                       | PV(11/02)CNF-30D      |
|                          |                       | PROB-CNT              |

=====

CRIMINAL TRACKING NUMBER: 820331111301 INCIDENT DATE: 05/08/2003  
 TCN/OCA: D203019387J/2274276  
 NAME USED: CHANCELLOR, DARELL DEON

=====

| ARREST SEGMENT   | CHARGE SEGMENT   | JUDICIAL SEGMENT |
|------------------|------------------|------------------|
| DATE: 05/08/2003 | DATE: 05/10/2003 | DATE: 06/26/2003 |
| MI8234900        | MI820013A        | MI821095J        |

|                          |   |                        |   |                        |
|--------------------------|---|------------------------|---|------------------------|
| DETROIT POLICE           | : | WAYNE COUNTY           | : | 3RD CIRCUIT COURT      |
| DEPARTMENT               | : | PROSECUTING ATT        | : | CRIMINAL DIV DETROIT   |
| OCA: 2274276             | : | 1 CNT MCL 750.529      | : | CEN: 0300625501        |
| 123 CNT OF 1200          | : | FELONY                 | : |                        |
| ATTEMPT-FELONY           | : | ARMED ROBBERY          | : | CNT-1 MCL 750.529      |
| ROBBERY                  | : | 1 CNT MCL 750.227      | : | FELONY                 |
| DISP: CHGD BY PROSECUTOR | : | FELONY                 | : | ARMED ROBBERY          |
|                          | : | WEAPONS-CARRYING       | : | DISP: FOUND GUILTY     |
|                          | : | CONCEALED              | : | SENT/REMARKS:          |
|                          | : | 1 CNT MCL 750.224F     | : | CONFINEMENT 05YR 00MTH |
|                          | : | FELONY                 | : | 000DAY TO 15YR 00MTH   |
|                          | : | WEAPONS - FIREARMS -   | : | 000DAY PROB: 00YR      |
|                          | : | POSSESSION BY FELON    | : | 00MTH 000DAY           |
|                          | : | 1 CNT MCL 750.227B-A   | : |                        |
|                          | : | FELONY                 | : | CNT-2 MCL 750.227      |
|                          | : | WEAPONS FELONY FIREARM | : | FELONY                 |
|                          | : | 1 CNT MCL 333.74032D   | : | WEAPONS-CARRYING       |
|                          | : | MISDEMEANOR            | : | CONCEALED              |
|                          | : | CONTROLLED             | : | DISP: DISMISSED        |
|                          | : | SUBSTANCE-POSSESSION   | : |                        |
|                          | : | OF MARIJUANA           | : | CNT-3 MCL 750.224F     |
|                          | : |                        | : | FELONY                 |
|                          | : |                        | : | WEAPONS - FIREARMS -   |
|                          | : |                        | : | POSSESSION BY FELON    |
|                          | : |                        | : | DISP: DISMISSED        |
|                          | : |                        | : |                        |
|                          | : |                        | : | CNT-4 MCL 750.227B-A   |
|                          | : |                        | : | FELONY                 |
|                          | : |                        | : | WEAPONS FELONY FIREARM |
|                          | : |                        | : | DISP: FOUND GUILTY     |
|                          | : |                        | : | SENT/REMARKS:          |
|                          | : |                        | : | CONFINEMENT 02YR 00MTH |
|                          | : |                        | : | 000DAY TO 02YR 00MTH   |
|                          | : |                        | : | 000DAY PROB: 00YR      |
|                          | : |                        | : | 00MTH 000DAY           |
|                          | : |                        | : |                        |
|                          | : |                        | : | CNT-5 MCL 333.74032D   |
|                          | : |                        | : | MISDEMEANOR            |
|                          | : |                        | : | CONTROLLED             |
|                          | : |                        | : | SUBSTANCE-POSSESSION   |
|                          | : |                        | : | OF MARIJUANA           |
|                          | : |                        | : | DISP: DISMISSED        |

=====

DISSEMINATION OF CRIMINAL HISTORY INFORMATION IS SUBJECT TO MICHIGAN & FEDERAL RULES & REGULATIONS. REFER TO LEIN ADMINISTRATIVE RULES & TITLE 28, USC. USE OF THIS RECORD IS LIMITED TO THE PURPOSE OF INQUIRY.

**\*\* SPECIAL ATTENTION \*\***

PER MCL 28.242A, THIS RECORD CONTAINS ALL CRIMINAL HISTORY INFORMATION THAT IS SUPPORTED BY FINGERPRINT IMPRESSIONS, INCLUDING CONVICTION AND NON-CONVICTION DATA. EXCEPT AS PROVIDED BY LAW, THIS RECORD DOES NOT INCLUDE CRIMINAL HISTORY INFORMATION THAT IS NON-PUBLIC BY STATUTE OR COURT ORDER. FORWARDED TO NCIC III  
END MSG.

# EXHIBIT 6

2



Arresting Dist/Pct

# SWD Detainee Input Sheet

Releasing Dist/Pct

SWD

|   |  |  |  |   |  |   |         |
|---|--|--|--|---|--|---|---------|
| SID #   |  | CB #   |  | ID#   |  | TCR Live Scan   |         |
| 208 293211  |  | 201208878  |  | 578523  |  | DJ1212795M  |         |
| Last Name   |  | First Name   |  | Middle Name:  |  | Hair  | Eyes    |
| Chancellor  |  | Dacell   |  | Dean  |  | Blk   | Bsn     |
| Alias   |  | Drivers Lic# / SS#   |  | Age / Sex / Race  |  | Date of Birth   | Complex |
|   |  | C-524-135-131-933  |  | 30 M B  |  | 12 17 18  | Med     |
| Address   |  | City   |  | State   |  | Zip   |         |
| 5023 32nd   |  | Det  |  | MI  |  | 48210   |         |
|   |  | Married?   |  | Weight  |  | Scars / Tattoo  |         |
|   |  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                  |  | 240   |  |   |         |
| Detainee/Medical/Issues   |  | <input checked="" type="checkbox"/> Not Applicable   |  | List Medical/Mental Health Issues or observations:                  |  |   |         |
| Date / Military Time of Arrest:                                     |  | Location of Arrest   |  |   |  |   |         |
| 5-2-12 1515   |  | Rich Wesson / Campbell   |  |   |  |   |         |
| Initial Charge(s)   |  | Final Charge(s)  |  |   |  | Warrant #   |         |
| Felony Warrant  |  | Dang. Drugs - Del/mf/d 459/999g  |  |   |  | 1255836   |         |
| Rank/Name/Badge/Command   |  | Member notified of Initial Charge by the arresting officers:   |  |   |  |   |         |
|   |  | Sgt R. Sanchez   |  |   |  |   |         |
| Review of Arres: UF-001 Completed:                                  |  | Material Witness UF-006 Completed:   |  | Privilege Restriction UF-008/DPD 700 Completed:                     |  |   |         |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                  |  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |   |         |
| OIC or CBS  |  | Probable Cause?  |  | Date / Military Time  |  | Custodial Status of Detainee:                                     |         |
|   |  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                  |  | 5/2 1545  |  | P1015   |         |
| Section   |  | Date / Military Time   |  | Rank/Name/Badge/Signature/Command                                   |  | Warrant Tracking Hold form UF-004/007                             |         |
| SWD   |  | 5/2/12 1515  |  | P.O. Sturley #3993  |  | <input type="checkbox"/> Yes <input type="checkbox"/> No Form ID# |         |
| Date / Military Time  |  | Rank/Name/Badge/Signature/Command of Supervisor releasing this detainee:                             |  | Court Date / Military Time:   |  |   |         |
| 5/3/12  |  | Sgt. David Newkirk 5711  |  | V: 29 EU  |  |   |         |
| Bond Amount:  |  | Judge:   |  | Date / Military Time:   |  |   |         |
|   |  |  |  | 5.3.12  |  |   |         |
| Date / Military Time  |  | Rank/Name/Badge/Signature/Command of member updating final disposition of this detainee in LiveScan: |  |   |  |   |         |
| 5/3/12  |  | Sgt. David Newkirk 5711  |  |   |  |   |         |

# EXHIBIT 7

STATE OF MICHIGAN  
IN THE 3RD CIRCUIT COURT FOR THE COUNTY OF WAYNE

THE PEOPLE OF THE STATE OF MICHIGAN,

Plaintiff,

Case No. 12-004974  
Hon. Bridget Hathaway

v

DARELL CHANCELLOR,

Defendant.

VALERIE R. NEWMAN (P47291)  
Director, Conviction Integrity Unit  
Wayne County Prosecutor's Office  
1441 Saint Antoine  
Detroit, MI 48226  
(313) 967-2684

GABI D. SILVER (P36382)  
Attorney for Mr. Chancellor  
1300 Broadway, Ste 800  
Detroit, MI 48226  
(313) 963-0210

**STIPULATED ORDER VACATING CONVICTION AND SENTENCE,  
AND  
DISMISSING CASE**

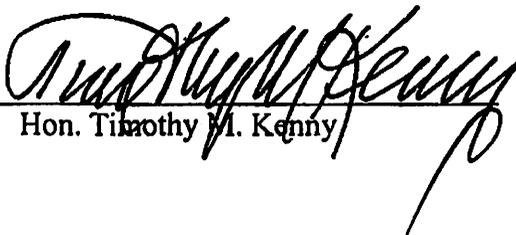
At a session of said Court, held in  
the City of Detroit, County of Wayne,  
State of Michigan

on March 24, 2020

PRESENT: Hon. Timothy M. Kenny  
Hon Timothy M. Kenny  
Chief Judge Wayne County Circuit Court

This matter having been presented in open court through the stipulation of the parties, and the parties having agreed that newly discovered evidence warrants relief, and the Court being otherwise fully advised in the premises of said stipulation;

IT IS HEREBY ORDERED that in the interests of justice, Mr. Chancellor's conviction and sentence in this matter are hereby vacated, and all related charges are hereby dismissed with prejudice.

  
Hon. Timothy M. Kenny

# EXHIBIT 8



**Court of Appeals, State of Michigan**

**ORDER**

People of MI v Darell Chancellor

Docket No. 314437

LC No. 12-004974-FH

Christopher M. Murray  
Presiding Judge

Kathleen Jansen

Douglas B. Shapiro  
Judges

---

The Court orders that the motion for reconsideration is GRANTED, and this Court's opinion issued September 30, 2014 is hereby VACATED. A new opinion is attached to this order.



A true copy entered and certified by Jerome W. Zimmer Jr., Chief Clerk, on

**DEC 04 2014**

Date

Chief Clerk



**STATE OF MICHIGAN**  
**COURT OF APPEALS**

---

PEOPLE OF THE STATE OF MICHIGAN,

Plaintiff-Appellee,

v

DARELL CHANCELLOR,

Defendant-Appellant.

---

UNPUBLISHED  
December 4, 2014

No. 314437  
Wayne Circuit Court  
LC No. 12-004974-FH

ON RECONSIDERATION

Before: MURRAY, P.J., and JANSEN and SHAPIRO, JJ.

PER CURIAM.

Defendant appeals as of right his conviction after a bench trial of possession of 450 to 999 grams of cocaine, MCL 333.7403(2)(a)(ii). The trial court sentenced defendant, as a fourth habitual offender, MCL 769.12, to a term of 14 years and 3 months to 30 years' imprisonment.<sup>1</sup> We affirm.

This case arises out of a search of a house and seizure of 516.65 grams of cocaine. On November 1, 2011, Detroit police surveilled a house at 5023 32nd Street during which Officer Steven Geelhood observed a black male engage in three independent hand-to-hand transactions of suspected drugs at the front door of the house. The next day, police executed a search warrant. Upon searching a second-floor kitchen area, police found a bag containing four smaller bags of cocaine and two loaded handguns. The items were inside a clothes hamper that was tucked under a kitchen table. On top of the kitchen table, police found an open letter sent from the Michigan Department of Treasury and addressed to defendant at 5023 32nd Street. Police detained defendant's mother and a man during the search. Defendant was not then present at the house, but was later arrested.

---

<sup>1</sup> Defendant was also charged with possession with intent to deliver 450 to 999 grams of cocaine, MCL 333.7401(2)(a)(ii), felon in possession of a firearm, MCL 750.224f, and possession of a firearm during the commission of a felony (felony-firearm), MCL 750.227b, but was acquitted of those other charges.



Defendant raises a single issue on appeal, arguing that there was insufficient evidence presented at trial to support his conviction of possessing cocaine under a constructive possession theory. When reviewing a claim of insufficient evidence, this Court reviews the record de novo. *People v Meissner*, 294 Mich App 438, 452; 812 NW2d 37 (2011). We review the evidence in the light most favorable to the prosecution and determine whether a rational trier of fact could find that the essential elements of the crime were proven beyond a reasonable doubt. *People v Reese*, 491 Mich 127, 139; 815 NW2d 85 (2012).

Possession of a controlled substance requires a showing of “dominion or right of control over the drug with knowledge of its presence and character.” *People v Meshell*, 265 Mich App 616, 621; 696 NW2d 754 (2005), quoting *People v Nunez*, 242 Mich App 610, 615; 619 NW2d 550 (2000), in turn quoting *People v Maliskey*, 77 Mich App 444, 453; 258 NW2d 512 (1977). Possession can be actual or constructive. *People v Wolfe*, 440 Mich 508, 520; 489 NW2d 748 (1992), amended 441 Mich 1201 (1992). Constructive possession exists when the totality of the circumstances indicates a sufficient nexus between the defendant and the controlled substance. *Id.* at 521; see also, *People v Konrad*, 449 Mich 263, 271; 536 NW2d 517 (1995), citing *People v Germaine*, 234 Mich 623, 627; 208 NW 705 (1926) (analyzing whether the defendant had sufficient dominion or control to support a conviction based on constructive possession). By itself, a defendant’s presence at a location where drugs are found is insufficient to establish possession. *Wolfe*, 440 Mich at 520.

Defendant contends that he was not the person police observed during the surveillance and that he did not live at 5023 32nd Street at the time of the search. But viewing the evidence in the light most favorable to the prosecution, a rational trier of fact could find beyond a reasonable doubt that defendant constructively possessed the seized cocaine. Officer Geelhood testified at trial that he was “[a]bsolutely” certain defendant was the person he saw involved in the suspected drug transactions at the front door of the house. Although defendant argues that he is the victim of mistaken identity – citing his heavier weight at the time of trial and reliance on prescription glasses – Officer Geelhood testified that he had a clear view of defendant during the surveillance. The prosecution also introduced as a trial exhibit a Secretary of State document depicting defendant as thinner and not wearing glasses. The trial court found Officer Geelhood’s testimony concerning his identification of defendant to be reliable, and those questions of credibility are left to the trier of fact to resolve. *People v Harrison*, 283 Mich App 374, 378; 768 NW2d 98 (2009).

Also, police found the cocaine in the second-floor living quarters, and sufficient evidence suggested defendant occupied or had control over that area. The cocaine was in a clothes hamper that held male clothing, and police seized the letter addressed to defendant from the table under which the cocaine was found. Additionally, defendant’s parole agent, Cyndi Izumi, testified that she visited defendant at 5023 32nd Street and that defendant told her he lived there. Indeed, defendant admitted that he told Izumi that he lived at the house and that he had, in fact, lived there for a time. The Secretary of State document listed defendant’s address as 5023 32nd Street, and Officer Geelhood testified that during the search, defendant’s mother directed him to a second residence where he could find defendant. Officer Geelhood went there and observed a vehicle that had been parked in front of 5023 32nd Street during the surveillance.



On this record, there was sufficient evidence to link defendant to both the house (through identification of him as the person involved in the front-door transactions and his admission that he at times lived there)<sup>2</sup> and that he had control over the area where police found the cocaine (through the evidence of the mail and clothing). Though there was no direct evidence that defendant actually possessed the drugs found inside the house (though there certainly was direct evidence of him possessing drugs at the front door), circumstantial evidence and the reasonable inferences that arise from the evidence can constitute satisfactory proof of the elements of a crime. *People v Carines*, 460 Mich 750, 757; 597 NW2d 130 (1999). And, all conflicts in the evidence must be resolved in favor of the prosecution. *People v Kanaan*, 278 Mich App 594, 619; 751 NW2d 57 (2008). The prosecution was not required to show that defendant was the only person with access to or control over the cocaine. Possession may be joint, with more than one person actually or constructively possessing a controlled substance. *Konrad*, 449 Mich at 271, citing *Wolfe*, 440 Mich at 520. Under these circumstances, there was sufficient evidence of the required nexus between defendant and the cocaine to reasonably find constructive possession beyond a reasonable doubt.<sup>3</sup>

Our dissenting colleague argues that the trial court's factual findings were not sufficient to support defendant's conviction. Defendant, however, does not argue or raise this issue in his counsel's brief nor in his own Standard 4 brief. Therefore, it is not an issue properly before us. In any event, "[a]lthough the circuit court's findings were brief, they established that it was aware of the relevant issues in the case and correctly applied the law . . . ." *People v Smith*, 211 Mich App 233, 235; 535 NW2d 248 (1995). See, also, MCR 6.403 and MCR 2.517(A)(2). The main issue was whether defendant could be connected to the cocaine—and the trial court made findings that (1) defendant resided at the house and (2) defendant's residence was "upstairs" (where the cocaine was located) such that he constructively possessed the cocaine. Given the evidence as outlined above, the trial court's findings—albeit brief—were sufficient enough for us to conclude that the trial court was aware of the relevant issues and made findings on those issues that were supported by the evidence.

Affirmed.

/s/ Christopher M. Murray  
/s/ Kathleen Jansen

---

<sup>2</sup> In his Standard 4 brief, defendant argues that he received the ineffective assistance of counsel when his trial counsel did not present defendant's wife and mother as witnesses who could testify that defendant did not live at this house, and when failing to object to "liquid formed narcotics" at trial. Even assuming those acts were ineffective, defendant is not entitled to relief because in light of the facts presented to the court, he has not established prejudice. *People v Corbin*, 463 Mich 590, 599-600; 623 NW2d 884 (2001).

<sup>3</sup> Defendant suggests that that trial court rendered inconsistent rulings with respect to the cocaine and firearm possession charges. The requirement that a firearm be readily accessible distinguishes the firearm possession charges from the drug possession charge. See, *People v Williams (After Remand)*, 198 Mich App 537, 541; 499 NW2d 404 (1993).



**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**REPLY IN SUPPORT OF CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DARELL CHANCELLOR**

In support of the *City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor* (“Motion,” Doc. No. 13691) and in response to *Darell Chancellor’s Response in Opposition to the City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor* (“Response,” Doc. No. 13699), the City of Detroit (“City”) files this Reply. Because the Response raises only two substantive arguments, both of which this Court previously has rejected, the City’s Motion should be granted.

**I. Chancellor’s Claim Arose Prepetition, Long Before His Conviction Was Vacated**

Chancellor first argues that his claim against the City did not accrue until his conviction was vacated in March of 2020. Chancellor is wrong. Under the “fair contemplation” test, Chancellor’s claim arose before the City’s bankruptcy filing because, prior to the City’s filing, Chancellor “could have ascertained through the

exercise of reasonable due diligence that he had a claim” against the City. *In re City of Detroit, Michigan*, 548 B.R. 748, 763 (Bankr. E.D. Mich. 2016) (internal quotation marks and citation omitted).

Courts agree that, for bankruptcy purposes, a claim for a wrongful conviction does not accrue when the conviction is vacated. Instead, it arises when the claim first enters into the plaintiff’s fair contemplation. In one example, a court noted,

It must be said here that all Sanford’s claims against the City were within his “fair contemplation” before the City declared bankruptcy. He certainly contemplated the factual bases underlying the claims raised in the complaint, since he attempted repeatedly to argue actual innocence before the state courts since at least 2008, insisting that his confession was falsely obtained, concocted, and coerced. Sanford correctly points out that he could not have sued the City until his convictions were set aside, which did not happen until after the bankruptcy. But the courts that have considered the question uniformly have concluded that claims based on prepetition malicious prosecutions were barred, notwithstanding that the plaintiff could not file suit on his claims until his criminal conviction was overturned.

*Sanford v. City of Detroit*, No. 17-13062, 2018 WL 6331342, at \*5 (E.D. Mich. Dec. 4, 2018); *see also Monson v. City of Detroit*, No. 18-10638, 2019 WL 1057306 at \*8-9 (E.D. Mich. Mar. 6, 2019); *Burton v. Sanders*, No. 20-11948, 2021 WL 168543, at \*4-6 (E.D. Mich. Jan. 1, 2021). This is usually when the underlying events occur, such as the improper arrest, but certainly is no later than the date of the trial at which the allegedly improper conviction occurs.

This issue has arisen repeatedly in the City’s bankruptcy case. Doc. Nos. 11159, 13000 (prior motions to enforce). In each instance, the Court recognized that, because the events that gave rise to the asserted claim occurred prepetition, the claimant was able to (or should have been able to) contemplate that he had potential claims against the City and, accordingly, file a proof of claim in the City’s bankruptcy case if he wished to participate in the case and recover on the claim. *See* Doc. Nos. 11296, 13025 (granting motions referenced above).

The instant situation is no different. Chancellor’s lawsuit is based on claims stemming from actions that culminated in a trial in 2012. Motion, ¶¶ 12-39; Response, ¶¶12-39. Chancellor proclaimed his innocence at this trial, wrote a letter to the Judge asserting his innocence and appealed his conviction prior to the City’s bankruptcy filing. Motion, ¶¶ 34, 35, & 40; Response, ¶¶ 34, 35, & 40. Thus, as in each of the prior two cases before this Court, Chancellor should have filed a proof of claim in the City’s bankruptcy case if he wanted to assert a claim against the City. He did not. Motion, ¶ 7; Response, ¶ 7. He is now barred from asserting any claim against the City or property of the City.<sup>1</sup>

---

<sup>1</sup> Chancellor asserts that any order entered on the Motion should not include the phrase “property of the City.” Response, ¶ 48. However, the Bar Date Order prohibits parties that did not file a proof of claim from asserting claims against “property of the City.” Bar Date Order, ¶ 22. Thus, the phrase “property of the City” should be included in an order entered on the Motion.

## II. The City Had No Obligation to Raise Discharge as an Affirmative Defense

Chancellor also asserts that the City of Detroit had an affirmative obligation to cite “bankruptcy discharge” as an affirmative defense. Chancellor cites to *Mickowski v. Visi-Trak Worldwide, LLC* for this proposition. Response, ¶ 2 (citing 415 F.3d 501, 506 (6th Cir. 2005)). Notwithstanding this citation, Chancellor’s argument has been raised before in this Court and rejected.

The *Mickowski* decision was issued in 2005. Since then, the Federal Rules of Civil Procedure have been amended; they no longer require that discharge must be raised as an affirmative defense. As the advisory committee notes explain,

“[D]ischarge in bankruptcy” is deleted from the list of affirmative defenses. Under 11 U.S.C. § 524(a)(1) and (2) a discharge voids a judgment to the extent that it determines a personal liability of the debtor with respect to a discharged debt. The discharge also operates as an injunction against commencement or continuation of an action to collect, recover, or offset a discharged debt. For these reasons it is confusing to describe discharge as an affirmative defense. But § 524(a) applies only to a claim that was actually discharged. Several categories of debt set out in 11 U.S.C. § 523(a) are excepted from discharge. The issue whether a claim was excepted from discharge may be determined either in the court that entered the discharge or--in most instances--in another court with jurisdiction over the creditor's claim.

Thus, Chancellor’s reliance on Federal Rule of Bankruptcy Procedure 8(c) is misplaced.

As noted in the comment above, discharge voids a judgment that determines a debtor’s liability. Debtors have no duty to raise their discharge as a defense in any civil action thanks to Bankruptcy Code § 524. Paragraphs (1) and (2) of section 524 apply in chapter 9 bankruptcy cases. 11 U.S.C. § 901(a). Section 524(a)(2) states that a discharge “operates as an injunction against the commencement . . . of an action . . . to collect . . . any [debt discharged under section 944] . . . .” The Sixth Circuit has explained what this means.

The concern of the drafters of § 524 was that a creditor whose debt was discharged would bring suit “in a local court after the granting of the discharge, and if the debtor failed to plead the discharge affirmatively, the defense was deemed waived and an enforceable judgment could then be taken against him or her.” To avoid such abuses:

[S]ection 524(a) declares that any judgment on a discharged debt in any forum other than the bankruptcy court is null and void as it affects the personal liability of the debtor....

Accordingly, if a creditor brings a collection suit after discharge, and obtains a judgment against the debtor, the judgment is rendered null and void by section 524(a). The purpose of the provision is to make it absolutely unnecessary for the debtor to do anything at all in the collection action.

*Hamilton v. Herr (In re Hamilton)*, 540 F.3d 367, 372-73 (6th Cir. 2008) (quoting 4 COLLIER ON BANKRUPTCY ¶ 524.LH [1], at 524–61 (Sept.2005) (Lawrence P. King ed., 15th ed. rev.). For this reason, “a debtor need not raise his discharge in bankruptcy as an affirmative defense, because thanks to § 524(a) ‘such an

affirmative defense is unnecessary and has been since 1970.” *Id.* at 373 (citation omitted).

In addition to section 524, the Plan includes a similar injunction, as discussed on pages 4 and 5 of the Motion. Plan, Art. III.D.5, pp. 50-51. Even if a creditor feels that a discharge injunction is erroneously entered as applied to it, it still must comply with the injunction until it seeks and obtains relief from the injunction. *See, e.g., Kravis, Gass & Weber, S.C. v. Michel (In re Crivello)*, 134 F.3d 831, 838-39 (7th Cir. 1998) (citing *United States v. United Mine Workers*, 330 U.S. 258, 293 (1947)). The creditor cannot violate the injunction, then complain that the debtor failed to object to its violation of a court order. *See Hamilton*, 540 F.3d at 372-73.

For these reasons, when this Court was confronted by this argument last year, it properly rejected it. *In re City of Detroit, Mich.*, 642 B.R. 807, 812–13 (Bankr. E.D. Mich. 2022) (*also avail. at* Doc. No. 13617). Thus, Chancellor is simply incorrect when he argues in his response that that City was required to affirmatively assert “discharge” as an affirmative defense. Response, ¶ 2.

### **III. Conclusion**

The only two substantive arguments made in the Response have been previously rejected by this Court. For this reason, the Court should GRANT the City’s Motion.

Dated: August 9, 2023

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
Ronald A. Spinner (P73198)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com  
Attorneys for the City of Detroit

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on August 9, 2023, he served a copy of the foregoing *Reply in Support of City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor* upon counsel for Darell Chancellor, in the manner described below:

Via first class mail and email:

Aristidi D. Papaioannou  
Johnson Law, PLC  
The Buhl Building  
535 Griswold, Ste. 2600  
Detroit, MI 48226  
[apapaioannou@venjohnsonlaw.com](mailto:apapaioannou@venjohnsonlaw.com)

Dated: August 9, 2023

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,  
Debtor.

Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DARELL CHANCELLOR**

This case is before the Court on the motion entitled “City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor” (Docket # 13691, the “Motion”).<sup>1</sup> The Court held a telephonic hearing on the Motion on October 4, 2023. For the reasons stated by the Court on the record during the hearing, the Court enters this Order.

**IT IS ORDERED THAT:**

1. The Motion is granted.
2. No later than October 12, 2023, Darell Chancellor must dismiss, or cause to be dismissed, the City of Detroit and Officer Stephen Geelhood in his representative capacity with prejudice from the cases captioned as: (a) *Darell Deon Chancellor, Chancellor, v Officer Stephen Geelhood in his Individual and Representative Capacity, and the City of Detroit, a municipal entity, Defendants,*

---

<sup>1</sup> Capitalized terms used but not otherwise defined in this Order have the meanings given to them in the Motion.

filed in the United States District Court for the Eastern District of Michigan and assigned Case No. 20-cv-11616 (the “Federal Lawsuit”); and (b) *Darell Chancellor, Chancellor, v Officer Stephen Geelhood in his Individual and Representative Capacity, and the City of Detroit, a municipal entity, Defendants*, as removed to the United States District Court for the Eastern District of Michigan and assigned Case No. 20-cv-11992 (the “Removed Lawsuit”, and together with the Federal Lawsuit, the “Lawsuits”).

3. Darell Chancellor is permanently barred, estopped and enjoined from asserting claims asserted in the Lawsuits or claims arising from or related to the Lawsuits against Officer Geelhood in his representative capacity, the City of Detroit, or property of the City of Detroit.

4. Darell Chancellor is prohibited from sharing in any distribution in this bankruptcy case.

5. This Order does not apply to the assertion or prosecution by Darell Chancellor of any claims against Officer Geelhood solely in his individual capacity.

6. The Court will retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

Signed on October 4, 2023



/s/ Thomas J. Tucker

---

**Thomas J. Tucker**  
**United States Bankruptcy Judge**

In re: City of Detroit, Michigan

Case No.: 13-53846

Debtor.

\_\_\_\_\_ /

Adv. No.:

Darell Chancellor  
**Appellant,**

v.

City of Detroit, Michigan  
**Appellee.**

**CAUSE OF ACTION/NATURE OF SUIT:** (This matter is referred to the district court for the following reasons)

- |              |                             |  |
|--------------|-----------------------------|--|
| <u>  X  </u> | [422] 28 U.S.C. 158         | Bankruptcy Appeal                                |
| _____        | [422] 28 U.S.C. 158         | Motion for Leave to Appeal                       |
| _____        | [423] 28 U.S.C. 157(d)      | Motion for Withdrawal of Reference               |
| _____        | [423] 28 U.S.C. 157(c) (1)  | Proposed Findings of Fact and Conclusions of Law |
| _____        | [423] 28 U.S.C. 158 (c) (a) | Order of Contempt                                |

Date: 10/18/2023

Name: /s/ Paul F. Doherty (P36579)

Name and Address of Interested Parties

*City of Detroit, Michigan*  
*Stephen Geelhood*

REPRESENTED BY:  
PATRICK M. CUNNINGHAM (P67643)  
**CITY OF DETROIT LAW DEPARTMENT**  
Two Woodward Ave, Suite 500  
Detroit, Michigan 48226  
(313) 237.5032  
cunninghamp@detroitmi.gov

*Darell Chancellor*

REPRESENTED BY:  
CHRISTOPHER P. DESMOND (P71493)  
VEN R. JOHNSON (P39219)  
**JOHNSON LAW, PLC**  
535 Griswold, Suite 2600  
Detroit, Michigan 48226  
(313) 324-8300/Fax:(313) 324-8300  
vjohnson@venjohnsonlaw.com  
cdesmond@venjohnsonlaw.com

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

IN RE: . Case No. 2:13-53846-tjt  
. Chapter 9  
CITY OF DETROIT, MICHIGAN, .  
. Debtor. .  
. . . . .

**TRANSCRIPT OF HEARING ON CITY OF DETROIT'S MOTION FOR ENTRY  
OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION  
ORDER AGAINST DARELL CHANCELLOR**

BEFORE THE HONORABLE THOMAS J. TUCKER  
UNITED STATES BANKRUPTCY JUDGE

WEDNESDAY, OCTOBER 4, 2023  
DETROIT, MICHIGAN

## 1 APPEARANCES:

2 For the Debtor: Miller Canfield Paddock &  
3 Stone, PLC  
4 By: Marc N. Swanson\*  
5 150 West Jefferson Street  
6 Suite 2500  
7 Detroit, MI 48226  
8 (313) 496-7591

9 For Darell Chancellor: Ven Johnson Law, PLC  
10 By: Ven Johnson\*  
11 535 Griswold  
12 Suite 2600  
13 Detroit, MI 48226  
14 (313) 324-8300

15 Court Recorder: LaShonda Bryant  
16 Clerk's Office  
17 U.S. Bankruptcy Court  
18 211 West Fort Street  
19 Detroit, MI 48226

20 Transcription Service: Randel Raison  
21 APLST, Inc.  
22 6307 Amie Lane  
23 Pearland, TX 77584  
24 (713) 637-8864

25 \*Appeared via AT&T Conference Call.

Proceedings recorded by electronic sound recording;  
transcript produced by transcription service.

1 (Time Noted: 1:30 p.m.)

2 THE COURT CLERK: Judge Tucker presiding.

3 THE COURT: Good afternoon to everyone. This is  
4 Judge Tucker on the phone.

5 Let's call our case that's scheduled for 1:30  
6 p.m., please.

7 THE COURT CLERK: We'll call the matter of the  
8 City of Detroit, Michigan, case number 13-53846.

9 THE COURT: All right. Good afternoon again.  
10 Let's begin by having entries of appearance for today's  
11 hearing, first of all the attorney or attorneys for the City  
12 of Detroit.

13 MR. SWANSON: Good afternoon, Your Honor. Marc  
14 Swanson from Miller Canfield on behalf of the City of  
15 Detroit.

16 THE COURT: All right. Good afternoon to you.  
17 And the attorney for the Respondent, Darell  
18 Chancellor, please?

19 MR. JOHNSON: Good afternoon, Judge. Ven Johnson  
20 on behalf of Mr. Chancellor.

21 THE COURT: All right. Good afternoon to you.  
22 And let me ask for the record, is there anyone else on the  
23 phone who wants to enter an appearance in this case today?

24 (No response)

25 THE COURT: I hear nothing. So good afternoon.

1 This is the further continued hearing, continued from a week  
2 ago to today, Wednesday afternoon of last week, regarding the  
3 City of Detroit's motion for entry of an order enforcing the  
4 bar date order and confirmation order against Darell  
5 Chancellor.

6 For the record, that motion is filed at docket  
7 number 13691 on the Court's docket in this case.

8 I have reviewed the motion, the response filed to  
9 the motion by Mr. Chancellor, and the reply brief, or reply  
10 filed by the City in support of the motion, plus the exhibits  
11 that were filed with those papers.

12 So good afternoon. Let's hear from each side.  
13 I'll begin with counsel for the moving party, Mr. Swanson.

14 MR. SWANSON: Thank you, Your Honor. Marc  
15 Swanson, Miller Canfield, on behalf of the City.

16 Your Honor, the Plaintiff raises two arguments in  
17 response to the City's motion, both of which fail.

18 The first argument is that the claim arose pre-  
19 petition under the fair contemplation test. Plaintiff's  
20 response in paragraphs 43 and 44 are the only two substantive  
21 responses to the City's assertion that the fair contemplation  
22 test applies and that the claim arose under it prepetition.

23 Plaintiff's response, however, is based on the  
24 accrual test. In paragraphs 43 and 44 of the response,  
25 Plaintiff argues that the accrual test applies and that the

1 Plaintiff could not have filed a claim until the conviction  
2 was vacated in 2020.

3 Now, Plaintiff's argument for the accrual test,  
4 and the argument that a claim did not arise until a  
5 conviction was vacated, have been rejected by this Court in  
6 prior opinions and by the District Court here.

7 District Court Judge Michelson in *Monson*, District  
8 Court Judge Borman and Burton, District Court Judge Lawson  
9 and Sanford, and also in the *General Motors* bankruptcy case,  
10 which I believe was cited in the *Sanford* opinion.

11 In each of those cases, with very similar facts,  
12 the District Court held that the claim was discharged.

13 Now, with respect to the facts in this case, all  
14 of the key events occurred prior to the City's bankruptcy  
15 case.

16 On November 1 of 2011, Chancellor alleges that he  
17 was not there when surveillance was performed on, allegedly,  
18 his mother's house.

19 He also says on that date, you know, the  
20 description was way off. The person -- he weighed 180  
21 pounds. The person -- or the person allegedly surveilled  
22 weighed 180 pounds. He wore -- he weighed 245 pounds and had  
23 glasses on.

24 November 2, 2011, is the date of the alleged false  
25 affidavit.

1           May of 2012 is the date when Chancellor was  
2 arrested.

3           Chancellor was tried in November of 2012. He was  
4 convicted in November of 2012. He was sentenced in December  
5 of 2012. He began his sentence in December of 2012.

6           And in 2013, before the City filed for bankruptcy,  
7 Mr. Chancellor also filed an appeal.

8           All along the way, Chancellor was proclaiming his  
9 innocence, as evidenced by court filings and deposition  
10 testimony. And let's go through some of those court filings  
11 and some of that evidence.

12           So when Chancellor was arrested, Chancellor stated  
13 that he knew he was innocent. And how do we know that?  
14 Because we can go to his deposition transcript, which was  
15 attached as exhibit 6F to the City's motion.

16           He was asked during his deposition, "When you were  
17 arrested, did you believe that you were innocent?"

18           His response, "I know I was innocent."

19           This is on Page 49 of the deposition transcript,  
20 lines 16 through 18.

21           In that regard, during his deposition,  
22 Chancellor's attorney asked him:

23           Question, "Without belaboring the point, Darell,  
24 what did it feel like to go to trial and be accused of a  
25 crime that you didn't commit?"

1           Answer, "I mean, it felt terrible. It feels more  
2 terrible when you get found guilty of something you ain't  
3 commit because it's like the justice system has failed you."

4           And that's his deposition transcript page 78,  
5 lines 10 through 18.

6           During his trial, Chancellor testified and  
7 proclaimed his innocence. And how do we know that? We can  
8 turn to exhibit 6B, which is the trial transcript. He said  
9 that the drugs were not his. He said that the guns were not  
10 his. And he said it couldn't have been him because the  
11 person who was identified in the affidavit was not him  
12 because he was shorter and heavier. And that's page 78  
13 through 84 of the trial transcript.

14           Mr. Chancellor also sent a letter to the judge who  
15 was presiding over the State Court case, Judge Hathaway. In  
16 that letter he said he had, quote, "Been locked up for six  
17 months for something I know nothing about. The police got  
18 the wrong person. The evidence and the facts will show that  
19 I haven't did anything." That's exhibit 6H to the City's  
20 motion, Your Honor.

21           On November 12, 2012, Chancellor was found guilty  
22 of possession of cocaine. According to Chancellor, and in  
23 the second amended complaint in the Federal Court action,  
24 Judge Hathaway explicitly relied on Geelhood's false  
25 statement that identified Chancellor as the person who was

1 seen selling drugs from the target address. Chancellor, of  
2 course, denied during the trial and on appeal that Geelhood  
3 had correctly identified him.

4 Chancellor was then sentenced on December 12,  
5 2012, to a term of 14 years and 3 months to 30 years of  
6 imprisonment.

7 Chancellor's attorney asked him what it felt like  
8 to be, quote, "Wrongfully convicted." "Every single day, the  
9 question, every single day you're in that prison cell, jail  
10 cell, precinct cell, being accused and ultimately wrongfully  
11 convicted of doing something you didn't do, Darell, every  
12 day, all day. What did it feel like?"

13 Answer, "It felt terrible -- it feels terrible  
14 when you know you ain't do something but you convicted for  
15 it. It was."

16 And that is from Mr. Chancellor's deposition  
17 transcript on page 83 and 84.

18 On January 18, 2013, Chancellor appealed his  
19 conviction, and his conviction was later affirmed, and the  
20 Court of Appeals rejected his argument that he was a victim  
21 of a mistaken identity.

22 Your Honor, Chancellor's claim arose pre-petition  
23 long before his conviction was vacated.

24 Again, Chancellor argues that his claim against  
25 the City did not arise until his conviction was vacated in

1 March of 2020. That is the accrual test, Your Honor.

2 But as this Court has ruled, and the District  
3 Court has uniformly ruled, the accrual test is not the test  
4 to determine when a bankruptcy claim arises. The test to  
5 determine when a bankruptcy claim arises is the fair  
6 contemplation test.

7 Again, this exact same argument that Mr.  
8 Chancellor raises has been raised repeatedly, and denied.

9 With respect to the District Court cases. I think  
10 the *Sanford* case stated it quite well. In that case the  
11 Court said, referring to *Sanford*, he certainly contemplated  
12 the factual bases underlying the claims raised in the  
13 complaint since he attempted repeatedly to argue actual  
14 innocence before the State Courts since at least 2008  
15 insisting that his confession was falsely obtained,  
16 concocted, and coerced.

17 *Sanford* correctly points out that he could not  
18 have sued the City until his convictions were set aside,  
19 which did not happen until after the bankruptcy.

20 But the courts that have considered the question  
21 uniformly have concluded that claims based on pre-petition,  
22 malicious prosecutions, were barred, notwithstanding that the  
23 plaintiff could not file suit on his claims until his  
24 criminal conviction was overturned.

25 The Court in *Monson* and *Burton* and this Court have

1 all had very similar rulings and findings, and there are no  
2 facts in this case which could cause the Court to come to a  
3 different conclusion.

4 In short, Your Honor, under the fair contemplation  
5 test, Chancellor's claim arose before the City's bankruptcy  
6 filing, because prior to the City's filing Chancellor could  
7 have ascertained through the exercise of reasonable due  
8 diligence that he had a claim against the City.

9 Your Honor, the second argument that was raised by  
10 Mr. Chancellor in his response to the City's motion was  
11 regarding raising discharge as an affirmative defense.

12 Now, Chancellor cited a Sixth Circuit case,  
13 *Makowski*, for the proposition that the City had an  
14 affirmative obligation to cite bankruptcy discharge as an  
15 affirmative defense.

16 And Chancellor is wrong on a few levels here.

17 First, that decision was issued in 2005, and since  
18 then, the Federal Rules of Civil Procedure have been amended  
19 and they no longer require that discharge be raised as an  
20 affirmative defense.

21 The City cited and quoted the Advisory Committee  
22 notes which explain quite clearly why discharge and  
23 bankruptcy was deleted from the list of affirmative defenses  
24 and why discharge and bankruptcy does not need to be raised  
25 as an affirmative defense.

1           If that weren't enough, Your Honor, this Court has  
2 had the chance to consider a similar argument in a previous  
3 case.

4           And this court, citing to another Sixth Circuit  
5 case, decided later, *Hamilton v. Hertz*, 540 F. 3d 367. And  
6 this Court said, quote, "Even if the City had delayed raising  
7 the bankruptcy discharge until after suffering an adverse  
8 judgment on the Respondent's claims in the District Court  
9 case, the City could not be deprived of the benefit of the  
10 bankruptcy discharge. Any such adverse judgment would be  
11 deemed void *ab initio* under binding case law in the Sixth  
12 Circuit."

13           And, again, I don't think we need to go any  
14 further than that to see that the Plaintiff's argument that  
15 the City had to raise bankruptcy discharge as an affirmative  
16 defense fails, Your Honor.

17           In short, Your Honor, there were two arguments  
18 raised by the Plaintiff here, both of which have been  
19 rejected repeatedly.

20           No court that I'm aware of has applied the accrual  
21 test to these facts and I think many courts have commented  
22 that the accrual test has been uniformly rejected.

23           And the second argument that the Plaintiff makes  
24 is based on a Sixth Circuit case that is no longer applicable  
25 because the rule cited by that case has been revised.

1           And this Court has also had the opportunity to  
2 consider a similar argument, and based on the Sixth Circuit  
3 case, *Hamilton*, how that the City had no obligation to raise  
4 discharge as an affirmative defense.

5           And thus, both of these arguments fail and the  
6 City would respectfully request that the Court enter an order  
7 granting its motion.

8           THE COURT: All right. Thank you, Mr. Swanson.  
9           Mr. Johnson, I'll hear from you now, please.

10           MR. JOHNSON: Thank you, Judge. Good afternoon.  
11 We'll say that never did I think I would be arguing a motion  
12 in Bankruptcy Court, so I appreciate the Court's indulgence.

13           When I hear the City argue about fair  
14 contemplation tests it sounds so, under these circumstances,  
15 so unfair under the facts and circumstances that existed for  
16 Darell Chancellor.

17           It's "Darell," to correct the record. Darell  
18 Chancellor.

19           As the Court knows, my client's conviction was  
20 vacated on March 24, 2020. And I understand about what  
21 accrual test means.

22           And for the record, and I know the Court knows  
23 this probably, and that is for his lawsuit Darell Chancellor  
24 had no lawsuit, had no claim, had no recognizable injury,  
25 until his conviction was vacated; hence wrongful conviction.

1           How it works, and what would be inherently unfair  
2 and unjust, would be for someone to argue, or to be  
3 successful in arguing, that although my client did not have a  
4 valid cause of action, and while he is falsely in prison  
5 serving a wrongful sentence, like he was from December of  
6 2012 through even the petition date, Judge, of July 18, 2013.

7           So, in other words, for those eight months, if we  
8 were to use those dates, that somehow after his wrongful  
9 conviction he was suppose to know, while he's serving in  
10 state prison, that it was somehow fair that he should have  
11 contemplated to watch the City of Detroit's bankruptcy  
12 proceedings to know that no one, no layperson would ever  
13 know, let alone a convicted -- a wrongfully convicted person  
14 in state penitentiary, would ever know that he had to file a  
15 claim under the bankruptcy even though he hadn't been -- his  
16 conviction hadn't been acquitted -- or hadn't been entered  
17 yet.

18           So when I hear the term "fair contemplation test,"  
19 trying to attach that issue to this set of cases, is  
20 absolutely, from my perspective, legally laughable.

21           I can read these other opinions. I cannot believe  
22 -- and I read it, so I know it happened, what the other  
23 courts have said. I can't -- I wasn't there and I didn't  
24 argue it, and I'm really sad to see what they said, but that  
25 is not, in and of itself, binding on this Court, as I

1 understand it.

2           And so how was it that Mr. Chancellor, wrongfully  
3 serving a -- at that time for eight months a prison term on  
4 something that ultimately he was found acquitted of years  
5 later, yet he was supposed to know bankruptcy law. He was  
6 supposed to get notice of the City of Detroit's bankruptcy  
7 itself. It's not like the City sent it to him or that  
8 anybody in prison would ever know that.

9           So there is no fair contemplation test that passed  
10 here, Judge. It's not fair for this -- for the City to argue  
11 that his claim is barred before he had a claim, before he  
12 even would know of a bankruptcy, because he's removed from  
13 society. There's no showing by the City that he should have  
14 known about this, because there can be none.

15           And when we talk about fairness, then we can talk  
16 about affirmative defenses. And affirmative defenses, the  
17 way that they've always been interpreted as a 9 or 10-year  
18 former defense lawyer, they're legal defenses that should be  
19 raised immediately so that we can have these discussions and  
20 these fights, if you will, beforehand.

21           And then in the event that there's need for  
22 factual development, then we could -- we could have that  
23 during discovery. And in this particular case there is no  
24 other argument that a bankruptcy is a legal defense.

25           In a weird way, what I believe, going back to fair

1 contemplation test, Judge, of my client, notice that my  
2 client's lawyers, me and my firm, who do civil rights  
3 litigation, not just in Michigan, but across the country, we  
4 never filed a motion or any claim with the City of Detroit  
5 because we never, ever expected that such an argument would  
6 be made that something that happened, a petition while my  
7 client was in prison, wrongfully, seven years before he was  
8 -- his conviction was vacated, that we should do something on  
9 his behalf, because we never believed, nor should we, in my  
10 opinion, had believed that this claim was ever barred.

11           So to hold that my client had -- should have  
12 fairly contemplated such a thing when his pretty  
13 sophisticated lawyers didn't contemplate it, because no way  
14 would we think it could apply, is, again, I believe,  
15 something that the City fails to show as a matter of law.

16           And so we'd ask the Court under these  
17 circumstances, and not identical to other cases that I'm  
18 aware of, but obviously the City will say that they're  
19 similar, that's their opinion, but under these circumstances,  
20 Judge, we believe that as a matter of law to hold Mr.  
21 Chancellor that he fairly could contemplate the City's  
22 bankruptcy when he was pursuing his appeal -- which is what,  
23 by the way, his lawyer did, and I might add again on his  
24 behalf, lawyers involved in filing an appeal from SADO, just  
25 so the, so the Court knows, no one ever advised Mr.

1 Chancellor, nor should they have for that matter, that he  
2 should have filed a claim with the -- for the City's  
3 bankruptcy, if you will, with the Bankruptcy Court, while  
4 they're fighting an appeal.

5           And then there was another appeal even after that,  
6 I might add. And there was also a District Court action, a  
7 habeas corpus.

8           So you had multiple layers of lawyers involved, no  
9 one ever told him that, but somehow he's supposed to have  
10 figured out on his own while he is wrongfully serving prison  
11 time back in late 2012 and 2013.

12           So we ask the Court to please deny this motion.

13 Thanks, Judge.

14           THE COURT: Mr. Johnson, a question. You may have  
15 -- and I may understand this incorrectly, but I thought I  
16 heard you in your argument just now to suggest, among many  
17 other things, that Mr. Chancellor being in prison at the time  
18 the City filed its bankruptcy case in July of 2013, and in  
19 jail thereafter for some time, that he wouldn't have known of  
20 the City's bankruptcy.

21           If that -- if you're making that argument or that  
22 claim now, that's the very first time Mr. Chancellor has made  
23 that argument to this Court.

24           There's nothing at all about that in the written  
25 response filed to the City's motion here. Nothing. No

1 argument about that at all, no assertion of that at all. Are  
2 you saying -- are you trying to argue that now?

3 MR. JOHNSON: Well, absolutely, Judge. The City  
4 has failed, as the moving party, has to obviously prove that  
5 he did have notice. And they've shown nothing of what notice  
6 would have been made knowable to Mr. Chancellor, and that  
7 would be a crucial element of the fair contemplation test.

8 What has the City shown this Court to rule as a  
9 matter of law that my client knew or should have known about  
10 the City's petition and the bar date of 7/18/13? They've  
11 done nothing. They're simply arguing that. So their  
12 argument is, in essence, no different than mine.

13 THE COURT: All right. So I should -- you think I  
14 should accept that as one of your arguments and consider the  
15 merits of it even though it's being raised for the first time  
16 in this oral argument and wasn't raised in the written  
17 response?

18 MR. JOHNSON: Judge, we argued in our written  
19 response that, if you will, that there's no way that Mr.  
20 Chancellor knew about this or could know about this.

21 So I don't think -- maybe it wasn't stated exactly  
22 how I just stated it, but I think the argument is the same.  
23 So I don't believe it's being raised, if you will, for the  
24 first time.

25 But again, that's the City's burden, Judge, when

1 they're moving as a matter of law on this.

2 THE COURT: Mr. Johnson, where in your written  
3 response did you argue anywhere that there's no way that Mr.  
4 Chancellor knew or could have known of the bankruptcy? I  
5 didn't see that in there anywhere. Maybe I'm missing it.  
6 Where is it?

7 MR. JOHNSON: Well, I guess first and foremost,  
8 Judge, how would somebody in prison ever know about  
9 bankruptcy proceedings anywhere as a matter of common sense,  
10 first and foremost?

11 THE COURT: Mr. Johnson, excuse me.

12 MR. JOHNSON: Yes, sir.

13 THE COURT: Excuse me. That's not my question.  
14 Answer my question. Where is it in your written paper?  
15 Anywhere?

16 MR. JOHNSON: Well, on page 14, Judge, I'm looking  
17 at paragraph 47 of my brief.

18 THE COURT: Hold on.

19 MR. JOHNSON: Even if Chancellor could -- I'm  
20 sorry.

21 THE COURT: Hold on a minute.

22 MR. JOHNSON: Yes, sir.

23 THE COURT: Your response is filed, just for the  
24 record, as docket 13699. Where are you pointing to in there  
25 now?

1 MR. JOHNSON: On page 14, Judge, in paragraph 47.

2 THE COURT: Wait a minute. Page 14? There's no  
3 Page 14.

4 MR. JOHNSON: Sorry, Judge. I apologize to the  
5 Court. I was looking at the wrong thing. I apologize to the  
6 Court.

7 THE COURT: So what's the answer? Is it in there  
8 somewhere, or not?

9 MR. JOHNSON: Your Honor, I'm looking for it. As  
10 I said to the Court, I don't think it was stated exactly how  
11 I said it. But I'm reviewing it right now, Judge. I  
12 apologize to the Court.

13 THE COURT: That's fine. Take your time.

14 MR. JOHNSON: Thank you, sir.

15 (Brief pause)

16 MR. JOHNSON: Let me double check that I have the  
17 right thing now, Judge. Yes, Your Honor. In page 6, please,  
18 under Roman numeral III argument.

19 THE COURT: I see page 6. Go ahead.

20 MR. JOHNSON: Thank you, Judge. 43, of course  
21 these allegations are denied and Plaintiff's claim did not  
22 accrue until his conviction was vacated on March 24, 2020;  
23 44, it is undisputed -- it is disputed that under the fair  
24 contemplation test Mr. Chancellor could have ascertained  
25 through the exercise of reasonable due diligence that he had

1 a claim against the City. His claim did not accrue until it  
2 was found that Officer Geelhood had committed fraud obtaining  
3 the search warrant.

4 So what I said to this Court was exactly, fair --  
5 under the fair contemplation test it is not fair, nor  
6 established, that he could have ascertained through exercise  
7 of reasonable due diligence that he had a claim against the  
8 City.

9 And as the City told the Court in its argument,  
10 they knew that Mr. -- as it pertains to this proceeding, they  
11 knew that my client, Mr. Chancellor, was in prison starting  
12 in December of '12 is what counsel told the Court, December  
13 of 2012, which, of course, is about seven months before the  
14 petition.

15 So I believe, yes, Judge, that we did present this  
16 argument exactly in that fashion.

17 And I'm looking on Page 7 --

18 THE COURT: I don't -- I'm sorry. I'm sorry, I  
19 don't see how paragraph 43 or 44 contains an argument or  
20 asserts that Mr. Chancellor did not know of the City's  
21 bankruptcy case.

22 MR. JOHNSON: Page 7, if I could, Judge, please,  
23 in paragraph 45.

24 THE COURT: Well, all right. So now we're moving  
25 to paragraph 45. Go ahead.

1 MR. JOHNSON: It is denied that the plan's  
2 discharge provision applies to Mr. Chancellor as he did not  
3 have a responsibility to file a proof of claim, as he did  
4 not, under the fair contemplation test, have a reason to file  
5 such a claim.

6 THE COURT: Yes.

7 MR. JOHNSON: So we were specifically arguing  
8 about the fair contemplation test at the time when the  
9 petition date was filed, 7/18/13, Judge.

10 THE COURT: Well, I think at least it's arguable,  
11 anyway, that the fair contemplation test concerns whether in  
12 this case Mr. Chancellor could have ascertained through the  
13 exercise of reasonable diligence, due diligence, that he had  
14 a claim against the City of Detroit having to do with this  
15 wrongful conviction that he's been -- that he's alleged, not  
16 whether he could have exercised, through reasonable due  
17 diligence or otherwise, he could have ascertained that the  
18 City had filed bankruptcy. That's a -- that's really a  
19 different issue, isn't it?

20 MR. JOHNSON: I see it, Your Honor, as in an  
21 exercise of due diligence did Mr. -- or should Mr. Chancellor  
22 have known that he had a claim? He did not have a claim at  
23 that time.

24 His claim that he had never materialized until  
25 3/24/20, when his conviction was vacated. So he had no

1 claim. There was no claim to assert yet, and that's why the  
2 accrual test is important under the facts and the  
3 circumstances of this analysis.

4           It does matter because it absolutely, definitively  
5 goes to what a normal person, or in this case, forgive me, a  
6 reasonable person, with a good caveat again of this person  
7 being in a federal penitentiary, wrongfully, should know  
8 relative to what claim was he supposed to have filed when he  
9 didn't have a claim, yet.

10           So in other words, he's supposed to file a  
11 bankruptcy claim while he's in federal -- or state prison, in  
12 July or so of 2013, even though he does not have a valid  
13 cause of action, nor does he know that he's going to get one,  
14 because many people obviously believe, and I guess I think  
15 the evidence shows that many people are innocent yet  
16 convicted, and yet, under this area of law he has nothing, no  
17 claim until he gets it vacated, which is a huge process, as  
18 the Court probably knows.

19           But he ultimately is -- his claim does accrue on  
20 3/24/20, yet again, seven years before that, he's supposed to  
21 know to file a bankruptcy.

22           I think that that flies in the face of truth and  
23 logic. Most lay people don't know this, let alone somebody  
24 who's now in a prison sentence for serving something for a  
25 crime they didn't commit, that they're now supposed to figure

1 that out on their own.

2 THE COURT: All right. I think, you know, you're  
3 going over ground you've already tread, and we got onto this  
4 discussion when I was asking about an apparent argument  
5 you're making today for the first time, I think, that Mr.  
6 Chancellor did not have notice or knowledge of the City's  
7 bankruptcy case.

8 Is there anything more you want to say about that  
9 specific issue?

10 MR. JOHNSON: No, Judge. Thank you.

11 THE COURT: All right. Well, thank you, Mr.  
12 Johnson.

13 Mr. Swanson, as I normally do, I'll give you a  
14 brief opportunity as the moving party here to reply in  
15 support of the motion, if you want.

16 MR. SWANSON: Thank you, Your Honor. Marc Swanson  
17 on behalf of the City.

18 There was no argument about notice in the  
19 Plaintiff's response. If Chancellor wanted to make an  
20 argument about notice, you would think that at least once in  
21 the response he would have used the word "notice," and notice  
22 is not used at all in the response.

23 You know, similar arguments were made in *Burton*  
24 and *Monson*, and in each of those cases the Court found that  
25 plaintiff was an unknown creditor and the constructive notice

1 that was provided during the City's bankruptcy case with  
2 respect to the bar date order, the plan, and the confirmation  
3 order, which this Court has found time and time again to have  
4 been valid, to constitute adequate notice.

5           With respect to fair contemplation. Mr. Johnson  
6 said, you know, there was no lawsuit, there was no claim.  
7 And I can agree, perhaps, that there wasn't a lawsuit until  
8 2020, but there certainly was a claim. There was a  
9 contingent claim.

10           One of the orders that we cited in our papers was  
11 this Court's order in the Desmond Ricks matter, which the  
12 Court held an oral argument on in 2019.

13           And during that oral argument a very similar  
14 argument was asserted by the plaintiff's counsel and the  
15 Court correctly said that that it was a contingent claim,  
16 that even if under applicable state or federal law a claim  
17 did not accrue until a conviction was vacated. For  
18 bankruptcy purposes that's not the test.

19           The test is when the claim was fairly  
20 contemplated, and it was fairly contemplated far before, and  
21 at that point the plaintiff had a contingent claim, and that  
22 should be what the Court finds here.

23           With respect to Plaintiff's argument on  
24 affirmative defenses. Plaintiff raised nothing new.  
25 Plaintiff didn't distinguish this Court's prior opinion,

1 didn't distinguish the Sixth Circuit's opinion in *Hamilton*,  
2 and didn't attempt to rescue the citation to a old Sixth  
3 Circuit case which cited a prior version of a rule which is  
4 no longer applicable.

5           For those reasons, Your Honor, the City would  
6 respectfully request that the Court enter an order granting  
7 its motion.

8           THE COURT: All right. Thank you. One moment,  
9 please.

10           (Pause)

11           THE COURT: All right. Thank you, both. I'm  
12 going to do what I hope is a fairly brief and concise oral  
13 ruling now on this motion. One moment.

14           (Pause)

15           THE COURT: All right. Thank you.

16           The motion has been argued both in writing and  
17 orally in today's hearing, the motion by the City of Detroit,  
18 for entry of an order enforcing the bar date order and  
19 confirmation order against Darell Chancellor, or Darell  
20 Chancellor, I think it might be pronounced.

21           For the record, again, that motion is docket  
22 number 13691.

23           The respondent, Mr. Chancellor, through counsel,  
24 filed a response to the motion, written response. The  
25 response was filed at docket number 13699 on the Court's

1 docket.

2           The Court has reviewed that response, the exhibits  
3 that were filed with it, as well as the exhibits filed with  
4 the City's papers, as well as the City's reply brief at  
5 docket 13714, and I have considered the arguments in today's  
6 -- made in today's hearing.

7           The first thing I'll cover and I'll say is that  
8 this Court, the Bankruptcy Court here, has subject matter  
9 jurisdiction over this matter, and this matter is a core  
10 proceeding in which this Court has authority and jurisdiction  
11 to make a final decision on the motion.

12           The authority for that I won't go into great  
13 detail about. What I'll do is cite and incorporate by  
14 reference what I said in a couple of prior opinions in this  
15 case about the subject of jurisdiction, core proceedings, and  
16 those subjects, and also about the -- in these opinions about  
17 the fact that this Court, in the plan of adjustment that was  
18 confirmed by the Court, this Court retained jurisdiction to  
19 rule on the very types of motions and disputes that's before  
20 me with this motion and if necessary to enter injunctions to  
21 further enforcing the confirmed plan of adjustment and other  
22 orders of the Court in this case.

23           The earlier opinions of mine that cover this are,  
24 first of all, the case of *In re City of Detroit, Michigan*,  
25 548 Bankruptcy Reporter 748, a decision of mine from 2016

1 that's published, and that -- in particular, pages 753 and  
2 754 of that opinion.

3           Again, I incorporate that discussion in the  
4 section called Roman numeral II, Jurisdiction, in that  
5 opinion by reference here and adopted and applied it in this  
6 case, as well.

7           A second opinion on this subject is the decision  
8 the Court made just a couple weeks ago, on September 18,  
9 2023. That's the case -- again it's *In re City of Detroit,*  
10 *Michigan.* It's not yet published in the Bankruptcy Reporter  
11 as far as I know, but it is published. It's reported at 2023  
12 WestLaw 6131465. It's also an opinion that is filed in this  
13 bankruptcy case. It's at docket number 13738. Again, it's  
14 September 18 of 2023.

15           The WestLaw citation for the jurisdictional  
16 provisions is star pages 6 to 7. The citation of the version  
17 that's published, or that's filed on the Court's docket at  
18 13738, is .pdf pages 13 to 14 of that opinion.

19           Again, I incorporate by reference what the Court  
20 said there about subject matter jurisdiction, core  
21 proceedings, the Court's authority to make a final  
22 determination in this kind of matter.

23           Moving to the merits now of this dispute.

24           First of all, I do find and conclude that the --  
25 from the undisputed facts that the claims alleged against the

1 City of Detroit and against Officer Steven Geelhood in his  
2 representative capacity, in the cases that are now pending in  
3 the U.S. District Court for this District, those cases, the  
4 two cases are the ones cited in the City's motion at page 5,  
5 paragraphs 12 and 13, copies of complaints from those cases  
6 are Exhibit 6B and 6C of the City's motion.

7           Those claims alleged against the City and against  
8 Officer Geelhood in his representative capacity in those  
9 cases were, in fact, discharged by the discharge in the  
10 City's confirmed plan of adjustment, and Mr. Chancellor is,  
11 in fact, barred and enjoined from filing and prosecuting  
12 those claims.

13           That is distinct from the claims, any claims  
14 alleged against Officer Geelhood in his -- solely in his  
15 individual capacity. Those were not -- they were not  
16 discharged and are not enjoined. So there is that  
17 distinction, and that's a distinction that was raised in the  
18 written response filed by Mr. Chancellor.

19           These claims against the City and Mr. Geelhood in  
20 his representative capacity all arose before the bankruptcy  
21 petition was filed in this Chapter 9 case on July 18, 2013,  
22 and, therefore, were discharged.

23           First of all, the fair contemplation test that the  
24 parties have argued about does indeed apply, as opposed to  
25 the so-called accrual test. I have already ruled that way in

1 prior opinions, and I reiterate that ruling now that the fair  
2 contemplation test is the appropriate test to determine  
3 whether a claim arose before or after the filing of a  
4 bankruptcy petition.

5 A couple of places where I have ruled that way is,  
6 first of all, in the City of Detroit case that I cited  
7 earlier. The one that's 548 Bankruptcy Reporter 748, at page  
8 763 of the Court's opinion.

9 In that case I ruled that the fair contemplation  
10 test is the appropriate test to apply, and I discussed what  
11 that test meant, and I incorporate that discussion and the  
12 authority cited in that opinion by reference.

13 And the Court has applied that test in other -- in  
14 deciding other motions in this bankruptcy case. But that's  
15 really the leading case, by me at least, on that subject.

16 The fair contemplation test raises -- sets the  
17 standard as being that a claim is considered to have arisen  
18 pre-petition if the creditor could have ascertained through  
19 the exercise of reasonable due diligence that it had a claim  
20 at the time the bankruptcy petition is filed.

21 In my view, the answer here is clearly that, yes,  
22 indeed, Mr. Chancellor could have, with the exercise of  
23 reasonable diligence, ascertained that he had a claim against  
24 the City of Detroit and against Mr. Geelhood in at least in  
25 his representative capacity, before the City filed its

1 bankruptcy petition on July 18, 2013.

2           That's based upon the facts and events that  
3 occurred that contribute to give rise to Mr. Chancellor's  
4 claims.

5           The events that occurred in November 2011, May  
6 2012, November 2012, including the conviction in the state  
7 court, criminal conviction of Mr. Chancellor that occurred on  
8 November 12 of 2012 for which he was sentenced to prison on  
9 December 12 of 2012 and promptly thereafter did go to prison.

10           These events are described in detail, and I think  
11 accurately so, in the City's motion. Again, docket 13691 at  
12 paragraphs 20 to 38 of the motion.

13           Given those facts and events, all of which  
14 occurred well before the City filed its bankruptcy petition  
15 in July of 2013, it's clear to me that under the fair  
16 contemplation test Mr. Chancellor could have ascertained  
17 through the exercise of reasonable due diligence that he had  
18 a claim against the City and against Mr. Geelhood in his  
19 representative capacity before the petition was filed in this  
20 bankruptcy case.

21           This test and this issue, that is whether the  
22 claim arose pre-petition or not, is a distinct test and a  
23 distinct issue from the question of whether or not a claimant  
24 like Mr. Chancellor knew, or should have known, about the  
25 City having filed bankruptcy, which is a different issue, and

1 I'm going to talk about that in a little bit.

2           This test -- this issue focuses on not that issue  
3 but whether, rather, on whether the claimant, like Mr.  
4 Chancellor here, could have ascertained with the --  
5 reasonably ascertained or ascertained through the exercise of  
6 reasonable due diligence that he had a claim at the time the  
7 petition was filed.

8           The answer to that here is, yes, it's clear that  
9 Mr. Chancellor knew of and believed to be true all the facts  
10 that are recited in the City's motion that occurred before  
11 the petition date.

12           He certainly knew, or thought he knew, and he  
13 believed, that he was the victim of a wrongful conviction,  
14 that he was the victim of a conviction that was obtained  
15 through what he viewed at the time as false testimony by  
16 Officer Geelhood, both in an affidavit that gave rise to --  
17 that was used to get a search warrant at Mr. Chancellor's  
18 mother's house in November of 2012, all the way through the  
19 trial testimony of Officer Geelhood, that Mr. Chancellor  
20 viewed as false.

21           He not only knew that and thought these things at  
22 the time, but he also argued these things vociferously to the  
23 courts, the state trial court, the State Court of Appeals, on  
24 the appeal that he filed shortly after he filed his  
25 conviction, and before -- and that appeal was filed before

1 the bankruptcy case was filed, as well.

2           The claims arose pre-petition here under the fair  
3 contemplation test even though Mr. Chancellor's 2012  
4 conviction, criminal conviction, was not vacated until March  
5 24, 2020, and which, of course, was the date that was well  
6 after the filing of the City's bankruptcy case in 2013.

7           Mr. Chancellor argues that his claims at issue did  
8 not arise until his conviction was vacated in March of 2020  
9 because his claims or cause of action under applicable law  
10 did not accrue until that conviction was vacated in March of  
11 2020.

12           This is, in effect, an argument seeking to --  
13 asking the Court to apply the so-called right to payment or  
14 accrual test for determining when a bankruptcy claim arose.

15           That accrual test is discussed by this Court in  
16 its decision -- or opinion that I just cited a moment ago  
17 about the fair contemplation test, 548 Bankruptcy Reporter,  
18 at page 762.

19           And as the Court notes there, I think accurately  
20 so, and it's still accurate, that test has been widely  
21 rejected by the courts as not an appropriate test for -- not  
22 the appropriate test for determining when a claim arises,  
23 whether it arises before or after the bankruptcy.

24           As the City, I think, has correctly argued, as of  
25 the bankruptcy petition date in this case, July 18, 2013, Mr.

1 Chancellor had a claim as that claim -- the term claim is  
2 defined under the Bankruptcy Code, it's Section 101 of the  
3 Bankruptcy Code, even though the claim at that time was  
4 contingent, or unmatured, or both, because the claim could  
5 not be pursued until the conviction was vacated later.

6 Contingent claims, unmatured claims, are expressly  
7 part of what is a claim within the meaning of the Bankruptcy  
8 Code for purposes of determining whether a claim arose pre-  
9 petition or post-petition.

10 And the cases in which I've discussed that include  
11 the case I cited a moment ago, 548 Bankruptcy Reporter, this  
12 time at page 761, and also at page 762 of that opinion.

13 So even though the claim was -- excuse me. Even  
14 though the claim was contingent and unmatured as of the  
15 bankruptcy petition date, there still was a claim, and it  
16 arose pre-petition under the appropriate test, which is the  
17 fair contemplation test.

18 There are, as the City points out, a number of  
19 similar cases that have applied the fair contemplation test  
20 to find in cases and situations very similar to this one that  
21 the claimant's claim arose before the filing of the  
22 bankruptcy case and, therefore, it was barred and discharged.

23 Perhaps the closest case in terms of facts and the  
24 discussion by the Court is the *Sanford* case cited by the  
25 City, a decision of the District Court from this District

1 from 2018. That's *Sanford v. City of Detroit*, 2018 WestLaw  
2 6331342, a decision from December 4, 2018, by the U.S.  
3 District Court, Judge Lawson. It's star page 5 in the  
4 WestLaw version of that opinion.

5 The Court discusses this subject, and I think the  
6 discussion is applicable equally in this case, and fully  
7 supports the Court's ruling now in this case.

8 I do want to talk about this notice issue that was  
9 raised for the first time in today's hearing, in my view.

10 There seemed to be an argument or suggestion by  
11 counsel for Mr. Chancellor in today's hearing that Mr.  
12 Chancellor, who was in state prison, incarcerated in state  
13 prison, when the City filed its bankruptcy case, may not have  
14 had notice or knowledge of the City's bankruptcy case in time  
15 to file a proof of claim, in time to pursue the claim through  
16 the bankruptcy process, and at least certainly not as of the  
17 bankruptcy petition date, July of 2013.

18 That argument, first of all, is an argument that's  
19 made for the very first time in oral argument in the hearing  
20 today by Mr. Chancellor. There's no hint of such an  
21 argument, in my view, in the written response filed by Mr.  
22 Chancellor to the motion.

23 That argument, in my view, then, has been  
24 forfeited by Mr. Chancellor.

25 But even if not forfeited, in my view the argument

1 is without merit because of the unknown creditor concept.

2 Now, the City didn't brief this. They have argued  
3 it in the hearing today in response to the new argument about  
4 notice of the bankruptcy, but this concept and this -- the  
5 concept of the unknown creditor is one that's out there in  
6 the case law and it's in one of the reported published  
7 opinions of this court in this very case. It was published a  
8 little more than a year ago now and that is -- one moment.  
9 That's the -- that's the case of *In re City of Detroit,*  
10 *Michigan*, 642 Bankruptcy Reporter 807, a decision of this  
11 Court from August 26, 2022.

12 In that case the Court talked about the unknown  
13 creditor concept, beginning at page 810, 642 Bankruptcy  
14 Reporter at 810.

15 There, the Court held, as numerous other courts  
16 have held, that a creditor in a bankruptcy case that was an  
17 unknown creditor, as the concept is defined by the case law,  
18 at the time of the bankruptcy filing, is a creditor for which  
19 the debtor has no duty to serve notice specifically, of the  
20 bankruptcy specifically, upon.

21 But rather, one for whom notice of the bankruptcy  
22 case by publication only is sufficient to put the creditor on  
23 notice of the bankruptcy case for purposes of due process and  
24 other concerns under the law.

25 At pages 810 to 811, at 642 Bankruptcy Reporter, I

1 talk about this concept and applied it in that case. It  
2 applies equally here.

3           The concept of an unknown creditor is, one, a  
4 creditor in which the claim against the City was readily  
5 ascertainable by the City during the relevant time. That is,  
6 during the time period as of the filing and thereafter in the  
7 bankruptcy case.

8           And by readily ascertainable the case law requires  
9 there whether the respondent, the creditor, communicated any  
10 demand for payment or otherwise communicated to the City  
11 before the bankruptcy was filed, the existence of a claim  
12 against the City.

13           If not, then the creditor is deemed an unknown  
14 creditor unless -- well, is deemed an unknown creditor and  
15 the City may provide sufficient notice of the bankruptcy  
16 filing for due process purposes and otherwise by publication.

17           This case of Mr. Chancellor's is a case of an  
18 unknown creditor, and that at the time of the City's  
19 bankruptcy filing, and at least until 2020 when Mr.  
20 Chancellor's conviction was vacated that he filed, first  
21 filed suit against the City for wrongful conviction related  
22 claims.

23           Until then, he was not a known creditor to the  
24 City. His claim, or claims, or existence of claims, were not  
25 readily ascertainable by the City during that relevant time

1 period, and that is because there's simply no evidence or  
2 argument made in the papers, or even today in the hearing by  
3 Mr. Chancellor's counsel that Mr. Chancellor did anything to  
4 communicate to the City that he believed he had a claim for a  
5 wrongful conviction or wrongful conviction related claim  
6 against the City at the time of the bankruptcy filing or any  
7 time thereafter until 2020.

8           And so, being an unknown creditor he must be  
9 deemed to have been given adequate notice of the City's  
10 bankruptcy case by publication.

11           The Court noted in its decision in the earlier  
12 case, 640 Bankruptcy -- 642 Bankruptcy Reporter, at 810, 811,  
13 the fact the City did provide notice of its bankruptcy case  
14 by publication properly.

15           And, of course, the City of Detroit filing  
16 bankruptcy was no secret to anyone. It was very widely known  
17 throughout the Detroit area, throughout Michigan, throughout  
18 the United States, and beyond, at the time. It was the  
19 largest municipal bankruptcy ever filed, I think still is,  
20 the largest municipal bankruptcy ever filed in this country  
21 and received enormous publicity.

22           And so given all of that -- and I should also  
23 note, in the absence of any evidence provided by Mr.  
24 Chancellor which he alleges or asserts that he didn't know of  
25 the City's bankruptcy filing when it occurred, the argument

1 about notice, as I perceive it to have been made today, even  
2 if not forfeited, is without merit and I must reject it for  
3 the reasons that I have just stated.

4           So given that Mr. Chancellor's claims arose pre-  
5 petition under the fair contemplation test, the claims  
6 against the City and against Officer Geelhood in his  
7 representative capacity were filed -- arose pre-petition  
8 here. Those claims were discharged under the City's  
9 confirmed plan of adjustment, both under the terms of the  
10 plan and the order confirming that plan, that confirmed the  
11 plan in November of 2013 -- I'm sorry, no, November 2014.

12           And those provisions are cited and quoted in  
13 detail in a prior opinion of this court in the opinion I've  
14 just been citing, the 642 Bankruptcy Reporter 807 opinion, in  
15 particular at page 812. So I incorporate that reference --  
16 that by reference.

17           The claims of Mr. Chancellor against the City and  
18 Officer Geelhood in his representative capacity are barred  
19 and enjoined under the bar date order that the City has  
20 cited, the City's plan, and the order confirming plan. All  
21 of that is confirmed by what I wrote at 642 Bankruptcy  
22 Reporter, at page 812, among other places in the published  
23 opinions of mine, citing those particular provisions in the  
24 bar date order of the plan and the order confirming plan.

25           And so the claims are discharged and Mr.

1 Chancellor is barred and enjoined already from pursuing them.

2 I will address briefly the argument of Mr.  
3 Chancellor arguing that the City did not assert its  
4 bankruptcy discharge as an affirmative defense in either of  
5 the cases that are now pending in U.S. District Court, and I  
6 presume also an argument that the City unreasonably delayed  
7 in raising the issue of the bankruptcy discharge and  
8 injunctions in the filing of this motion, and compared to the  
9 timing and the time that the U.S. District Court cases have  
10 been pending.

11 The City is correct, in my view, in everything  
12 that it says and argues in its reply brief at docket 13714,  
13 at pages 4 to 6, .pdf pages 4 to 6, of that -- of that brief  
14 in responding to and refuting these arguments.

15 This Court held in the 642 Bankruptcy Reporter  
16 case, at pages 812 to 813, citing the Sixth Circuit's  
17 decision of *Hamilton v. Hertz*, that a bankruptcy debtor, like  
18 the City of Detroit, has no duty to raise any sort of  
19 affirmative defense or defense, or to do anything, in  
20 response to claims being brought against it in a non-  
21 bankruptcy court that have been discharged.

22 Any such action and any judgment, adverse judgment  
23 suffered on such claims is void *ab initio* under the case law  
24 and because of the bankruptcy discharge.

25 And so, it is simply not a valid argument to argue

1 anything like that the City's motion here is barred in any  
2 way by the City's failure to plead as an affirmative defense  
3 or otherwise raise, timely or otherwise, in the pending U.S.  
4 District Court cases the discharge and bar date order and  
5 injunction provisions that it's argued in this motion in this  
6 Court.

7           And the City is also right that the 2010  
8 amendments to Federal Rule of Civil Procedure 8(c)(1) did  
9 eliminate from the list of affirmative defenses that had to  
10 be pled in federal court actions generally the discharge, a  
11 bankruptcy discharge. That's no longer in the rule as an  
12 affirmative defense that must be pled for the reasons that  
13 I've discussed.

14           And so the Court is bound to reject those  
15 arguments by Mr. Chancellor.

16           This Court, this Bankruptcy Court, does have  
17 jurisdiction and authority to specifically enjoin Mr.  
18 Chancellor's continued prosecution of the claims against the  
19 City and the claim against Officer Geelhood in his  
20 representative capacity.

21           The Court's opinion from September 18 that I cited  
22 -- this year that I cited earlier points that out. It cites  
23 chapter and verse in the City's plan of adjustment, confirmed  
24 plan of adjustment documents. The plan and the order  
25 confirming plan.



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE

I, RANDEL RAISON, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter, to the best of my ability.

*Randel Raison*

October 25, 2023

\_\_\_\_\_  
Randel Raison

**U.S. Bankruptcy Court  
Eastern District of Michigan (Detroit)  
Bankruptcy Petition #: 13-53846-tjt**

Assigned to: Judge Thomas J. Tucker  
Chapter 9  
Voluntary  
No asset

Date filed: 07/18/2013  
Plan confirmed: 11/12/2014

**Debtor In Possession**  
**City of Detroit, Michigan**  
2 Woodward Avenue  
Suite 1126  
Detroit, MI 48226  
WAYNE-MI  
Tax ID / EIN: 38-6004606

represented by **Megan R.I. Baxter**  
150 West Jefferson Avenue  
Suite 2500  
Detroit, MI 48226  
(313) 496-8459  
Email: [baxter@millercafield.com](mailto:baxter@millercafield.com)

**Bruce Bennett**  
555 S. Flower Street  
50th Floor  
Los Angeles, CA 90071  
(213) 489-3939  
Email: [bbennett@jonesday.com](mailto:bbennett@jonesday.com)

**Eric D. Carlson**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7567  
*TERMINATED: 07/06/2020*

**Mary Beth Cobbs**  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-3075  
Fax : 313-224-5505  
Email: [cobbm@detroitmi.gov](mailto:cobbm@detroitmi.gov)

**Tamar Dolcourt**  
500 Woodward Ave.  
Suite 2700  
Detroit, MI 48226  
313-234-7161  
Email: [tdolcourt@foley.com](mailto:tdolcourt@foley.com)

**Timothy A. Fusco**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226-4415  
(313) 496-8435  
*TERMINATED: 07/06/2020*

**Eric B. Gaabo**  
2 Woodward Avenue

Ste. 500  
Detroit, MI 48226  
313-237-3052  
Email: [gaabe@detroitmi.gov](mailto:gaabe@detroitmi.gov)

**Jonathan S. Green**  
150 W. Jefferson  
Ste. 2500  
Detroit, MI 48226  
(313) 963-6420  
Email: [green@millercanfield.com](mailto:green@millercanfield.com)

**David Gilbert Heiman**  
901 Lakeside Avenue  
Cleveland, OH 44114  
(216) 586-7175  
*TERMINATED: 03/18/2019*

**Robert S. Hertzberg**  
4000 Town Center  
Suite 1800  
Southfield, MI 48075-1505  
248-359-7300  
Fax : 248-359-7700  
Email: [hertzbergr@pepperlaw.com](mailto:hertzbergr@pepperlaw.com)

**Kelly Houk**  
400 Renaissance Center  
Detroit, MI 48243  
313-568-6530  
Email: [khok@dykema.com](mailto:khok@dykema.com)  
*TERMINATED: 08/23/2017*

**Jeffrey S. Kopp**  
Foley & Lardner LLP  
500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Fax : (313) 234-2800  
Email: [jkopp@foley.com](mailto:jkopp@foley.com)

**Deborah Kovsky-Apap**  
Pepper Hamilton LLP  
4000 Town Center  
Suite 1800  
Southfield, MI 48075  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kovskyd@pepperlaw.com](mailto:kovskyd@pepperlaw.com)

**Kay Standridge Kress**  
4000 Town Center  
Southfield, MI 48075-1505  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kay.kress@troutman.com](mailto:kay.kress@troutman.com)

**Stephen S. LaPlante**  
150 W. Jefferson Ave.  
Suite 2500  
Detroit, MI 48226  
(313) 496-8478

Email: [laplante@millercanfield.com](mailto:laplante@millercanfield.com)

**Heather Lennox**

901 Lakeside Avenue  
Cleveland, OH 44114-1190  
(216) 586-7111  
Email: [hlennox@jonesday.com](mailto:hlennox@jonesday.com)

**John D. Mulvihill**

20 W. Washington  
Suite 2  
Clarkston, MI 48346  
(248) 625-3131  
Email: [jdmassistant@sbcglobal.net](mailto:jdmassistant@sbcglobal.net)

**Scott Eric Ratner**

One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John A. Simon**

500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Email: [jsimon@foley.com](mailto:jsimon@foley.com)

**Ronald A. Spinner**

150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7829  
Email: [spinner@millercanfield.com](mailto:spinner@millercanfield.com)

**Marc N. Swanson**

Miller Canfield Paddock and Stone, P.L.C.  
150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7591  
Email: [swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**Albert Togut**

One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John H. Willems**

150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7544  
Email: [willems@millercanfield.com](mailto:willems@millercanfield.com)

**Stanley L. de Jongh**

Two Woodward Ave., 5th Floor  
Suite 500  
Detroit, MI 48226  
313-237-5031

Fax : 313-224-5505  
Email: [jongsl@detroitmi.gov](mailto:jongsl@detroitmi.gov)

**U.S. Trustee**  
**Daniel M. McDermott**  
*TERMINATED: 12/23/2019*

represented by **Sean M. Cowley (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-3432  
Email: [Sean.cowley@usdoj.gov](mailto:Sean.cowley@usdoj.gov)

**Richard A. Roble (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-6769  
Email: [Richard.A.Roble@usdoj.gov](mailto:Richard.A.Roble@usdoj.gov)

**U.S. Trustee**  
**Andrew R. Vara**

represented by **Sean M. Cowley (UST)**  
(See above for address)

**Richard A. Roble (UST)**  
(See above for address)

**Creditor Committee**  
**Committee of Unsecured**  
**Creditors**  
*TERMINATED: 03/03/2014*

represented by **Brett Howard Miller**  
1290 Avenue of the Americas  
40th Floor  
New York, NY 10104  
(212) 468-8051  
Email: [bmiller@mofocom.whildbold@mofocom](mailto:bmiller@mofocom.whildbold@mofocom)  
*TERMINATED: 03/03/2014*

**Geoffrey T. Pavlic**  
AF Group  
200 N. Grand River Ave.  
Lansing, MI 48933  
(517) 708-5146  
Fax : (248) 352-4488  
Email: [Geoffrey.Pavlic@afgroup.com](mailto:Geoffrey.Pavlic@afgroup.com)  
*SELF-TERMINATED: 11/19/2014*

**Mark H. Shapiro**  
25925 Telegraph Rd.  
Suite 203  
Southfield, MI 48033-2518  
(248) 352-4700  
Fax : (248) 352-4488  
Email: [shapiro@steinbergshapiro.com](mailto:shapiro@steinbergshapiro.com)  
*SELF-TERMINATED: 10/27/2023*

**Creditor Committee**  
**Charlene Hearn**  
PO Box 6612  
Detroit, MI 48206

**Creditor Committee**  
**Craig Steele**

**Retiree Committee**  
**Official Committee of Retirees**

represented by **Sam J. Alberts**  
1301 K Street, NW

Suite 600, East Tower  
 Washington, DC 20005-3364  
 (202) 408-7004  
 Email: [sam.alberts@dentons.com](mailto:sam.alberts@dentons.com)  
 SELF- TERMINATED: 03/13/2015

**Paula A. Hall**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [hall@bwst-law.com](mailto:hall@bwst-law.com)

**Claude D. Montgomery**  
 620 Fifth Avenue  
 New York, NY 10020  
 (212) 632-8390  
 Email: [claudio.montgomery@dentons.com](mailto:claudio.montgomery@dentons.com), [docketny@dentons.com](mailto:docketny@dentons.com)

**Carole Neville**  
 1221 Avenue of the Americas  
 25th Floor  
 New York, NY 10020  
 (212) 768-6889  
 Email: [carole.neville@dentons.com](mailto:carole.neville@dentons.com)

**Matthew Wilkins**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [wilkins@bwst-law.com](mailto:wilkins@bwst-law.com)

| Filing Date | #           | Docket Text   |
|-------------|-------------|---|
| 10/10/2013  | <u>1146</u> | Motion of Debtor, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof Filed by Debtor In Possession City of Detroit, Michigan (Lennox, Heather) (Entered: 10/10/2013)   |
| 11/21/2013  | <u>1782</u> | Order, Pursuant To Sections 105, 501 And 503 Of The Bankruptcy Code And Bankruptcy Rules 2002 And 3003(c), Establishing Bar Dates For Filing Proofs Of Claim And Approving Form And Manner Of Notice Thereof (RE: related document(s) <u>1146</u> Establishing Ch. 9 Bar Dates for Filing Proofs of Claim filed by Debtor In Possession City of Detroit, Michigan, <u>1769</u> Stipulation filed by Debtor In Possession City of Detroit, Michigan, <u>1742</u> Order Regarding Submission of Order Establishing Claims Bar Date). Proof of Claim Deadline is February 21, 2014 at 4:00 P.M. Eastern Time. (ckata) Modified on 11/21/2013 (Sam R.). (Entered: 11/21/2013) |
| 10/22/2014  | <u>8045</u> | Eighth Amended Chapter 9 Plan for the Adjustment of Debts of the City of Detroit Filed by Debtor In Possession City of Detroit, Michigan (RE: related document(s) <u>2708</u> Chapter 9 Plan). (Attachments: # <u>1</u> Exhibit I.A.9 through I.A.354 # <u>2</u> Exhibit I.A.360-Part 1 # <u>3</u> Exhibit I.A.360-Part 2 # <u>4</u> Exhibit I.A.360-Part 3 # <u>5</u> Exhibit I.A.360-Part 4 # <u>6</u> Exhibit I.A.360-Part 5 # <u>7</u> Exhibit I.A.360-Part 6 # <u>8</u> Exhibit I.A.360-Part 7 # <u>9</u> Exhibit I.A.360-Part 8 # <u>10</u> Exhibit II.B.3.q.ii.A through III.D.2) (Heiman, David) (Entered: 10/22/2014)  |

|            |  |              |  |
|------------|--|--------------|--|
| 11/12/2014 |  | <u>8272</u>  | Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit . (Related Document: <u>8045</u> Eighth Amended Chapter 9 Plan). (ckata) (Entered: 11/12/2014)   |
| 05/12/2016 |  | <u>11159</u> | Motion to Enforce <i>Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner</i> Filed by Debtor In Possession City of Detroit, Michigan (Swanson, Marc) (Entered: 05/12/2016)   |
| 05/17/2016 |  | <u>11175</u> | Rodrick Siner's Response To The City Of Detroit's Motion For The Entry Of An Order (I) Enforcing The Plan Of Adjustment Injunction And (II) Requiring Rodrick Siner To Dismiss With Prejudice His District Court Lawsuit (related document(s): <u>11159</u> Motion to Enforce <i>Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner</i> ) Filed by Creditor Rodrick Siner (ckata) (Entered: 05/17/2016) |
| 06/10/2016 |  | <u>11261</u> | Reply to (related document(s): <u>11175</u> Response filed by Creditor Rodrick Siner) <i>Reply in Support of the City of Detroit's Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner</i> Filed by Debtor In Possession City of Detroit, Michigan (Spinner, Ronald) (Entered: 06/10/2016)   |
| 06/16/2016 |  | <u>11296</u> | Order Granting City Of Detroit's Motion For The Entry Of An Order Enforcing The Plan Of Adjustment Injunction And The Bar Date Order Against Rodrick Siner (Related Doc # <u>11159</u> ). (ckata) (Entered: 06/17/2016)  |

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|                            |   |  |                       |
|----------------------------|---|--|-----------------------|
| -----                      | X |  |                       |
|                            | : |  |                       |
| In re                      | : |  | Chapter 9             |
|                            | : |  |                       |
| CITY OF DETROIT, MICHIGAN, | : |  | Case No. 13-53846     |
|                            | : |  |                       |
| Debtor.                    | : |  | Hon. Steven W. Rhodes |
|                            | : |  |                       |
|                            | : |  |                       |
| -----                      | X |  |                       |

**MOTION OF DEBTOR, PURSUANT TO SECTIONS 105, 501  
AND 503 OF THE BANKRUPTCY CODE AND BANKRUPTCY  
RULES 2002 AND 3003(c), FOR ENTRY OF AN ORDER  
ESTABLISHING BAR DATES FOR FILING PROOFS OF CLAIM  
AND APPROVING FORM AND MANNER OF NOTICE THEREOF**

The City of Detroit ("Detroit" or the "City") hereby moves the Court, pursuant to sections 105, 501 and 503 of title 11 of the United States Code (the "Bankruptcy Code"), and Rules 2002 and 3003(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for the entry of an order<sup>1</sup> establishing bar dates for filing proofs of claim and approving the form and manner

---

<sup>1</sup> This Motion includes certain attachments that are labeled in accordance with Rule 9014-1(b)(1) of the Local Rules of the Bankruptcy Court for the Eastern District of Michigan (the "Local Rules"). Consistent with Local Rule 9014-1(b), a copy of the proposed form of order granting this Motion is attached hereto as Exhibit 1. A summary identifying each included attachment by exhibit number is appended to this Motion.

of notice thereof. In support of this Motion, the City respectfully represents as follows:

### **General Background**

1. On July 18, 2013 (the "Petition Date"), the City filed a petition for relief in this Court, thereby commencing the largest chapter 9 case in history.

2. Incorporated in 1806, Detroit is the largest city in Michigan. As of December 2012, the City had a population of less than 685,000 (down from a peak population of nearly 2 million in 1950). Over the past several decades, the City has experienced significant economic challenges that have negatively impacted employment, business conditions and quality of life.

3. As of June 30, 2013 — the end of the City's 2013 fiscal year — the City's liabilities exceeded \$18 billion (including, among other things, general obligation and special revenue bonds, unfunded actuarially accrued pension and other postemployment benefit liabilities, pension obligation certificate liabilities and related derivative liabilities). As of June 30, 2013, the City's accumulated unrestricted general fund deficit was approximately \$237 million.

4. In February 2013, a state review team determined that a local government financial emergency exists in the City. Thereafter, in March 2013, Kevyn D. Orr was appointed, and now serves as, emergency manager with respect to the City (in such capacity, the "Emergency Manager") under Public Act 436 of

2012, the Local Financial Stability and Choice Act, MCL § 141.1541, *et seq.* ("PA 436"). Under Section 18(1) of PA 436, the Emergency Manager acts exclusively on behalf of the City in this chapter 9 case. MCL § 141.1558.

### **The List of Claims and the Claims Agent**

5. On the Petition Date, the City filed its List of Creditors Pursuant to Section 924 of the Bankruptcy Code and Bankruptcy Rule 1007 (Docket No. 16) (the "Original List of Creditors").

6. On August 1, 2013, the City filed its Amended List of Creditors Pursuant to Section 924 of the Bankruptcy Code and Bankruptcy Rule 1007 (Docket No. 258) (the "Amended List of Creditors"), which replaced the Original List of Creditors and redacted certain personal information therein.

7. On September 30, 2013, the City filed its Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), which supplemented and amended the information in the Amended List of Creditors and also constitutes the City's list of claims under section 925 of the Bankruptcy Code (as amended or supplemented from time to time, the "List of Claims").

8. On July 19, 2013, the City filed the Motion of Debtor for Entry of an Order Appointing Kurtzman Carson Consultants, LLC as Claims and Noticing Agent Pursuant to 28 U.S.C. § 156(c), Section 105(a) of the Bankruptcy

Code and Bankruptcy Rule 2002 (Docket No. 19) (the "Claims Agent Motion").

In light of the complexity of the City's chapter 9 case and the size of its potential creditor pool, the Claims Agent Motion sought the appointment of Kurtzman Carson Consultants, LLC ("KCC") as claims and noticing agent in this case. By an order entered on August 6, 2013 (Docket No. 297), the Court approved of the relief requested in the Claims Agent Motion.

### **Jurisdiction**

9. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

### **Relief Requested**

10. The City hereby moves the Court, pursuant to sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for the entry of an order: (a) establishing the general bar date by which the entities specified below must file proofs of claim in this chapter 9 case (the "General Bar Date"); (b) establishing the date by which proofs of claim (including any claims asserting administrative priority) relating to the City's rejection of executory contracts or unexpired leases must be filed (the "Rejection Damages Bar Date"); (c) establishing the date by which entities must file proofs of claim as a result of any further amendment of the List of Claims by the City (the "Amended Claims

List Bar Date"); (d) confirming the date by which governmental units must file proofs of claim in this case (the "Governmental Bar Date" and, collectively with the General Bar Date, the Rejection Damages Bar Date and the Amended Claims List Bar Date, the "Bar Dates"); and (e) approving the form and manner of notice of the Bar Dates.

**Request for an Order (A) Establishing the Bar Dates and Related Claims Procedures and (B) Approving Form and Manner of Notice Thereof**

11. To complete the restructuring process and make distributions to creditors in this case, the City requires, among other things, complete and accurate information regarding the nature, validity and amount of the claims<sup>2</sup> that will be asserted against the City. Consequently, to avoid any delay in the restructuring process, the City requests that the Court (a) establish the Bar Dates and related claims procedures proposed herein and (b) approve the form and manner of notice thereof.

**A. Establishment of the Bar Dates**

12. The General Bar Date. Bankruptcy Rule 3003(c)(3) requires that the Court fix a time within which proofs of claim must be filed in a case under chapter 9 or chapter 11 of the Bankruptcy Code. Fed. R. Bankr. P. 3003(c)(3)

---

<sup>2</sup> The term "claim," as used herein, has the meaning given to it in section 101(5) of the Bankruptcy Code.

("The court shall fix . . . the time within which proofs of claim . . . may be filed.")<sup>3</sup>

The City proposes that it will serve a notice of the Bar Dates and a proof of claim form by the date (the "Service Date") that is no later than five business days after the entry of an order approving this Motion and establishing the Bar Dates (the "Bar Date Order"). Assuming that the Bar Date Order is entered by November 13, 2013 (the date of one of the omnibus hearing dates in this case), the Service Date would occur no later than November 20, 2013. The City requests that the Court establish January 21, 2014, at 5:00 p.m., Eastern Time, as the General Bar Date.<sup>4</sup> This will provide no fewer than 60 days after the anticipated Service Date for creditors to file proofs of claim in this case.

13. The General Bar Date is the date by which all entities<sup>5</sup> holding claims that arose, or are deemed to have arisen, prior to the Petition Date ("Prepetition Claims") must file proofs of claim unless they fall within one of the exceptions described below. The General Bar Date would apply to all types of

---

<sup>3</sup> Bankruptcy Rule 3003(a) states that this "rule applies in chapter 9 and 11 cases." Section 501(a) of the Bankruptcy Code provides, generally, that "[a] creditor or an indenture trustee may file a proof of claim." 11 U.S.C. § 501(a).

<sup>4</sup> If this Court schedules a hearing on this Motion in advance of the November 13, 2013 omnibus hearing, an earlier date could be set as the General Bar Date while still providing at least 60 days' notice to creditors.

<sup>5</sup> As used herein, the term "entity" has the meaning given to it in section 101(15) of the Bankruptcy Code and includes, among other things, "persons" as such term is defined in section 101(41) of the Bankruptcy Code.

Prepetition Claims against the City, including secured claims, unsecured priority claims and unsecured nonpriority claims. For the avoidance of doubt, the City proposes that the General Bar Date would apply to claims asserting priority under section 503(b)(9) of the Bankruptcy Code (any such claim, a "503(b)(9) Claim"). To that end, the City further proposes that the filing of a proof of claim form be deemed to satisfy the procedural requirements for the assertion of 503(b)(9) Claims (which, despite their priority status, are prepetition claims). All administrative claims under section 503(b) of the Bankruptcy Code, other than 503(b)(9) Claims and the administrative portions of Rejection Damages Claims, will not be deemed proper if asserted by proof of claim.<sup>6</sup> The City intends to establish a process for the assertion of other administrative expense claims at a future date if and to the extent necessary.

14. The Rejection Damages Bar Date. The City anticipates that certain entities may assert claims arising from or relating to the rejection of executory contracts or unexpired leases, pursuant to section 365 of the Bankruptcy Code, or claims otherwise related to such rejected agreements, including:

---

<sup>6</sup> Section 503 of the Bankruptcy Code, which deems certain claims to be administrative expenses, and section 507(a)(2), which grants priority status to administrative expenses, are made applicable in a chapter 9 case by section 901 of the Bankruptcy Code. 11 U.S.C. § 901. The City specifically reserves the right to dispute or object to, or assert counterclaims, offsets, recoupments or defenses against, any 503(b)(9) Claim or other claim asserting administrative priority status on any grounds.

(a) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Petition Date;<sup>7</sup> and

(b) administrative claims under section 503(b) of the Bankruptcy Code (collectively, "Rejection Damages Claims"). The City seeks to establish the Rejection Damages Bar Date as the deadline for entities to file any Rejection Damages Claims with respect to executory contracts or unexpired leases rejected pursuant to a Court order entered prior to the confirmation and effectiveness of the City's chapter 9 plan (a "Rejection Order").

15. In particular, the City proposes that the Rejection Damages Bar Date will be the later of (a) the General Bar Date and (b) 5:00 p.m., Eastern Time, on the first business day that is at least 30 days after the entry of the applicable Rejection Order. Any Rejection Order entered by the Court will include a provision describing, and providing further notice of, the Rejection Damages Bar Date.

16. For the avoidance of doubt, all prepetition and postpetition claims of any kind or nature relating to executory contracts or unexpired leases rejected by a Rejection Order must be filed by the Rejection Damages Bar Date. The City proposes that the filing of a proof of claim form, along with a detailed

---

<sup>7</sup> Claims arising from rejection of an executory contract or unexpired lease are treated "the same as if such claim had arisen before the date of the filing of the petition." 11 U.S.C. § 365(g)(1).

statement describing the nature and basis of any portion of a Rejection Damages Claim asserting administrative priority pursuant to section 503(b) of the Bankruptcy Code, be deemed to satisfy the procedural requirements for the assertion of such claim.

17. The Amended Claims List Bar Date. The City reserves the right to: (a) dispute, or assert offsets or defenses against, (i) any filed claim (any such claim, a "Filed Claim") or (ii) any claim listed or reflected in the List of Claims (any such claim, a "Scheduled Claim") as to nature, amount, liability, classification or otherwise; (b) subsequently designate any Scheduled Claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the List of Claims. If the City amends or supplements its List of Claims after the Service Date, the City proposes that it will give notice of any such amendment or supplement to the holders of claims affected thereby, including notice of the Amended Claims List Bar Date to file proofs of claim in response to the amendment or supplement to the List of Claims.

18. In particular, if the City amends or supplements its List of Claims to: (a) reduce the undisputed, noncontingent and liquidated amount of a Scheduled Claim; (b) change the nature or classification of a Scheduled Claim in a manner adverse to the listed creditor; or (c) add a new Scheduled Claim to the List of Claims with respect to a party that was not previously served with notice of the

Bar Dates (in each case, a "Modified Claim"), the affected claimant will be permitted to file any proof of claim, or amend any previously filed proof of claim, in respect of the Modified Claim by the Amended Claims List Bar Date.

By contrast, if the amendment to the List of Claims improves the amount or treatment of a previously listed or filed claim, claimants that previously were served with a notice of the Bar Dates are not permitted to file additional claims by the Amended Claims List Bar Date. An entity that previously filed a proof of claim will not be required to re-file its claim as a result of an amendment to the List of Creditors.

19. The City requests that the Amended Claims List Bar Date be established as the later of: (a) the General Bar Date; and (b) 5:00 p.m., Eastern Time, on the first business day that is at least 30 days after the date that notice of the applicable amendment or supplement to the List of Claims (an "Amendment Notice") is served on the claimant. Any Amendment Notice shall identify the Amended Claims List Bar Date.

20. Notwithstanding the foregoing, nothing contained herein shall preclude the City from objecting to any Filed Claim or Scheduled Claim on any grounds.

21. The Governmental Bar Date. Bankruptcy Rule 3002(c)(1) provides that "[a] proof of claim filed by a governmental unit . . . is timely filed if

it is filed not later than 180 days after the date of the order for relief." Fed. R. Bankr. P. 3002(c)(1). No order for relief has yet been entered in the City's chapter 9 case.<sup>8</sup> Nevertheless, the City requests that the Court's order granting the relief requested herein confirm that the Governmental Bar Date is established as the later of (a) 5:00 p.m., Eastern Time, on the first business day that is at least 180 days after this Court's entry of an order for relief in the City's chapter 9 case; and (b) any Rejection Damages Bar Date or Amended Claims List Bar Date applicable to the governmental unit.<sup>9</sup>

**B. Entities That Must File Proofs of Claim by the General Bar Date**

22. The City proposes that, subject to the provisions of paragraphs 14 through 21 of this Motion for holders of claims subject to the Rejection Damages Bar Date, the Amended Claims List Bar Date and the Governmental Bar Date and the exceptions described in paragraph 23 below, the following entities must file proofs of claim on or before the General Bar Date:

- (a) Any entity: (i) whose Prepetition Claim against the City is not listed in the List of Claims or is listed as disputed, contingent or

---

<sup>8</sup> Proceedings to establish the City's eligibility to be a chapter 9 debtor pursuant to section 109(c) of the Bankruptcy Code are ongoing at this time. If the City prevails in establishing eligibility, the Court will enter an order for relief consistent with section 921(d) of the Bankruptcy Code.

<sup>9</sup> The City intends to provide all known creditors that are governmental units with prompt notice of this Court's entry of an order for relief and the resulting Governmental Bar Date.

unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment; and

(b) Any entity that believes that its Prepetition Claim is improperly classified in the List of Claims or is listed in an incorrect amount and that desires to have its claim allowed in a classification or amount other than that identified in the List of Claims.

**C. Entities Not Required to File Proofs of Claim by the General Bar Date**

23. The City proposes that entities holding the following claims (which claims otherwise would be subject to the General Bar Date) need not file proofs of claim on account of such claims:

(a) Any claim for unfunded actuarially accrued healthcare liabilities associated with the City's Health and Life Insurance Benefit Plan and the Supplemental Death Benefit Plan (any such claim, a "Healthcare UAAL Claim"). The City submits that the liquidation of Healthcare UAAL Claims is not practicable or meaningful on a creditor-by-creditor basis and, therefore, no purpose would be served by requiring employees and retirees to attempt to quantify their Healthcare UAAL Claims through the submission of proofs of claim.

(b) Any claim by present or potential future beneficiaries of the City's two pension systems, the General Retirement System and the Police and Fire Retirement System (together, the "Retirement Systems"), for unfunded pension liabilities (any such claim, a "Pension Liability Claim"). In each case, the applicable Retirement System is the creditor of, and proper party to assert Pension Liability Claims against, the City.

(c) Any claim by a holder for the repayment of principal, interest and/or other applicable fees and charges on or under (i) the bonds set forth on Exhibit 6.1 attached hereto (collectively, the "Secured Bonds") or (ii) any certificates of participation issued by the City (collectively, the "COPs"). In each case, the trustee or similar entity (the "Trustee") has informed the City that, consistent with Bankruptcy Rule 3003(c)(5), it intends to: (i) file any proofs of claim against the City on behalf of the holders of the Secured Bonds and the COPs; and (ii) provide notice to the holders of the Secured Bonds and the COPs.

(d) Any claim arising from an ordinary course entitlement to an income tax refund (to the extent of such claimed entitlement) asserted through the City's established income tax refund procedures,<sup>10</sup> provided,

---

<sup>10</sup> The City has been processing income tax refunds in the ordinary course and intends to continue to do so. In accordance with the authority granted the

however, that entities holding any other Prepetition Claims or causes of action related to income tax matters that are not properly asserted through the City's established income tax refund procedures must file a proof of claim by the General Bar Date.

(e) Any claim with respect to which the holder already has filed a signed proof of claim against the City with the Clerk of the Bankruptcy Court for the Eastern District of Michigan, or with KCC, in a form substantially similar to Official Bankruptcy Form No. 10;

(f) Any claim that is listed on the List of Claims if (i) the claim is not listed as "disputed," "contingent" or "unliquidated;" and (ii) such entity agrees with the amount, nature and priority of the claim as set forth in the List of Claims;

(g) Any claim that previously has been allowed by order of the Court;

(h) Any claim that has been paid in full by the City; and

(i) Any claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration (other than any

---

(continued)

City by this Court's order dated September 25, 2013 (Docket No. 1021), the City intends to file under seal an amended Schedule O to the List of Claims identifying the City's known income tax refund creditors.

503(b)(9) Claim or any portion of a Rejection Damages Claim asserting administrative priority under section 503(b) of the Bankruptcy Code).

24. For the avoidance of doubt, the following entities should file proofs of claim to the extent the filing of such claim is not otherwise made unnecessary by the terms of the foregoing paragraph 23: (a) employees and retirees asserting Prepetition Claims other than Healthcare UAAL Claims and Pension Liability Claims and (b) holders of bonds other than the Secured Bonds (collectively, the "Unsecured GO Bonds") asserting Prepetition Claims in connection with such bonds.<sup>11</sup>

**D. Liquidation of Tort Claims**

25. Consistent with the Court's order of October 8, 2013 (Docket No. 1114), the City intends to file a motion by November 12, 2013 for approval of an efficient process for liquidating prepetition tort claims asserted against the City. The City anticipates that this process: (a) may involve the use of alternative dispute resolution practices, including mediation or consensual arbitration; and (b) would be implemented once the tort claims have been asserted through the proof of claim process.

---

<sup>11</sup> The City intends to provide notice to beneficial holders of the Unsecured GO Bonds, as set forth in paragraph 29 below.

**E. Effect of Failure to File Proofs of Claim**

26. The City proposes that, pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2),<sup>12</sup> any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or the Bar Date Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, should be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under this subparagraph (a) being referred to herein as an "Unscheduled Claim"); (b) voting upon any plan of adjustment in this chapter 9 case or receiving distributions under any plan of adjustment in this chapter 9 case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim and any

---

<sup>12</sup> Bankruptcy Rule 3003(c)(2) provides that:

[a]ny creditor . . . whose claim . . . is not scheduled or scheduled as disputed, contingent, or unliquidated shall file a proof of claim . . . within the time prescribed by subdivision (c)(3) of this rule; any creditor who fails to do so shall not be treated as a creditor with respect to such claim for the purposes of voting and distribution.

Fed. R. Bankr. P. 3002(c)(2).

administrative priority component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

**F. Procedures for Providing Notice of Bar Dates and Filing Proofs of Claim**

27. The City proposes to serve on all known entities potentially holding claims that are subject to the Bar Dates: (a) a notice of the Bar Dates substantially in the form of the notice attached hereto as Exhibit 6.2 and incorporated herein by reference (the "Bar Date Notice"); and (b) a proof of claim form substantially in the form attached hereto as Exhibit 6.3 and incorporated herein by reference (the "Proof of Claim Form" and, collectively with the Bar Date Notice, the "Bar Date Notice Package").<sup>13</sup>

28. The Bar Date Notice states, among other things, that proofs of claim must be filed on or before the applicable Bar Date and provides instructions for the filing of claims. As soon as practicable, but in any event no later than five business days following this Court's entry of the Bar Date Order, the City intends

---

<sup>13</sup> The Proof of Claim Form is derived from Official Bankruptcy Form No. 10, but has been modified, and may be further modified in certain limited respects, to (a) remove certain categories of claim that are inapplicable in chapter 9 and (b) accommodate the claims process in this case. For example, the City has eliminated the check boxes providing for the assertion of priority claims under subsections (a)(1)(A), (a)(1)(B), (a)(4), (a)(5), (a)(7) and (a)(8) of section 507 of the Bankruptcy Code because the foregoing subsections are not applicable in a chapter 9 case pursuant to section 901(a) of the Bankruptcy Code.

to mail the Bar Date Notice Package by first class United States mail, postage prepaid (or equivalent service), to:

- (a) all known potential claimants (or their counsel, if known), including all entities identified as potential claim holders in the List of Claims;
- (b) the Trustees;
- (c) counsel to the Official Committee of Retirees appointed in this case;
- (d) all parties that have requested notice of the proceedings in this case as of the date of the Bar Date Order;
- (e) all parties that have filed proofs of claim in this case as of the date of the Bar Date Order;
- (f) all parties to executory contracts and unexpired leases with the City, including all parties to executory contracts and unexpired leases rejected by a Rejection Order, if any, as of the date of the Bar Date Order;
- (g) all parties to pending litigation with the City;
- (h) the United States Attorney for this District; and
- (i) all federal and state environmental protection agencies for this jurisdiction.

29. The City also intends to serve the Bar Date Notice Package on the beneficial holders of the Unsecured GO Bonds. Many such beneficial holders are not known to the City because the Unsecured GO Bonds are held in the name of CEDE & Company on behalf of institutional brokers and other customers (collectively, the "Institutional Nominees") of the Depository Trust and Clearing Corporation ("DTC"). The Institutional Nominees, in turn, hold the Unsecured GO

Bonds, among other bonds, in "street name" on behalf of the beneficial holders. To ensure that the best notice practicable under the circumstances is provided to the beneficial holders of the Unsecured GO Bonds, the City intends to request from DTC a listing of the Institutional Nominees (the "Institutional Nominee List"), as of a record date that is no more than 30 days prior to the anticipated Service Date. Upon receipt of the Institutional Nominee List from DTC, KCC will cause the Bar Date Notice Package to be served on the Institutional Nominees with instructions for the Institutional Nominees to forward the Bar Date Notice Package to the beneficial holders of the Unsecured GO Bonds. In this regard, the City requests that the Court confirm that, where beneficial holders of Unsecured GO Bonds have agreed to accept service of notices relating to the Unsecured GO Bonds by electronic mail, service of the Bar Date Notice Package on the beneficial holders of the Unsecured GO Bonds by electronic mail will constitute adequate notice of the Bar Dates.<sup>14</sup>

30. The timing of the General Bar Date on January 21, 2014 will ensure that potential claimants known to the City as of the Service Date will receive no fewer than 60 days' notice by mail of the General Bar Date, assuming

---

<sup>14</sup> The City and KCC anticipate that final service of the Bar Date Notice Package on the holders of the Unsecured GO Bonds will be completed, whether by electronic mail or regular mail, by Broadridge Financial Solutions, Inc., a company that specializes in providing various forms of investor communications.

that the Bar Date Order is entered on or about the date of the omnibus hearing set for November 13, 2013. This substantially exceeds the minimum 21-day notice period provided by Bankruptcy Rule 2002(a)(7)<sup>15</sup> and the minimum 30-day notice period for foreign creditors provided by Bankruptcy Rule 2002(p).

31. Except with respect to holders of Unsecured GO Bonds, for holders of Scheduled Claims, the Proof of Claim Form mailed to such entities will indicate: (a) the amount of the Scheduled Claim, if any; (b) whether the Scheduled Claim is listed as disputed, contingent or unliquidated; and (c) whether the Scheduled Claim is listed as a secured claim, an unsecured priority claim or an unsecured nonpriority claim.

32. The City proposes that claimants be required to submit proofs of claim on the Proof of Claim Form or on such other form that conforms substantially to Official Bankruptcy Form No. 10. For any claim to be validly and properly filed, a signed original of a completed proof of claim, together with any accompanying documentation required hereunder or by Bankruptcy Rules 3001(c) and 3001(d),<sup>16</sup> must be delivered to the City's claims processing center maintained

---

<sup>15</sup> Bankruptcy Rule 2002(a)(7) states that "the clerk, or some other person as the court may direct, shall give the debtor, the trustee, all creditors and indenture trustees at least 21 days' notice by mail of ... the time fixed for filing proofs of claims pursuant to [Bankruptcy] Rule 3003(c) ...." Fed. R. Bankr. P. 2002(a)(7).

<sup>16</sup> Bankruptcy Rule 3001(c) requires as follows:

by KCC (the "Claims Processing Center") at City of Detroit Claims Processing Center c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245 so as to be received no later than the applicable Bar Date.<sup>17</sup> The City proposes that claimants be permitted to submit proofs of claim in person or by courier service, hand delivery or mail. Proofs of claim submitted by facsimile or electronic mail will not be accepted. In addition, proofs of claim must (a) be written in the English language and (b) be denominated in United States currency. Proofs of claim will be deemed filed when actually received by KCC at the Claims Processing Center by one of the approved methods of delivery.

---

(continued)

When a claim, or an interest in property of the debtor securing the claim, is based on a writing, the original or a duplicate shall be filed with the proof of claim. If the writing has been lost or destroyed, a statement of the circumstances of the loss or destruction shall be filed with the claim.

Fed. R. Bankr. P. 3001(c). Bankruptcy Rule 3001(d) requires that "[i]f a security interest in property of the debtor is claimed, the proof of claim shall be accompanied by evidence that the security interest has been perfected." Fed. R. Bankr. P. 3001(d).

The City proposes that, if the documents supporting a claimant's proof of claim are voluminous, the claimant may file a summary of such documents with its proof of claim; provided, however, that any claimant that files a summary of supporting documents in lieu of the documentation required by Bankruptcy Rule 3001 will be required to transmit the documents in support of its claim to (a) KCC and (b) the City within ten days after the date of a written request by the City for such documents.

<sup>17</sup> Consistent with the terms of the retention of KCC as claims and noticing agent, creditors will be directed to file claims directly with KCC rather than the Clerk of this Court.

33. The City submits that the proposed General Bar Date, which is no fewer than 60 days after the expected Service Date, will provide potential claimants with ample time after the mailing of the Bar Date Notice within which to review their own books and records and prepare and file proofs of claim, if necessary. In addition, for Rejection Orders entered after the date that the Bar Date Order is entered, the City will include a description of the Rejection Damages Bar Date in the text of the Rejection Order.

**G. Publication of Bar Date Notice**

34. In light of the size of the City and its creditor pool, it is anticipated that there may be parties with potential claims against the City that the City was unable to identify in its List of Claims. Asserted claims by such unknown potential claimants may include, for example: (a) claims of trade vendors that failed to submit invoices to the City; (b) claims of certain former employees for whom the City may no longer possess current address information; (c) claims of entities with potential unasserted causes of action against the City; and (d) other claims that, for various other reasons, are not recorded in the City's books and records. Accordingly, the City believes that (a) it is necessary to provide notice of the Bar Dates to entities whose names and addresses are unknown to the City and (b) it is advisable to provide supplemental notice to known holders of potential claims. Therefore, pursuant to Bankruptcy

Rule 2002(l),<sup>18</sup> the City requests authority to publish the Bar Date Notice, modified to the extent necessary or appropriate to conform the Bar Date Notice to publication and minimize expense once in *The Detroit Free Press* and the national editions of *USA Today* and *The Wall Street Journal* at least 28 days prior to the General Bar Date. The City also: (a) intends to post the Bar Date Notice on (i) the City's restructuring website maintained by KCC at [www.kcellc.net/detroit](http://www.kcellc.net/detroit) and (ii) the website maintained by the Emergency Manager's office at <http://www.detroitmi.gov/EmergencyManager.aspx>; and (b) reserves the right to publish the Bar Date Notice in other national or regional newspapers, trade journals or similar publications, as the City may deem necessary or appropriate in its sole discretion.

### **Reservation of Rights**

35. The City files this Motion without prejudice to or waiver of its rights pursuant to section 904 of the Bankruptcy Code, and nothing herein is intended to, shall constitute or shall be deemed to constitute the City's consent, pursuant to section 904 of the Bankruptcy Code, to this Court's interference with (a) any of the political or governmental powers of the City, (b) any of the property

---

<sup>18</sup> Bankruptcy Rule 2002(l) provides that "[t]he court may order notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice."

or revenues of the City or (c) the City's use or enjoyment of any income-producing property.

### **Notice**

36. Notice of this Motion has been given to all entities that have requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure (or their counsel if known). In addition, a copy of the Motion was served on the Office of the United States Trustee. The City submits that no other or further notice need be provided.

### **Statement of Concurrence**

37. Local Rule 9014-1(g) provides that "in a bankruptcy case unless it is unduly burdensome, the motion shall affirmatively state that concurrence of opposing counsel in the relief sought has been requested on a specified date and that the concurrence was denied." Local Rule 9014-1(g). Given the number of parties and potential parties involved in this case and the lack of known opposing parties who would be adversely impacted by the relief requested herein, it would be impracticable (and, with regard to unknown parties, impossible) for the City to affirmatively seek the concurrence of each opposing counsel interested in the relief sought herein. Accordingly, the City submits that imposing the requirements of Local Rule 9014-1(g) in this matter would be "unduly burdensome" and requests that its requirements be waived.

**Request for Hearing**

38. The City requests that the Court schedule a hearing on this Motion for the omnibus hearing scheduled for November 13, 2013, at 10:00 a.m., Eastern Time, or sooner at such date and time as the Court's schedule permits.

**Statement Regarding Evidentiary Nature of Hearing**

39. The City believes that this Motion raises no factual issues and anticipates that an evidentiary hearing on this Motion will not be required.

**No Prior Request**

40. No prior request for the relief sought in this Motion has been made to this or any other Court.

WHEREFORE, the City respectfully requests that the Court: (a) enter an order substantially in the form attached hereto as Exhibit 1, granting the relief requested herein; and (b) grant such other and further relief to the City as the Court may deem proper.

Dated: October 10, 2013

Respectfully submitted,

/s/ Heather Lennox

David G. Heiman (OH 0038271)

Heather Lennox (OH 0059649)

JONES DAY

North Point

901 Lakeside Avenue

Cleveland, Ohio 44114

Telephone: (216) 586-3939

Facsimile: (216) 579-0212

dgheiman@jonesday.com

hlennox@jonesday.com

Bruce Bennett (CA 105430)

JONES DAY

555 South Flower Street

Fiftieth Floor

Los Angeles, California 90071

Telephone: (213) 243-2382

Facsimile: (213) 243-2539

bbennett@jonesday.com

Jonathan S. Green (MI P33140)

Stephen S. LaPlante (MI P48063)

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

150 West Jefferson

Suite 2500

Detroit, Michigan 48226

Telephone: (313) 963-6420

Facsimile: (313) 496-7500

green@millercanfield.com

laplante@millercanfield.com

ATTORNEYS FOR THE CITY

## SUMMARY OF ATTACHMENTS

The following documents are attached to this Motion, labeled in accordance with Local Rule 9014-1(b).

|             |  |
|-------------|--|
| Exhibit 1   | Proposed Form of Order                             |
| Exhibit 2   | Notice   |
| Exhibit 3   | None [Brief Not Required]                          |
| Exhibit 4   | Certificate of Service                             |
| Exhibit 5   | None [No Affidavits Filed Specific to This Motion] |
| Exhibit 6.1 | Schedule of Secured Bonds                          |
| Exhibit 6.2 | Proposed Form of Bar Date Notice                   |
| Exhibit 6.3 | Proposed Proof of Claim Form                       |

**EXHIBIT 1**

**(Form of Proposed Order)**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

-----X  
In re :  
: Chapter 9  
: CITY OF DETROIT, MICHIGAN, :  
: Case No. 13-53846  
: Debtor. :  
: Hon. Steven W. Rhodes  
: :  
: :  
-----X

**ORDER, PURSUANT TO SECTIONS 105, 501 AND 503  
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002  
AND 3003(c), ESTABLISHING BAR DATES FOR FILING PROOFS OF  
CLAIM AND APPROVING FORM AND MANNER OF NOTICE THEREOF**

This matter coming before the Court on the Motion of Debtor,  
Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy  
Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing  
Proofs of Claim and Approving Form and Manner of Notice Thereof  
(the "Motion"),<sup>1</sup> filed by the City of Detroit (the "City"); the Court having  
reviewed the Motion and having considered the statements of counsel and the  
evidence adduced with respect to the Motion at a hearing before the Court  
(the "Hearing"); the Court finding that: (a) the Court has jurisdiction over this

---

<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (c) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. As used herein, (a) the term "claim" has the meaning given to such term in section 101(5) of the Bankruptcy Code, (b) the term "entity" has the meaning given to such term in section 101(15) of the Bankruptcy Code and (c) the term "governmental unit" has the meaning given to such term in section 101(27) of the Bankruptcy Code.
3. The form of Bar Date Notice Package, and the manner of providing notice of the Bar Dates proposed in the Motion, are approved in all respects pursuant to Bankruptcy Rules 2002(a)(7) and 2002(l). The form and manner of notice of the Bar Dates approved herein are deemed to fulfill the notice requirements of the Bankruptcy Code and the Bankruptcy Rules. As such, the Debtors are authorized to serve the Bar Date Notice Package in the manner described in paragraphs 16 through 18 below.

4. Except as otherwise provided in this Order, all entities (including, without limitation, individuals, partnerships, corporations, joint ventures and trusts) that assert claims against the City that arose (or are deemed to have arisen) prior to July 18, 2013 (any such claim, a "Prepetition Claim") must file a proof of claim in writing in accordance with the procedures described herein by 5:00 p.m., Eastern Time, on January 21, 2014 (the "General Bar Date").

5. The General Bar Date applies to all types of Prepetition Claims, including secured claims, unsecured priority claims and unsecured nonpriority claims. For the avoidance of doubt, the General Bar Date shall apply to claims asserting administrative expense priority under section 503(b)(9) of the Bankruptcy Code ("503(b)(9) Claims"). The filing of a proof of claim form shall satisfy the procedural requirements for the assertion of 503(b)(9) Claims. All administrative claims under section 503(b) of the Bankruptcy Code, other than 503(b)(9) Claims and the administrative portions of Rejection Damages Claims (as defined below), shall not be deemed proper if asserted by proof of claim.

6. Subject to the provisions of paragraphs 10 through 14 of this Order with respect to holders of claims subject to the Rejection Damages Bar Date, the Amended Claims List Bar Date and the Governmental Bar Date, and the exceptions described in paragraph 8 below, the following entities must file a proof of claim on or before the General Bar Date:

(a) Any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment; and

(b) Any entity that believes that its prepetition claim is improperly classified in the List of Claims or is listed in an incorrect amount and that desires to have its claim allowed in a classification or amount other than that identified in the List of Claims.

7. The following procedures for the filing of proofs of claim shall apply:

(a) Proofs of claim must be on the Proof of Claim Form attached hereto as Exhibit 1 or otherwise conform substantially to Official Bankruptcy Form No. 10;

(b) Proofs of claim must be filed by mailing the original proof of claim or delivering the original proof of claim by hand or overnight courier to City of Detroit Claims Processing Center c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245. Proofs of claim submitted by facsimile or electronic mail shall not be accepted and shall not be deemed properly filed;

(c) Proofs of claim will be deemed timely filed only if actually received by the City's claims agent, Kurtzman Carson Consultants LLC ("KCC"), at the address set forth in the foregoing subparagraph on or before the applicable Bar Date. If a creditor wishes to receive acknowledgement of KCC's receipt of a proof of claim, the creditor also must submit to KCC by the applicable Bar Date and concurrently with submitting its original proof of claim (i) a copy of the original proof of claim and (ii) a self-addressed, postage prepaid return envelope; and

(d) Proofs of claim must (i) be signed by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant; (ii) include any documents upon which the claim is based (or, if such documents are voluminous, a summary) or an explanation as to why the documents are not available; (iii) be written in the English language; and

(iv) be denominated in United States currency. Any claimant that provides a summary in lieu of the documentation required by Bankruptcy Rule 3001 shall transmit the documents in support of its claim to KCC and the City within ten days after the date of any written request by the City for such documents.

8. Entities holding the following claims (which claims otherwise would be subject to the General Bar Date) shall not be required to file proofs of claim in this chapter 9 case on account of such claims:

(a) Any claim for unfunded actuarially accrued healthcare liabilities associated with the City's Health and Life Insurance Benefit Plan and the Supplemental Death Benefit Plan (any such claim, a "Healthcare UAAL Claim").

(b) Any claim by present or potential future beneficiaries of the City's two pension systems, the General Retirement System and the Police and Fire Retirement System, for unfunded pension liabilities (any such claim, a "Pension Liability Claim"). Any Pension Liability Claim is the responsibility of the applicable Retirement System.

(c) Any claim by a holder for the repayment of principal, interest and/or other applicable fees and charges on or under (i) the Secured Bonds or (ii) the COPs.

(d) Any claim arising from an ordinary course entitlement to an income tax refund (to the extent of such claimed entitlement) asserted through the City's established income tax refund procedures, provided, however, that entities holding any other Prepetition Claims or causes of action related to income tax matters that are not properly asserted through the City's established income tax refund procedures must file a proof of claim by the General Bar Date.

(e) Any claim with respect to which the holder already has filed a signed proof of claim against the City with the Clerk of this Court or KCC in a form substantially similar to Official Bankruptcy Form No. 10;

(f) Any claim that is listed on the List of Claims if (i) the claim is not listed as "disputed," "contingent" or "unliquidated;" and (ii) such

entity agrees with the amount, nature and priority of the claim as set forth in the List of Claims;

(g) Any claim that previously has been allowed by order of the Court;

(h) Any claim that has been paid in full by the City; and

(i) Any claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration (other than any 503(b)(9) Claim or any portion of a Rejection Damages Claim asserting administrative priority under section 503(b) of the Bankruptcy Code).

9. For the avoidance of doubt, the following entities should file proofs of claim to the extent the filing of such claim is not otherwise made unnecessary by the terms of the foregoing paragraph 8: (a) employees and retirees asserting Prepetition Claims *other than* Healthcare UAAL Claims and Pension Liability Claims and (b) holders of Unsecured GO Bonds asserting claims in connection with such bonds.

10. Any entities asserting claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to an order of this Court entered prior to the confirmation of the City's chapter 9 plan (a "Rejection Order"), or claims otherwise related to such rejected agreements, including (a) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Petition Date and (b) administrative claims under section 503(b) of the Bankruptcy Code (collectively, "Rejection Damages"),

Claims") are required to file proofs of claim by the later of (a) the General Bar Date and (b) 5:00 p.m., Eastern Time, on the first business day that is at least 30 days after the entry of the applicable Rejection Order (the "Rejection Damages Bar Date"). For the avoidance of doubt, all prepetition and postpetition claims of any kind or nature relating to executory contracts or unexpired leases rejected by a Rejection Order must be filed by the Rejection Damages Bar Date. Rejection Orders entered after the date of entry of this Order shall include a description of the Rejection Damages Bar Date in the text of the Rejection Order.

11. Each entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, a detailed statement describing the nature and basis of the portion of the Rejection Damages Claim asserting an administrative priority under section 503(b) of the Bankruptcy Code (the "Administrative Claim Supplement"). The filing of a proof of claim form, along with an attached Administrative Claim Supplement, if applicable, shall satisfy the procedural requirements for the assertion of a Rejection Damages Claim (including any administrative claim included therein).

12. The City shall retain the right to: (a) dispute, or assert offsets or defenses against, any Filed Claim or any Scheduled Claim as to nature, amount, liability, classification or otherwise; (b) subsequently designate any Scheduled Claim as disputed, contingent or unliquidated; and (c) otherwise amend or

supplement the List of Claims. If the City amends or supplements the List of Claims after the Service Date, the City shall give notice of any such amendment or supplement to the holders of claims affected thereby, including notice of the applicable Amended Claims List Bar Date to file proofs of claim in response to the amendment or supplement to the List of Claims.

13. In particular, if the City amends or supplements its List of Claims to: (a) reduce the undisputed, noncontingent and liquidated amount of a claim; (b) change the nature or classification of a Scheduled Claim in a manner adverse to the listed creditor; or (c) add a new Scheduled Claim to the List of Claims with respect to a party that was not previously served with notice of the Bar Dates (in each case, a "Modified Claim"), the affected claimant shall be permitted to file a proof of claim, or amend any previously filed proof of claim, in respect of the Modified Claim in accordance with the procedures described herein by the later of (a) the General Bar Date; and (b) 5:00 p.m., Eastern Time, on the first business day that is at least 30 days after the date that notice of the applicable amendment to the List of Claims is served on the claimant (the "Amended Claims List Bar Date"). By contrast, if the amendment to the List of Claims improves the amount or treatment of a previously listed or filed claim, a claimant that previously was served with a notice of the Bar Dates is not permitted to file additional claims by the Amended Claims List Bar Date. Notwithstanding the foregoing, nothing

contained herein shall preclude the City from objecting to any claim, whether listed or filed, on any grounds.

14. Pursuant to Bankruptcy Rule 3002(c)(1), the date by which governmental units shall file proofs of claim in this case shall be the later of:

(a) the first business day that is at least 180 days following the date of the entry of an order for relief in this case; and (b) any Rejection Damages Bar Date or Amended Claims List Bar Date applicable to the governmental unit.

15. Pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from:

(a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an "Unscheduled Claim"); (b) voting upon, or receiving distributions under any plan of adjustment in this chapter 9 case in respect of an Unscheduled Claim; or (c) with respect to

any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

16. As soon as practicable, but in any event no later than five business days after the entry of this Order, the City, through KCC or otherwise, shall serve the Bar Date Notice Package by first class mail, postage prepaid (or equivalent service), on:

- (a) all known potential claimants (or their counsel, if known), including all entities identified as potential claim holders in the List of Claims;
- (b) the Trustees;
- (c) counsel to the Official Committee of Retirees appointed in this case;
- (d) all parties that have requested notice of the proceedings in this case as of the date of this Order;
- (e) all parties that have filed proofs of claim in this case as of the date of this Order;
- (f) all known parties to executory contracts and unexpired leases with the City, including all parties to executory contracts and unexpired leases rejected by a Rejection Order, if any, as of the date of this Order;
- (g) all known parties to pending litigation with the City;
- (h) the United States Attorney for this District; and
- (i) all federal and state environmental protection agencies for this jurisdiction.

17. The City also shall serve the Bar Date Notice on the holders of the Unsecured GO Bonds. If DTC has not already provided the Institutional Nominee List to the City as of the date of this Order, DTC is directed to provide the City with the Institutional Nominee List within three business days of this date. Service of the Bar Date Notice by electronic mail on those holders of the Unsecured GO Bonds that previously consented in writing to receive notices regarding the Unsecured GO Bonds by electronic mail shall constitute adequate notice of the Bar Dates on such holders.

18. As part of the Bar Date Package, the City shall mail one or more Proof of Claim Forms (as appropriate), substantially in the form attached hereto as Exhibit 2, to the parties receiving the Bar Date Notice. Except with respect to holders of Unsecured GO Bonds, for holders of Scheduled Claims listed in the List of Claims, the Proof of Claim Form mailed to such entities shall indicate how the City has listed the creditor's claim in the List of Claims, including: (a) the amount of the claim, if any; (b) whether the claim is listed as disputed, contingent or unliquidated; and (c) whether the claim is listed as a secured claim, an unsecured priority claim or an unsecured nonpriority claim.

19. Pursuant to Bankruptcy Rule 2002(f), the City shall publish the Bar Date Notice, once, in the *Detroit Free Press*, *The Detroit News* and national editions of *USA Today* and *The Wall Street Journal* at least 28 days prior to the

General Bar Date, which publication is hereby approved and shall be deemed good, adequate and sufficient publication notice of the Bar Dates. The City is authorized to modify the Bar Date Notice to the extent necessary or appropriate to conform the Bar Date Notice to publication and minimize expense.

20. The City and KCC are authorized and empowered to take such steps and perform such acts as may be necessary to implement and effectuate the terms of this Order.

21. The entry of this Order is without prejudice to the right of the City to seek a further order of this Court fixing a date by which holders of claims or interests not subject to the Bar Dates established herein must file such proofs of claim or interest or be barred from doing so.

22. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation, implementation and/or enforcement of this Order.

**EXHIBIT 1**

**(Form of Bar Date Notice)**

[See Exhibit 6.2 to the Motion]

**EXHIBIT 2**

**(Proof of Claim Form)**

[See Exhibit 6.3 to the Motion]

**EXHIBIT 2**

**(Notice)**

**UNITED STATES BANKRUPTCY COURT  
Eastern District of Michigan**

**In re:**

**CITY OF DETROIT, MICHIGAN,**

**Debtor.**

**Chapter: 9**

**Case No.: 13-53846**

**Judge: Hon. Steven W. Rhodes**

Address: 2 Woodward Avenue, Suite 1126  
Detroit, Michigan 48226

Last four digits of Social Security or  
Employer's Tax Identification (EIN) No(s).(if any): 38-6004606

**NOTICE OF MOTION OF DEBTOR, PURSUANT TO  
SECTIONS 105, 501 AND 503 OF THE BANKRUPTCY CODE AND BANKRUPTCY  
RULES 2002 AND 3003(c), FOR ENTRY OF AN ORDER ESTABLISHING BAR DATES  
FOR FILING PROOFS OF CLAIM AND APPROVING FORM AND MANNER OF NOTICE THEREOF**

The City of Detroit, Michigan (the "City") has filed papers with the Court seeking entry of an order, pursuant to sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), establishing bar dates for filing proofs of claim in the City's chapter 9 bankruptcy case, and approving the form and manner of notice thereof.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)**

If you do not want the court to grant the relief sought in the motion, or if you want the court to consider your views on the motion, **on or by October 24, 2013**, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>1</sup>

**United States Bankruptcy Court**  
211 W. Fort Street, Suite 2100  
Detroit, Michigan 48226

If you mail your response to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above. All attorneys are required to file pleadings electronically.

<sup>1</sup> Any response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

You must also mail a copy to:

David G. Heiman  
Heather Lennox  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114

Bruce Bennett  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071

Jonathan S. Green  
Stephen S. LaPlante  
MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226

2. If a response or answer is timely filed and served, the Court will schedule a hearing on the motion and you will be served with a notice of the date, time and location of the hearing. The City has requested that the Court schedule a hearing date with respect to the motion of **November 13, 2013** at 10:00 a.m., Eastern Time, or sooner if the Court's schedule permits.

**If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

Dated: October 10, 2013

Respectfully submitted,

/s/ Heather Lennox

David G. Heiman (OH 0038271)

Heather Lennox (OH 0059649)

JONES DAY

North Point

901 Lakeside Avenue

Cleveland, Ohio 44114

Telephone: (216) 586-3939

Facsimile: (216) 579-0212

dgheiman@jonesday.com

hlennox@jonesday.com

Bruce Bennett (CA 105430)

JONES DAY

555 South Flower Street

Fiftieth Floor

Los Angeles, California 90071

Telephone: (213) 243-2382

Facsimile: (213) 243-2539

bbennett@jonesday.com

Jonathan S. Green (MI P33140)

Stephen S. LaPlante (MI P48063)

MILLER, CANFIELD, PADDOCK AND

STONE, P.L.C.

150 West Jefferson

Suite 2500

Detroit, Michigan 48226

Telephone: (313) 963-6420

Facsimile: (313) 496-7500

green@millercanfield.com

laplante@millercanfield.com

ATTORNEYS FOR THE CITY

**EXHIBIT 4**

**(Certificate of Service)**

**CERTIFICATE OF SERVICE**

I, Heather Lennox, hereby certify that the foregoing Motion of Debtor, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof was filed and served via the Court's electronic case filing and noticing system on this 10th day of October, 2013.

/s/ Heather Lennox \_\_\_\_\_

**EXHIBIT 6.1**

**(Schedule of Secured Bonds)**

**SCHEDULE OF SECURED BONDS**

With respect to the following series of bonds (collectively, the "Secured Bonds"), the applicable trustee or similar entity has informed the City that it will (i) file any proofs of claim on behalf of the holders of the Secured Bonds; and (ii) provide notice to the holders of the Secured Bonds.

| Description   | Trustee or Similar Entity |
|---|---------------------------|
| Sewage Disposal System Revenue Bond Series 1998-A     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 1998-B     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 1999-A     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2001-B     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2001(C)(1) | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2001(C)(2) | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2001-D     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2001-E     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2003-A     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2003-B     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2004-A     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2005-A     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2005-B     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2005-C     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2006-A     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2006-B     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2006-C     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2006-D     | U.S. Bank N.A.            |
| Sewage Disposal System Revenue Bond Series 2012-A     | U.S. Bank N.A.            |
| Water Supply System Revenue Bond Series 1993          | U.S. Bank N.A.            |
| Water Supply System Revenue Bond Series 1997-A        | U.S. Bank N.A.            |
| Water Supply System Revenue Bond Series 2001-A        | U.S. Bank N.A.            |
| Water Supply System Revenue Bond Series 2001-C        | U.S. Bank N.A.            |
| Water Supply System Revenue Bond Series 2003-A        | U.S. Bank N.A.            |

| Description  | Trustee or Similar Entity                       |
|--|---|
| Water Supply System Revenue Bond Series 2003-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2003-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2003-D   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2004-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2004-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2005-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2005-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2005-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-D   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2011-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2011-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2011-C   | U.S. Bank N.A.                                  |
| Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation) Series 2010-A                       | U.S. Bank N.A.                                  |
| Distributable State Aid General Obligation Limited Tax Bonds Series 2010   | U.S. Bank N.A.                                  |
| Distributable State Aid Third Lien Bonds (Limited Tax General Obligation) Series 2012-A(2), (A2-B), (B) & (B)(2) | U.S. Bank N.A.                                  |
| Detroit Building Authority Bonds: Revenue Refunding Bonds Parking System-Series 1998-A                           | The Bank of New York Mellon Trust Company, N.A. |

**EXHIBIT 6.2**

**(Proposed Form of Bar Date Notice)**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

-----X  
:
  
In re : Chapter 9
  
:
  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
  
:
  
Debtor. : Hon. Steven W. Rhodes
  
:
  
:
  
-----X

**SUMMARY OF NOTICE**

- This document explains how to file a claim against the City of Detroit, Michigan (the "City") in its bankruptcy case.
- The deadline for most claimants to file a claim against the City is **January 21, 2014 at 5:00 p.m., Eastern Time.**
- If you are required to file a claim against the City and do not do so, you will not be entitled to vote on, or share in any distributions under, the City's chapter 9 plan.
- **Not everyone is required to file a claim.** As described in greater detail below, the following claimants, among others, do **not** need to file a claim:
  - Retirees and employees whose claims are only for future healthcare or pension benefits.
  - Parties with routine income tax refund claims, which will be processed by the City in the ordinary course.
  - The holders of secured bonds (as described below) on whose behalf claims will be filed by the trustee of the applicable series of bonds.
  - Claimants asserting expenses of administration under section 503(b) of the Bankruptcy Code other than (a) claims under section 503(b)(9) of the Bankruptcy Code and (b) certain Rejection Damages Claims, as defined below.
- **You should read this document carefully.** After reading this document, if you have any questions regarding the filing of a proof of claim, you may contact the City of Detroit Claims Hotline during normal business hours at (877) 298-6236, which is staffed by the City's claims and noticing agent, Kurtzman Carson Consultants, LLC ("KCC"). Please note that KCC is not permitted to provide legal advice. If you have questions about your legal rights, including whether you need to file a claim, you should consult an attorney.

[Note: This Summary of Notice is for the service version, not the publication version, of this Notice.]

**NOTICE OF DEADLINES FOR FILING OF PROOFS OF CLAIM**

**(GENERAL BAR DATE IS JANUARY 21, 2014  
AT 5:00 P.M., EASTERN TIME)**

**TO ALL PERSONS AND ENTITIES  
WITH CLAIMS AGAINST THE CITY OF DETROIT, MICHIGAN:**

On [\_\_\_\_\_], 2013, the United States Bankruptcy Court for the Eastern District of Michigan (the "Court") entered an order (Docket No. [\_\_\_]) (the "Bar Date Order") establishing certain deadlines for the filing of proofs of claim in the chapter 9 bankruptcy case of the City.

By the Bar Date Order, the Court established **January 21, 2014 at 5:00 p.m., Eastern Time** (the "General Bar Date"), as the general claims bar date for filing proofs of claim in the City's case. As described below, certain claimants are not required to file proofs of claim with respect to their claims, and the Bar Date Order also establishes different bar dates with respect to certain categories of claims. ***To determine if you need to file a proof of claim in this case and the applicable deadline and instructions for filing a proof of claim, please read this Notice carefully.***

***List of Claims***

On the Filing Date (as defined below), the City filed its List of Creditors Pursuant to Section 924 of the Bankruptcy Code and Bankruptcy Rule 1007 (Docket No. 16) (the "Original List of Creditors"). On August 1, 2013, the City filed its Amended List of Creditors Pursuant to Section 924 of the Bankruptcy Code and Bankruptcy Rule 1007 (Docket No. 258) (the "Amended List of Creditors"), which replaced the Original List of Creditors and redacted certain personal information therein.

On September 30, 2013, the City filed its Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), which supplemented and amended the information in the Amended List of Creditors and also constitutes the City's list of claims under section 925 of the Bankruptcy Code (as amended or supplemented from time to time, the "List of Claims"). Any claim identified on the List of Claims is referred to herein as a "Scheduled Claim."

***Proof of Claim Form***

For your convenience, enclosed with this Notice is a proof of claim form (the "Claim Form"), which identifies on its face the amount, nature and classification of your claim(s), if any, listed in the City's List of Claims. A blank copy of the Claim Form also is available on the City's restructuring website at [www.kccllc.net/detroit](http://www.kccllc.net/detroit). **[Note: This paragraph is for the service version, not the publication version, of this Notice.]**

For the convenience of potential claimants, a proof of claim form prepared for use in the City's chapter 9 case (the "Claim Form") is available on the City's restructuring website at [www.kccllc.net/detroit](http://www.kccllc.net/detroit). **[Note: This paragraph is for the publication version of this Notice.]**

***Certain Definitions***

As used in this Notice the term "entity" has the meaning given to it in section 101(15) of title 11 of the United States Code (the "Bankruptcy Code") and includes, among other things, individuals, partnerships, corporations, joint ventures and trusts.

As used in this Notice, the term "claim" means, as to or against the City and in accordance with section 101(5) of the Bankruptcy Code: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

## 1. THE BAR DATES

The Bar Date Order establishes the following bar dates for filing proofs of claim in this case (collectively, the "Bar Dates"):

- (a) The General Bar Date. Pursuant to the Bar Date Order, except as described below, all entities holding claims against the City that arose (or are deemed to have arisen) prior to the commencement of this case are required to file proofs of claim by the General Bar Date (*i.e.*, by January 21, 2014 at 5:00 p.m., Eastern Time). This case was commenced on July 18, 2013 (the "Filing Date"). The General Bar Date applies to all types of claims against the City that arose prior to the Filing Date, including secured claims, unsecured priority claims and unsecured nonpriority claims. For the avoidance of doubt, the General Bar Date applies to all claims asserting administrative expense priority under section 503(b)(9) of the Bankruptcy Code, subject to Section 3 below.
- (b) The Rejection Damages Bar Date. Pursuant to the Bar Date Order, any entity asserting claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to an order entered prior to the confirmation and effectiveness of a plan of adjustment in the City's chapter 9 case (any such order, a "Rejection Order"), or claims otherwise related to such rejected agreements, including (i) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Filing Date and (ii) administrative claims under section 503(b) of the Bankruptcy Code (collectively, "Rejection Damages Claims") are required to file proofs of claim by the later of (a) the General Bar Date and (b) 5:00 p.m., Eastern Time, on the first business day that is at least 30 days after the entry of the relevant Rejection Order. The later of these dates is referred to in this Notice as the "Rejection Damages Bar Date." *For the avoidance of doubt, all prepetition and postpetition claims of any kind or nature arising from or relating to executory contracts or unexpired leases rejected by a Rejection Order must be filed by the Rejection Damages Bar Date.* In accordance with the Bar Date Order, any Rejection Order entered by the Bankruptcy Court will specify the Rejection Damages Bar Date applicable to any executory contracts or unexpired leases rejected thereunder.
- (c) The Amended Claims List Bar Date. Pursuant to the Bar Date Order, if, subsequent to the date of this Notice, the City amends or supplements its List of Claims to: (i) reduce the undisputed, noncontingent and liquidated amount of a claim; (ii) change the nature or classification of a Scheduled Claim in a manner adverse to the listed creditor; or (iii) add a new Scheduled Claim to the List of Claims with respect to a party that was not previously served with notice of the Bar Dates (in each case, a "Modified Claim"), the affected claimant shall be permitted to file a proof of claim, or amend any previously filed proof of claim, in respect of the Modified Claim in accordance with the procedures described herein by the later of (i) the General Bar Date; and (ii) 5:00 p.m., Eastern Time, on the first business day that is at least 30 days after the date that notice of the applicable amendment to the List of Claims is served on the claimant (the "Amended Claims List Bar Date"). The City will provide notice of any Amended Claims List Bar Date to affected claimants. Affected claimants that previously filed a proof of claim (any such claim, a "Filed Claim") with respect the liabilities giving rise to any Modified Claim need not refile their proof of claim because the Filed Claim is deemed to supersede and replace the original Scheduled Claim and the Modified Claim. In addition, if the City's amendment to the List of Claims improves the amount or treatment of a Scheduled Claim or a Filed Claim, a claimant that previously was served with a notice of the Bar Dates is not permitted to file additional claims by the Amended Claims List Bar Date. Notwithstanding the foregoing, nothing contained herein precludes the City from objecting to any Scheduled Claim or Filed Claim on any grounds.
- (d) The Governmental Bar Date. Governmental units (as defined in section 101(27) of the Bankruptcy Code) are not subject to the General Bar Date. Pursuant to Bankruptcy Rule 3002(c)(1), the date by which governmental units must file proofs of claim in this case (the "Governmental Unit Bar Date") is the later of: (i) the first business day that is at least 180 days following the date of the entry of an order for relief in this case; and (ii) any Rejection

Damages Bar Date or Amended Claims List Bar Date applicable to the governmental unit. No order for relief has yet been entered in the City's chapter 9 case, and proceedings to establish the City's eligibility to be a chapter 9 debtor are ongoing at this time. If the City prevails in establishing eligibility, the Court will enter an order for relief consistent with section 921(d) of the Bankruptcy Code. **[Update as appropriate at time that this Notice is finalized.]** The City will provide notice of the entry of an order for relief to all known creditors that are governmental units of the Court's entry of an order for relief and the resulting Governmental Bar Date.

## 2. WHO MUST FILE A PROOF OF CLAIM

Unless one of the exceptions described in Section 5 below applies, if you have a claim that arose or is deemed to have arisen prior to the Filing Date (any such claim, a "Prepetition Claim"), you **MUST** file a proof of claim to share in distributions from the City's bankruptcy case or to vote on a chapter 9 plan. Claims based on acts or omissions of the City that occurred before the Filing Date must be filed on or prior to the applicable Bar Date, even if such claims are not now fixed, liquidated or certain or did not mature or become fixed, liquidated or certain before the Filing Date.

Except where the Rejection Damages Bar Date, the Amended Claims List Bar Date or the Governmental Bar Date applies to establish a different deadline or one of the exceptions in Section 5 applies, the following entities must file proofs of claim on or before the General Bar Date:

- (a) any entity (i) whose Prepetition Claim against the City is not listed in the City's List of Claims or is listed as "disputed," "contingent" or "unliquidated" and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment; and
- (b) any entity that believes its Prepetition Claim is improperly classified in the List of Claims or is listed in an incorrect amount and that desires to have its claim allowed in a classification or amount other than that identified in the List of Claims.

## 3. WHAT TO FILE

As noted above, the City is enclosing a Claim Form for use in this case, or you may use another proof of claim form that conforms substantially to Official Bankruptcy Form No. 10. If your claim is listed by the City on its List of Claims (other than claims arising from unsecured general obligation bonds issued by the City), the attached Claim Form sets forth: (a) the amount of your claim (if any) as listed by the City; (b) whether your claim is listed as disputed, contingent or unliquidated; and (c) whether your claim is listed as a secured claim, an unsecured priority claim or an unsecured nonpriority claim. You will receive a different Claim Form for each claim listed in your name by the City. You may utilize the Claim Form(s) provided by the City to file your claim. Additional proof of claim forms may be obtained at the following websites: (a) [www.kccllc.net/detroit](http://www.kccllc.net/detroit) for a blank Claim Form designed specifically for this case or (b) [www.uscourts.gov/bkforms](http://www.uscourts.gov/bkforms) for a copy of Official Bankruptcy Form No. 10. **[Note: This paragraph is for the service version, not the publication version, of this Notice.]**

To file your claim, you may use (a) the Claim Form specifically prepared for this chapter 9 case, which is available at [www.kccllc.net/detroit](http://www.kccllc.net/detroit) or (b) another proof of claim form that conforms substantially to Official Bankruptcy Form No. 10 (which form is available at [www.uscourts.gov/bkforms](http://www.uscourts.gov/bkforms)). **[Note: This paragraph is for the publication version of this Notice.]**

All proof of claim forms must be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant. The proof of claim form must be written in English and be denominated in United States currency. You should attach to your completed proof of claim form any documents on which the claim is based (the "Supporting Documents") (or, if the Supporting Documents are voluminous, you may attach a summary) or an explanation as to why the documents are not available. If you file a summary of the Supporting Documents because they are voluminous, you must transmit the Supporting Documents to (a) the City of Detroit Claims Processing Center (as defined below) and (b) the City within ten days after the date of a written request by the City for such documents.

Each entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, a detailed statement describing the nature and basis of the portion of the Rejection Damages Claim asserting an administrative priority under section 503(b) of the Bankruptcy Code (the "Administrative Claim Supplement").

Under the Bar Date Order, the filing of a proof of claim form satisfies the procedural requirements for the assertion of any administrative priority claims under section 503(b)(9) of the Bankruptcy Code. Likewise, the filing of a proof of claim form, along with an attached Administrative Claim Supplement, if applicable, satisfies the procedural requirements for the assertion of a Rejection Damages Claim (including any administrative claim included therein). Claims asserting administrative expense priority (a) under section 503(b)(9) of the Bankruptcy Code or (b) as a portion of a Rejection Damages Claim must be filed by the General Bar Date and the Rejection Damages Bar Date, respectively.

*All other administrative claims under sections 503(b) and 507(a)(2) of the Bankruptcy Code will not be deemed proper if asserted by proof of claim. The City intends to establish a process for the assertion of such claims at a future date if and to the extent necessary or appropriate. Note that the claim priorities provided under subsections (a)(1) and (a)(3) through (a)(10) of section 507 of the Bankruptcy Code are inapplicable in chapter 9 pursuant to section 901(a) of the Bankruptcy Code.*

#### 4. WHEN AND WHERE TO FILE

All proofs of claim must be filed so as to be received **on or before the applicable Bar Date**, at the following address (the "City of Detroit Claims Processing Center"):

City of Detroit Claims Processing Center  
c/o Kurtzman Carson Consultants, LLC  
2335 Alaska Avenue  
El Segundo, CA 90245

Proofs of claim will be deemed filed only when **actually received** by the City of Detroit Claims Processing Center on or before the applicable Bar Date. **Proofs of claim may NOT be delivered by facsimile or electronic mail transmission.** Any facsimile or electronic mail submissions will not be accepted and will not be deemed filed until a proof of claim is submitted by one of the methods described above.

Proof of claim forms will be collected from the City of Detroit Claims Processing Center, docketed and maintained by the City's claims agent, Kurtzman Carson Consultants LLC ("KCC"). If you wish to receive acknowledgement of KCC's receipt of a proof of claim, you must submit by the applicable Bar Date and concurrently with submitting your original proof of claim (a) a copy of the original proof of claim and (b) a self-addressed, postage prepaid return envelope.

#### 5. WHO DOES NOT NEED TO FILE A PROOF OF CLAIM

The Bar Date Order further provides that entities holding the following claims (which claims otherwise would be subject to the General Bar Date) need not file proofs of claim on account of such claims:

- (a) Any claim for unfunded actuarially accrued healthcare liabilities associated with the City's Health and Life Insurance Benefit Plan and the Supplemental Death Benefit Plan (any such claim, a "Healthcare UAAL Claim").
- (b) Any claim by present or potential future beneficiaries of the City's two pension systems, the General Retirement System and the Police and Fire Retirement System, for unfunded pension liabilities (any such claim, a "Pension Liability Claim").
- (c) Any claim by a holder for the repayment of principal, interest and/or other applicable fees and charges on or under (i) the bonds identified on the "Schedule of Secured Bonds" on the last page

of this Notice (collectively, the "Secured Bonds") or (ii) any certificates of participation issued by the City (collectively, the "COPs"). In each case, the trustee or similar entity with respect to the applicable series of Secured Bonds or COPs has informed the City that, consistent with Bankruptcy Rule 3003(c)(5), it intends to: (i) file any proofs of claim against the City on behalf of the holders of the Secured Bonds and the COPs; and (ii) provide notice to the holders of the Secured Bonds and the COPs.

- (d) Any claim arising from an ordinary course entitlement to an income tax refund (to the extent of such claimed entitlement) asserted through the City's established income tax refund procedures, provided, however, that entities holding any other Prepetition Claims or causes of action related to income tax matters that are not properly asserted through the City's established income tax refund procedures must file a proof of claim by the General Bar Date.
- (e) Any claim with respect to which the holder already has filed a signed proof of claim against the City with the Clerk of this Court in a form substantially similar to Official Bankruptcy Form No. 10;
- (f) Any claim that is listed on the List of Claims if (i) the claim is not listed as "disputed," "contingent" or "unliquidated;" and (ii) such entity agrees with the amount, nature and priority of the claim as set forth in the List of Claims;
- (g) Any claim that previously has been allowed by order of the Court;
- (h) Any claim that has been paid in full by the City; and
- (i) Any claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration (other than any 503(b)(9) Claim or any portion of a Rejection Damages Claim asserting administrative priority under section 503(b) of the Bankruptcy Code).

*For the avoidance of doubt, employees and retirees asserting Prepetition Claims other than Healthcare UAAL Claims and Pension Liability Claims should file a proof of claim to the extent the filing of such claim is not otherwise made unnecessary by the terms of the foregoing subparagraphs a through i.*

## **6. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

As described in Section 1 above, any entity wishing to assert a Rejection Damages Claim must file a proof of claim for any prepetition or postpetition damages caused by such rejection, or any other prepetition or postpetition claims of any kind or nature whatsoever relating to the rejected agreement, by the Rejection Damages Bar Date.

## **7. CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE APPLICABLE BAR DATE**

ANY ENTITY THAT IS REQUIRED TO FILE A PROOF OF CLAIM WITH RESPECT TO A PARTICULAR CLAIM AGAINST THE CITY, BUT THAT FAILS TO DO SO BY THE APPLICABLE BAR DATE DESCRIBED IN THIS NOTICE, SHALL BE FOREVER BARRED, ESTOPPED AND ENJOINED FROM THE FOLLOWING: (A) ASSERTING ANY CLAIM AGAINST THE CITY OR PROPERTY OF THE CITY THAT (I) IS IN AN AMOUNT THAT EXCEEDS THE AMOUNT, IF ANY, THAT IS IDENTIFIED IN THE LIST OF CLAIMS ON BEHALF OF SUCH ENTITY AS UNDISPUTED, NONCONTINGENT AND LIQUIDATED OR (II) IS OF A DIFFERENT NATURE OR A DIFFERENT CLASSIFICATION THAN ANY CLAIM IDENTIFIED IN THE LIST OF CLAIMS ON BEHALF OF SUCH ENTITY (ANY SUCH CLAIM BEING REFERRED TO IN THIS NOTICE AS AN "UNSCHEDULED CLAIM"); (B) VOTING UPON, OR RECEIVING DISTRIBUTIONS UNDER, ANY PLAN OF ADJUSTMENT IN THIS CHAPTER 9 CASE IN RESPECT OF AN UNSCHEDULED CLAIM; OR (C) WITH RESPECT TO ANY 503(B)(9) CLAIM OR ADMINISTRATIVE PRIORITY CLAIM COMPONENT OF ANY REJECTION DAMAGES CLAIM, ASSERTING ANY SUCH PRIORITY CLAIM AGAINST THE CITY OR PROPERTY OF THE CITY.

**8. THE CITY'S LIST OF CLAIMS AND ACCESS THERETO**

You may be listed as the holder of a claim against the City in the City's List of Claims. To determine if and how you are listed on the List of Claims, please refer to the descriptions set forth on the enclosed proof of claim form(s) regarding the nature, amount and status of your claim(s). See paragraph 10 below for instructions regarding how to access the List of Claims. If you received postpetition payments from the City on account of your claim, the information on the enclosed proof of claim form may reflect the net remaining amount of your claims.

If you rely on the City's List of Claims, it is your responsibility to determine that the claim is accurately listed in the List of Claims. However, you may rely on the enclosed form, which sets forth (a) the amount of your claim (if any) as listed; (b) specifies whether your claim is listed in the List of Claims as disputed, contingent or unliquidated; and (c) identifies whether your claim is listed as a secured, unsecured priority or unsecured nonpriority claim.

As described above, if you agree with the nature, amount and status of your claim as listed in the City's List of Claims, and if your claim is not described in the Schedules as "disputed," "contingent" or "unliquidated," you need not file a proof of claim. Otherwise, or if you decide to file a proof of claim, you must do so before the applicable Bar Date in accordance with the procedures set forth in this Notice. **[Service Version, omit this Section 8 in Publication Version]**

**9. RESERVATION OF RIGHTS**

The City reserves the right to (a) dispute, or to assert offsets or defenses against, any filed claim or any claim listed or reflected in the List of Claims as to nature, amount, liability, priority, classification or otherwise; (b) subsequently designate any listed claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the List of Claims. Nothing contained in this Notice shall preclude the City from objecting to any claim, whether listed or filed, on any grounds.

**10. ADDITIONAL INFORMATION**

Copies of the City's List of Claims, the Bar Date Order and other information and documents regarding the City's chapter 9 case are available free of charge on KCC's website at [www.kccllc.net/detroit](http://www.kccllc.net/detroit) or for a fee at the Court's website at <https://ecf.mieb.uscourts.gov>. A login identification and password to the Court's Public Access to Court Electronic Records ("PACER") are required to access this information through the Court's website and can be obtained through the PACER Service Center at [www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov). The List of Claims and other documents filed in this case may be accessed electronically, between the hours of 8:30 a.m. and 4:00 p.m., Eastern Time, Monday through Friday, at the public access terminals located on the 17th Floor of the Bankruptcy Court Clerk's Office at 211 West Fort Street, Detroit, Michigan 48226. Copies of documents may be printed for a charge.

If you require additional information regarding the filing of a proof of claim, you may contact the City of Detroit Claims Hotline at (877) 298-6236 between 9:00 a.m. and 5:00 p.m., Eastern Time, Monday through Friday. You also may contact the City's claims agent, KCC, directly by writing to:

City of Detroit Claims Processing Center  
c/o Kurtzman Carson Consultants, LLC  
2335 Alaska Avenue  
El Segundo, CA 90245

**PLEASE NOTE THAT KCC IS NOT PERMITTED TO PROVIDE LEGAL ADVICE. IF YOU ARE THE HOLDER OF A POSSIBLE CLAIM AGAINST THE CITY, YOU SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE OR FOR ANY LEGAL ADVICE, SUCH AS WHETHER YOU SHOULD FILE A PROOF OF CLAIM.**

Dated: [\_\_\_\_\_], 2013

BY ORDER OF THE COURT

**SCHEDULE OF SECURED BONDS**

The applicable trustee or similar entity with respect to the following series of bonds has informed the City that it intends to: (a) file any proofs of claim against the City on behalf of the holders of these bonds; and (b) provide notice to the holders of the bonds.

| Description  | Trustee or Similar Entity                       |
|--|---|
| Sewage Disposal System Revenue Bond Series 1998-A  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 1998-B  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 1999-A  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2001-B  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2001(C)(1)  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2001(C)(2)  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2001-D  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2001-E  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2003-A  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2003-B  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2004-A  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2005-A  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2005-B  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2005-C  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2006-A  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2006-B  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2006-C  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2006-D  | U.S. Bank N.A.                                  |
| Sewage Disposal System Revenue Bond Series 2012-A  | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 1993   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 1997-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2001-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2001-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2003-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2003-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2003-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2003-D   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2004-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2004-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2005-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2005-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2005-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-C   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2006-D   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2011-A   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2011-B   | U.S. Bank N.A.                                  |
| Water Supply System Revenue Bond Series 2011-C   | U.S. Bank N.A.                                  |
| Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation) Series 2010-A                       | U.S. Bank N.A.                                  |
| Distributable State Aid General Obligation Limited Tax Bonds Series 2010   | U.S. Bank N.A.                                  |
| Distributable State Aid Third Lien Bonds (Limited Tax General Obligation) Series 2012-A(2), (A2-B), (B) & (B)(2) | U.S. Bank N.A.                                  |
| Detroit Building Authority Bonds: Revenue Refunding Bonds Parking System-Series 1998-A                           | The Bank of New York Mellon Trust Company, N.A. |

**EXHIBIT 6.3**

**(Proposed Proof of Claim Form)**

|   |              |  |
|---|--------------|--|
| <b>UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN</b>  |              | <b>CHAPTER 9<br/>PROOF OF CLAIM</b>  |
| Name of Debtor: <b>City of Detroit, Michigan</b>  |              | Case Number: <b>13-53846</b>   |
| NOTE: <i>Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing.</i>  |              |  |
| Name of Creditor (the person or other entity to whom the debtor owes money or property):  |              | <b>COURT USE ONLY</b>  |
| Name and address where notices should be sent:  |              | <input type="checkbox"/> Check this box if this claim amends a previously filed claim.<br><br><b>Court Claim Number:</b> _____<br><i>(If known)</i><br><br>Filed on: _____ |
| Telephone number: _____   | email: _____ |  |
| Name and address where payment should be sent (if different from above):  |              | <input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.  |
| Telephone number: _____   | email: _____ |  |
| <b>1. Amount of Claim as of Date Case Filed:</b> \$ _____<br><br>If all or part of the claim is secured, complete item 4.<br>If all or part of the claim is entitled to priority, complete item 5.<br><input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.   |              |  |
| <b>2. Basis for Claim:</b> _____<br>(See instruction #2)  |              |  |
| <b>3. Last four digits of any number by which creditor identifies debtor:</b> _____   |              | <b>3a. Debtor may have scheduled account as:</b> _____<br>(See instruction #3a)  |
| <b>4. Secured Claim</b> (See instruction #4)<br>Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.  |              | <b>Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:</b><br>\$ _____  |
| Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other<br>Describe: _____  |              | <b>Basis for perfection:</b> _____   |
| Value of Property: \$ _____   |              | <b>Amount of Secured Claim:</b> \$ _____   |
| Annual Interest Rate (when case was filed) _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable   |              | <b>Amount Unsecured:</b> \$ _____  |
| <b>5. Amount of Claim Entitled to Priority as an Administrative Expense under 11 U.S.C. §§ 503(b)(9) and 507(a)(2).</b>   |              | \$ _____   |
| <b>5b. Amount of Claim Otherwise Entitled to Priority. Specify Applicable Section of 11 U.S.C. § _____.</b>   |              | \$ _____   |
| <b>6. Credits.</b> The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)   |              |  |
| <b>7. Documents:</b> Attached are <b>redacted</b> copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and <b>redacted</b> copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.<br>If the documents are not available, please explain: |              |  |
| <b>8. Signature:</b> (See instruction # 8)<br>Check the appropriate box.  |              |  |
| <input type="checkbox"/> I am the creditor. <input type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)<br>(See Bankruptcy Rule 3004.)  |              |  |
| I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.   |              |  |
| Print Name: _____<br>Title: _____<br>Company: _____   |              | _____<br>(Date)  |
| Address and telephone number (if different from notice address above): _____<br>_____<br>_____  |              | _____<br>(Signature)   |
| Telephone number: _____   |              |  |

**INSTRUCTIONS FOR PROOF OF CLAIM FORM**

*The instructions and definitions below are general explanations of the law. In certain circumstances, exceptions to these general rules may apply.*

**Items to be completed in Proof of Claim form**

**Court, Name of Debtor, and Case Number:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**Creditor's Name and Address:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**1. Amount of Claim as of Date Case Filed:**

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

**2. Basis for Claim:**

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

**3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:** State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

**3a. Debtor May Have Scheduled Account As:**

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as listed by the debtor on the Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), as it may be amended or supplemented from time to time.

**4. Secured Claim:**

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and

value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

**5. Amount of Claim Entitled to Priority as a Administrative Expense Under 11 U.S.C. §§ 503(b)(9) and 507(a)(2).**

If any portion of the claim is entitled to priority under U.S.C. §§ 503(b)(9) and 507(a)(2), state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority.

**6. Credits:**

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

**7. Documents:**

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

**8. Date and Signature:**

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

**DEFINITIONS**

**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

**Creditor**

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

**Claim**

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

**Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

**Secured Claim Under 11 U.S.C. § 506 (a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

**Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly

unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

**Claim Entitled to Priority as an Administrative Expense Under 11 U.S.C. §§ 503(b)(9) and 507(a)(2)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims. In a chapter 9 case, 11 U.S.C. § 503(b)(9) may provide priority status to claims for "the value of goods received by the debtor within 20 days before the date of commencement of a case.. in which the goods have been sold to the debtor in the ordinary course of such debtor's business." 11 U.S.C. § 503(b)(9).

Pursuant to 11 U.S.C. § 901(a), the priorities accorded certain claims under 11 U.S.C. § 507(a)(1) and (a)(3-10) are inapplicable in a chapter 9 case.

**Redacted**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

**Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

**INFORMATION**

**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.kccllc.net/Detroit>

**Offers to Purchase a Claim**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.), and any applicable orders of the bankruptcy court.

**PLEASE SEND COMPLETED PROOFS OF CLAIM TO:**

City of Detroit Claims Processing Center  
c/o KCC  
2335 Alaska Avenue  
El Segundo, CA 90245

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

-----X  
In re :  
: Chapter 9  
: CITY OF DETROIT, MICHIGAN, :  
: Case No. 13-53846  
: Debtor. :  
: Hon. Steven W. Rhodes  
: :  
: :  
-----X

**ORDER, PURSUANT TO SECTIONS 105, 501 AND 503  
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002  
AND 3003(c), ESTABLISHING BAR DATES FOR FILING PROOFS OF  
CLAIM AND APPROVING FORM AND MANNER OF NOTICE THEREOF**

This matter coming before the Court on the Motion of Debtor,  
Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy  
Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing  
Proofs of Claim and Approving Form and Manner of Notice Thereof  
(the "Motion"),<sup>1</sup> filed by the City of Detroit (the "City"); the City having filed the  
Notice of Filing of Amended Exhibits 6.1 and 6.2 to Motion of Debtor, Pursuant to  
Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002  
and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of

---

<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

Claim and Approving Form and Manner of Notice Thereof (Docket No. 1330)

(the "Amended Exhibits"); the following responses to the Motion (collectively, the "Responses") having been filed:

- (a) The Response (Docket No. 1360) of the Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees ("AFSCME");
- (b) The Response (Docket No. 1365) of the Detroit Fire Fighters Association, the Detroit Police Officers Association, the Detroit Police Lieutenants & Sergeants Association and the Detroit Police Command Officers Association (collectively, the "Public Safety Unions");
- (c) The Response (Docket No. 1372) of the Police and Fire Retirement System of the City of Detroit and the General Retirement System of the City of Detroit;
- (d) The Response (Docket No. 1424) (the "Retiree Committee Response") of the Official Committee of Retirees (the "Retiree Committee");
- (e) The Response (Docket No. 1432) of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America ("UAW");
- (f) The Response (Docket No. 1438) of the Retired Detroit Police Members Association, concurring in the Retiree Committee Response;
- (g) The Response (Docket No. 1442) (the "Retiree Association Response") of the Retired Detroit Police & Fire Fighters Association, Donald Taylor, the Detroit Retired City Employees Association and Shirley V. Lightsey (collectively, the "Retiree Association Parties");<sup>2</sup>
- (h) The Response (Docket No. 1460) (the "Assured Response") of Assured Guaranty Municipal Corp.;

---

<sup>2</sup> The Retiree Association Response corrected an earlier Response (Docket No. 1430), filed by the Retiree Association Parties.

- (i) The Response (Docket No. 1461) of National Public Finance Guarantee Corporation joining in the Assured Response;
- (j) The Response (Docket No. 1465) of Ambac Assurance Corporation joining in the Assured Response; and
- (k) The supplemental Response (Docket No. 1523) of the Public Safety Unions.

The City having filed the Reply in Support of Motion of Debtor, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof (the "Reply"); the Court having reviewed the Motion, the Amended Exhibits, the Responses and the Reply and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"); the Court finding that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (c) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion, the Amended Exhibits, the Reply and at the Hearing establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED, as set forth herein, and the Responses are resolved or addressed by the terms of this Order or as set forth on the record of the Hearing.
2. As used herein, (a) the term "claim" has the meaning given to such term in section 101(5) of the Bankruptcy Code, (b) the term "entity" has the meaning given to such term in section 101(15) of the Bankruptcy Code and (c) the term "governmental unit" has the meaning given to such term in section 101(27) of the Bankruptcy Code.
3. The form of (a) Notice of Deadlines for Filing of Proofs of Claim attached as Exhibit B to the Reply and attached hereto as Annex I (the "Bar Date Notice") and (b) the proof of claim form attached as Exhibit 6.3 to the Motion and attached hereto as Annex II (the "Proof of Claim Form" and, together with the Bar Date Notice, the "Bar Date Notice Package"), and the manner of providing notice of the Bar Dates proposed in the Motion, are approved in all respects pursuant to Bankruptcy Rules 2002(a)(7) and 2002(l). The form and manner of notice of the Bar Dates approved herein are deemed to fulfill the notice requirements of the Bankruptcy Code and the Bankruptcy Rules. As such, the Debtors are authorized to serve the Bar Date Notice Package in the manner described in paragraphs 23 through 26 below. In addition, the City is authorized to

make non-substantive edits or corrections to the Bar Date Notice and the Proof of Claim form, consistent with the terms of this Order.

4. Except as otherwise provided in this Order, all entities (including, without limitation, individuals, partnerships, corporations, joint ventures and trusts) that assert claims against the City that arose (or are deemed to have arisen) prior to July 18, 2013 (any such claim, a "Prepetition Claim") must file a proof of claim in writing in accordance with the procedures described herein by 4:00 p.m., Eastern Time, on February 21, 2014 (the "General Bar Date").

5. Except as otherwise provided in this Order, the General Bar Date applies to all types of Prepetition Claims, including secured claims, unsecured priority claims and unsecured nonpriority claims. For the avoidance of doubt, the General Bar Date shall apply to claims asserting administrative expense priority under section 503(b)(9) of the Bankruptcy Code ("503(b)(9) Claims"). The filing of a proof of claim form shall satisfy the procedural requirements for the assertion of 503(b)(9) Claims. All administrative claims under section 503(b) of the Bankruptcy Code, other than 503(b)(9) Claims and the administrative portions of Rejection Damages Claims (as defined below), shall not be deemed proper if asserted by proof of claim.

6. Subject to the provisions of paragraphs 16 through 19 of this Order with respect to holders of claims subject to the Rejection Damages Bar Date,

the Amended Claims List Bar Date and the Governmental Bar Date, and the exceptions described in paragraph 8 below, the following entities must file a proof of claim on or before the General Bar Date:

(a) Any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment proposed by the City (a "Chapter 9 Plan"); and

(b) Any entity that believes that its prepetition claim is improperly classified in the List of Claims or is listed in an incorrect amount or priority and that desires to have its claim allowed in a classification, priority or amount other than that identified in the List of Claims, *provided that* any holder of GO Bonds (as defined below) asserting a claim solely for principal and interest in connection with such bonds is not required to file a proof of claim to preserve its right to a *pro rata* share of distributions on account of the amount of principal and interest under such bonds listed in the City's List of Claims.

7. The following procedures for the filing of proofs of claim shall apply:

(a) Proofs of claim must be on the Proof of Claim Form or otherwise conform substantially to Official Bankruptcy Form No. 10;

(b) Proofs of claim must be filed by mailing the original proof of claim or delivering the original proof of claim by hand or overnight courier either to: (a) the City of Detroit Claims Processing Center c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245; or (b) the Clerk of the Court, United States Bankruptcy Court for the Eastern District of Michigan, 211 West Fort Street, Suite 1700, Detroit, Michigan 48226. Proofs of claim submitted by facsimile, electronic mail or electronic (ECF) court filing shall not be accepted and shall not be deemed properly filed;

(c) Proofs of claim will be deemed timely filed only if actually received by the City's claims agent, Kurtzman Carson Consultants LLC ("KCC"), or the Court at the addresses set forth in the foregoing subparagraph on or before the applicable Bar Date. If a creditor wishes to receive acknowledgement of receipt of a proof of claim by KCC or the Clerk of this Court (the "Clerk's Office"), the creditor also must submit to KCC or Clerk's Office by the applicable Bar Date and concurrently with submitting its original proof of claim: (i) a copy of the original proof of claim; and (ii) for claims submitted to KCC or by mail to the Clerk's Office, a self-addressed, postage prepaid return envelope; and

(d) Proofs of claim must (i) be signed by the claimant or by an authorized agent of the claimant; (ii) include any documents upon which the claim is based (or, if such documents are voluminous, a summary) or an explanation as to why the documents are not available; (iii) be written in the English language; and (iv) be denominated in United States currency. Any claimant that provides a summary in lieu of the documentation required by Bankruptcy Rule 3001 shall transmit the documents in support of its claim to KCC and the City within ten days after the date of any written request by the City for such documents.

8. Entities holding the following claims (to the extent such claims would be subject to the General Bar Date) shall not be required to file proofs of claim in this chapter 9 case on account of such claims:

(a) Any claim for liabilities associated with post-employment benefits under the City's Health and Life Insurance Benefit Plan, the Supplemental Death Benefit Plan or other non-pension post-employment welfare benefits, including unfunded actuarially accrued liabilities (any such claim, a "Healthcare Liability Claim").

(b) Any claim by present or potential future beneficiaries of the City's two pension systems, the General Retirement System and the Police and Fire Retirement System, for pension benefits or unfunded pension liabilities (any such claim, a "Pension Liability Claim").

(c) Any claim of (or on behalf of) an active employee for ordinary course compensation and employment benefits, including, without limitation, wages, salaries, employee medical benefits and/or insurance

benefits ("Ordinary Course Compensation Claims"), *provided, however*, that Ordinary Course Compensation Claims shall not include claims asserted or to be asserted in any lawsuit or similar proceeding even where such claims assert as damages an entitlement to wages, salaries, employee medical benefits and/or insurance benefits.

(d) Any claim by a holder for the repayment of principal, interest and/or other applicable fees and charges on or under (i) the Secured Bonds or (ii) the COPs.

(e) Any claim by a holder for the repayment of principal or interest on or under the City's unlimited tax general obligation bonds, limited tax general obligation bonds and general fund bonds (collectively, the "GO Bonds") to preserve its right to a *pro rata* share of distributions on account of the amount of principal and interest under such bonds listed in the City's List of Claims.

(f) Any claim arising from an ordinary course entitlement to an income tax refund (to the extent of such claimed entitlement) asserted through the City's established income tax refund procedures, *provided, however*, that entities holding any other Prepetition Claims or causes of action related to income tax matters that are not properly asserted through the City's established income tax refund procedures must file a proof of claim by the General Bar Date.

(g) Any claim with respect to which the holder already has filed a signed proof of claim against the City with the Clerk's Office or KCC in a form substantially similar to Official Bankruptcy Form No. 10;

(h) Any claim that is listed on the List of Claims if (i) the claim is not listed as "disputed," "contingent" or "unliquidated;" and (ii) such entity agrees with the amount, nature and priority of the claim as set forth in the List of Claims;

(i) Any claim that previously has been allowed by order of the Court;

(j) Any claim that has been paid in full by the City; and

(k) Any claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration (other than any



proof of claim is without prejudice to the right of any Public Safety Union member to file a claim on his or her own behalf.

12. The Retiree Committee may file one or more protective proofs of claim on behalf of retirees and their beneficiaries on account of Healthcare Liability Claims and Pension Liability Claims, subject to the City's rights to object to such claims. For the avoidance of doubt, it is not necessary for the Retiree Committee to file any such proof of claim: (a) to preserve the rights of retirees and their beneficiaries to receive any distributions from the City to which they may be entitled; or (b) to vote on any Chapter 9 Plan, to the extent such retirees and beneficiaries otherwise would be entitled to do so. In addition, nothing herein shall preclude the Retirement Systems from filing proofs of claim on behalf of retirees and beneficiaries on account of Pension Liability Claims, nor shall this Order constitute a judicial determination of the proper party or parties to assert any claim.

13. UAW may file one or more omnibus proofs of claim on behalf of UAW-represented employees and former employees, regardless of the nature of such claims, including, without limitation, claims for post-retirement health obligations, pension obligations (whether benefits, underfunding or otherwise) or other compensation, subject to the City's right to object to any such claims. The City shall reasonably cooperate with UAW in providing names and addresses of City retirees who are former employees of UAW-represented City bargaining

units to the extent the City has such information. The filing of any such omnibus proof of claim is without prejudice to the right of any UAW-represented employee or former employee to file a claim on his or her own behalf.

14. AFSCME may file one or more omnibus proofs of claim on behalf of AFSCME-represented employees and former employees, regardless of the nature of such claims, including, without limitation, claims for post-retirement health obligations, pension obligations (whether benefits, underfunding or otherwise) or other compensation, subject to the City's right to object to any such claims. The City shall reasonably cooperate with AFSCME in providing names and addresses of City retirees who are former employees of AFSCME-represented City bargaining units to the extent the City has such information. The filing of any such omnibus proof of claim is without prejudice to the right of any AFSCME-represented employee or former employee to file a claim on his or her own behalf.

15. For the avoidance of doubt, the classification, priority and treatment of claims for principal and interest under the GO Bonds pursuant to any Chapter 9 Plan shall not be affected by any provision of this Order or by whether or not the holders of GO Bonds file or do not file proofs of claim.

16. Any entities asserting claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with

section 365 of the Bankruptcy Code and pursuant to an order of this Court entered prior to the confirmation of the City's Chapter 9 Plan (a "Rejection Order"), or claims otherwise related to such rejected agreements, including (a) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Petition Date and (b) administrative claims under section 503(b) of the Bankruptcy Code (collectively, "Rejection Damages Claims") are required to file proofs of claim by the later of (a) the General Bar Date and (b) 4:00 p.m., Eastern Time, on the first business day that is at least 30 days after the entry of the applicable Rejection Order (the "Rejection Damages Bar Date"). For the avoidance of doubt, all prepetition and postpetition claims of any kind or nature relating to executory contracts or unexpired leases rejected by a Rejection Order must be filed by the Rejection Damages Bar Date. Rejection Orders entered after the date of entry of this Order shall include a description of the Rejection Damages Bar Date in the text of the Rejection Order.

17. Each entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, a detailed statement describing the nature and basis of the portion of the Rejection Damages Claim asserting an administrative priority under section 503(b) of the Bankruptcy Code (the "Administrative Claim Supplement"). The filing of a proof of claim form, along with an attached Administrative Claim Supplement, if applicable, shall

satisfy the procedural requirements for the assertion of a Rejection Damages Claim (including any administrative claim included therein).

18. The City shall retain the right to: (a) dispute, or assert offsets or defenses against, any Filed Claim or any Scheduled Claim as to nature, amount, liability, classification, priority or otherwise; (b) subsequently designate any Scheduled Claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the List of Claims. If the City amends or supplements the List of Claims after the Service Date, the City shall give notice of any such amendment or supplement to the holders of claims affected thereby, including notice of the applicable Amended Claims List Bar Date to file proofs of claim in response to the amendment or supplement to the List of Claims.

19. In particular, if the City amends or supplements its List of Claims to: (a) reduce the undisputed, noncontingent and liquidated amount of a claim; (b) change the nature, classification or priority of a Scheduled Claim in a manner adverse to the listed creditor; or (c) add a new Scheduled Claim to the List of Claims with respect to a party that was not previously served with notice of the Bar Dates (in each case, a "Modified Claim"), the affected claimant shall be permitted to file a proof of claim, or amend any previously filed proof of claim, in respect of the Modified Claim in accordance with the procedures described herein by the later of (a) the General Bar Date; and (b) 4:00 p.m., Eastern Time, on the

first business day that is at least 30 days after the date that notice of the applicable amendment to the List of Claims is served on the claimant (the "Amended Claims List Bar Date"). By contrast, if the amendment to the List of Claims improves the amount or treatment of a previously listed or filed claim, a claimant that previously was served with a notice of the Bar Dates is not permitted to file additional claims by the Amended Claims List Bar Date; *provided, however*, that nothing contained herein shall be construed to limit, enhance or otherwise affect a claimant's right to amend a timely filed proof of claim.

20. Nothing contained in this Order shall preclude the City from objecting to any claim, whether listed or filed, on any grounds. In addition, nothing herein limits, or is intended to limit, any claimant's rights to defend against any objection.

21. Pursuant to Bankruptcy Rule 3002(c)(1), the date by which governmental units shall file proofs of claim in this case shall be the later of: (a) the first business day that is at least 180 days following the date of the entry of an order for relief in this case; and (b) any Rejection Damages Bar Date or Amended Claims List Bar Date applicable to the governmental unit.

22. Pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order

with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from:

(a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an "Unscheduled Claim"); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

23. Within five business days after the entry of this Order or as soon as practicable thereafter, the City, through KCC or otherwise, shall serve the Bar Date Notice Package by first class mail, postage prepaid (or equivalent service), on:

- (a) all known potential claimants (or their counsel, if known), including all entities identified as potential claim holders in the List of Claims;
- (b) the Trustees;
- (c) counsel to the Official Committee of Retirees appointed in this case;

- (d) all parties that have requested notice of the proceedings in this case as of the date of this Order;
- (e) all parties that have filed proofs of claim in this case as of the date of this Order;
- (f) all known parties to executory contracts and unexpired leases with the City, including all parties to executory contracts and unexpired leases rejected by a Rejection Order, if any, as of the date of this Order;
- (g) all known parties to pending litigation with the City;
- (h) the United States Attorney for this District; and
- (i) all federal and state environmental protection agencies for this jurisdiction.

24. The City also shall serve the Bar Date Notice on the holders of the GO Bonds. If DTC has not already provided the Institutional Nominee List to the City as of the date of this Order, DTC is directed to provide the City with the Institutional Nominee List within three business days of this date or as soon as practicable thereafter. Service of the Bar Date Notice by electronic mail on those holders of the GO Bonds that previously consented in writing to receive notices regarding the GO Bonds by electronic mail shall constitute adequate notice of the Bar Dates on such holders.

25. As part of the Bar Date Package, the City shall mail one or more Proof of Claim Forms (as appropriate) to the parties receiving the Bar Date Notice. Except with respect to holders of GO Bonds, for holders of Scheduled Claims listed in the List of Claims, the Proof of Claim Form mailed to such entities

shall indicate how the City has listed the creditor's claim in the List of Claims, including: (a) the amount of the claim, if any; (b) whether the claim is listed as disputed, contingent or unliquidated; and (c) whether the claim is listed as a secured claim or an unsecured nonpriority claim. Along with Proof of Claim Forms distributed to the holders of GO Bonds, the City will provide a schedule identifying the amount listed in the List of Claims for each series of GO Bonds.

26. Pursuant to Bankruptcy Rule 2002(f), the City shall publish the Bar Date Notice, once, in the *Detroit Free Press*, *The Detroit News* and national editions of *USA Today* and *The Wall Street Journal* at least 28 days prior to the General Bar Date, which publication is hereby approved and shall be deemed good, adequate and sufficient publication notice of the Bar Dates. The City is authorized to modify the Bar Date Notice to the extent necessary or appropriate to conform the Bar Date Notice to publication and minimize expense.

27. The City and KCC are authorized and empowered to take such steps and perform such acts as may be necessary to implement and effectuate the terms of this Order.

28. The entry of this Order is without prejudice to the right of the City to seek a further order of this Court fixing a date by which holders of claims or interests not subject to the Bar Dates established herein must file such proofs of claim or interest or be barred from doing so.



ANNEX I

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

-----X  
In re : Chapter 9  
: :  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
: :  
Debtor. : Hon. Steven W. Rhodes  
: :  
: :  
-----X

**INFORMATION ABOUT DEADLINES TO FILE CLAIMS**

**OVERVIEW – KEY POINTS**

- This document is a legal notice concerning the bankruptcy case of the City of Detroit, Michigan. This document is being sent to all parties that may be owed money by the City (known as "creditors").
- **The Overview on this page describes the key terms of this document. Please read the entire document carefully for further details. On the following pages, each section of this document includes a summary of the main points, followed by more detailed information.**
- In bankruptcy, creditors may be required to file claim forms stating the amount of money owed to them as of the day the bankruptcy was filed. This document explains how to file claims.
- **Many creditors in the City's bankruptcy case are not required to file a claim.** This document explains who is required to file a claim and who is not required to file a claim. If you are not required to file a claim, then you do not need to take any action at this time to preserve your right to vote on or receive payments under a restructuring plan.
- **The following parties are not required to file a claim** (for further information, see Section 1 of this document):
  - **City retirees and their beneficiaries** are not required to file claims for pension or healthcare benefits or other post-employment welfare benefits.
  - **City employees and their beneficiaries** are not required to file claims for pension or healthcare benefits, routine wages or other employment benefits.
  - **Taxpayers** are not required to file claims for routine income tax refunds.
  - **Bondholders** holding any of the bonds identified on the "Schedule of Secured Bonds" on the last two pages of this document and **holders of Certificates of Participation** issued by the City are not required to file claims for the repayment of principal, interest and/or other applicable fees and charges.
  - **Other bondholders** holding general obligation bonds are not required to file claims to receive their *pro rata* share of distributions on account of the amount of principal and interest calculated by the City.
- If you are required to file a claim against the City, you must do so by **February 21, 2014 at 4:00 p.m., Eastern Time**. A form that you may use to file your claim is provided with this document. *For further information, and other special deadlines for certain creditors, see Sections 3 and 4 of this document.*
- Claims may be mailed or hand delivered to the City's agent (Kurtzman Carson Consultants) or to the Court at the addresses provided in Section 5 of this document.
- After reading this document, if you have any questions regarding the filing of a claim, you may contact the City of Detroit Claims Hotline toll-free during normal business hours at **(877) 298-6236**. Please note that the people answering the hotline phone number are not able to provide legal advice. If you have questions about your legal rights, including whether you need to file a claim, you should talk to a lawyer.

[Note: This Overview and the Summaries herein are for the service version, not the publication version, of this Notice.]

**NOTICE OF DEADLINES FOR FILING OF PROOFS OF CLAIM**  
**(GENERAL BAR DATE IS FEBRUARY 21, 2014**  
**AT 4:00 P.M., EASTERN TIME)**

**TO ALL PERSONS AND ENTITIES WITH CLAIMS  
AGAINST THE CITY OF DETROIT, MICHIGAN (THE "CITY"):**

On [\_\_\_\_\_], 2013, the United States Bankruptcy Court for the Eastern District of Michigan (the "Court") entered an order (Docket No. [\_\_\_]) (the "Bar Date Order") establishing certain deadlines for the filing of proofs of claim in the chapter 9 bankruptcy case of the City.

By the Bar Date Order, the Court established **February 21, 2014 at 4:00 p.m., Eastern Time** (the "General Bar Date"), as the general claims bar date for filing proofs of claim in the City's case. As described below, certain claimants are not required to file proofs of claim with respect to their claims, and the Bar Date Order also establishes different bar dates with respect to certain categories of claims. See Section 1 for more information. ***To determine if you need to file a proof of claim in this case and the applicable deadline and instructions for filing a proof of claim, please read this Notice carefully.***

***List of Claims***

On September 30, 2013, the City filed its Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), which constitutes the City's list of claims (as amended or supplemented from time to time, the "List of Claims") under section 925 of title 11 the United States Code (the "Bankruptcy Code"). Any claim identified on the List of Claims is referred to herein as a "Scheduled Claim."

***Proof of Claim Form***

For your convenience, enclosed with this Notice is a proof of claim form (the "Claim Form"), which identifies on its face the amount, nature and classification of your claim(s), if any, listed in the City's List of Claims. *If you are the holder of a general obligation bond (defined in Section 1 as GO Bonds), please note that the List of Claims identifies the City's calculation of the total bond debt by series as of commencement of the City's bankruptcy case on July 18, 2013, and the List of Claims does not identify the amount owed to any particular bondholder. If you are a holder of a GO Bond, the amount listed by the City in the List of Claims for each series of GO Bonds is provided with your Claim Form.*

A blank copy of the Claim Form is available on the City's restructuring website at [www.kccllc.net/detroit](http://www.kccllc.net/detroit), along with all other documents filed in the City's bankruptcy case. **[Note: The preceding two paragraphs are for the service version, not the publication version, of this Notice.]**

For the convenience of potential claimants, a proof of claim form prepared for use in the City's chapter 9 case (the "Claim Form"), along with all other documents filed in the City's bankruptcy case, is available on the City's restructuring website at [www.kccllc.net/detroit](http://www.kccllc.net/detroit). **[Note: This paragraph is for the publication version of this Notice.]**

***Certain Definitions***

The following definitions come from the Bankruptcy Code and are provided for your convenience.

As used in this Notice the term "entity" has the meaning given to it in section 101(15) of the Bankruptcy Code and includes, among other things, individuals, partnerships, corporations, joint ventures and trusts.

As used in this Notice, the term "claim" means, as to or against the City and in accordance with section 101(5) of the Bankruptcy Code: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

**SECTION 1 — WHO IS NOT REQUIRED TO FILE A PROOF OF CLAIM**

**SUMMARY**

- **Section 1 describes which of the City's creditors are not required to file a claim. It states that the following creditors, among others, are not required to file a claim:**
  - **City retirees and their beneficiaries** are not required to file claims for pension or healthcare benefits or other post-employment welfare benefits. *The City will work with retiree representatives to establish an appropriate process for retirees and their beneficiaries to vote on and receive payments under any restructuring plan.*
  - **City employees and their beneficiaries** are not required to file claims for pension or healthcare benefits, routine wages or other employment benefits. *The City will work with employee representatives to establish an appropriate process for employees to vote on and receive payments under any restructuring plan.*
  - **Taxpayers** are not required to file claims for routine income tax refunds. *The City will continue to process routine income tax refunds according to its usual procedures.*
  - **Bondholders** holding any of the bonds identified on the "Schedule of Secured Bonds" on the last two pages of this Notice and **holders of Certificates of Participation** issued by the City are not required to file claims for the repayment of principal, interest and/or other applicable fees and charges. *In each case, the applicable trustee or other agent has agreed to file the claim on behalf of the holders.*
  - **Other bondholders** holding general obligation bonds are not required to file claims to receive their *pro rata* share of distributions on account of the amount of principal and interest listed on the City's list of claims. *See Section 8 for more details about the list of claims.*
- A restructuring plan is a document that explains how the City proposes to pay the amounts it owes to its creditors. Once filed, this plan will be available for creditors to review. **If you are not required to file a claim, you do not need to complete and return a claim form, and you will still keep your rights to vote on a restructuring plan and receive payments under the plan.** Who gets to vote on the plan will be determined at a later date. The amount you may receive under the plan also will be determined later. The plan may propose that you receive less than the amount you are owed.
- **Even if you are not required to file a claim form, you are permitted to do so.**

The Bar Date Order provides that entities holding the following claims **are not required to file** proofs of claim on account of such claims to preserve any right they may have to receive distributions from the City and vote on any chapter 9 plan of adjustment (a "Plan") proposed by the City:

- (a) Claims of retirees, employees or other beneficiaries for (a) post-employment benefits under the City's Health and Life Insurance Benefit Plan, the Supplemental Death Benefit Plan or other non-pension post-employment welfare benefits, including unfunded actuarially accrued liabilities (any such claim, a "Retirement Healthcare Claim") and (b) pension benefits (any such claim, a "Pension Claim") under the City's two retirement systems, the General Retirement System and the Police and Fire Retirement System (together, the "Retirement Systems"). In consultation with the Official Committee of Retirees appointed in the Chapter 9 Case (the "Retiree Committee"), other groups representing the interests of current and future recipients of post-employment healthcare and pension benefits and, in the case of Pension Claims, the Retirement Systems, the City intends to establish an appropriate mechanism for such retirees, employees or other beneficiaries to vote on any Plan with respect to any pension and healthcare claims they may possess.
- (b) Claims of active employees for ordinary course compensation and employment benefits including, without limitation, wages, salaries, employee medical benefits and insurance benefits ("Ordinary Course Compensation Claims"). The City intends to continue to pay Ordinary Course Compensation Claims in the normal course. Accordingly, active employees need not file proofs of claim on account of Ordinary Course Compensation Claims. For the avoidance of doubt, claims asserted or to be asserted in any lawsuit or similar proceeding are not Ordinary Course

Compensation Claims even where the claims assert as damages an entitlement to wages, salaries, employee medical benefits and/or insurance benefits.

- (c) Any claim by a holder for the repayment of principal, interest and/or other applicable fees and charges on or under (i) the bonds identified on the "Schedule of Secured Bonds" on the last two pages of this Notice (collectively, the "Secured Bonds") or (ii) any certificates of participation issued by the City (collectively, the "COPs"). In each case, the trustee or similar entity with respect to the applicable series of Secured Bonds or COPs has informed the City that, consistent with Bankruptcy Rule 3003(c), it intends to: (i) file any proofs of claim against the City on behalf of the holders of the Secured Bonds and the COPs; and (ii) provide notice to the holders of the Secured Bonds and the COPs.
- (d) Any claim by a holder for the repayment of principal or interest on or under the City's unlimited tax general obligation bonds, limited tax general obligation bonds and general fund bonds (collectively, the "GO Bonds" or "general obligations bonds") to preserve its right to a *pro rata* share of payments on account of the amount of principal and interest under such bonds listed in the List of Claims. Holders of GO Bonds with claims for amounts beyond principal and interest under these bonds are required to file claims for those additional amounts unless another exception applies. Also, the insurers of the GO Bonds must file any claims relating to the GO Bonds by the General Bar Date. The classification, priority and treatment of claims for principal and interest under the GO Bonds pursuant to any Chapter 9 Plan shall not be affected by any provision of the Bar Date Order or by whether or not the holders of GO Bonds file or do not file proofs of claim.
- (e) Any claim arising from an ordinary course entitlement to an income tax refund (to the extent of such claimed entitlement) asserted through the City's established income tax refund procedures, provided, however, that entities holding any other Prepetition Claims or causes of action related to income tax matters that are not properly asserted through the City's established income tax refund procedures must file a proof of claim by the General Bar Date.
- (f) Any claim with respect to which the holder already has filed a signed proof of claim against the City with the Clerk of this Court in a form substantially similar to Official Bankruptcy Form No. 10.
- (g) Any claim that is listed on the List of Claims if (i) the claim is not listed as "disputed," "contingent" or "unliquidated;" and (ii) such entity agrees with the amount, nature and priority of the claim as set forth in the List of Claims.
- (h) Any claim that previously has been allowed by order of the Court.
- (i) Any claim that has been paid in full by the City.
- (j) Any claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration (other than any 503(b)(9) Claim or any portion of a Rejection Damages Claim asserting administrative priority under section 503(b) of the Bankruptcy Code).

***For the avoidance of doubt, nothing herein or in the Bar Date Order affects any right that the claimants identified in subsections (a) through (h) of this Section 1 may have to vote on and receive distributions under any Plan proposed by the City. Further, nothing herein or in the Bar Date Order should be construed as an agreement by the City or a determination by the Court that any particular party is the proper holder of any specific claim against the City with the right to vote on any Plan proposed by the City and receive distributions from the City on account of such claim.***

***Nothing in this Section 1 limits the right of any entity (including, without limitation, the City, the Retiree Committee, the Retirement Systems or the City's unions, employees, retirees, bondholders, bond insurers, trustees, paying agents or any other entity) to (a) assert any proof of claim authorized under the Bankruptcy Code or (b) object to any proof of claim on any grounds to the extent permitted under the Bankruptcy Code.***

## SECTION 2 — WHO MUST FILE A PROOF OF CLAIM

### SUMMARY

- **Section 2 explains who must file a claim. If none of the exceptions in Section 1 apply to you, then you must file a claim.**
- Note that the instructions in this document are for filing claims for any amounts owed to you by the City that "arose" before July 18, 2013, when this bankruptcy case was filed. That may include amounts promised to you before July 18, 2013, even if they were not due until later.
- If you are the holder of a bond listed at the end of this document, or the holder of a Certificate of Participation, a trustee or agent has indicated that it will file a claim on your behalf.
- If you hold general obligation bonds, you are not required to file claims for your *pro rata* share of distributions on account of the amount of principal and interest listed on the City's list of claims. *See Section 8 for more details about the list of claims.* Claims for other amounts should be filed by the deadline.
- **Even if you are not required to file a claim form, you are permitted to do so.**

If none of the exceptions described in Section 1 applies, and if you have a claim that arose or is deemed to have arisen prior to the Filing Date (any such claim, a "Prepetition Claim"), you **MUST** file a proof of claim to share in distributions from the City's bankruptcy case and to vote on a Plan. Claims based on acts or omissions of the City that occurred before the Filing Date must be filed on or prior to the applicable Bar Date, even if such claims are not now fixed, liquidated or certain or did not mature or become fixed, liquidated or certain before the Filing Date.

Except where one of the exceptions described in Section 1 applies (or where the Rejection Damages Bar Date, the Amended Claims List Bar Date or the Governmental Bar Date applies to establish a different deadline), the following entities must file proofs of claim on or before the General Bar Date:

- (a) any entity (i) whose Prepetition Claim against the City is not listed in the City's List of Claims or is listed as "disputed," "contingent" or "unliquidated" and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any Plan; and
- (b) any entity that believes its Prepetition Claim is improperly classified in the List of Claims or is listed in an incorrect amount or priority and that desires to have its claim allowed in a classification, priority or amount other than that identified in the List of Claims, *provided that* any holder of GO Bonds asserting a claim for principal and interest in connection with such bonds is not required to file a proof of claim to preserve its right to a *pro rata* share of distributions on account of the amount of principal and interest under such bonds listed in the City's List of Claims.

***Note that the Bar Date Order should not be construed as an agreement by the City or a determination by the Court that any particular party is the proper holder of any specific claim against the City with the right to vote on any Plan proposed by the City and receive distributions from the City on account of such claim.***

### SECTION 3 — THE BAR DATES

#### SUMMARY

- Section 3 states that the general deadline for creditors to file claims is **February 21, 2014 at 4:00 p.m., Eastern Time.**
- "Bar date" is the legal term for the deadline to file a claim form.
- There are other later deadlines for filing claims that apply to certain parties. Additional information about these deadlines will be sent to those parties. These deadlines also are explained in Section 3.

The Bar Date Order establishes the following bar dates for filing proofs of claim in this case (collectively, the "Bar Dates"):

- (a) The General Bar Date. Pursuant to the Bar Date Order, except as described below, all entities holding claims against the City that arose (or are deemed to have arisen) prior to the commencement of this case are required to file proofs of claim by the General Bar Date (i.e., by February 21, 2014 at 4:00 p.m., Eastern Time). This case was commenced on July 18, 2013 (the "Filing Date"). The General Bar Date applies to all types of claims against the City that arose prior to the Filing Date, including secured claims, unsecured priority claims and unsecured nonpriority claims. For the avoidance of doubt, the General Bar Date applies to all claims asserting administrative expense priority under section 503(b)(9) of the Bankruptcy Code, subject to Section 4 below.
- (b) The Rejection Damages Bar Date. Pursuant to the Bar Date Order, any entity asserting claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to an order entered prior to the confirmation and effectiveness of a Plan (any such order, a "Rejection Order"), or claims otherwise related to such rejected agreements, including (i) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Filing Date and (ii) administrative claims under section 503(b) of the Bankruptcy Code (collectively, "Rejection Damages Claims") are required to file proofs of claim by the later of (a) the General Bar Date and (b) 4:00 p.m., Eastern Time, on the first business day that is at least 30 days after the entry of the relevant Rejection Order. The later of these dates is referred to in this Notice as the "Rejection Damages Bar Date." *For the avoidance of doubt, all prepetition and postpetition claims of any kind or nature arising from or relating to executory contracts or unexpired leases rejected by a Rejection Order must be filed by the Rejection Damages Bar Date.* In accordance with the Bar Date Order, any Rejection Order entered by the Bankruptcy Court will specify the Rejection Damages Bar Date applicable to any executory contracts or unexpired leases rejected thereunder.
- (c) The Amended Claims List Bar Date. Pursuant to the Bar Date Order, if, subsequent to the date of this Notice, the City amends or supplements its List of Claims to: (i) reduce the undisputed, noncontingent and liquidated amount of a claim; (ii) change the nature, classification or priority of a Scheduled Claim in a manner adverse to the listed creditor; or (iii) add a new Scheduled Claim to the List of Claims with respect to a party that was not previously served with notice of the Bar Dates (in each case, a "Modified Claim"), the affected claimant shall be permitted to file a proof of claim, or amend any previously filed proof of claim, in respect of the Modified Claim in accordance with the procedures described herein by the later of (i) the General Bar Date; and (ii) 4:00 p.m., Eastern Time, on the first business day that is at least 30 days after the date that notice of the applicable amendment to the List of Claims is served on the claimant (the "Amended Claims List Bar Date"). The City will provide notice of any Amended Claims List Bar Date to affected claimants. Affected claimants that previously filed a proof of claim (any such claim, a "Filed Claim") with respect to the liabilities giving rise to any Modified Claim need not refile their proof of claim because the Filed Claim is deemed to supersede and replace the original Scheduled Claim and the Modified Claim. In addition, if the City's amendment to the List of Claims improves the amount or treatment of a Scheduled Claim or a Filed Claim, a claimant that previously was served with a notice of the Bar Dates is not permitted to file additional claims by

the Amended Claims List Bar Date; provided, however, that nothing contained in the Bar Date Order shall be construed to limit, enhance or otherwise affect a claimant's right to amend a timely filed proof of claim. In addition, notwithstanding the foregoing, nothing contained herein precludes the City from objecting to any Scheduled Claim or Filed Claim on any grounds.

- (d) The Governmental Bar Date. Governmental units (as defined in section 101(27) of the Bankruptcy Code) are not subject to the General Bar Date. Pursuant to Bankruptcy Rule 3002(c)(1), the date by which governmental units must file proofs of claim in this case (the "Governmental Unit Bar Date") is the later of: (i) the first business day that is at least 180 days following the date of the entry of an order for relief in this case; and (ii) any Rejection Damages Bar Date or Amended Claims List Bar Date applicable to the governmental unit. No order for relief has yet been entered in the City's chapter 9 case, and proceedings to establish the City's eligibility to be a chapter 9 debtor are ongoing at this time. If the City prevails in establishing eligibility, the Court will enter an order for relief consistent with section 921(d) of the Bankruptcy Code. **[Update as appropriate at time that this Notice is finalized.]** The City will provide notice of the entry of an order for relief to all known creditors that are governmental units of the Court's entry of an order for relief and the resulting Governmental Bar Date.

#### **SECTION 4 — WHAT TO FILE**

##### **SUMMARY**

- Section 4 explains the paperwork for filing a claim.
- The claim form is sometimes called a "proof of claim."
- You must complete and sign the claim form and provide all necessary supporting documentation or a summary of this documentation.
- The amount owed to you must be listed in U.S. dollars, and the form must be filled out in English.
- The claim form includes instructions and explanations to assist you.
- A claim form is enclosed. Extra copies are available for free on the internet at [www.kccllc.net/detroit](http://www.kccllc.net/detroit).

As noted above, the City is enclosing a Claim Form for use in this case, or you may use another proof of claim form that conforms substantially to Official Bankruptcy Form No. 10. If your claim is listed by the City on its List of Claims (other than claims arising from GO Bonds), the attached Claim Form sets forth: (a) the amount of your claim (if any) as listed by the City; (b) whether your claim is listed as disputed, contingent or unliquidated; and (c) whether your claim is listed as a secured claim or an unsecured nonpriority claim. *If you are the holder of a GO Bond, please note that the List of Claims identifies the City's calculation of the total bond debt by series as of the Filing Date, and the List of Claims does not identify the amount owed to any particular bondholder. If you are a holder of a GO Bond, the amount listed by the City in the List of Claims for each series of GO Bonds is provided with your Claim Form.*

You will receive a different Claim Form for each claim listed in your name by the City. You may utilize the Claim Form(s) provided by the City to file your claim. Additional proof of claim forms may be obtained at the following websites: (a) [www.kccllc.net/detroit](http://www.kccllc.net/detroit) for a blank Claim Form designed specifically for this case or (b) [www.uscourts.gov/bkforms](http://www.uscourts.gov/bkforms) for a copy of Official Bankruptcy Form No. 10. **[Note: The preceding two paragraphs are for the service version, not the publication version, of this Notice.]**

To file your claim, you may use (a) the Claim Form specifically prepared for this chapter 9 case, which is available at [www.kccllc.net/detroit](http://www.kccllc.net/detroit) or (b) another proof of claim form that conforms substantially to Official Bankruptcy Form No. 10 (which form is available at [www.uscourts.gov/bkforms](http://www.uscourts.gov/bkforms)). **[Note: This paragraph is for the publication version of this Notice.]**

All proof of claim forms must be **signed** by the claimant or by an authorized agent of the claimant. The proof of claim form must be written in English and be denominated in United States currency. You should attach to your completed proof of claim form any documents on which the claim is based (the "Supporting Documents") (or, if the Supporting Documents are voluminous, you may attach a summary) or an explanation as to why the documents are not available. If you file a summary of the Supporting Documents because they are voluminous, you must transmit the Supporting Documents to (a) the City of Detroit Claims Processing Center (as defined below) and (b) the City within ten days after the date of a written request by the City for such documents.

Each entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, a detailed statement describing the nature and basis of the portion of the Rejection Damages Claim asserting an administrative priority under section 503(b) of the Bankruptcy Code (the "Administrative Claim Supplement").

Under the Bar Date Order, the filing of a proof of claim form satisfies the procedural requirements for the assertion of any administrative priority claims under section 503(b)(9) of the Bankruptcy Code. Likewise, the filing of a proof of claim form, along with an attached Administrative Claim Supplement, if applicable, satisfies the procedural requirements for the assertion of a Rejection Damages Claim (including any administrative claim included therein). Claims asserting administrative expense priority (a) under section 503(b)(9) of the Bankruptcy Code or (b) as a portion of a Rejection Damages Claim must be filed by the General Bar Date and the Rejection Damages Bar Date, respectively.

*All other administrative claims under sections 503(b) and 507(a)(2) of the Bankruptcy Code will not be deemed proper if asserted by proof of claim. The City intends to establish a process for the assertion of such claims at a future date if and to the extent necessary or appropriate. Note that the claim priorities provided under subsections (a)(1) and (a)(3) through (a)(10) of section 507 of the Bankruptcy Code are inapplicable in chapter 9 pursuant to section 901(a) of the Bankruptcy Code.*

## **SECTION 5 — WHEN AND WHERE TO FILE**

### **SUMMARY**

- Section 5 explains that claims may be mailed or hand delivered to *either*: (a) the City's Claims Processing Center in California or (b) the Clerk's Office at the Bankruptcy Court in Detroit, Michigan.
- The addresses for filing are listed in Section 5 below.
- All claims must be received by **February 21, 2014 at 4:00 p.m., Eastern Time**, if that deadline applies to you.
- **All claims must be mailed or delivered by hand. Fax and e-mail submissions are not allowed. Also, electronic filing of claims on the Court's docketing system is not permitted.**
- If you would like to receive an acknowledgment of your filing, you must provide an extra copy of your claim. If you are filing your claim by mail, or delivering it to the claims center in California, you also must provide a self-addressed, postage prepaid return envelope.

All proofs of claim must be mailed or delivered so as to be received **on or before the applicable Bar Date**, at either one of the following two locations:

- (a) the City of Detroit Claims Processing Center at the following address:

**City of Detroit Claims Processing Center  
c/o Kurtzman Carson Consultants, LLC  
2335 Alaska Avenue  
El Segundo, CA 90245**

(b) the Clerk's office at the Court (the "Clerk's Office") at the following address:

**Office of the Clerk of Court  
United States Bankruptcy Court  
for the Eastern District of Michigan  
211 West Fort Street  
Suite 1700  
Detroit, MI 48226**

Proofs of claim will be deemed filed only when **actually received** by the City of Detroit Claims Processing Center or the Clerk's Office on or before the applicable Bar Date. **Proofs of claim may NOT be delivered by facsimile or electronic mail transmission.** Any submissions by facsimile, electronic mail or electronic (ECF) court filing will not be accepted and will not be deemed filed until a proof of claim is submitted by one of the methods described above.

Proof of claim forms will be collected from the City of Detroit Claims Processing Center and the Clerk's Office, docketed and maintained by the City's claims agent, KCC. If you wish to receive acknowledgement of receipt of a proof of claim, you must submit by the applicable Bar Date and concurrently with submitting your original proof of claim (a) a copy of the original proof of claim and (b) for claims submitted to KCC or by mail to the Clerk's Office, a self-addressed, postage prepaid return envelope.

#### **SECTION 6 — EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

##### **SUMMARY**

- Section 6 provides special rules for creditors asserting claims arising from contracts that the City rejects during its bankruptcy case.
- "Rejecting" a contract is a special bankruptcy power that allows the City to stop performing certain agreements upon approval of the Bankruptcy Court.

As described in Section 3 above, any entity wishing to assert a Rejection Damages Claim must file a proof of claim for any prepetition or postpetition damages caused by such rejection, or any other prepetition or postpetition claims of any kind or nature whatsoever relating to the rejected agreement, by the Rejection Damages Bar Date.

#### **SECTION 7 — CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE APPLICABLE BAR DATE**

##### **SUMMARY**

- Section 7 explains what happens if you are required to file a claim by the deadline, but do not.
- In that case, you will lose the right to vote on or receive payments under the City's restructuring plan.

ANY ENTITY THAT IS REQUIRED TO FILE A PROOF OF CLAIM WITH RESPECT TO A PARTICULAR CLAIM AGAINST THE CITY, BUT THAT FAILS TO DO SO BY THE APPLICABLE BAR DATE DESCRIBED IN THIS NOTICE, SHALL BE FOREVER BARRED, ESTOPPED AND ENJOINED FROM THE FOLLOWING: (A) ASSERTING ANY CLAIM AGAINST THE CITY OR PROPERTY OF THE CITY THAT (I) IS IN AN AMOUNT THAT EXCEEDS THE AMOUNT, IF ANY, THAT IS IDENTIFIED IN THE LIST OF CLAIMS ON BEHALF OF SUCH ENTITY AS UNDISPUTED, NONCONTINGENT AND

LIQUIDATED OR (II) IS OF A DIFFERENT NATURE OR A DIFFERENT CLASSIFICATION OR PRIORITY THAN ANY CLAIM IDENTIFIED IN THE LIST OF CLAIMS ON BEHALF OF SUCH ENTITY (ANY SUCH CLAIM BEING REFERRED TO IN THIS NOTICE AS AN "UNSCHEDULED CLAIM"); (B) VOTING UPON, OR RECEIVING DISTRIBUTIONS UNDER, ANY PLAN IN THIS CHAPTER 9 CASE IN RESPECT OF AN UNSCHEDULED CLAIM; OR (C) WITH RESPECT TO ANY 503(B)(9) CLAIM OR ADMINISTRATIVE PRIORITY CLAIM COMPONENT OF ANY REJECTION DAMAGES CLAIM, ASSERTING ANY SUCH PRIORITY CLAIM AGAINST THE CITY OR PROPERTY OF THE CITY.

## **SECTION 8 — THE CITY'S LIST OF CLAIMS**

### **SUMMARY**

- Section 8 explains that the City filed a list of the claims that it believes it owes.
- The enclosed claim form will show how the City listed your claim. A copy of the claim list also is available on the internet at [www.kccllc.net/detroit](http://www.kccllc.net/detroit).
- Note that the City's bond debt was listed by bond series. Individual bondholders were not listed. The claim form sent to holders of general obligation bonds will include a list of all series of general obligation bonds, showing the City's calculation of the total principal and interest as of the date the bankruptcy was filed.
- If your claim is on the claim list, that means the City may have filed a claim for you. Please review the information carefully. If the City listed your claim with any of these labels, you cannot rely on the City's claim: "contingent" or "unliquidated" or "disputed." If you see any of these words next to your claim, you must file the claim form by the deadline if the claim deadline applies to you. ***The parties listed in Section 1 do not have to file a claim form by the deadline.***

You may be listed as the holder of a claim against the City in the City's List of Claims. To determine if and how you are listed on the List of Claims, please refer to the descriptions set forth on the enclosed proof of claim form(s) regarding the nature, amount and status of your claim(s). See Section 10 below for instructions regarding how to access the List of Claims. If you received postpetition payments from the City on account of your claim, the information on the enclosed proof of claim form may reflect the net remaining amount of your claims.

If you rely on the City's List of Claims, it is your responsibility to determine that the claim is accurately listed in the List of Claims. However, you may rely on the enclosed form, which sets forth (a) the amount of your claim (if any) as listed; (b) specifies whether your claim is listed in the List of Claims as disputed, contingent or unliquidated; and (c) identifies whether your claim is listed as a secured, unsecured priority or unsecured nonpriority claim. *If you are the holder of a GO Bond, please note that the List of Claims identifies the City's calculation of the total bond debt by series as of the Filing Date, and the List of Claims does not identify the amount owed to any particular bondholder. If you are a holder of a GO Bond, the amount listed by the City in the List of Claims for each series of GO Bonds is provided with your Claim Form.*

As described above, if you agree with the nature, amount and priority of your claim as listed in the City's List of Claims, and if your claim is not described in the Schedules as "disputed," "contingent" or "unliquidated," you do not need to file a proof of claim. Otherwise, or if you decide to file a proof of claim, you must do so before the applicable Bar Date in accordance with the procedures set forth in this Notice. **[Note: This Section 8 is for the service version, not the publication version, of this Notice.]**

## **SECTION 9 — RESERVATION OF RIGHTS**

### **SUMMARY**

- Section 9 explains that the City has the right to "object" to any claim you may file.
- This means that the City can challenge your claim in Court. If the City challenges your claim, you will be notified.

The City reserves the right to (a) dispute, or to assert offsets or defenses against, any filed claim or any claim listed or reflected in the List of Claims as to nature, amount, liability, priority, classification or otherwise; (b) subsequently designate any listed claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the List of Claims. Nothing contained in this Notice shall preclude the City from objecting to any claim, whether listed or filed, on any grounds. Nothing herein or in the Bar Date Order limits, or is intended to limit, any claimant's rights to defend against any objection.

## **SECTION 10 — ADDITIONAL INFORMATION**

### **SUMMARY**

- Section 10 explains how you can get more information.
- If you have questions, you can call the **City of Detroit Claims Hotline toll-free at (877) 298-6236** between 9:00 a.m. and 5:00 p.m., Eastern Time, Monday through Friday. Or you can write to the address below.
- Information also will be available on the internet at [www.kccllc.net/detroit](http://www.kccllc.net/detroit).
- The people at the hotline cannot give you legal advice. Legal advice cannot be provided through the mailing address below or the City's website. If you want legal advice, you must contact a lawyer.

Copies of the City's List of Claims, the Bar Date Order and other information and documents regarding the City's chapter 9 case are available free of charge on KCC's website at [www.kccllc.net/detroit](http://www.kccllc.net/detroit) or for a fee at the Court's website at <https://ecf.mieb.uscourts.gov>. A login identification and password to the Court's Public Access to Court Electronic Records ("PACER") are required to access this information through the Court's website and can be obtained through the PACER Service Center at [www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov). The List of Claims and other documents filed in this case may be accessed electronically, between the hours of 8:30 a.m. and 4:00 p.m., Eastern Time, Monday through Friday, at the public access terminals located in the Clerk's Office on the 17th Floor of the courthouse at 211 West Fort Street, Detroit, Michigan 48226. Copies of documents may be printed at the Clerk's Office for a charge.

If you require additional information regarding the filing of a proof of claim, you may contact the City of Detroit Claims Hotline toll-free at **(877) 298-6236** between 9:00 a.m. and 5:00 p.m., Eastern Time, Monday through Friday. You also may contact the City's claims agent, KCC, directly by writing to:

City of Detroit Claims Processing Center  
c/o Kurtzman Carson Consultants, LLC  
2335 Alaska Avenue  
El Segundo, CA 90245

**PLEASE NOTE THAT KCC IS NOT PERMITTED TO PROVIDE LEGAL ADVICE. YOU CANNOT GET LEGAL ADVICE BY CALLING THE CITY OF DETROIT CLAIM HOTLINE OR BY WRITING TO THE CITY OF DETROIT CLAIMS PROCESSING CENTER. YOU SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE OR FOR ANY LEGAL ADVICE, SUCH AS WHETHER YOU SHOULD FILE A PROOF OF CLAIM.**

Dated: [\_\_\_\_\_] , 2013

BY ORDER OF THE COURT

**SCHEDULE OF SECURED BONDS**

The applicable trustee or similar entity with respect to the following series of bonds has informed the City that it intends to: (a) file any proofs of claim against the City on behalf of the holders of these bonds; and (b) provide notice to the holders of the bonds.

| <b>Secured Bond</b>   | <b>Trustee or Similar Entity</b>             | <b>Secured Bond</b>  | <b>Trustee or Similar Entity</b> |
|---|--|--|----------------------------------|
| Sewage Disposal System Revenue Bond Series 1998-A                           | U.S. Bank National Association ("U.S. Bank") | Sewage Disposal System State Revolving Fund Revenue Bonds Series 2004-SRF2 | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 1998-B                           | U.S. Bank                                    | Sewage Disposal System State Revolving Fund Revenue Bonds Series 2004-SRF3 | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 1999-A                           | U.S. Bank                                    | Sewage Disposal System State Revolving Fund Revenue Bonds Series 2007-SRF1 | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2001-B                           | U.S. Bank                                    | Sewage Disposal System State Revolving Fund Revenue Bonds Series 2009-SRF1 | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2001(C)(1)                       | U.S. Bank                                    | Sewage Disposal System State Revolving Fund Revenue Bonds Series 2010-SRF1 | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2001(C)(2)                       | U.S. Bank                                    | Sewage Disposal System State Revolving Fund Revenue Bonds Series 2012-SRF1 | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2001-D                           | U.S. Bank                                    |  |                                  |
| Sewage Disposal System Revenue Bond Series 2001-E                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 1993                               | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2003-A                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 1997-A                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2003-B                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2001-A                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2004-A                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2001-C                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2005-A                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2003-A                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2005-B                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2003-B                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2005-C                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2003-C                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2006-A                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2003-D                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2006-B                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2004-A                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2006-C                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2004-B                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2006-D                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2005-A                             | U.S. Bank                        |
| Sewage Disposal System Revenue Bond Series 2012-A                           | U.S. Bank                                    | Water Supply System Revenue Bond Series 2005-B                             | U.S. Bank                        |
| Sewage Disposal System State Revolving Fund Revenue Bonds Series 1992-B SRF | U.S. Bank                                    | Water Supply System Revenue Bond Series 2005-C                             | U.S. Bank                        |
| Sewage Disposal System State Revolving Fund Revenue Bonds Series 1993-B SRF | U.S. Bank                                    | Water Supply System Revenue Bond Series 2006-A                             | U.S. Bank                        |



**ANNEX II**

|   |              |  |
|---|--------------|--|
| UNITED STATES BANKRUPTCY COURT                      EASTERN DISTRICT of MICHIGAN  |              | CHAPTER 9<br>PROOF OF CLAIM  |
| Name of Debtor: <b>City of Detroit, Michigan</b>  |              | Case Number: <b>13-53846</b>   |
| NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing.   |              |  |
| Name of Creditor (the person or other entity to whom the debtor owes money or property):  |              | COURT USE ONLY<br><br><input type="checkbox"/> Check this box if this claim amends a previously filed claim.<br><br><b>Court Claim Number:</b> _____<br>(If known)<br><br>Filed on: _____<br><br><input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars. |
| Name and address where notices should be sent:  |              |  |
| Telephone number: _____   | email: _____ |  |
| Name and address where payment should be sent (if different from above):  |              |  |
| Telephone number: _____   |              | email: _____   |
| <b>1. Amount of Claim as of Date Case Filed:</b> \$ _____<br><br>If all or part of the claim is secured, complete item 4.<br>If all or part of the claim is entitled to priority, complete item 5.<br><input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.   |              |  |
| <b>2. Basis for Claim:</b> _____<br>(See instruction #2)  |              |  |
| <b>3. Last four digits of any number by which creditor identifies debtor:</b> _____   |              | <b>3a. Debtor may have scheduled account as:</b> _____<br>(See instruction #3a)  |
| <b>4. Secured Claim</b> (See instruction #4)<br>Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.  |              | <b>Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:</b> \$ _____   |
| Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other<br>Describe: _____  |              | <b>Basis for perfection:</b> _____   |
| Value of Property: \$ _____   |              | <b>Amount of Secured Claim:</b> \$ _____   |
| Annual Interest Rate (when case was filed) _____% <input type="checkbox"/> Fixed    or <input type="checkbox"/> Variable  |              | <b>Amount Unsecured:</b> \$ _____  |
| <b>5. Amount of Claim Entitled to Priority as an Administrative Expense under 11 U.S.C. §§ 503(b)(9) and 507(a)(2).</b>   |              | \$ _____   |
| <b>5b. Amount of Claim Otherwise Entitled to Priority. Specify Applicable Section of 11 U.S.C. § _____.</b>   |              | \$ _____   |
| <b>6. Credits.</b> The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)   |              |  |
| <b>7. Documents:</b> Attached are <b>redacted</b> copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and <b>redacted</b> copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.<br>If the documents are not available, please explain: |              |  |
| <b>8. Signature:</b> (See instruction # 8)<br>Check the appropriate box.  |              |  |
| <input type="checkbox"/> I am the creditor. <input type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)<br>(See Bankruptcy Rule 3004.)  |              |  |
| I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.   |              |  |
| Print Name: _____<br>Title: _____<br>Company: _____   |              | _____<br>(Date)  |
| Address and telephone number (if different from notice address above): _____<br>_____<br>_____  |              | _____<br>(Signature)   |
| Telephone number: _____   |              |  |

13-53846-111 Doc 137828-1 Filed 11/09/13 Entered 11/09/13 20:08:57 Page 1 of 1

**INSTRUCTIONS FOR PROOF OF CLAIM FORM**

*The instructions and definitions below are general explanations of the law. In certain circumstances, exceptions to these general rules may apply.*

**Items to be completed in Proof of Claim form**

**Court, Name of Debtor, and Case Number:**

For the convenience of creditors, the Court, Name of Debtor and Case Number already have been completed on this modified proof of claim form.

**Creditor's Name and Address:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**1. Amount of Claim as of Date Case Filed:**

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

**2. Basis for Claim:**

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

**3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:** State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

**3a. Debtor May Have Scheduled Account As:**

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as listed by the debtor on the Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), as it may be amended or supplemented from time to time.

**4. Secured Claim:**

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and

value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

**5. Amount of Claim Entitled to Priority as a Administrative Expense Under 11 U.S.C. §§ 503(b)(9) and 507(a)(2).**

If any portion of the claim is entitled to priority under U.S.C. §§ 503(b)(9) and 507(a)(2), state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority.

**6. Credits:**

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

**7. Documents:**

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

**8. Date and Signature:**

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

**DEFINITIONS**

**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

**Creditor**

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

**Claim**

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

**Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form by sending or delivering the form to one of the addresses provided below.

**Secured Claim Under 11 U.S.C. § 506 (a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

**Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly

unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

**Claim Entitled to Priority as an Administrative Expense Under 11 U.S.C. §§ 503(b)(9) and 507(a)(2)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims. In a chapter 9 case, 11 U.S.C. § 503(b)(9) may provide priority status to claims for "the value of goods received by the debtor within 20 days before the date of commencement of a case ... in which the goods have been sold to the debtor in the ordinary course of such debtor's business." 11 U.S.C. § 503(b)(9).

Pursuant to 11 U.S.C. § 901(a), the priorities accorded certain claims under 11 U.S.C. § 507(a)(1) and (a)(3-10) are inapplicable in a chapter 9 case.

**Redacted**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

**Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

**INFORMATION**

**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.kccllc.net/Detroit>

**Offers to Purchase a Claim**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.), and any applicable orders of the bankruptcy court.

**PLEASE SEND OR DELIVER COMPLETED PROOFS OF CLAIM TO:**

City of Detroit Claims Processing Center  
c/o KCC  
2335 Alaska Avenue  
El Segundo, CA 90245

-or-

Office of the Clerk of Court  
United States Bankruptcy Court  
for the Eastern District of Michigan  
211 West Fort Street, Suite 1700  
Detroit, MI 48226

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN**

----- X  
In re : Chapter 9  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
Debtor. : Hon. Steven W. Rhodes  
----- X

---

**EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
(October 22, 2014)**

---

DAVID G. HEIMAN  
HEATHER LENNOX  
THOMAS A. WILSON  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212  
dgheiman@jonesday.com  
hlennox@jonesday.com  
tawilson@jonesday.com

BRUCE BENNETT  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 489-3939  
Facsimile: (213) 243-2539  
bbennett@jonesday.com

JONATHAN S. GREEN  
STEPHEN S. LAPLANTE  
MILLER, CANFIELD,  
PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500  
green@millercanfield.com  
laplante@millercanfield.com

ATTORNEYS FOR THE DEBTOR

**TABLE OF CONTENTS**

ARTICLE I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME ..... 1

A. Defined Terms. .... 1

B. Rules of Interpretation and Computation of Time. .... 30

1. Rules of Interpretation. .... 30

2. Computation of Time..... 30

ARTICLE II CLASSIFICATION OF CLAIMS; CRAMDOWN; EXECUTORY CONTRACTS AND UNEXPIRED LEASES ..... 30

A. Unclassified Claims. .... 31

1. Payment of Administrative Claims..... 31

2. Bar Dates for Administrative Claims..... 31

B. Classified Claims. .... 32

1. Designation of Classes..... 32

2. Subordination; Reservation of Rights to Reclassify Claims. .... 33

3. Treatment of Claims. .... 33

C. Confirmation Without Acceptance by All Impaired Classes. .... 45

D. Treatment of Executory Contracts and Unexpired Leases ..... 45

1. Assumption..... 45

2. Assumption of Ancillary Agreements. .... 45

3. Approval of Assumptions and Assignments..... 45

4. Payments Related to the Assumption of Executory Contracts and Unexpired Leases. .... 46

5. Contracts and Leases Entered Into After the Petition Date..... 46

6. Rejection of Executory Contracts and Unexpired Leases..... 46

7. Rejection Damages Bar Date..... 46

8. Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases..... 47

9. Insurance Policies. .... 47

ARTICLE III CONFIRMATION OF THE PLAN ..... 47

A. Conditions Precedent to the Effective Date. .... 47

B. Waiver of Conditions to the Effective Date. .... 48

C. Effect of Nonoccurrence of Conditions to the Effective Date. .... 49

D. Effect of Confirmation of the Plan..... 49

1. Dissolution of Retiree Committee. .... 49

2. Preservation of Rights of Action by the City..... 49

3. Comprehensive Settlement of Claims and Controversies..... 49

4. Discharge of Claims. .... 50

|  |   |    |
|--|---|----|
| 5.   | Injunction.....   | 50 |
| 6.   | Exculpation.....  | 51 |
| 7.   | Releases.....   | 52 |
| E.   | No Diminution of State Power.....   | 53 |
| F.   | Effectiveness of the Plan.....  | 53 |
| G.   | Binding Effect of Plan.....   | 53 |
| ARTICLE IV MEANS FOR IMPLEMENTATION OF THE PLAN..... |   | 54 |
| A.   | DWSD.....   | 54 |
| 1.   | Rates and Revenues.....   | 54 |
| 2.   | DWSD CBAs.....  | 54 |
| 3.   | Potential DWSD Authority Transaction.....                                   | 54 |
| B.   | The New B Notes, New C Notes and New LTGO Bonds.....                        | 55 |
| C.   | The UTGO Settlement.....  | 55 |
| D.   | The State Contribution Agreement.....                                       | 55 |
| 1.   | State Contribution.....   | 55 |
| 2.   | Income Stabilization Payments.....  | 55 |
| 3.   | Conditions to State's Participation.....                                    | 56 |
| 4.   | Release of Claims Against the State and State Related Entities.....         | 56 |
| E.   | The DIA Settlement.....   | 57 |
| 1.   | Funding Contributions.....  | 57 |
| 2.   | Transfer of DIA Assets.....   | 57 |
| 3.   | Conditions to the DIA Funding Parties' Participation.....                   | 57 |
| F.   | Contingent Payment Rights.....  | 58 |
| 1.   | Special Restoration.....  | 58 |
| 2.   | General Restoration.....  | 58 |
| G.   | The OPEB Settlement.....  | 58 |
| H.   | The LTGO Settlement.....  | 59 |
| I.   | The Syncora Settlement.....   | 59 |
| J.   | The FGIC/COP Settlement.....  | 59 |
| K.   | Issuance of the New Securities.....   | 59 |
| L.   | Cancellation of Existing Bonds, Bond Documents, COPs and COP Documents..... | 60 |
| M.   | Release of Liens.....   | 60 |
| N.   | Professional Fees.....  | 61 |
| 1.   | Professional Fee Reserve.....   | 61 |
| 2.   | Fee Review Order.....   | 61 |
| 3.   | Dismissal of the Fee Examiner.....  | 61 |
| 4.   | Potential Review of Fees Not Subject to Fee Review Order.....               | 61 |

|   |   |    |
|---|---|----|
| 5.  | Court-Appointed Expert .....  | 62 |
| O.  | Assumption of Indemnification Obligations. ....   | 62 |
| P.  | Incorporation of Retiree Health Care Settlement Agreement .....                               | 62 |
| Q.  | Payment of Workers' Compensation Claims.....  | 62 |
| R.  | 36th District Court Settlement. ....  | 62 |
| S.  | Payment of Certain Claims Relating to the Operation of City Motor Vehicles. ....              | 62 |
| T.  | Payment of Tax Refund Claims. ....  | 63 |
| U.  | Utility Deposits. ....  | 63 |
| V.  | Pass-Through Obligations.....   | 63 |
| W.  | Exit Facility.....  | 63 |
| X.  | Post-Effective Date Governance.....   | 63 |
| ARTICLE V PROVISIONS REGARDING DISTRIBUTIONS UNDER THE PLAN ..... |   | 64 |
| A.  | Appointment of Disbursing Agent .....   | 64 |
| B.  | Distributions on Account of Allowed Claims .....  | 64 |
| C.  | Certain Claims to Be Expunged.....  | 64 |
| D.  | Record Date for Distributions; Exception for Bond Claims. ....                                | 64 |
| E.  | Means of Cash Payments. ....  | 64 |
| F.  | Selection of Distribution Dates for Allowed Claims.....                                       | 65 |
| G.  | Limitations on Amounts to Be Distributed to Holders of Allowed Claims Otherwise Insured. .... | 65 |
| H.  | City's Rights of Setoff Preserved. ....   | 65 |
| I.  | Delivery of Distributions and Undeliverable or Unclaimed Distributions.....                   | 65 |
| 1.  | Delivery of Distributions Generally.....  | 65 |
| 2.  | Delivery of Distributions on Account of Bond Claims.....                                      | 65 |
| 3.  | De Minimis Distributions / No Fractional New Securities. ....                                 | 66 |
| 4.  | Undeliverable or Unclaimed Distributions. ....  | 66 |
| 5.  | Time Bar to Cash Payment Rights.....  | 66 |
| J.  | Other Provisions Applicable to Distributions in All Classes. ....                             | 66 |
| 1.  | No Postpetition Interest. ....  | 66 |
| 2.  | Compliance with Tax Requirements.....   | 66 |
| 3.  | Allocation of Distributions. ....   | 67 |
| 4.  | Surrender of Instruments. ....  | 67 |
| ARTICLE VI PROCEDURES FOR RESOLVING DISPUTED CLAIMS .....         |   | 67 |
| A.  | Treatment of Disputed Claims. ....  | 67 |
| 1.  | General.....  | 67 |
| 2.  | ADR Procedures.....   | 68 |
| 3.  | Tort Claims.....  | 68 |

|   |  |    |
|---|--|----|
| B.  | Disputed Claims Reserve .....                                    | 68 |
| C.  | Objections to Claims .....                                       | 69 |
| 1.  | Authority to Prosecute, Settle and Compromise .....              | 69 |
| 2.  | Expungement or Adjustment of Claims Without Objection .....      | 69 |
| 3.  | Extension of Claims Objection Bar Date .....                     | 69 |
| 4.  | Authority to Amend List of Creditors .....                       | 69 |
| ARTICLE VII RETENTION OF JURISDICTION ..... |  | 69 |
| ARTICLE VIII MISCELLANEOUS PROVISIONS ..... |  | 71 |
| A.  | Plan Supplements .....   | 71 |
| B.  | Modification of the Plan .....                                   | 71 |
| C.  | Revocation of the Plan .....                                     | 71 |
| D.  | Severability of Plan Provisions .....                            | 71 |
| E.  | Effectuating Documents and Transactions .....                    | 71 |
| F.  | Successors and Assigns .....                                     | 72 |
| G.  | Plan Controls .....  | 72 |
| H.  | Notice of the Effective Date .....                               | 72 |
| I.  | Governing Law .....  | 72 |
| J.  | Request for Waiver of Automatic Stay of Confirmation Order ..... | 72 |
| K.  | Term of Existing Injunctions and Stays .....                     | 72 |
| L.  | Service of Documents .....                                       | 72 |
| 1.  | The City .....   | 73 |
| 2.  | The Retiree Committee .....                                      | 73 |

**TABLE OF EXHIBITS**

|                   |  |
|-------------------|--|
| Exhibit I.A.9     | Principal Terms of 36th District Court Settlement  |
| Exhibit I.A.66    | Schedule of Class 9 Eligible City Assets   |
| Exhibit I.A.88    | Schedule of COP Swap Agreements  |
| Exhibit I.A.108   | Form of Detroit General VEBA Trust Agreement   |
| Exhibit I.A.112   | Form of Detroit Police and Fire VEBA Trust Agreement   |
| Exhibit I.A.126   | Principal Terms of DIA Settlement  |
| Exhibit I.A.127   | Form of DIA Settlement Documents   |
| Exhibit I.A.132   | Dismissed FGIC/COP Litigation  |
| Exhibit I.A.133   | Dismissed Syncora Litigation   |
| Exhibit I.A.148   | Schedule of DWSD Bond Documents & Related DWSD Bonds   |
| Exhibit I.A.156   | Schedule of DWSD Revolving Sewer Bond Documents & Related DWSD Revolving Sewer Bonds                     |
| Exhibit I.A.159   | Schedule of DWSD Revolving Water Bond Documents & Related DWSD Revolving Water Bonds                     |
| Exhibit I.A.183   | Principal Terms of Exit Facility   |
| Exhibit I.A.197   | Form of FGIC/COP Settlement Documents  |
| Exhibit I.A.198   | Form of FGIC Development Agreement   |
| Exhibit I.A.216   | Schedule of HUD Installment Note Documents & Related HUD Installment Notes                               |
| Exhibit I.A.230   | Schedule of Limited Tax General Obligation Bond Documents & Related Limited Tax General Obligation Bonds |
| Exhibit I.A.237   | Form of LTGO Settlement Agreement  |
| Exhibit I.A.246   | Principal Terms of New B Notes   |
| Exhibit I.A.247   | Form of New B Notes Documents  |
| Exhibit I.A.248   | Principal Terms of New C Notes   |
| Exhibit I.A.249   | Form of New C Notes Documents  |
| Exhibit I.A.250.a | Form of New GRS Active Pension Plan  |
| Exhibit I.A.250.b | Principal Terms of New GRS Active Pension Plan   |
| Exhibit I.A.254.a | Form of New PFRS Active Pension Plan   |

|                       |  |
|-----------------------|--|
| Exhibit I.A.254.b     | Principal Terms of New PFRS Active Pension Plan  |
| Exhibit I.A.280       | Prior GRS Pension Plan   |
| Exhibit I.A.281       | Prior PFRS Pension Plan  |
| Exhibit I.A.292       | Restoration Trust Agreement  |
| Exhibit I.A.298       | Retiree Health Care Settlement Agreement   |
| Exhibit I.A.305       | Schedule of Secured GO Bond Documents  |
| Exhibit I.A.332       | State Contribution Agreement   |
| Exhibit I.A.340       | Form of Syncora Development Agreement  |
| Exhibit I.A.344       | Form of Syncora Settlement Documents   |
| Exhibit I.A.354       | Schedule of Unlimited Tax General Obligation Bond Documents & Related Unlimited Tax General Obligation Bonds |
| Exhibit I.A.360       | Form of UTGO Settlement Agreement  |
| Exhibit II.B.3.q.ii.A | Schedule of Payments and Sources of Payments for Modified PFRS Pension Benefits                              |
| Exhibit II.B.3.q.ii.C | Terms of PFRS Pension Restoration  |
| Exhibit II.B.3.r.ii.A | Schedule of Payments and Sources of Payments for Modified GRS Pension Benefits                               |
| Exhibit II.B.3.r.ii.C | Terms of GRS Pension Restoration   |
| Exhibit II.D.5        | Schedule of Postpetition Collective Bargaining Agreements  |
| Exhibit II.D.6        | Executory Contracts and Unexpired Leases to Be Rejected  |
| Exhibit III.D.2       | Retained Causes of Action  |

**INTRODUCTION**

The City of Detroit proposes the following plan for the adjustment of its debts pursuant to and in accordance with chapter 9 of the Bankruptcy Code.

A discussion of the City's organizational structure, operations, capital structure and events leading to the commencement of the City's Chapter 9 Case, as well as a summary and description of the Plan, risk factors and other related matters, is included in the Disclosure Statement. Retirees of the City will receive a supplement summarizing important information relevant to their entitlement to benefits (the "Retiree Supplement"). Other agreements and documents, which have been or will be Filed with the Bankruptcy Court, are referenced in the Plan or the Disclosure Statement and are available for review.

The City encourages all of its creditors to read the Plan, the Disclosure Statement and the other material that has been approved for use in soliciting votes on the Plan and encourages holders of claims for pensions and other post-employment benefits to read the Retiree Supplement and to consider the information included on the Ballot before casting a vote to accept or reject the Plan and before choosing among available treatment options.

**ARTICLE I  
DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME**

**A. Defined Terms.**

Capitalized terms used in the Plan have the meanings set forth in this Section I.A. Any term that is not otherwise defined herein, but that is used in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules.

1. "2005 COPs" means, collectively, the Detroit Retirement Systems Funding Trust 2005 Certificates of Participation Series 2005-A, issued by the Detroit Retirement Systems Funding Trust 2005 pursuant to the 2005 COPs Agreement, in an initial principal amount of \$640 million, bearing interest at 4.0% to 4.948%.

2. "2005 COPs Agreement" means the Trust Agreement by and between the COP Service Corporations and U.S. Bank National Association, as trustee, dated June 2, 2005, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments.

3. "2006 COPs" means, collectively, the (a) Detroit Retirement Systems Funding Trust 2006 Certificates of Participation Series 2006-A, issued by the Detroit Retirement Systems Funding Trust 2006 pursuant to the 2006 COPs Agreement, in an initial principal amount of \$148.5 million, bearing interest at 5.989%; and (b) Detroit Retirement Systems Funding Trust 2006 Certificates of Participation Series 2006-B, issued by the Detroit Retirement Systems Funding Trust 2006 pursuant to the 2006 COPs Agreement, in an initial principal amount of \$800 million, bearing interest at a floating rate.

4. "2006 COPs Agreement" means the Trust Agreement by and between the COP Service Corporations and U.S. Bank National Association, as trustee, dated June 12, 2006, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments.

5. "2014 DWSD Refinancing Obligations" means, collectively, the (i) City of Detroit, Michigan, Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Senior Lien Bonds, Series 2014D, (ii) City of Detroit, Michigan, Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Senior Lien Bonds, Series 2014E, (iii) City of Detroit, Michigan, Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Second Lien Bonds, Series 2014F, (iv) City of Detroit, Michigan, Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Second Lien Bonds, Series 2014G, (v) City of Detroit, Michigan, Detroit Water and Sewerage Department Water Supply System Revenue Refunding Senior Lien Bonds, Series 2014A, (vi) City of Detroit, Michigan, Detroit Water and Sewerage

Department Water Supply System Revenue Refunding Senior Lien Bonds, Series 2014B, (vii) City of Detroit, Michigan, Detroit Water and Sewerage Department Water Supply System Revenue Refunding Second Lien Bonds, Series 2014C, and (viii) City of Detroit, Michigan, Detroit Water and Sewerage Department Water Supply System Revenue Refunding Second Lien Bonds, Series 2014D.

6. "2014 Revenue and Revenue Refinancing Bonds" means, collectively, one or more series of Sewage Disposal System Revenue and Revenue Refunding Bonds and Water Supply System Revenue Refunding Bonds.

7. "2014 Revenue Refinancing Bonds" means, collectively, the Michigan Finance Authority's (i) Local Government Loan Program Revenue Bonds, Series 2014C-4 (Insured) (Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Senior Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, (ii) Local Government Loan Program Revenue Bonds, Series 2014C-5 (Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Senior Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, (iii) Local Government Loan Program Revenue Bonds, Series 2014C-6 (Insured) (Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Second Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, (iv) Local Government Loan Program Revenue Bonds, Series 2014C-7 (Detroit Water and Sewerage Department Sewage Disposal System Revenue Refunding Second Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, (v) Local Government Loan Program Revenue Bonds, Series 2014D-1 (Insured) (Detroit Water and Sewerage Department Water Supply System Revenue Refunding Senior Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, (vi) Local Government Loan Program Revenue Bonds, Series 2014D-2 (Detroit Water and Sewerage Department Water Supply System Revenue Refunding Senior Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, (vii) Local Government Loan Program Revenue Bonds, Series 2014D-3 (Insured) (Detroit Water and Sewerage Department Water Supply System Revenue Refunding Second Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds, and (viii) Local Government Loan Program Revenue Bonds, Series 2014D-4 (Detroit Water and Sewerage Department Water Supply System Revenue Refunding Second Lien Local Project Bonds), issued as the Type: Detroit Water and Sewerage Department Local Project Bonds.

8. "36th District Court" means the district court for the thirty-sixth judicial district of the State.

9. "36th District Court Settlement" means the settlement between the City and the Settling 36th District Court Claimants, substantially on the terms set forth on Exhibit I.A.9.

10. "Active Employee" means an active employee of the City on and after the Confirmation Date.

11. "Actual Return" means, for each Fiscal Year during the period beginning July 1, 2003 and ending June 30, 2013, the actual net return percentage on invested GRS assets for that Fiscal Year; provided that, if the actual net return percentage on invested GRS assets for any given Fiscal Year is greater than 7.9%, the Actual Return for that Fiscal Year shall be 7.9%, and if the actual net return percentage on invested GRS assets for any given Fiscal Year is less than 0.0%, the Actual Return for that Fiscal Year shall be 0.0%.

12. "Ad Hoc Committee of DWSD Bondholders" means, collectively, Blackrock Financial Management, Inc., Eaton Vance Management, Fidelity Management & Research Company, Franklin Advisers, Inc. and Nuveen Asset Management.

13. "Adjusted Pension Amount" means the GRS Adjusted Pension Amount or the PFRS Adjusted Pension Amount, as applicable.

14. "Administrative Claim" means a Claim against the City arising on or after the Petition Date and prior to the Effective Date for a cost or expense of administration related to the Chapter 9 Case that is entitled to priority or superpriority under sections 364(c)(1), 503(b) or 507(b)(2) of the Bankruptcy Code, including (a) Claims, pursuant to section 503(b)(9) of the Bankruptcy Code, for the value of goods received by the City in the 20 days

immediately prior to the Petition Date and sold to the City in the ordinary course of the City's operations and (b) any Allowed Claims for reclamation under section 546(c)(1) of the Bankruptcy Code or section 2-702 of the Uniform Commercial Code; provided that no claim for professional fees or any other costs or expenses incurred by any official or unofficial creditors' committee or any member thereof shall be considered an Administrative Claim, except that the Retiree Committee's members and the Retiree Committee Professionals shall be entitled to payment in accordance with the Fee Review Order.

15. "ADR Injunction" means the injunction set forth at Section I.B of the ADR Procedures.

16. "ADR Procedures" means the alternative dispute resolution procedures approved by the ADR Procedures Order, as such procedures may be modified by further order of the Bankruptcy Court.

17. "ADR Procedures Order" means the Order, Pursuant to Sections 105 and 502 of the Bankruptcy Code, Approving Alternative Dispute Resolution Procedures to Promote the Liquidation of Certain Prepetition Claims (Docket No. 2302), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on December 24, 2013, as it may be subsequently amended, supplemented or otherwise modified.

18. "Affiliate" shall have the meaning set forth in section 101(2) of the Bankruptcy Code.

19. "Allowed Claim(s)" means: (a) a Claim, proof of which has been timely Filed by the applicable Bar Date (or for which Claim under express terms of the Plan, the Bankruptcy Code or a Final Order of the Bankruptcy Court, a proof of Claim is not required to be Filed); (b) a Claim (i) that is listed in the List of Creditors, (ii) that is not identified on the List of Creditors as contingent, unliquidated or disputed and (iii) for which no proof of Claim has been timely Filed; (c) a Claim allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; (d) a Claim designated as allowed in a stipulation or agreement between the City and the Holder of the Claim that is Filed; or (e) a Claim designated as allowed in a pleading entitled "Designation of Allowed Claims" (or a similar title of the same import) that is Filed; provided that with respect to any Claim described in clauses (a) or (b) above, such Claim shall be considered allowed only if and to the extent that (x) no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or (y) if an objection is so interposed, the Claim shall have been allowed by a Final Order. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed to be an Allowed Claim unless and until such Entity pays in full the amount that it owes the City. "Allow" and "Allowing" shall have correlative meanings.

20. "Ambac" means Ambac Assurance Corporation.

21. "Annuity Savings Fund" means that sub-account and pension benefit arrangement that is part of the GRS and operated by the trustees of the GRS.

22. "Annuity Savings Fund Excess Amount" means the following: (a) for an ASF Current Participant who has not received any distributions from the Annuity Savings Fund, the difference between (i) the value of such participant's Annuity Savings Fund account as of June 30, 2013 and (ii) the value of such participant's Annuity Savings Fund account as of June 30, 2013 calculated using the Actual Return; (b) for an ASF Current Participant who has received any distribution from the Annuity Savings Fund other than a total distribution, the difference between (i) the sum of (A) the value of such participant's Annuity Savings Fund account as of June 30, 2013 and (B) all distributions received by such participant from the Annuity Savings Fund during the ASF Recoupment Period and (ii) the sum of (A) the value of such participant's Annuity Savings Fund account as of June 30, 2013 calculated using the Actual Return and (B) the value of the participant's distribution calculated as of the date of distribution using the Actual Return through such date; and (c) for an ASF Distribution Recipient, the difference between (i) the value of such ASF Distribution Recipient's Annuity Savings Fund account as of the date of distribution from the Annuity Savings Fund, provided such date falls within the ASF Recoupment Period, and (ii) the value of such participant's Annuity Savings Fund account as of such date, calculated using the Actual Return. For purposes of this definition, the value of a participant's Annuity Savings Fund account as of any date will include the principal amount of any loans to the participant from his Annuity Savings Fund account that are outstanding as of such date or that were defaulted during the ASF Recoupment Period.

23. "ASF/GRS Reduction" means, with respect to a Holder of a GRS Pension Claim who is a retiree who is receiving a monthly pension as of June 30, 2014 or such retiree's later-surviving beneficiary, the 4.5% reduction in the Current Accrued Annual Pension amount described in Section I.A.211, plus the ASF Recoupment.

24. "ASF Current Participant" means a person who (a) participates in the GRS, (b) participated in the Annuity Savings Fund at any time during the ASF Recoupment Period and (c) is not an ASF Distribution Recipient.

25. "ASF Distribution Recipient" means a person who (a) participates in the GRS, (b) participated in the Annuity Savings Fund at any time during the ASF Recoupment Period and (c) has received a total distribution from the Annuity Savings Fund.

26. "ASF Election Date" means the date that is 35 days after the date on which the ASF Election Form is mailed.

27. "ASF Election Form" means a form to be mailed to each ASF Distribution Recipient with the ASF Election Notice to allow such ASF Distribution Recipient to elect the ASF Recoupment Cash Option.

28. "ASF Election Notice" means a notice to be mailed to each ASF Distribution Recipient notifying such ASF Distribution Recipient of the ASF Recoupment Cash Option and providing such recipient with an ASF Election Form.

29. "ASF Final Cash Payment Date" means the later of (a) 90 days after the Effective Date or (b) 50 days after the date of mailing of an ASF Final Cash Payment Notice.

30. "ASF Final Cash Payment Notice" means a notice to be provided by GRS to each ASF Distribution Recipient who timely elects the ASF Recoupment Cash Option indicating the amount of such ASF Distribution Recipient's ASF Recoupment Cash Payment.

31. "ASF Recoupment" means the amount to be deducted from an ASF Current Participant's Annuity Savings Fund account or an ASF Distribution Recipient's monthly pension check, as applicable, pursuant to the formulae set forth in Section II.B.3.r.ii.D.

32. "ASF Recoupment Cap" means, for both ASF Current Participants and ASF Distribution Recipients, 20% of the highest value of such participant's Annuity Savings Fund account during the ASF Recoupment Period plus an interest component of 6.75% if the amount recouped is amortized over time. For purposes of this definition, the value of a participant's Annuity Savings Fund account as of any date will include the principal amount of any loans to the participant from such participant's Annuity Savings Fund account that are outstanding as of such date or that were defaulted during the ASF Recoupment Period.

33. "ASF Recoupment Cash Option" means an election that may be exercised by an ASF Distribution Recipient to pay the total amount of such ASF Distribution Recipient's ASF Recoupment in a single lump sum.

34. "ASF Recoupment Cash Payment" means the amount of the cash payment that an ASF Distribution Recipient who elects the ASF Recoupment Cash Option will be required to pay on account of such ASF Distribution Recipient's ASF Recoupment.

35. "ASF Recoupment Period" means the period beginning July 1, 2003 and ending June 30, 2013.

36. "Assigned UTGO Bond Tax Proceeds" means the rights to the proceeds of the UTGO Bond Tax Levy in an amount equal to the principal and interest payable on the Stub UTGO Bonds (but subject to the prior rights of the holders of the Municipal Obligation), which rights shall be assigned to a designee or designees of the City pursuant to the UTGO Settlement Agreement, substantially on the terms set forth on Exhibit I.A.360.

37. "Assured" means, together, Assured Guaranty Municipal Corp., formerly known as Financial Security Assurance, Inc., and Assured Guaranty Corp.

38. "Ballot" means the ballot upon which a Holder of an Impaired Claim entitled to vote shall cast its vote to accept or reject the Plan and make certain elections provided for in the Plan.

39. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as now in effect or hereafter amended.

40. "Bankruptcy Court" means the United States Bankruptcy Court for the Eastern District of Michigan having jurisdiction over the Chapter 9 Case, and, to the extent of the withdrawal of any reference under 28 U.S.C. § 157 or the General Order of the District Court pursuant to § 151 of title 28 of the United States Code, the District Court.

41. "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy Procedure and the general, local and chambers rules of the Bankruptcy Court, as now in effect or hereafter amended, as applicable to the Chapter 9 Case.

42. "Bar Date" means the applicable bar date by which a proof of Claim must be or must have been Filed, as established by an order of the Bankruptcy Court, including a Bar Date Order and the Confirmation Order.

43. "Bar Date Order" means any order of the Bankruptcy Court establishing Bar Dates for Filing proofs of Claim in the Chapter 9 Case, including the Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof (Docket No. 1782), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on November 21, 2013, as it may be amended, supplemented or otherwise modified.

44. "Bond Agent" means a trustee, paying agent or similar Entity, as applicable, under the Bond Documents.

45. "Bond Claims" means, collectively, the DWSD Bond Claims, the DWSD Revolving Bond Claims, the General Obligation Bond Claims, the HUD Installment Note Claims and the Secured GO Bond Claims.

46. "Bond Documents" means, collectively, the DWSD Bond Documents, the DWSD Revolving Bond Documents, the General Obligation Bond Documents, the HUD Installment Note Documents and the Secured GO Bond Documents.

47. "Bond(s)" means, individually or collectively, the DWSD Bonds, the DWSD Revolving Bonds, the General Obligation Bonds, the HUD Installment Notes or the Secured GO Bonds.

48. "Bondholder" means any beneficial or record holder of a Bond.

49. "Bond Insurance Policies" means those policies, surety policies or other instruments insuring any Bond and obligations related thereto, including all ancillary and related documents that may obligate the City to pay any amount to a Bond Insurer for any reason.

50. "Bond Insurance Policy Claim" means a Claim held by a Bond Insurer arising under or in connection with a Bond Insurance Policy.

51. "Bond Insurer" means any party, other than the City, that has issued a Bond Insurance Policy.

52. "Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

53. "Cash" means legal tender of the United States of America and equivalents thereof.

54. "Causes of Action" means, without limitation, any and all actions, causes of action, controversies, liabilities, obligations, rights, suits, damages, judgments, claims and demands whatsoever, whether known or

unknown, reduced to judgment, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or derivatively, existing or hereafter arising, in law, equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Effective Date, including without limitation (a) claims and causes of action under sections 502(d), 510, 544, 545, 547, 548, 549(a), 549(c), 549(d), 550, 551 and 553 of the Bankruptcy Code and (b) any other avoidance or similar claims or actions under the Bankruptcy Code or under similar or related state or federal statutes or common law, and, in the case of each Cause of Action, the proceeds thereof, whether received by judgment, settlement or otherwise.

55. "CFSEM Supporting Organization" means the Foundation for Detroit's Future, a supporting organization of, and an Entity legally separate from, the Community Foundation for Southeast Michigan, solely in its capacity as a participant in the DIA Settlement.

56. "Chapter 9 Case" means the bankruptcy case commenced by the City under chapter 9 of the Bankruptcy Code, captioned as *In re City of Detroit, Michigan*, Case No. 13-53846 (Bankr. E.D. Mich.), and currently pending before the Bankruptcy Court.

57. "City" means the City of Detroit, Michigan.

58. "City Council" means the duly-elected City Council of the City.

59. "City Parking Assets" means, collectively, the City's right, title and interest in (a) the Parking Garages, (b) operating revenue received by the City generated by the Parking Garages, (c) revenues collected from fines received by the City related to tickets issued for parking violations (other than any such revenue that would otherwise be paid to the 36th District Court), (d) revenue received by the City generated by parking meters owned by the City and (e) revenue received by the City generated by "boot and tow" operations conducted by the City.

60. "Claim" means a claim, as defined in section 101(5) of the Bankruptcy Code, against the City.

61. "Claims and Balloting Agent" means Kurtzman Carson Consultants, LLC, in its capacity as Bankruptcy Court-appointed claims and balloting agent for the Chapter 9 Case.

62. "Claims Objection Bar Date" means the deadline for objecting to a Claim, which shall be on the date that is the latest of (a) 180 days after the Effective Date, subject to extension by an order of the Bankruptcy Court, (b) 90 days after the Filing of a proof of Claim for such Claim and (c) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court, which other period may be set without notice to Holders of Claims.

63. "Claims Register" means the official register of Claims maintained by the Claims and Balloting Agent.

64. "Class" means a class of Claims, as described in Section II.B.

65. "Class 9 Settlement Asset Pool" means (a) either: (i) the New C Notes or (ii) in the event of a disposition or monetization of the City Parking Assets prior to distribution of the New C Notes, the proceeds from such disposition or monetization, in an amount not less than \$80 million; and (b) the Class 9 Settlement Credits.

66. "Class 9 Eligible City Asset" means those assets identified on Exhibit I.A.66.

67. "Class 9 Settlement Credits" means assignable, transferable settlement credits in the aggregate amount of \$25 million that may be applied to offset not more than 50% of the purchase price of a Class 9 Eligible City Asset; provided that, in all cases, to apply a Class 9 Settlement Credit, the owner thereof must (a) be the final party selected in a procurement process or auction conducted by the City and (b) otherwise satisfy all other elements of the procurement or auction process applicable to a particular Class 9 Eligible City Asset (in each of (a) and (b), without regard to such owner's offsetting any portion of the purchase price with such Class 9 Settlement Credit and irrespective of such owner's ability to apply any Class 9 Settlement Credit).

68. "COLAs" means the cost of living adjustments made to annual pension benefits pursuant to collective bargaining agreements, other contracts or ordinances (as applicable) to account for the effects of inflation, which adjustments sometimes are called "escalators" in such collective bargaining agreements, other contracts or ordinances.

69. "Confirmation" means the entry of the Confirmation Order by the Bankruptcy Court on the docket of the Chapter 9 Case.

70. "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order on the docket in the Chapter 9 Case, within the meaning of Bankruptcy Rules 5003 and 9021.

71. "Confirmation Hearing" means the hearing held by the Bankruptcy Court on Confirmation of the Plan, as such hearing may be continued.

72. "Confirmation Order" means the order of the Bankruptcy Court confirming the Plan pursuant to section 943 of the Bankruptcy Code, as it may be subsequently amended, supplemented or otherwise modified.

73. "Contract Administration Agreement 2005" means the Contract Administration Agreement dated June 2, 2005, by and among the COP Service Corporations, the Detroit Retirement Systems Funding Trust 2005, the COP Contract Administrator and the COP Swap Counterparties.

74. "Contract Administration Agreement 2006" means the Contract Administration Agreement dated June 12, 2006, by and among the COP Service Corporations, the Detroit Retirement Systems Funding Trust 2006, the COP Contract Administrator and the COP Swap Counterparties.

75. "Contract Administration Agreements" means, together, the Contract Administration Agreement 2005 and the Contract Administration Agreement 2006.

76. "Convenience Claim" means a Claim that would otherwise be an Other Unsecured Claim that is (a) an Allowed Claim in an amount less than or equal to \$25,000.00; or (b) in an amount that has been reduced to \$25,000.00 pursuant to an election made by the Holder of such Claim; provided that, where any portion(s) of a single Claim has been transferred, (y) the amount of all such portions will be aggregated to determine whether a Claim qualifies as a Convenience Claim and for purposes of the Convenience Claim election and (z) unless all transferees make the Convenience Claim election on the applicable Ballots, the Convenience Claim election will not be recognized for such Claim.

77. "COP Agent" means a contract administrator, trustee, paying agent or similar Entity, as applicable, under the COP Documents.

78. "COP Agent Fees" means reasonable, actual and documented fees payable to the COP Agent for services rendered or expenses incurred in accordance with and pursuant to the terms of the COPs Documents.

79. "COP Claim" means a Claim under or evidenced by the COP Service Contracts. For the avoidance of doubt, except as provided in any Final Order of the Bankruptcy Court, the definition of COP Claim shall include any Claim (other than a COP Swap Claim) on account of any act, omission or representation (however described) based upon, arising out of or relating to: (a) the issuance, offering, underwriting, purchase, sale, ownership or trading of any COPs (to the extent any such Claim is not a Subordinated Claim); (b) the COP Service Corporations; (c) any COP Service Contracts; (d) the 2005 COPs Agreement; (e) the 2006 COPs Agreement; (f) the Detroit Retirement Systems Funding Trust 2005; (g) the Detroit Retirement Systems Funding Trust 2006; (h) the Contract Administration Agreement 2005; (i) the Contract Administration Agreement 2006; (j) any allegations that have been made or could have been made by or against the City or any other person in the COP Litigation; or (k) any policy of insurance relating to the COPs.

80. "COP Contract Administrator" means Wilmington Trust, National Association, as successor to U.S. Bank, N.A.

81. "COP Documents" means, collectively, the COP Service Contracts, the 2005 COPs Agreement, the 2006 COPs Agreement and the Contract Administration Agreements.

82. "COP Insurance Policies" means those certain policies or other instruments insuring the 2005 COPs issued under the 2005 COPs Agreement and the 2006 COPs issued under the 2006 COPs Agreement, including all ancillary and related documents that may obligate the City to pay any amount to a COP Insurer for any reason.

83. "COP Insurance Policies Claim" means a Claim held by a COP Insurer arising under or in connection with a COP Insurance Policy.

84. "COP Insurer" means any party, other than the City, that has issued a COP Insurance Policy.

85. "COP Litigation" means the adversary proceeding captioned as *City of Detroit, Michigan v. Detroit General Retirement System Service Corporation, Detroit Police and Fire Retirement System Service Corporation, Detroit Retirement Systems Funding Trust 2005 and Detroit Retirement Systems Funding Trust 2006*, Case No. 14-04112 (Bankr. E.D. Mich.), filed in the Chapter 9 Case on January 31, 2014.

86. "COP Service Contracts" means, collectively, the (a) the GRS Service Contract 2005, dated May 25, 2005, by and between the City and the Detroit General Retirement System Service Corporation; (b) the PFRS Service Contract 2005, dated May 25, 2005, by and between the City and the Detroit Police and Fire Retirement System Service Corporation; (c) the GRS Service Contract 2006, dated June 7, 2006, by and between the City and the Detroit General Retirement System Service Corporation; and (d) the PFRS Service Contract 2006, dated June 7, 2006, by and between the City and the Detroit Police and Fire Retirement System Service Corporation, as each of the foregoing may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments.

87. "COP Service Corporations" means, collectively, the Detroit General Retirement System Service Corporation and the Detroit Police and Fire Retirement System Service Corporation.

88. "COP Swap Agreements" means the 1992 ISDA Master Agreements (Local Currency Single Jurisdiction) between the COP Service Corporations and the COP Swap Counterparties, as set forth on Exhibit I.A.88, together with all ancillary and related instruments and agreements, as the same may have been subsequently amended, restated, supplemented or otherwise modified.

89. "COP Swap Claim" means a Claim by the COP Swap Counterparties arising under the COP Swap Documents.

90. "COP Swap Collateral Agreement" means the Collateral Agreement among the City, the COP Service Corporations, the COP Swap Collateral Agreement Custodian and the COP Swap Counterparties, together with all ancillary and related instruments and agreements.

91. "COP Swap Collateral Agreement Custodian" means U.S. Bank National Association as custodian under the COP Swap Collateral Agreement or any successor custodian.

92. "COP Swap Counterparties" means UBS AG and Merrill Lynch Capital Services, Inc., as successor to SBS Financial Products Company LLC, under the COP Swap Documents.

93. "COP Swap Documents" means the COP Swap Agreements and the COP Swap Collateral Agreement.

94. "COP Swap Exculpated Parties" means the COP Swap Counterparties and their affiliates and each of their respective present and former (a) officers, (b) directors, (c) employees, (d) members, (e) managers, (f) partners and (g) attorneys, attorneys-in-fact and other advisors, in each case solely in their capacity as such.

95. "COP Swap Settlement" means that Settlement and Plan Support Agreement among the City and the COP Swap Counterparties filed with the Bankruptcy Court on the docket of the Chapter 9 Case on March 26, 2014 (Docket No. 3234), as the same may be subsequently amended, restated, supplemented or otherwise modified in accordance therewith.

96. "COP Swap Settlement Approval Order" means the order entered by the Bankruptcy Court approving the COP Swap Settlement (Docket No. 4094).

97. "COP Syncora Swap Insurance Policies" shall mean policy numbers CA03049E, CA03049D, CA3049C and CA03049B issued by XL Capital Assurance Inc.

98. "COPs" means, collectively, the 2005 COPs and the 2006 COPs.

99. "COP Trustee" means Wilmington Trust, National Association, as Successor Trustee for the Detroit Retirement Systems Funding Trust 2005 and the Detroit Retirement Systems Funding Trust 2006, or any successor thereto.

100. "Counties" means, collectively, Macomb County, Oakland County and Wayne County.

101. "Cure Amount Claim" means a Claim based upon the City's defaults under an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by the City under section 365 of the Bankruptcy Code to the extent such Claim is required to be cured by section 365 of the Bankruptcy Code.

102. "Current Accrued Annual Pension" means, with respect to any Holder of a Pension Claim, the amount of annual pension benefits that the applicable Retirement System (a) is obligated to pay to such Holder as of June 30, 2014 to the extent such Holder is retired or a surviving beneficiary and receiving, or terminated from City employment and eligible to receive, a monthly pension as of such date or (b) would be obligated to pay such Holder upon his or her future retirement to the extent such Holder is actively employed by the City on June 30, 2014, assuming such Holder's annual pension is frozen as of June 30, 2014, and such Holder is no longer able to accrue pension benefits after such date under the current terms and conditions of the applicable Retirement System, in either case as reflected on the books and records of the applicable Retirement System as of June 30, 2014.

103. "Current GRS Retiree Adjustment Cap" means, if the funding from the State Contribution Agreement and the DIA Settlement is received, an ASF/GRS Reduction in an amount not to exceed 20% of the Current Accrued Annual Pension (including an interest component of 6.75% on the ASF Recoupment portion of the ASF/GRS Reduction if the ASF Recoupment is amortized over time) of a person who was a current retiree as of June 30, 2014.

104. "CUSIP" means the nine-character identifier (consisting of letters and numbers) that uniquely identifies any particular issue of DWSD Bonds.

105. "Detroit General Retiree" means a retired employee or surviving beneficiary of a retired employee of a department of the City who (a) is not a Detroit Police and Fire Retiree, (b) retired (or is a surviving beneficiary of one who retired) on or before December 31, 2014 and (c) is a Holder of an OPEB Claim.

106. "Detroit General VEBA" means a voluntary employees' beneficiary association established in accordance with section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and regulations thereunder that provides health benefits to Detroit General VEBA Beneficiaries and certain of their dependents.

107. "Detroit General VEBA Beneficiary" means either (a) a Holder of an Allowed OPEB Claim who is a Detroit General Retiree or (b) a retired employee (or surviving beneficiary of a retired employee) of the Detroit Public Library or the Detroit Regional Convention Facility Authority who (i) retired (or is a surviving beneficiary of one who retired) on or before December 31, 2014 and (ii) holds a valid claim for OPEB Benefits against the Detroit Public Library or the Detroit Regional Convention Facility Authority.

108. "Detroit General VEBA Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Detroit General VEBA, in substantially the form attached hereto as Exhibit I.A.108.

109. "Detroit Police and Fire Retiree" means a retired employee or surviving beneficiary of a retired employee of the Detroit Police Department or the Detroit Fire Department who (a) was not an employee of the Emergency Medical Services Division of the Detroit Fire Department, (b) is a Holder of an OPEB Claim and (c) retired (or was a surviving beneficiary of one who retired) on or before December 31, 2014.

110. "Detroit Police and Fire VEBA" means a voluntary employees' beneficiary association established in accordance with section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and regulations thereunder that provides health benefits to Detroit Police and Fire VEBA Beneficiaries and certain of their dependents.

111. "Detroit Police and Fire VEBA Beneficiary" means a Holder of an Allowed OPEB Claim that is a Detroit Police and Fire Retiree.

112. "Detroit Police and Fire VEBA Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Detroit Police and Fire VEBA, in substantially the form attached hereto as Exhibit I.A.112.

113. "Detroit Retirement Systems Funding Trust 2005" means the funding trust established pursuant to the 2005 COPs Agreement.

114. "Detroit Retirement Systems Funding Trust 2006" means the funding trust established pursuant to the 2006 COPs Agreement.

115. "Developer" means FGIC or its designee(s) under the FGIC Development Agreement.

116. "DDA" means the City of Detroit Downtown Development Authority.

117. "DIA" means The Detroit Institute of Arts, a museum and cultural institution located at 5200 Woodward Avenue, Detroit, Michigan 48202.

118. "DIA Assets" means the "Museum Assets" as defined in the DIA Settlement Documents.

119. "DIA Corp." means The Detroit Institute of Arts, a Michigan non-profit corporation.

120. "DIA Direct Funders" means DIA Corp. and those DIA Funders whose commitments to contribute monies in furtherance of the DIA Settlement are made directly to the CFSEM Supporting Organization.

121. "DIA Funders" means those persons, businesses, business-affiliated foundations and other foundations from which DIA Corp. secures commitments, whether before or after the Effective Date, to contribute monies or otherwise secures contributions of monies in support of DIA Corp.'s payment obligations under the DIA Settlement, whether paid directly to the CFSEM Supporting Organization or to DIA Corp. for the purpose of supporting DIA Corp.'s payments to the CFSEM Supporting Organization.

122. "DIA Funding Parties" means the Foundations and the DIA Direct Funders.

123. "DIA Proceeds" means, collectively, the irrevocable funding commitments described in Section IV.E.1.

124. "DIA Proceeds Default Amount" means a reduction in the Adjusted Pension Amount of a Holder of a Pension Claim (or a surviving beneficiary) by virtue of a DIA Proceeds Payment Default, as determined by the trustees of the GRS or the PFRS, the aggregate amount of which shall be commensurate with the pertinent DIA Proceeds Payment Default.

125. "DIA Proceeds Payment Default" means a default that has not been cured during any applicable grace period, as determined by the trustees of the GRS or the PFRS, by one or more DIA Funding Parties respecting material amounts scheduled to be paid to the City in accordance with the DIA Settlement that the City, in turn, is required to pay over to the GRS or the PFRS in accordance with the terms and conditions of the Plan.

126. "DIA Settlement" means the comprehensive settlement regarding the DIA Assets, as described at Section IV.E and as definitively set forth in the DIA Settlement Documents, the principal terms of which are attached hereto as Exhibit I.A.126.

127. "DIA Settlement Documents" means the definitive documentation to be executed in connection with the DIA Settlement, in substantially the form attached hereto as Exhibit I.A.127, which documents substantially conform to the term sheet attached hereto as Exhibit I.A.126.

128. "Disbursing Agent" means the disbursing agent(s) appointed pursuant to Section V.A.

129. "Disclosure Statement" means the disclosure statement (including all exhibits and schedules thereto or referenced therein) that relates to the Plan and has been prepared and distributed by the City and approved by the Bankruptcy Court in the Disclosure Statement Order, as the same may be amended, supplemented or otherwise modified.

130. "Disclosure Statement Order" means the Order Approving the Proposed Disclosure Statement (Docket No. 4401), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on May 5, 2014, approving the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, as it may have been subsequently amended, supplemented or otherwise modified.

131. "Discounted Value" means the net present value of all Net DWSD Transaction Proceeds to be received immediately or in the future utilizing a 6.75% discount rate.

132. "Dismissed FGIC/COP Litigation" means all litigation pending between the City and FGIC (including all appeals) arising out of or related to, and all motions or objections pending in, the Chapter 9 Case, including the litigation set forth on Exhibit I.A.132, which litigation shall be dismissed or withdrawn as set forth in the FGIC/COP Settlement Documents.

133. "Dismissed Syncora Litigation" means all litigation pending between the City and Syncora (including all appeals) arising out of or related to, and all motions or objections pending in, the Chapter 9 Case, including the litigation set forth on Exhibit I.A.133, which litigation shall be dismissed or withdrawn as set forth in the Syncora Settlement Documents.

134. "Disputed Claim" means any Claim that is not Allowed.

135. "Distribution" means any initial or subsequent payment or transfer made on account of an Allowed Claim under or in connection with the Plan.

136. "Distribution Amount" means the principal amount of \$42,500,000 for each of the COP Swap Counterparties, plus interest, on and after October 15, 2014, on the unpaid Net Amount at the rate applicable to obligations under the Postpetition Financing Agreement, payable in cash in the manner set forth in the COP Swap Settlement Agreement.

137. "Distribution Date" means any date on which a Distribution is made.

138. "Distribution Record Date" means 5:00 p.m., Eastern Time, on the Confirmation Date.

139. "District Court" means the United States District Court for the Eastern District of Michigan.

140. "Document Website" means the internet site address <http://www.kccllc.net/Detroit>, at which the Plan, the Disclosure Statement and all Filed Exhibits to the Plan shall be available to any party in interest and the public, free of charge.

141. "Downtown Development Authority Claims" means Claims in respect of the Downtown Development Authority Loans.

142. "Downtown Development Authority Loans" means loans made pursuant to that certain Loan Agreement, dated August 26, 1991, by and between the City and the DDA, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements.

143. "DRCEA" means the Detroit Retired City Employees Association.

144. "DWSD" means the Detroit Water and Sewerage Department, which is a department of the City.

145. "DWSD Authority" means an authority that may be formed pursuant to a DWSD Authority Transaction to conduct many or all of the operations currently conducted by DWSD as described in Section IV.A.3.

146. "DWSD Authority Transaction" means the potential formation (including the potential transfer of certain assets owned by DWSD) and operation of the DWSD Authority, as described in Section IV.A.3.

147. "DWSD Bond Claims" means any Claim against the City arising under or evidenced by the DWSD Bond Documents, including a Claim for principal and interest on the DWSD Bonds.

148. "DWSD Bond Documents" means the ordinances passed, resolutions adopted, orders issued or indentures executed with respect to the DWSD Bonds, as set forth on Exhibit I.A.148, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

149. "DWSD Bonds" means the secured bonds issued pursuant to the DWSD Bond Documents, as set forth on Exhibit I.A.148.

150. "DWSD CVR" means a single series of contingent value right certificates representing the right to receive 50% of the Net DWSD Transaction Proceeds received by the General Fund on account of a Qualifying DWSD Transaction.

151. "DWSD Exculpated Parties" means, collectively, the DWSD Settlement Parties and their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents, attorneys, advisors, accountants, restructuring consultants, financial advisors and investment bankers, solely in their capacity as such.

152. "DWSD Revolving Bond Claims" means, collectively, the DWSD Revolving Sewer Bond Claims and the DWSD Revolving Water Bond Claims.

153. "DWSD Revolving Bond Documents" means, collectively, the DWSD Revolving Sewer Bond Documents and the DWSD Revolving Water Bond Documents.

154. "DWSD Revolving Bonds" means, collectively, the DWSD Revolving Sewer Bonds and the DWSD Revolving Water Bonds.

155. "DWSD Revolving Sewer Bond Claims" means any Claim against the City arising under or evidenced by the DWSD Revolving Sewer Bond Documents, including a Claim for principal and interest on the DWSD Revolving Sewer Bonds.

156. "DWSD Revolving Sewer Bond Documents" means the ordinances passed, resolutions adopted or indentures or agreements executed with respect to the DWSD Revolving Sewer Bonds, as set forth on Exhibit I.A.156, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

157. "DWSD Revolving Sewer Bonds" means the secured bonds issued pursuant to the DWSD Revolving Sewer Bond Documents, as set forth on Exhibit I.A.156.

158. "DWSD Revolving Water Bond Claims" means any Claim against the City arising under or evidenced by the DWSD Revolving Water Bond Documents, including a Claim for principal and interest on the DWSD Revolving Water Bonds.

159. "DWSD Revolving Water Bond Documents" means the ordinances passed, resolutions adopted or indentures or agreements executed with respect to the DWSD Revolving Water Bonds, as set forth on Exhibit I.A.159, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

160. "DWSD Revolving Water Bonds" means the secured bonds issued pursuant to the DWSD Revolving Water Bond Documents, as set forth on Exhibit I.A.159.

161. "DWSD Series" means an individual issue of DWSD Revolving Bonds having the same lien priority, issue date and series designation.

162. "DWSD Settlement Date" means the date prior to the Effective Date upon which each of (i) consummation of the purchase of the DWSD Tendered Bonds, (ii) issuance of the 2014 DWSD Refinancing Obligations and (iii) issuance of the 2014 Revenue Refinancing Bonds occurs, which date is identified as September 4, 2014 in the DWSD Tender Invitations (subject to rescheduling to a date earlier or later than that date by the City in its sole discretion).

163. "DWSD Settlement Parties" means, collectively, Assured Guaranty Municipal Corp., formerly known as Financial Security Assurance Inc., Berkshire Hathaway Assurance Corp., FGIC (solely in its capacity as a DWSD Bond Insurer), NPPG, the Ad Hoc Committee of DWSD Bondholders and U.S. Bank National Association, as trustee for the DWSD Bonds.

164. "DWSD Tender" means the offers, subject to acceptance at the City's election and in its sole discretion, to purchase for cancellation some or all of the DWSD Bonds that have been tendered and accepted in connection with, and on the terms provided in, the DWSD Tender Invitations.

165. "DWSD Tendered Bonds" means the DWSD Bonds that have been tendered for purchase or cancellation pursuant to the DWSD Tender.

166. "DWSD Tender Invitations" means the invitations and accompanying disclosure statements sent by the City to holders of DWSD Bonds on August 7, 2014, in the form of those collectively attached as Exhibits 8A and 8B to the DWSD Tender Motion.

167. "DWSD Tender Motion" means the Motion of the Debtor for a Final Order Pursuant to (I) 11 U.S.C. §§105, 364(c), 364(d)(1), 364(e), 902, 904, 921, 922 and 928 (A) Approving Postpetition Financing and (B) Granting Liens and (II) Bankruptcy Rule 9019 Approving Settlement of Confirmation Objections (Docket No. 6644), Filed by the City on August 11, 2014.

168. "DWSD Tender Order" means the Order, Pursuant to (I) 11 U.S.C. §§ 105, 364(c), 364(d)(1), 364(e), 902, 904, 921, 922 and 928 (A) Approving Postpetition Financing and (B) Granting Liens and (II) Bankruptcy Rule 9019 Approving Settlement of Confirmation Objections (Docket No. 7028), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on August 25, 2014.

169. "Effective Date" means the Business Day, as determined by the City, on which each applicable condition contained in Section III.A has been satisfied or waived.

170. "Eligible Pensioner" means a Holder of a Pension Claim who is eligible to receive an Income Stabilization Payment because such Holder (a) is, as of the Effective Date, at least 60 years of age or is a minor child receiving survivor benefits from GRS or PFRS and (b) has an aggregate annual household income equal to or less than 140% of the Federal Poverty Level in 2013 (as determined by reference to their (or in the case of minor children, their legal guardian's) 2013 income tax returns or equivalent documentation); provided, that no new persons will be eligible to receive Income Stabilization Payments at any time in the future, and any minor child receiving survivor benefits shall cease to be an Eligible Pensioner after he or she turns 18 years of age.

171. "Emergency Manager" means Kevyn D. Orr, in his capacity as emergency manager for the City serving in accordance with PA 436 or any successor emergency manager.

172. "Employee Health and Life Insurance Benefit Plan" means the Employee Health and Life Insurance Benefit Plan, a welfare benefit plan sponsored and administered by the City, which provides health, dental, vision care and life insurance benefits to (a) all officers and employees of the City who were employed on the day preceding the effective date of the benefit plan, and who continue to be employed by the City on and after the Effective Date and (b) substantially all retired officers and employees of the City.

173. "Employees Death Benefit Board of Trustees" means the governing board of the City of Detroit Employee Health and Life Insurance Benefit Plan, which operates and administers the Employees Death Benefit Plan.

174. "Employees Death Benefit Plan" means the City of Detroit Employee Death Benefit Plan, a pre-funded defined benefit plan and trust administered by the Employees Death Benefit Board of Trustees that provides supplemental death benefits to active and retired officers and employees of the City.

175. "Entity" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

176. "Estimated Future Liability" means the Income Stabilization Payments anticipated to be made from GRS or PFRS, as applicable, in the future in order for the respective Retirement System to fulfill the obligation to make Income Stabilization Payments, as determined by the respective Retirement System's board of trustees in the year 2022, provided that the State has not issued a certificate of default under the State Contribution Agreement with respect to the Retirement System at any time prior to 2022.

177. "Excess Assets" means the amount by which, if at all, the Income Stabilization Fund of either GRS or PFRS is credited with assets in excess of its Estimated Future Liability.

178. "Excess New B Notes" means, collectively: (a) the Syncora Excess New B Notes and (b) New B Notes in the aggregate face amount of approximately \$48.71 million, representing the difference between (i) the New B Notes that would have been distributed to FGIC or the FGIC COP Holders had their respective asserted COP Claims for principal and interest in Class 9 been Allowed in full and (ii) the New B Notes to be provided to FGIC and the FGIC COP Holders as partial consideration pursuant to the terms of the FGIC/COP Settlement.

179. "Excluded Actions" means (a) any claims with respect to enforcement of the FGIC/COP Settlement Documents or the FGIC Development Agreement, (b) any claims with respect to the New B Notes, the New C Notes or the Class 9 Settlement Credits, (c) any claims held by FGIC against the (i) COP Swap Counterparties or (ii) Related Entities of any of the foregoing, or (d) any claims asserted against the City in the proofs of claim filed by FGIC and the COP Trustee; provided that, with respect to the claims described in clause (d), notwithstanding any other provision of the Plan, such claims shall be subject to the treatment, discharge and injunction provisions set forth herein.

180. "Exculpated Parties" means, collectively and individually, (a) the RDPFFA and its board of trustees/directors, attorneys, advisors and professionals, (b) the DRCEA and its board of trustees/directors,

attorneys, advisors and professionals, (c) the postpetition officers of the Detroit Police Lieutenants and Sergeants Association, (d) the postpetition officers of the Detroit Police Command Officers Association, (e) GRS and its postpetition professional advisors, (f) PFRS and its postpetition professional advisors, (g) Gabriel, Roeder, Smith & Company, (h) the COP Swap Exculpated Parties, (i) the LTGO Exculpated Parties, (j) the UTGO Exculpated Parties, (k) the DWSD Exculpated Parties, (l) the RDPMA Exculpated Parties, (m) the Syncora Exculpated Parties, (n) the COP Agent and (o) the FGIC/COP Exculpated Parties. For the avoidance of doubt, Exculpated Parties shall not include the COP Service Corporations.

181. "Executory Contract" means a contract to which the City is a party that is subject to assumption, assumption and assignment, or rejection under section 365 of the Bankruptcy Code.

182. "Exhibits" means, collectively, the documents listed on the "Table of Exhibits" included herein, all of which will be made available on the Document Website once they are Filed. The City reserves the right, in accordance with the terms hereof, to modify, amend, supplement, restate or withdraw any of the Exhibits after they are Filed and shall promptly make such changes available on the Document Website.

183. "Exit Facility" means a credit facility that will be entered into by the City, the Exit Facility Agent and the other financial institutions party thereto on the Effective Date on substantially the terms set forth on Exhibit I.A.183.

184. "Exit Facility Agent" means the agent under the Exit Facility.

185. "Face Amount" means either (a) the full stated amount claimed by the holder of such Claim in any proof of Claim Filed by the Bar Date or otherwise deemed timely Filed under applicable law, if the proof of Claim specifies only a liquidated amount; (b) if no proof of Claim is Filed by the Bar Date or otherwise deemed timely Filed under applicable law, the full amount of the Claim listed on the List of Creditors, provided that such amount is not listed as disputed, contingent or unliquidated; or (c) the amount of the Claim (i) acknowledged by the City in any objection Filed to such Claim, (ii) estimated by the Bankruptcy Court for such purpose pursuant to section 502(c) of the Bankruptcy Code, or (iii) proposed by City, if (A) no proof of Claim has been Filed by the Bar Date or has otherwise been deemed timely Filed under applicable law and such amount is not listed in the List of Creditors or is listed in List of Creditors as disputed, contingent or unliquidated or (B) the proof of Claim specifies an unliquidated amount (in whole or in part).

186. "Federal Poverty Level" means the poverty guidelines issued each year in the *Federal Register* by the United States Department of Health and Human Services.

187. "Fee Examiner" means Robert M. Fishman, in his capacity as the fee examiner appointed pursuant to the Fee Examiner Order.

188. "Fee Examiner Order" means the Order Appointing Fee Examiner (Docket No. 383), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on August 19, 2013, as it may have been amended, supplemented or otherwise modified.

189. "Fee Examiner Parties" means, collectively, (a) the Fee Examiner and (b) all counsel and other professionals advising the Fee Examiner whose fees and expenses are subject to the Fee Review Order.

190. "Fee Review Order" means the Fee Review Order (Docket No. 810), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on September 11, 2013, as it may have been amended, supplemented or otherwise modified, including pursuant to the Order Amending and Clarifying Fee Review Order of September 11, 2013 (Docket No. 5150), entered on May 29, 2014.

191. "Fee Review Professionals" means, collectively, (a) those professionals retained by the City and the Retiree Committee to render services in connection with the Chapter 9 Case who seek payment of compensation and reimbursement of expenses from the City for postpetition services pursuant to and in accordance with the Fee Review Order and (b) those additional professionals retained by third parties to provide services in connection with

the Chapter 9 Case that seek reimbursement by or payment from the City or any of its departments and are, or are determined (by Bankruptcy Court order or otherwise) to be, subject to the Fee Review Order or the terms of this Plan. For the avoidance of doubt, any professionals retained by any official committee appointed in the Chapter 9 Case other than the Retiree Committee are not Fee Review Professionals.

192. "Fee Review Professional Fees" means, collectively, (a) the fees and expenses of the Fee Review Professionals incurred during the period beginning on the Petition Date and ending on the Effective Date and (b) the fees and expenses of the Fee Examiner Parties through the projected date of dismissal of the Fee Examiner pursuant to Section IV.N.3.

193. "FGIC" means Financial Guaranty Insurance Company.

194. "FGIC/COP Exculpated Parties" means (a) FGIC and its Related Entities, (b) the FGIC COP Holders and their respective Related Entities and (c) the COP Agent and its Related Entities, in each case solely in their respective capacities as holders of, insurer of or administrator, trustee, or paying agent with respect to COP Claims.

195. "FGIC COP Holders" means the registered and beneficial holders of COPs originally insured by FGIC.

196. "FGIC/COP Settlement" means the comprehensive settlement with FGIC and the FGIC COP Holders, as described at Section IV.J and as definitively set forth in the FGIC/COP Settlement Documents.

197. "FGIC/COP Settlement Documents" means the definitive documentation to be executed in connection with the FGIC/COP Settlement, in substantially the form attached hereto as Exhibit I.A.197, and in any case in form and substance reasonably acceptable to the City, FGIC and the FGIC COP Holders. Whenever the consent of the FGIC COP Holders is required hereunder, or any document is required to be reasonably satisfactory to the FGIC COP Holders, such consent shall be deemed given and such document shall be deemed reasonably satisfactory unless within the period of time specified for such consent or document (which shall be reasonable under the circumstances and in any event not less than 48 hours after the request for such consent or proposed document shall have been filed with the court) unless beneficial holders of a majority of the COPs originally insured by FGIC shall have objected in writing to the action or document.

198. "FGIC Development Agreement" means that certain development agreement to be entered into by the City and the Developer, in substantially the form attached hereto as Exhibit I.A.198.

199. "FGIC Settlement Consideration" means the share of the Class 9 Settlement Asset Pool and New B Notes to be distributed for the benefit of FGIC and the FGIC COP Holders pursuant to Section II.B.3.p.i.A in respect of COPs originally insured by FGIC.

200. "File," "Filed," or "Filing" means file, filed or filing with the Bankruptcy Court or the Claims and Balloting Agent, as applicable, in the Chapter 9 Case.

201. "Final Order" means an order or judgment of the Bankruptcy Court, or any other court of competent jurisdiction, as entered on the docket in the Chapter 9 Case or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move, under Bankruptcy Rule 9023 or Rule 59 of the Federal Rules of Civil Procedure, for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order; provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed shall not prevent such order from being a Final Order.

202. "Financial Review Commission" means the financial review commission appointed under Section 4 of the Financial Review Commission Act.

203. "Financial Review Commission Act" means Public Act 181 of 2014 of the State, also known as the Michigan Financial Review Commission Act, Michigan Compiled Laws §§ 141.1631, *et seq.*

204. "Fiscal Year" means a fiscal year for the City, commencing on July 1 of a year and ending on June 30 of the following year. A Fiscal Year is identified by the calendar year in which the Fiscal Year ends, such that, for example, the 2015 Fiscal Year is the Fiscal Year commencing on July 1, 2014, and ending on June 30, 2015.

205. "Foundations" means those entities identified on Exhibit B to the summary of the material terms of the DIA Settlement, which is attached hereto as Exhibit I.A.126.

206. "General Fund" means the primary governmental fund and the chief operating fund of the City, which fund accounts for several of the City's primary services, including police, fire, public works, community and youth services.

207. "General Obligation Bond Claims" means, collectively, the Limited Tax General Obligation Bond Claims and the Unlimited Tax General Obligation Bond Claims.

208. "General Obligation Bond Documents" means, collectively, the Limited Tax General Obligation Bond Documents and the Unlimited Tax General Obligation Bond Documents.

209. "General Obligation Bonds" means, collectively, the Limited Tax General Obligation Bonds and the Unlimited Tax General Obligation Bonds.

210. "GRS" means the General Retirement System of the City of Detroit.

211. "GRS Adjusted Pension Amount" means, with respect to a Holder of a GRS Pension Claim, the Current Accrued Annual Pension payable to such Holder as adjusted in accordance with the following formulas:

(a) If Classes 10 and 11 vote to accept the Plan, and funding is received from the DIA Settlement and the State Contribution Agreement: for a Holder of a GRS Pension Claim who is (i) either retired and receiving a monthly pension or a surviving beneficiary or (ii) an Active Employee or a terminated employee with a right to receive a GRS pension in the future, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs, plus an additional 4.5% reduction in the Current Accrued Annual Pension amount, plus the ASF Recoupment, provided that ASF Recoupment shall not apply to a surviving beneficiary of a retiree who died prior to June 30, 2014; and

(b) If Classes 10 and 11 do **not** vote to accept the Plan or funding is **not** received from the DIA Settlement and the State Contribution Agreement: for a Holder of a GRS Pension Claim who is (i) either retired and receiving a monthly pension or a surviving beneficiary or (ii) an Active Employee or a terminated employee with a right to receive a GRS pension in the future, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs, plus an additional 27% reduction in the Current Accrued Annual Pension amount, plus the ASF Recoupment; provided that ASF Recoupment shall not apply to a surviving beneficiary of a retiree who died prior to June 30, 2014; and provided further, that with respect to Holders who are Active Employees, in the event the unfunded liabilities of the GRS for the plan year ending June 30, 2014 are greater than the unfunded liabilities of the GRS as of June 30, 2013, the monthly pension amount shall be decreased to the extent necessary to ensure that there is no change in the amount of the underfunding between Fiscal Years 2013 and 2014.

212. "GRS Pension Claim" means any Claim (other than an OPEB Claim), whether asserted by current or former employees of the City or any participants in GRS, their heirs or beneficiaries or by the GRS or any trustee thereof or any other Entity acting on the GRS's behalf, against the City or any fund managed by the City (including,

but not limited to, the General Fund, the water fund, the sewage disposal fund, the Detroit General Retirement System Service Corporation fund or the pension funds) based upon, arising under or related to any agreement, commitment or other obligation, whether evidenced by contract, agreement, rule, regulation, ordinance, statute or law for (a) any pension, disability or other post-retirement payment or distribution in respect of the employment of current or former employees or (b) the payment by the GRS to persons who at any time participated in, were beneficiaries of or accrued post-retirement pension or financial benefits under the GRS.

213. "GRS Restoration Payment" means an addition to the pension benefits that comprise the GRS Adjusted Pension Amount as described in Exhibit II.B.3.r.ii.C.

214. "Holder" means an Entity holding a Claim. With respect to any COP originally insured by FGIC, "Holder" includes the beneficial holders of any such COP.

215. "HUD Installment Note Claims" means any Claim against the City arising under or evidenced by the HUD Installment Note Documents, including a Claim for principal and interest on the HUD Installment Notes.

216. "HUD Installment Note Documents" means the promissory notes executed with respect to the HUD Installment Notes, as set forth on Exhibit I.A.216, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

217. "HUD Installment Notes" means, collectively, the secured notes issued under the HUD Installment Note Documents, as set forth on Exhibit I.A.216.

218. "Impaired" means, with respect to a Class or a Claim, that such Class or Claim is impaired within the meaning of section 1124 of the Bankruptcy Code.

219. "Income Stabilization Benefit" means a supplemental pension benefit in an amount necessary to ensure that (a) each Eligible Pensioner's total household income is equal to 130% of the Federal Poverty Level in 2013 or (b) the annual pension benefit payment payable to each Eligible Pensioner equals 100% of the annual pension benefit payment actually received by the Eligible Pensioner in 2013, whichever amount is lower.

220. "Income Stabilization Benefit Plus" means a supplemental pension benefit in an amount necessary to ensure that (a) an Eligible Pensioner's estimated adjusted annual household income (as determined by the applicable Retirement System) in a given calendar year is equal to 105% of the Federal Poverty Level for such year or (b) the annual pension benefit payment payable to an Eligible Pensioner equals 100% of the Eligible Pensioner's Current Accrued Annual Pension, plus COLAs, whichever amount is lower.

221. "Income Stabilization Payments" means the Income Stabilization Benefit and the Income Stabilization Benefit Plus, which will be paid from the Income Stabilization Fund in each of GRS and PFRS to Eligible Pensioners in accordance with the State Contribution Agreement.

222. "Income Stabilization Fund" means a separate recordkeeping sub-account that will be established in each of GRS and PFRS for the sole purpose of paying Income Stabilization Payments to Eligible Pensioners. The assets credited to these sub-accounts will be invested on a commingled basis with the GRS and PFRS assets, as applicable, and will be credited with a pro rata portion of the applicable Retirement System's earnings and losses.

223. "Indirect 36th District Court Claim" means any claim arising in connection with a Cause of Action against the 36th District Court, solely to the extent that (a) the 36th District Court is entitled to receive funding from the City to satisfy any such claim and (b) any Claim for such funding by the 36th District Court is resolved pursuant to the Plan and the 36th District Court Settlement.

224. "Indirect Employee Indemnity Claim" means any claim against an employee or former employee of the City with respect to which such employee has an Allowed Claim against the City for indemnification or

payment or advancement of defense costs based upon, arising under or related to any agreement, commitment or other obligation, whether evidenced by contract, agreement, rule, regulation, ordinance, statute or law.

225. "Insured LTGO Bonds" means those Limited Tax General Obligation Bonds that are insured by the LTGO Insurer.

226. "Investment Committee" means, as applicable, the investment committee established by GRS or PFRS for the purpose of making recommendations to, and approving certain actions by, the respective Retirement System's board of trustees or making determinations and taking action under, and with respect to certain matters described in, the State Contribution Agreement.

227. "Liabilities" means any and all claims, obligations, suits, judgments, damages, demands, debts, rights, derivative claims, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction, agreement, employment, exposure or other occurrence taking place on or prior to the Effective Date.

228. "Lien" shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

229. "Limited Tax General Obligation Bond Claim" means any Claim against the City arising under or evidenced by the Limited Tax General Obligation Bond Documents, including a Claim for principal and interest on the Limited Tax General Obligation Bonds.

230. "Limited Tax General Obligation Bond Documents" means the resolutions adopted and orders issued with respect to the Limited Tax General Obligation Bonds, as set forth on Exhibit I.A.230, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

231. "Limited Tax General Obligation Bonds" means, collectively, the unsecured bonds issued under the Limited Tax General Obligation Bond Documents, as set forth on Exhibit I.A.230.

232. "Liquidity Event" shall be deemed to occur only if the City has at all times complied with its obligations under the COP Swap Settlement to use its best efforts to secure sufficient exit financing as set forth therein, but is nonetheless unable to secure sufficient exit financing to pay the Net Amount on or promptly following the Effective Date.

233. "List of Creditors" means the Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (together with the summaries and schedules attached thereto), attached as Exhibit A to the Notice of Filing of Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), Filed by the City on September 30, 2013, as such list, summaries or schedules may be amended, restated, supplemented or otherwise modified.

234. "LTGO Distribution Agent" means U.S. Bank National Association, in its capacity as agent under a distribution agreement to be entered into in connection with the LTGO Settlement Agreement or such other entity as may be agreed to among the parties to the LTGO Settlement Agreement.

235. "LTGO Exculpated Parties" means (a) the LTGO Insurer, (b) BlackRock Financial Management, solely in its capacity as a Holder of Limited Tax General Obligation Bonds, and (c) their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents, attorneys, advisors, accountants, consultants, financial advisors and investment bankers, solely in their capacity as such.

236. "LTGO Insurer" means Ambac, solely in its capacity as insurer of certain of the City's obligations with respect to the Limited Tax General Obligation Bonds.

237. "LTGO Settlement Agreement" means the comprehensive settlement regarding Limited Tax General Obligation Bond Claims and related Bond Insurance Policy Claims, substantially in the form attached hereto as Exhibit I.A.237.

238. "LTGO Settlement Parties" means (a) the LTGO Insurer and (b) BlackRock Financial Management, on behalf of certain managed funds and accounts set forth in the LTGO Settlement Agreement.

239. "Macomb County" means the County of Macomb, Michigan.

240. "Mayor" means the duly-elected mayor of the City.

241. "MFA" means the Michigan Finance Authority.

242. "Municipal Obligation" means the local government municipal obligation to be delivered by the City to the MFA in accordance with the UTGO Settlement Agreement and applicable law.

243. "NPF" means National Public Finance Guarantee Corporation.

244. "Net Amount" means the Distribution Amount less the sum of all quarterly payments received by the COP Swap Counterparties under the COP Swap Collateral Agreement in respect of amounts owed under the COP Swap Agreements since January 1, 2014.

245. "Net DWSD Transaction Proceeds" means (a) the cash proceeds received by or for the benefit of, or for attribution to, the General Fund as a result of a Qualifying DWSD Transaction less (1) any cash payments made by or on behalf of the General Fund in connection with a Qualifying DWSD Transaction, (2) any cash payments previously anticipated or projected to be contributed to GRS by DWSD but for the Qualifying DWSD Transaction and (3) any cash payments previously anticipated or projected to be received by or on behalf of the General Fund but for the Qualifying DWSD Transaction; and (b) any other net payments, assumption of scheduled monetary liability or cancellation of indebtedness or other monetary obligations that inures to the direct benefit of the General Fund as a result of the Qualifying DWSD Transaction. In applying this definition, the City and the Restoration Trust (or the Retiree Committee if prior to the Effective Date) will work to develop a schedule of Net DWSD Transaction Proceeds at the time of the Qualifying DWSD Transaction that will inform any Value Determination (if requested) and allow the parties to subsequently track actual results and adjust applicable pension restoration levels accordingly.

246. "New B Notes" means the unsecured bonds to be issued by the City pursuant to the New B Notes Documents, substantially on the terms set forth on Exhibit I.A.246.

247. "New B Notes Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued or indentures to be executed with respect to the New B Notes, in substantially the form attached hereto as Exhibit I.A.247.

248. "New C Notes" means the unsecured bonds to be issued by the City pursuant to the New C Notes Documents, substantially on the terms set forth on Exhibit I.A.248 and in any case in form and substance reasonably acceptable to the City and Syncora.

249. "New C Notes Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued or indentures to be executed with respect to the New C Notes, in substantially the form attached hereto as Exhibit I.A.249 and in any case in form and substance reasonably acceptable to the City and Syncora.

250. "New GRS Active Pension Plan" means the terms and conditions for future accrual and payment of pensions for active non-public safety employees of the City or another entity that participates in GRS in connection with employment service performed on and after July 1, 2014, in substantially the form attached hereto as Exhibit I.A.250.a and the material terms of which are attached hereto as Exhibit I.A.250.b.

251. "New GRS Active Pension Plan Formula" means an accrual rate for active employee participants in the GRS for benefits earned for service on or after July 1, 2014 that equals the product of (a) 1.5% multiplied by (b) an employee's average base compensation over such employee's final 10 years of service, multiplied by (c) such employee's years of service after July 1, 2014. For purposes of this definition, base compensation will exclude overtime, longevity or other bonuses, and unused sick leave, and the New GRS Active Pension Plan Formula will be part of a hybrid program that will contain rules to shift funding risk to participants in the event of underfunding of hybrid pensions, and mandate minimum retirement ages for unreduced pensions.

252. "New LTGO Bond Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued or indentures to be executed with respect to the New LTGO Bonds, in substantially the form attached as an exhibit to the LTGO Settlement Agreement.

253. "New LTGO Bonds" means the bonds to be issued by the City pursuant to the New LTGO Bond Documents, substantially on the terms set forth on Schedule 1 of the LTGO Settlement Agreement.

254. "New PFRS Active Pension Plan" means the terms and conditions for future accrual and payment of pensions for active public safety employees of the City in connection with employment service performed on and after July 1, 2014, in substantially the form attached hereto as Exhibit I.A.254.a and the material terms of which are attached hereto as Exhibit I.A.254.b.

255. "New PFRS Active Pension Plan Formula" means an accrual rate for active employee participants in the PFRS for benefits earned on or after July 1, 2014 that equals the product of (a) 2.0% multiplied by (b) an employee's average base compensation over the employee's final five years of service, as set forth on Exhibit I.A.254.b, multiplied by (c) such employee's years of service after July 1, 2014. For purposes of this definition, base compensation will mean the employee's actual base compensation and will exclude overtime, longevity or other bonuses, and unused sick leave, and the New PFRS Active Pension Plan Formula will be part of a hybrid program that will contain rules to shift funding risk to participants in the event of underfunding of hybrid pensions, and mandate minimum retirement ages for unreduced pensions.

256. "New Securities" means, collectively, the New B Notes, the New C Notes, the New LTGO Bonds and the Municipal Obligation.

257. "Non-Settling UTGO Bond Insurer" means, together, Syncora Capital Assurance Inc. and Syncora Guarantee Inc., solely in their capacity as insurers of certain of the City's obligations with respect to the Unlimited Tax General Obligation Bonds.

258. "Oakland County" means the County of Oakland, Michigan.

259. "OPEB Benefits" means, collectively, post-retirement health, vision, dental, life and death benefits provided to retired employees of the City, the Detroit Public Library or the Detroit Regional Convention Facility Authority and their surviving beneficiaries pursuant to the Employee Health and Life Insurance Benefit Plan, the Employees Death Benefit Plan or any comparable plan, including the members of the certified class in the action captioned *Weiler et. al. v. City of Detroit*, Case No. 06-619737-CK (Wayne County Circuit Court), pursuant to the "Consent Judgment and Order of Dismissal" entered in that action on August 26, 2009.

260. "OPEB Claim" means any Claim against the City for OPEB Benefits held by a retiree who retired on or before December 31, 2014 and is otherwise eligible for OPEB Benefits, and any eligible surviving beneficiaries of such retiree.

261. "Other Secured Claim" means a Secured Claim, other than a COP Swap Claim, a DWSD Bond Claim, a DWSD Revolving Bond Claim, a HUD Installment Note Claim or a Secured GO Bond Claim.

262. "Other Unsecured Claim" means any Claim that is not an Administrative Claim, a Convenience Claim, a COP Claim, a Downtown Development Authority Claim, a General Obligation Bond Claim, a GRS Pension Claim, an OPEB Claim, a PFRS Pension Claim, a Secured Claim, an Indirect 36th District Court Claim or a

Subordinated Claim. For the avoidance of doubt, Section 1983 Claims and Indirect Employee Indemnity Claims are included within the definition of Other Unsecured Claim.

263. "PA 436" means Public Act 436 of 2012 of the State, also known as the Local Financial Stability and Choice Act, Michigan Compiled Laws §§ 141.1541-141.1575.

264. "Parking Garages" means, collectively, parking garages owned by the City other than (a) that certain underground parking garage, commonly known as the "Grand Circus Parking Garage," located at 1600-01 Woodward Avenue, Detroit, Michigan, (b) that certain underground parking garage, commonly known as the "Cultural Center Garage," located at 41 Farnsworth Street, Detroit, Michigan and (c) that certain multi-story parking structure near the Riverfront Arena with an address of 900 W. Jefferson Avenue, Detroit, Michigan having a capacity of approximately 3,200 car spaces commonly known as "Joe Louis Arena Garage." For the avoidance of doubt, (a) that certain parking lot located at 5200 Woodward Avenue, Detroit, Michigan and (b) that certain parking lot, commonly known as the "Frederick Lot," located at 318 Frederick Street, Detroit, Michigan, shall not be considered Parking Garages.

265. "Pass-Through Obligations" means the City's obligations to the Pass-Through Recipients with respect to which the City acts, or may in the future act, as a tax-collecting agent for tax increment revenues derived from property taxes of the City and certain other taxing jurisdictions and required to be transmitted by the Treasurer of the City to the Pass-Through Recipients under their respective tax increment financing enabling statutes.

266. "Pass-Through Recipients" means, collectively, the (a) DDA, (b) Local Development Finance Authority, (c) Detroit Brownfield Redevelopment Authority and (d) City of Detroit Eight Mile/Woodward Corridor Improvement Authority, each of which are separate legal entities from the City.

267. "Pension Claim" means a GRS Pension Claim or a PFRS Pension Claim.

268. "Petition Date" means July 18, 2013.

269. "PFRS" means the Police and Fire Retirement System of the City of Detroit.

270. "PFRS Adjusted Pension Amount" means, with respect to a Holder of a PFRS Pension Claim, the Current Accrued Annual Pension payable to such Holder as adjusted in accordance with the following formulas:

(a) If Classes 10 and 11 vote to accept the Plan, and funding is received from the DIA Settlement and the State Contribution Agreement: Holders of PFRS Pension Claims will continue to receive their Current Accrued Annual Pension, but COLAs from and after June 30, 2014 shall be 45% of the COLAs provided for in police and fire collective bargaining agreements, other contracts or ordinances; and

(b) If Classes 10 and 11 do **not** vote to accept the Plan or funding is **not** received from the DIA Settlement and the State Contribution Agreement: (i) for a Holder of a PFRS Pension Claim who is (A) either retired and receiving a monthly pension or a surviving beneficiary or (B) a terminated employee with a right to receive a PFRS pension in the future, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs; and (ii) for a Holder of a PFRS Pension Claim who is an Active Employee, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs, plus elimination of the deferred retirement option plan feature of PFRS for certain Active Employees who have not already irrevocably elected to participate in the feature; provided that, with respect to Holders that are Active Employees, in the event the unfunded liabilities of the PFRS for the plan year ending June 30, 2014 are greater than the unfunded liabilities of the PFRS as of June 30, 2013, the monthly pension amount shall be reduced to the extent necessary to ensure that there is no change in the amount of the underfunding between Fiscal Years 2013 and 2014.

271. "PFRS Pension Claim" means any Claim (other than an OPEB Claim), whether asserted by current or former employees of the City, their heirs or beneficiaries or by the PFRS or any trustee thereof or any other Entity acting on the PFRS's behalf, against the City or any fund managed by the City (including, but not

limited to, the General Fund, the Police and Fire Retirement System Service Corporation fund or the pension funds) based upon, arising under or related to any agreement, commitment or other obligation, whether evidenced by contract, agreement, rule, regulation, ordinance, statute or law for (a) any pension, disability, or other post-retirement payment or distribution in respect of the employment of such current or former employees or (b) the payment by the PFRS to persons who at any time participated in, were beneficiaries of or accrued post-retirement pension or financial benefits under the PFRS.

272. "PFRS Restoration Payment" means an addition to the pension benefits that comprise the PFRS Adjusted Pension Amount as described in Exhibit II.B.3.q.ii.C.

273. "Plan" means this plan of adjustment and all Exhibits attached hereto or referenced herein, as the same may be amended, restated, supplemented or otherwise modified.

274. "Plan COP Settlement" means the comprehensive settlement regarding COP Claims on terms and conditions described in Section II.B.3.p.i.A.

275. "Plan Supplement" means any supplement to the Plan containing Exhibits that were not Filed as of the date of the entry of the Disclosure Statement Order.

276. "Pledged Property" means the collateral pledged by the City under the COP Swap Collateral Agreement or Ordinance No. 05-09 of the City.

277. "Postpetition Financing Agreement" means, collectively, (a) the Bond Purchase Agreement by and among the City and Barclays Capital, Inc., as purchaser, (b) the Financial Recovery Bond Trust Indenture by and among the City and UMB Bank, N.A., as trustee, and (c) all ancillary and related instruments and agreements approved by the Bankruptcy Court pursuant to the Postpetition Financing Order.

278. "Postpetition Financing Order" means the Order Pursuant to 11 U.S.C. §§ 105, 362, 364(c)(1), 364(c)(2), 364(e), 364(f), 503, 507(a)(2), 904, 921 and 922 (I) Approving Post-Petition Financing, (II) Granting Liens and Providing Superpriority Claim Status and (III) Modifying Automatic Stay (Docket No. 3067) entered by the Bankruptcy Court on the docket of the Chapter 9 Case on April 2, 2014, approving the Postpetition Financing Agreement.

279. "Postpetition Financing Claims" means any Claim against the City under or evidenced by (a) the Postpetition Financing Agreement and (b) the Postpetition Financing Order.

280. "Prior GRS Pension Plan" means the terms and conditions of the GRS in effect as of June 30, 2014 and applicable to benefits accrued by members of GRS prior to July 1, 2014, the form documentation of which is attached hereto as Exhibit I.A.280.

281. "Prior PFRS Pension Plan" means the terms and conditions of the PFRS in effect as of June 30, 2014 and applicable to benefits accrued by members of PFRS prior to July 1, 2014, the form documentation of which is attached hereto as Exhibit I.A.281.

282. "Pro Rata" means, when used with reference to a distribution of property to Holders of Allowed Claims in a particular Class or other specified group of Claims, proportionately so that with respect to a particular Allowed Claim in such Class or in such group, the ratio of (a)(i) the amount of property to be distributed on account of such Claim to (ii) the amount of such Claim, is the same as the ratio of (b)(i) the amount of property to be distributed on account of all Allowed Claims in such Class or group of Claims to (ii) the amount of all Allowed Claims in such Class or group of Claims. Until all Disputed Claims in a Class or other specified group of Claims are resolved, Disputed Claims shall be treated as Allowed Claims in their Face Amount for purposes of calculating a Pro Rata distribution of property to holders of Allowed Claims in such Class or group of Claims.

283. "Professional Fee Reserve" means the reserve for Fee Review Professional Fees established pursuant to Section IV.N.1.

284. "Qualifying DWSD Transaction" means a potential transaction involving the transfer to a third party (including but not limited to a lease) of a majority of the assets of, or the right to operate and manage, the City's water or sewage disposal systems currently operated by the DWSD in one or a series of related transactions.

285. "RDPPFA" means the Retired Detroit Police and Fire Fighters Association.

286. "RDPMA" means the Retired Detroit Police Members Association.

287. "RDPMA Exculpated Parties" means the RDPMA and its board of trustees/directors, attorneys, advisors and professionals, solely in their capacity as such.

288. "Reinstated" means (a) leaving unaltered the legal, equitable and contractual rights to which a Claim entitles the Holder or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of such Claim to demand or receive accelerated payment of such Claim after the occurrence of a default, (i) the cure of any such default other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured; (ii) the reinstatement of the maturity of such Claim as such maturity existed before such default; (iii) compensation of the Holder of such Claim for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensation of the Holder of such Claim for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which such Claim entitles the Holder. "Reinstated" and "Reinstatement" shall have correlative meanings.

289. "Related Entity" means, with respect to any Entity, such Entity's Affiliates, predecessors, successors and assigns (whether by operation of law or otherwise), and with respect to any of the foregoing their respective present and former Affiliates and each of their respective current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity, and any Entity claiming by or through any of them (including their respective officials, officers, directors, employees, managers, advisors and professionals).

290. "Released Parties" means, collectively and individually, the Retiree Committee, the members of the Retiree Committee, the Retiree Committee Professionals, the Foundations, DIA Corp., the DIA Funders and their Related Entities and the CFSEM Supporting Organization and its Related Entities.

291. "Restoration Trust" means a trust to be established pursuant to the Restoration Trust Agreement to (a) hold the DWSD CVR and enforce rights related to its terms and (b) consult with the trustees and the Investment Committee of PFRS or GRS with respect to restoration rights affecting retirees of PFRS or GRS, respectively; provided, however, that the Restoration Trust shall not have any right to initiate enforcement proceedings against the trustees or Investment Committee of either PFRS or GRS with respect to Special Restoration or the general rules governing pension restoration as provided for in Exhibits II.B.3.q.ii.C and II.B.3.r.ii.C.

292. "Restoration Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Restoration Trust, in substantially the form attached hereto as Exhibit I.A.292.

293. "Restructured UTGO Bonds" means the bonds to be issued by the MFA to the current Holders of Unlimited Tax General Obligation Bond Claims, the Settling UTGO Bond Insurers and the Non-Settling UTGO Bond Insurer in the amount of \$287,560,790 pursuant to the UTGO Settlement Agreement, which bonds shall be limited obligations of the MFA and shall be secured as more particularly described in the UTGO Settlement Agreement.

294. "Retiree Classes" means Classes 10, 11 and 12, as set forth in Section II.B.

295. "Retiree Committee" means the official committee of retired employees first appointed by the United States Trustee in the Chapter 9 Case on August 22, 2013 (Docket No. 566), as such committee may be reconstituted, solely in its capacity as such.

296. "Retiree Committee Professionals" means those professionals retained by the Retiree Committee to render services in connection with the Chapter 9 Case that seek payment of compensation and reimbursement of expenses from the City for postpetition services pursuant to and in accordance with the Fee Review Order, solely in their capacity as such.

297. "Retiree Health Care Litigation" means the adversary proceeding captioned as *Official Committee of Retirees of the City of Detroit, Michigan, et al. v. City of Detroit, Michigan, et al.*, Case No. 14-04015 (Bankr. E.D. Mich.), filed in the Chapter 9 Case on January 9, 2014.

298. "Retiree Health Care Settlement Agreement" means the Settlement Agreement, effective February 14, 2014, between the parties to the Retiree Health Care Litigation, pursuant to which such parties agreed to certain modifications to the changes in retiree health care benefits that the City was otherwise to implement on March 1, 2014, a copy of which is attached hereto as Exhibit I.A.298.

299. "Retirement System Indemnity Obligations" means any and all obligations of the City, as of the Petition Date, to indemnify, defend, reimburse, exculpate, advance fees and expenses to, or limit the liability of any party in connection with any Causes of Action relating in any way to either GRS or PFRS or the management, oversight, administration or activities thereof, as such obligations may be as provided for in the City Charter of the City or other organizational documents, resolutions, employment contracts, applicable law or other applicable agreements.

300. "Retirement Systems" means, collectively, the GRS and the PFRS.

301. "Section 115" means section 115 of the Internal Revenue Code of 1986, as amended.

302. "Section 1983 Claim" means any Claim against the City, its employees or both arising under 42 U.S.C. § 1983 that has not been settled, compromised or otherwise resolved and with respect to which Claim a lawsuit was pending before the District Court on or prior to the Petition Date.

303. "Secured Claim" means a Claim that is secured by a Lien on property in which the City has an interest or that is subject to valid setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in the City's interest in such property or to the extent of the amount subject to valid setoff, as applicable, as determined pursuant to section 506 of the Bankruptcy Code.

304. "Secured GO Bond Claims" means, collectively, the Secured GO Series 2010 Claims, the Secured GO Series 2010(A) Claims, the Secured GO Series 2012(A)(2) Claims, the Secured GO Series 2012(A2-B) Claims, the Secured GO Series 2012(B) Claims and the Secured GO Series 2012(B2) Claims.

305. "Secured GO Bond Documents" means, collectively, the Secured GO Series 2010 Bond Documents, the Secured GO Series 2010(A) Bond Documents, the Secured GO Series 2012(A)(2) Bond Documents, the Secured GO Series 2012(A2-B) Bond Documents, the Secured GO Series 2012(B) Bond Documents and the Secured GO Series 2012(B2) Bond Documents.

306. "Secured GO Bonds" means, collectively, the Secured GO Series 2010 Bonds, the Secured GO Series 2010(A) Bonds, the Secured GO Series 2012(A)(2) Bonds, the Secured GO Series 2012(A2-B) Bonds, the Secured GO Series 2012(B) Bonds and the Secured GO Series 2012(B2) Bonds.

307. "Secured GO Series 2010 Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2010 Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

308. "Secured GO Series 2010 Bonds" means the secured \$249,790,000 Distributable State Aid General Obligation (Limited Tax) Bonds, Series 2010, issued pursuant to the Secured GO Series 2010 Bond Documents.

309. "Secured GO Series 2010 Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2010 Bond Documents, including a Claim for principal and interest on the Secured GO Series 2010 Bonds.

310. "Secured GO Series 2010(A) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2010(A) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

311. "Secured GO Series 2010(A) Bonds" means the secured \$100,000,000 Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A) (Taxable-Recovery Zone Economic Development Bonds – Direct Payment), issued pursuant to the Secured GO Series 2010(A) Bond Documents.

312. "Secured GO Series 2010(A) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2010(A) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2010(A) Bonds.

313. "Secured GO Series 2012(A)(2) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(A)(2) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

314. "Secured GO Series 2012(A)(2) Bonds" means the secured \$38,865,000 Self-Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012(A)(2), issued pursuant to the Secured GO Series 2012(A)(2) Bond Documents.

315. "Secured GO Series 2012(A)(2) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(A)(2) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2010(A)(2) Bonds.

316. "Secured GO Series 2012(A2-B) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(A2-B) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

317. "Secured GO Series 2012(A2-B) Bonds" means the secured \$53,520,000 Self-Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(A2-B), issued pursuant to the Secured GO Series 2012(A2-B) Bond Documents.

318. "Secured GO Series 2012(A2-B) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(A2-B) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2012(A2-B) Bonds.

319. "Secured GO Series 2012(B) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(B) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

320. "Secured GO Series 2012(B) Bonds" means the \$6,405,000 General Obligation Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation), Series 2012(B), issued pursuant to the Secured GO Series 2012(B) Bond Documents.

321. "Secured GO Series 2012(B) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(B) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2012(B) Bonds.

322. "Secured GO Series 2012(B2) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(B2) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

323. "Secured GO Series 2012(B2) Bonds" means the \$30,730,000 Self-Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(B2), issued pursuant to the Secured GO Series 2012(B2) Bond Documents.

324. "Secured GO Series 2012(B2) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(B2) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2012(B2) Bonds.

325. "Securities Act" means the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa, as amended, or any similar federal, state, or local law.

326. "Settling 36th District Court Claimants" means (a) the 36th District Court, (b) Local 917 of the American Federation of State, County and Municipal Employees, (c) Local 3308 of the American Federation of State, County and Municipal Employees and (d) those individuals identified as "Individual Claimants" on the term sheet attached hereto as Exhibit I.A.9.

327. "Settling COP Claimant" means (a) those holders of COP Claims that are the subject of the Syncora Settlement Documents or (b) those Holders of COP Claims that are the subject of the FGIC/COP Settlement Documents.

328. "Settling UTGO Bond Insurers" means, collectively, Ambac, Assured and NCFG and each of their respective successors and assigns, solely in their capacity as insurers of certain of the City's obligations with respect to the Unlimited Tax General Obligation Bonds.

329. "Special Restoration" means the potential restoration or replacement of benefit reductions imposed by the Plan in connection with a Qualifying DWSD Transaction, as described in Section IV.F.

330. "State" means the state of Michigan.

331. "State Contribution" means payments to be made to GRS and PFRS by the State or the State's authorized agent for the purpose of funding Adjusted Pension Amounts in an aggregate amount equal to the net present value of \$350 million payable over 20 years using a discount rate of 6.75%, pursuant to the terms of the State Contribution Agreement.

332. "State Contribution Agreement" means the definitive documentation to be executed in connection with the comprehensive settlement regarding Pension Claims as described in Section IV.D, in substantially the form attached hereto as Exhibit I.A.332.

333. "State Related Entities" means, collectively: (a) all officers, legislators, employees, judges and justices of the State; (b) the Governor of the State; (c) the Treasurer of the State; (d) all members of the Local Emergency Financial Assistance Loan Board created under the Emergency Municipal Loan Act, Michigan Compiled Laws §§ 141.931-141.942; (e) each of the State's agencies and departments; and (f) the Related Entities of each of the foregoing.

334. "Stay Extension Order" means the Order Pursuant to Section 105(a) of the Bankruptcy Code Extending the Chapter 9 Stay to Certain (A) State Entities, (B) Non-Officer Employees and (C) Agents and

Representatives of the Debtor (Docket No. 166), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on July 25, 2013, as it may be amended, supplemented or otherwise modified.

335. "Stub UTGO Bonds" means Unlimited Tax General Obligation Bonds in the principal amount of \$43,349,210 that, from and after the Effective Date, will (a) be reinstated, (b) remain outstanding and (c) be payable from the UTGO Bond Tax Levy, as more particularly described in the UTGO Settlement Agreement.

336. "Subordinated Claim" means a Claim of the kind described in sections 726(a)(3) or 726(a)(4) of the Bankruptcy Code or Claims subordinated under sections 510(b) or 510(c) of the Bankruptcy Code.

337. "Supplemental Trust Agreements" means, collectively, (a) one or more supplemental trust agreements between the COP Trustee and COP Service Corporations, entered into with the consent of FGIC and (b) one or more supplemental trust agreements between the COP Trustee and COP Service Corporations, entered into with the consent of Syncora, in each case to be executed prior to the Effective Date, which agreements shall, among other things, for purposes of distributions of trust assets explicitly supersede the 2005 COPs Agreement and the 2006 COPs Agreement, which incorporates by reference Sections 6.5 and 9.1 of each Contract Administration Agreement and Section 8.03 of each COP Service Contract.

338. "Swap Insurance Policies" means those policies or other instruments insuring the COP Swap Agreements and obligations related thereto.

339. "Syncora" means, collectively, Syncora Guarantee, Inc. and Syncora Capital Assurance Inc.

340. "Syncora Development Agreement" means that certain development agreement by and between the City and Pike Point Holdings, LLC, a wholly owned indirect subsidiary of Syncora, in substantially the form attached hereto as Exhibit I.A.340, including all exhibits thereto, and in any case in form and substance reasonably acceptable to the City and Syncora.

341. "Syncora Excess New B Notes" means New B Notes in the aggregate face amount of approximately \$15.43 million, representing the difference between (a) the New B Notes that would have been distributed to Syncora had its asserted COP Claim for principal and interest in Class 9 been Allowed in full and (b) the New B Notes to be provided to Syncora as partial consideration pursuant to the terms of the Syncora Settlement.

342. "Syncora Exculpated Parties" means Syncora and their Related Entities, solely with respect to issues arising in connection with Syncora's capacity as holder or insurer of Unlimited Tax General Obligation Bond Claims and COP Claims.

343. "Syncora Settlement" means the comprehensive settlement with Syncora, as described at Section IV.I and as definitively set forth in the Syncora Settlement Documents.

344. "Syncora Settlement Documents" means the definitive documentation to be executed in connection with the Syncora Settlement, in substantially the form attached hereto as Exhibit I.A.344, and in any case in form and substance reasonably acceptable to the City and Syncora.

345. "Tax" means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, gross margins, sales, use, stamp, real estate transfer, mortgage recording, ad valorem, value added, transfer, franchise, profits, license, property, payroll, employment, unemployment, occupation, disability, excise, severance, withholding, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a transferee or successor or a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other Entity.

346. "Top-Off Payments" means the payments to be made to the Settling UTGO Bond Insurers pursuant to the UTGO Settlement Agreement if a Trigger Event occurs in amounts equal to the product of: (a) the amount by which the recovery received by Holders of Allowed Limited Tax General Obligation Bond Claims or Allowed COP Claims, as applicable, under the Plan exceeds 69.5% of the aggregate amount of all such Allowed Claims in such Class, multiplied by (b) the quotient of (i) \$100.5 million, divided by (ii) the sum of (x) 30.5% of the aggregate amount of all Allowed Limited Tax General Obligation Bond Claims or Allowed COP Claims, as the case may be, and (y) \$100.5 million.

347. "Tort Claim" means any Claim that has not been settled, compromised or otherwise resolved that arises out of allegations of personal injury or wrongful death claims and is not a Section 1983 Claim.

348. "Trigger Event" means the receipt by Holders of Allowed Limited Tax General Obligation Bond Claims or Allowed COP Claims, as applicable, of consideration pursuant to the Plan of 69.5% or more of the aggregate amount of all of the Allowed Claims in such Class. For purposes of determining whether a Trigger Event has occurred, all actual recoveries for Holders of Allowed Limited Tax General Obligation Bond Claims and Allowed COP Claims shall be determined by discounting the payments made to such Classes using a 5% discount rate back to the date of Confirmation.

349. "Tunnel Lease" means, collectively, (a) that certain Tube Lease, dated March 20, 1978, by and between the City, as landlord, and Detroit Windsor Tunnel LLC, as successor-in-interest to Detroit & Canada Tunnel Corporation, as tenant, and (b) that certain Sublease, dated March 20, 1978, by and between the City, as landlord, as successor-in-interest to Ford Motor Properties, Inc. as sublandlord, and Detroit Windsor Tunnel LLC, as successor-in-interest to Detroit & Canada Tunnel Corporation, as subtenant, each as may be amended, restated, supplemented or otherwise modified, in any case in form and substance reasonably acceptable to the City and Syncora.

350. "Unexpired Lease" means a lease to which the City is a party that is subject to assumption, assumption and assignment, or rejection under section 365 of the Bankruptcy Code.

351. "Unimpaired" means, with respect to a Class or a Claim, that such Class or Claim is not Impaired.

352. "United States Trustee" means the Office of the United States Trustee for the Eastern District of Michigan.

353. "Unlimited Tax General Obligation Bond Claim" means any Claim against the City arising under or evidenced by the Unlimited Tax General Obligation Bond Documents, including a Claim for principal and interest on the Unlimited Tax General Obligation Bonds.

354. "Unlimited Tax General Obligation Bond Documents" means the resolutions passed and orders issued with respect to the Unlimited Tax General Obligation Bonds, as set forth on Exhibit I.A.354, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

355. "Unlimited Tax General Obligation Bonds" means, collectively, the bonds issued under the Unlimited Tax General Obligation Bond Documents, as set forth on Exhibit I.A.354.

356. "Unsecured Claim" means a Claim that is not a Secured Claim or an Administrative Claim.

357. "UTGO Bond Tax Levy" means that portion of the proceeds of the ad valorem tax millage levies pledged to and on account of the Unlimited Tax General Obligation Bonds.

358. "UTGO Exculpated Parties" means, collectively, Ambac, Assured and NPMG, solely in their capacity as insurers of certain of the City's obligations with respect to the Unlimited Tax General Obligation Bonds, and each of their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents,

attorneys, advisors, accountants, consultants, restructuring consultants, financial advisors and investment bankers, solely in their capacity as such.

359. "UTGO Litigation" means, together, the adversary proceedings filed in the Chapter 9 Case on November 8, 2013, captioned as *National Public Finance Guarantee Corporation and Assured Guaranty Municipal Corporation v. City of Detroit, Michigan, et al.*, Case No. 13-05309 (Bankr. E.D. Mich.), and *Ambac Assurance Corporation v. City of Detroit, Michigan, et al.*, Case No. 13-05310 (Bankr. E.D. Mich.), to the extent that such proceedings relate to the Unlimited Tax General Obligation Bonds.

360. "UTGO Settlement Agreement" means that certain Settlement Agreement, dated as of July 18, 2014, among the City and the Settling UTGO Bond Insurers, substantially in the form attached hereto as Exhibit I.A.360.

361. "Value Determination" means a valuation of the expected Net DWSD Transaction Proceeds.

362. "Voting Deadline" means the deadline fixed by the Bankruptcy Court in the Disclosure Statement Order for submitting Ballots to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

363. "Wayne County" means the Charter County of Wayne, Michigan.

## **B. Rules of Interpretation and Computation of Time.**

### **1. Rules of Interpretation.**

For purposes of the Plan, unless otherwise provided herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (c) any reference herein to an existing document or Exhibit Filed or to be Filed shall mean such document or Exhibit, as it may have been or may be amended, restated, supplemented or otherwise modified pursuant to the Plan, the Confirmation Order or otherwise; (d) any reference to an Entity as a Holder of a Claim includes that Entity's successors, assigns and Affiliates; (e) all references to Sections or Exhibits are references to Sections and Exhibits of or to the Plan; (f) the words "herein," "hereunder," "hereof" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation"; and (i) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to the extent not inconsistent with any other provision of this Section.

### **2. Computation of Time.**

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

## **ARTICLE II CLASSIFICATION OF CLAIMS; CRAMDOWN; EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims are classified under the Plan for all purposes, including voting, Confirmation and Distribution. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, as described in Section II.A, have not been classified and thus are excluded from the Classes described in Section II.B.1. A Claim shall be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class and shall be deemed classified in a different

Class to the extent that any remainder of such Claim qualifies within the description of such other Class. Notwithstanding the foregoing, in no event shall any Holder of an Allowed Claim be entitled to receive payments or Distributions under the Plan that, in the aggregate, exceed the Allowed amount of such Holder's Claim.

**A. Unclassified Claims.**

**1. Payment of Administrative Claims.**

**a. Administrative Claims in General.**

Except as specified in this Section II.A.1, and subject to the bar date provisions herein, unless otherwise agreed by the Holder of an Administrative Claim and the City, or ordered by the Bankruptcy Court, each Holder of an Allowed Administrative Claim will receive, in full satisfaction of such Allowed Administrative Claim, Cash in an amount equal to such Allowed Administrative Claim either: (1) on the Effective Date or as soon as reasonably practicable thereafter; or (2) if the Administrative Claim is not Allowed as of the Effective Date, 30 days after the date on which such Administrative Claim becomes an Allowed Claim. No Claim of any official or unofficial creditors' committee or any member thereof for professionals' fees or other costs and expenses incurred by such creditors' committee or by a member of such creditors' committee shall constitute an Allowed Administrative Claim, except that the Retiree Committee's members and the Retiree Committee Professionals shall be entitled to payment in accordance with the Fee Review Order.

**b. Claims Under the Postpetition Financing Agreement.**

Unless otherwise agreed by Barclays Capital, Inc. pursuant to the Postpetition Financing Agreement, on or before the Effective Date, Postpetition Financing Claims that are Allowed Administrative Claims will be paid in Cash equal to the amount of those Allowed Administrative Claims.

**2. Bar Dates for Administrative Claims.**

**a. General Bar Date Provisions.**

Except as otherwise provided in Section II.A.2.b, Section II.A.2.c or in a Bar Date Order or other order of the Bankruptcy Court, unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the City no later than 45 days after the Effective Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve such a request by the applicable Bar Date will be forever barred from asserting such Administrative Claims against the City or its property, and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the City and the requesting party by the later of (i) 150 days after the Effective Date, (ii) 60 days after the Filing of the applicable request for payment of Administrative Claims or (iii) such other period of limitation as may be specifically fixed by a Final Order for objecting to such Administrative Claims. The foregoing procedures shall be specified in the Confirmation Order and the notice of entry of the Confirmation Order and served on all parties in interest.

**b. Ordinary Course Claims**

Holders of Claims based on Liabilities incurred by the City after the Petition Date in the ordinary course of its operations will not be required to File or serve any request for payment or application for allowance of such Claims. Such Claims will be paid by the City, pursuant to the terms and conditions of the particular transaction giving rise to such Claims, without further action by the Holders of such Claims or further action or approval of the Bankruptcy Court.

**c. Claims Under the Postpetition Financing Agreement.**

Holders of Administrative Claims that are Postpetition Financing Claims will not be required to File or serve any request for payment or application for allowance of such Claims. Such Administrative Claims will be satisfied pursuant to Section II.A.1.b.

**d. No Modification of Bar Date Order.**

The Plan does not modify any other Bar Date Order, including Bar Dates for Claims entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

**B. Classified Claims.**

**1. Designation of Classes.**

The following table designates the Classes and specifies whether such Classes are Impaired or Unimpaired by the Plan.

| CLASS                   | NAME  | IMPAIRMENT           |
|-------------------------|---|----------------------|
| <i>Secured Claims</i>   |   |                      |
| 1A                      | All Classes of DWSD Bond Claims<br>(One Class for each CUSIP of DWSD Bonds,<br>as set forth on Exhibit I.A.148)                                       | Unimpaired           |
| 1B                      | All Classes of DWSD Revolving Sewer Bond Claims<br>(One Class for each DWSD Series of DWSD Revolving Sewer Bonds,<br>as set forth on Exhibit I.A.156) | Unimpaired/Nonvoting |
| 1C                      | All Classes of DWSD Revolving Water Bond Claims<br>(One Class for each DWSD Series of DWSD Revolving Water Bonds,<br>as set forth on Exhibit I.A.159) | Unimpaired/Nonvoting |
| 2A                      | Secured GO Series 2010 Claims   | Unimpaired/Nonvoting |
| 2B                      | Secured GO Series 2010(A) Claims  | Unimpaired/Nonvoting |
| 2C                      | Secured GO Series 2012(A)(2) Claims   | Unimpaired/Nonvoting |
| 2D                      | Secured GO Series 2012(A2-B) Claims   | Unimpaired/Nonvoting |
| 2E                      | Secured GO Series 2012(B) Claims  | Unimpaired/Nonvoting |
| 2F                      | Secured GO Series 2012(B2) Claims   | Unimpaired/Nonvoting |
| 3                       | Other Secured Claims  | Unimpaired/Nonvoting |
| 4                       | HUD Installment Notes Claims  | Unimpaired/Nonvoting |
| 5                       | COP Swap Claims   | Impaired/Voting      |
| 6                       | Claims Previously Classified in Class 6 Paid in Full  | N/A                  |
| <i>Unsecured Claims</i> |   |                      |
| 7                       | Limited Tax General Obligation Bond Claims  | Impaired/Voting      |
| 8                       | Unlimited Tax General Obligation Bond Claims  | Impaired/Voting      |
| 9                       | COP Claims  | Impaired/Voting      |

| CLASS | NAME                                  | IMPAIRMENT         |
|-------|---------------------------------------|--------------------|
| 10    | PFRS Pension Claims                   | Impaired/Voting    |
| 11    | GRS Pension Claims                    | Impaired/Voting    |
| 12    | OPEB Claims                           | Impaired/Voting    |
| 13    | Downtown Development Authority Claims | Impaired/Voting    |
| 14    | Other Unsecured Claims                | Impaired/Voting    |
| 15    | Convenience Claims                    | Impaired/Voting    |
| 16    | Subordinated Claims                   | Impaired/Nonvoting |
| 17    | Indirect 36th District Court Claims   | Impaired/Voting    |

**2. Subordination; Reservation of Rights to Reclassify Claims.**

Except with respect to Bond Insurance Policy Claims, the allowance, classification and treatment of Allowed Claims and the respective Distributions and treatments specified in the Plan take into account the relative priority and rights of the Claims in each Class and all contractual, legal and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code or otherwise. Except as expressly set forth herein, consistent with section 510(a) of the Bankruptcy Code, nothing in the Plan shall, or shall be deemed to, modify, alter or otherwise affect any right of a Holder of a Claim to enforce a subordination agreement against any Entity other than the City to the same extent that such agreement is enforceable under applicable nonbankruptcy law. Pursuant to section 510 of the Bankruptcy Code, the City reserves the right to reclassify any Disputed Claim in accordance with any applicable contractual, legal or equitable subordination. For the avoidance of doubt, this Section II.B.2 shall not affect or limit the application of section 509 of the Bankruptcy Code or any similar doctrine to Bond Insurance Policy Claims, which are preserved for enforcement by the City or by the relevant Bond Insurer.

**3. Treatment of Claims.**

**a. Class 1A – DWSD Bond Claims.**

**i. Classification and Allowance.**

DWSD Bond Claims relating to each CUSIP of DWSD Bonds shall be separately classified, as reflected on Exhibit I.A.148, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Bond Claims shall be deemed Allowed in the amounts set forth on Exhibit I.A.148.

**ii. Treatment.**

Each Holder of an Allowed DWSD Bond Claim shall have its Allowed DWSD Bond Claim Reinstated on the Effective Date, unless such Holder agrees to a different treatment of such Claim. All votes and elections previously delivered in Class 1A shall not be counted and shall be of no force and effect. Any Allowed Secured Claims for fees, costs and expenses under the DWSD Bond Documents arising in connection with such Allowed DWSD Bond Claims shall be paid in full in Cash once Allowed pursuant to the DWSD Tender Order, by agreement of the parties or by order of the Bankruptcy Court. In addition, all claims for fees, costs and expenses authorized pursuant to or in accordance with the DWSD Tender Order shall be paid as provided therein.

**b. Class 1B – DWSD Revolving Sewer Bond Claims**

**i. Classification and Allowance.**

DWSD Revolving Sewer Bond Claims relating to each DWSD Series of DWSD Revolving Sewer Bonds shall be separately classified, as reflected on Exhibit I.A.156, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Revolving Sewer Bond Claims shall be deemed Allowed in the aggregate amounts set forth on Exhibit I.A.156.

**ii. Treatment.**

On the Effective Date, each Holder of an Allowed DWSD Revolving Sewer Bond Claim shall have its Allowed DWSD Revolving Sewer Bond Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**c. Class 1C – DWSD Revolving Water Bond Claims**

**i. Classification and Allowance.**

DWSD Revolving Water Bond Claims relating to each DWSD Series of DWSD Revolving Water Bonds shall be separately classified, as reflected on Exhibit I.A.159, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Revolving Water Bond Claims shall be deemed Allowed in the amounts set forth on Exhibit I.A.159.

**ii. Treatment.**

On the Effective Date, each Holder of an Allowed DWSD Revolving Water Bond Claim shall have its Allowed DWSD Revolving Water Bond Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**d. Class 2A – Secured GO Series 2010 Claims.**

On the Effective Date, (i) the Secured GO Series 2010 Claims shall be deemed Allowed in the aggregate amount of \$252,475,366 and (ii) each Holder of an Allowed Secured GO Series 2010 Claim shall have its Allowed Secured GO Series 2010 Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**e. Class 2B – Secured GO Series 2010(A) Claims.**

On the Effective Date, (i) the Secured GO Series 2010(A) Claims shall be deemed Allowed in the aggregate amount of \$101,707,848 and (ii) each Holder of an Allowed Secured GO Series 2010(A) Claim shall have its Allowed Secured GO Series 2010(A) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**f. Class 2C – Secured GO Series 2012(A)(2) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(A)(2) Claims shall be deemed Allowed in the aggregate amount of \$39,254,171 and (ii) each Holder of an Allowed Secured GO Series 2012(A)(2) Claim shall have its Allowed Secured GO Series 2012(A)(2) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**g. Class 2D – Secured GO Series 2012(A2-B) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(A2-B) Claims shall be deemed Allowed in the aggregate amount of \$54,055,927 and (ii) each Holder of an Allowed Secured GO Series 2012(A2-B) Claim

shall have its Allowed Secured GO Series 2012(A2-B) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**h. Class 2E - Secured GO Series 2012(B) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(B) Claims shall be deemed Allowed in the aggregate amount of \$6,469,135 and (ii) each Holder of an Allowed Secured GO Series 2012(B) Claim shall have its Allowed Secured GO Series 2012(B) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**i. Class 2F – Secured GO Series 2012(B2) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(B2) Claims shall be deemed Allowed in the aggregate amount of \$31,037,724 and (ii) each Holder of an Allowed Secured GO Series 2012(B2) Claim shall have its Allowed Secured GO Series 2012(B2) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**j. Class 3 – Other Secured Claims.**

On the Effective Date, each Holder of an Allowed Other Secured Claim shall have its Allowed Other Secured Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**k. Class 4 – HUD Installment Note Claims.**

On the Effective Date, (i) the HUD Installment Note Claims shall be deemed Allowed in the aggregate amount of \$90,075,004 and (ii) each Holder of a HUD Installment Note Claim shall have its Allowed HUD Installment Note Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**l. Class 5 – COP Swap Claims.**

**i. Allowance.**

The COP Swap Claims shall be deemed Allowed as Secured Claims, which, solely for purposes of distributions from the City, will be equal to the Distribution Amount.

**ii. Treatment.**

Each Holder of an Allowed COP Swap Claim, in full satisfaction of such Allowed Claim, shall receive, either: (A) within thirty days following the Effective Date, the Net Amount in full in cash, provided that until paid in cash in full, such Secured Claims will remain secured by the Pledged Property; or (B) solely in the case of a Liquidity Event, the Net Amount in cash in full within 180 days following the Effective Date, provided that (1) other than with respect to net proceeds used to repay the Postpetition Financing Agreement, to the extent permitted by law but without taking into consideration any limitations imposed by the City, including in any ordinance or resolution of the City, the first dollars of any net cash proceeds of any financing or refinancing consummated in connection with, or subsequent to, the consummation of such Plan and either (a) supported by the full faith and credit of the City or (b) payable from the general fund of the City, will be used to pay the Net Amount, (2) the City will continue to comply with its obligations under the COP Swap Settlement and the COP Swap Settlement Approval Order until the Net Amount is paid in cash in full, (3) until paid in cash in full, such Secured Claims will remain secured by the Pledged Property, (4) from and after the Effective Date, the unpaid Net Amount will accrue interest at the rate applicable to obligations under the Postpetition Financing Agreement plus 1.5% with the interest obligation likewise being secured by the Pledged Property and (5) the COP Swap Counterparties will receive from the City on the Effective Date a deferral fee in cash equal to 1.0% of the Net Amount to be shared equally between them.

**m. Class 6.**

[Claims previously classified in Class 6 paid in full – Paragraph intentionally left blank]

**n. Class 7 – Limited Tax General Obligation Bond Claims.**

**i. Allowance.**

On the Effective Date, the Limited Tax General Obligation Bond Claims shall be deemed Allowed in the amount of \$163,544,770.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, (A) each Holder of an Allowed Limited Tax General Obligation Bond Claim that is not attributable to the Insured LTGO Bonds and (B) the LTGO Insurer with respect to those Allowed Limited Tax General Obligation Bond Claims attributable to the Insured LTGO Bonds, in full satisfaction of such Allowed Claim(s), shall receive, on or as soon as reasonably practicable after the Effective Date, (X) a Pro Rata share of, at the City's option, (1) \$55,000,000 in Cash or (2) the New LTGO Bonds and (Y) distributions in accordance with Section II.B.3.p.i.A.

The City will use its best efforts to prepay the New LTGO Bonds on the Effective Date or as soon as reasonably practicable thereafter from the proceeds of the Exit Facility. If the City cannot prepay all of the New LTGO Bonds on the Effective Date or as soon as reasonably practicable thereafter, the City will use its best efforts to prepay as much of the New LTGO Bonds as reasonably possible, and the LTGO Settlement Parties will accept such partial prepayment. Upon a partial prepayment of the New LTGO Bonds, such New LTGO Bonds will be redeemed by lot.

**iii. Impact of UTGO Settlement.**

Pursuant to the UTGO Settlement Agreement, the City has agreed that (a) the Plan shall not permit the Holders of Allowed Limited Tax General Obligation Bond Claims to recover more on a percentage basis on account of such Allowed Limited Tax General Obligation Bond Claims than the Holders of Allowed Unlimited Tax General Obligation Bond Claims recover on a percentage basis on account of such Allowed Unlimited Tax General Obligation Bond Claims, as such percentage recoveries are projected on the terms set forth in the UTGO Settlement Agreement at Confirmation; and (b) if a Trigger Event occurs, the Settling UTGO Bond Insurers shall receive Top-Off Payments (as set forth in Section IV.C).

**o. Class 8 – Unlimited Tax General Obligation Bond Claims.**

**i. Allowance.**

On the Effective Date, the Unlimited Tax General Obligation Bond Claims shall be deemed Allowed in the amount of \$388,000,000.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Unlimited Tax General Obligation Bond Claim, in full satisfaction of such Allowed Claim, shall receive, on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of Restructured UTGO Bonds as set forth in Schedules 1a and 1b to the UTGO Settlement Agreement. Those Holders identified on Schedule 1a of the UTGO Settlement Agreement shall retain ownership of the Stub UTGO Bonds, subject to Sections I.A.36 and IV.C, which Stub UTGO Bonds shall be reinstated.

**p. Class 9 – COP Claims.**

**i. Treatment.**

**A. Plan COP Settlement Option.**

On the Effective Date, the City shall deliver to the COP Trustee, solely for the benefit of, and for distribution to, the COP Insurers and the Settling COPs Claimants in accordance with (1) the Supplemental Trust Agreements and (2) the instructions of the applicable COP Insurer, (x) the Class 9 Settlement Asset Pool and (y) New B Notes in the face amount of \$97,692,787, based upon each Settling COP Claimant's Pro Rata share calculated as an amount equal to the proportion that the unpaid principal amount plus accrued prepetition interest of COPs held by such Settling COP Claimant bears to the aggregate unpaid principal amount of all COPs plus all accrued prepetition interest thereon; provided, that the allocation of distributions among FGIC COP Holders shall be determined in accordance with agreements among FGIC and the FGIC COP Holders disclosed in a term sheet filed in court on October 22, 2014, as the same may be subsequently amended and more fully documented. For the avoidance of doubt, a Settling COP Claimant shall not be required to transfer (1) any claim against a COP Insurer or (2) the COPs it holds to the City pursuant to the Plan COP Settlement or otherwise pursuant to the Plan, the Syncora Settlement Documents or the FGIC/COP Settlement Documents. The COP Service Corporations shall enter into such Supplemental Trust Agreements as FGIC and Syncora may reasonably request with respect to their respective insured COPs as long as such Supplemental Trust Agreements do not impose any additional obligations or liability on the COP Service Corporations.

The City has granted the LTGO Settlement Parties, on behalf of the holders of Allowed Limited Tax General Obligation Bond Claims in Class 7, and the Retiree Committee consent rights regarding pre-Effective Date settlements of the COP Litigation if and as permitted under applicable non-bankruptcy law. The LTGO Settlement Parties have consented to the Syncora Settlement and FGIC/COP Settlement. On the Effective Date, on account of such consent rights, the Excess New B Notes shall be distributed as follows: (1) approximately \$42.68 million to the Detroit General VEBA and the Detroit Police and Fire VEBA in proportion with the New B Notes allocated to each pursuant to Sections II.B.3.s.ii.A and II.B.3.s.ii.B; (2) approximately \$17.34 million to be distributed Pro Rata among holders of Allowed Limited Tax General Obligation Bond Claims in Class 7; and (3) approximately \$4.12 million to be distributed Pro Rata among holders of Allowed Other Unsecured Claims in Class 14. With respect to the distribution of the Syncora Excess New B Notes, on April 1, 2015, the City shall pay the interest then due on the Syncora Excess New B Notes and shall also prepay the October 1, 2015 interest payment on the Syncora Excess New B Notes (as a consequence of which, no interest payment shall be made on the Syncora Excess New B Notes on October 1, 2015). The VEBAs may not sell or otherwise transfer their right, title or interest in the Syncora Excess New B Notes prior to October 2, 2015.

As part of the Plan COP Settlement, on or as soon as reasonably practicable after the Effective Date, Syncora shall cause to be paid \$500,126.94 in cash to the COP Agent on account of COP Agent Fees. As part of the Plan COP Settlement, FGIC shall cause to be paid to the COP Agent 75.945% of the reasonable COP Agent Fees in cash out of the first proceeds of the distributions to or for the benefit of the FGIC COP Holders.

Nothing in this Section II.B.3.p.i.A shall, or shall be asserted or construed to, affect or prejudice any rights, claims or defenses between the COP Swap Counterparties on the one hand and any Settling COP Claimant (including Syncora, FGIC and the FGIC COP Holders) on the other hand.

Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Settling COP Claimant shall, to the fullest extent permitted under law, be deemed to forever release, waive and discharge all Liabilities relating to COP Documents such Settling COP Claimant has, had or may have against the (1) GRS, (2) PFRS or (3) Related Entities of either GRS or PFRS. At the direction of FGIC, which shall be deemed given on the Effective Date, the COP Contract Administrator shall have irrevocably agreed (on behalf of itself, any successors and each FGIC COP Holder) to release and not to sue any COP Holder or any COP Insurer on behalf of any FGIC COP Holder, COP Insurer, the Detroit Retirement Systems Funding Trust 2005 or the Detroit Retirement

Systems Funding Trust 2006 in connection with any liability arising in connection with or related to (1) Sections 6.5 and 9.1 of the Contract Administration Agreements, (2) Section 8.03 of the COP Service Contracts, (3) distributions made pursuant to or in connection with this Section II.B.3.p.i.A, (4) the FGIC Settlement or (5) the Syncora Settlement. On the Effective Date, Syncora and FGIC shall, to the fullest extent permitted under law, be deemed to forever mutually release, waive and discharge all liabilities against each other relating to distributions made pursuant to or in connection with this Section II.B.3.p.i.A, Sections 6.5 and 9.1 of the Contract Administration Agreements or Section 8.03 of the COP Service Contracts.

**ii. Impact of UTGO Settlement.**

Pursuant to the UTGO Settlement Agreement, the City has agreed that (a) the Plan shall not permit the Holders of Allowed COP Claims to recover more on a percentage basis on account of such Allowed COP Claims than the Holders of Allowed Unlimited Tax General Obligation Bond Claims recover on a percentage basis on account of such Allowed Unlimited Tax General Obligation Bond Claims, as such percentage recoveries are projected on the terms set forth in the UTGO Settlement Agreement at Confirmation; and (b) if a Trigger Event occurs, the Settling UTGO Bond Insurers shall receive Top-Off Payments (as set forth in Section IV.C).

**q. Class 10 – PFRS Pension Claims.**

**i. Allowance.**

The PFRS Pension Claims shall be allowed in an aggregate amount equal to the sum of approximately \$1,250,000,000.

**ii. Treatment.**

**A. Contributions to PFRS.**

During the Fiscal Years from the Effective Date through Fiscal Year 2023, annual contributions shall be made to fund benefits accrued under the Prior PFRS Pension Plan only in the amounts identified on Exhibit II.B.3.q.ii.A. The exclusive source for such contributions shall be certain DIA Proceeds and a portion of the State Contribution. After June 30, 2023, (1) PFRS will receive certain additional DIA Proceeds and (2) the City will contribute sufficient funds required to pay each Holder of a PFRS Pension Claim his or her PFRS Adjusted Pension Amount in accordance with and as modified by the terms and conditions contained in the Plan and the Prior PFRS Pension Plan, in accordance with the State Contribution Agreement and exhibits thereto. Nothing in this Plan prevents any non-City third party from making additional contributions to or for the benefit of PFRS if such party chooses to do so.

**B. Investment Return Assumption.**

During the period that ends on June 30, 2023, the trustees of the PFRS, or the trustees of any successor trust or pension plan, shall adopt and maintain an investment return assumption and discount rate for purposes of determining the assets and liabilities of the PFRS that shall be 6.75%.

**C. Modification of Benefits for PFRS Participants.**

During the period that ends no earlier than June 30, 2023, the pension benefits payable to each Holder of a PFRS Pension Claim shall be equal to the PFRS Adjusted Pension Amount for such Holder, provided that such PFRS Adjusted Pension Amount shall be (1) automatically reduced by the DIA Proceeds Default Amount in the event of a DIA Proceeds Payment Default and (2) increased by any PFRS Restoration Payment.

Restoration of all or a portion of the modified pension benefits will be provided in accordance with the methodology set forth on Exhibit II.B.3.q.ii.C. For purposes of calculating a PFRS Restoration Payment, market value of assets shall not include any City contributions through June 30, 2023, other than those listed on Exhibit II.B.3.q.ii.A or any State contributions if the PFRS trustees fail to comply with the requirements described in

the State Contribution Agreement. In the event that the Foundations and DIA Corp. accelerate all or a portion of their funding commitments described in Section IV.E.1 prior to June 30, 2023, the incremental portion of the acceleration will not count towards pension restoration.

**D. Contingent Payment Rights.**

The City will issue the DWSD CVR to the Restoration Trust for the benefit of Holders of Pension Claims, as described in Section IV.F.

**E. Accrual of Future Benefits.**

Each Holder of a PFRS Pension Claim who is an Active Employee shall receive, in addition to his or her PFRS Adjusted Pension Amount, as such amount may be modified herein, such additional pension benefit for service on or after July 1, 2014 consistent with the terms and conditions of the New PFRS Active Pension Plan Formula and the New PFRS Active Pension Plan.

**F. Governance.**

On or as soon as reasonably practicable after the Effective Date, an Investment Committee shall be established under PFRS in accordance with the State Contribution Agreement. The Investment Committee shall be vested with the authority and responsibilities set forth in the State Contribution Agreement for a period of 20 years following the Effective Date. The initial independent members of the Investment Committee established by PFRS shall be (1) Woodrow S. Tyler, (2) McCullough Williams III, (3) Robert C. Smith, (4) Joseph Bogdahn and (5) Rebecca Sorenson.

**G. No Changes in Terms for Ten Years.**

**Except as may be required to maintain the tax-qualified status of the PFRS or to comply with the terms of the Plan, the City, the trustees of the PFRS and all other persons or entities shall be enjoined from and against the subsequent amendment of the terms, conditions and rules of operation of the PFRS, or any successor plan or trust, that govern the calculation of pension benefits (including the PFRS Adjusted Pension Amount, accrual of additional benefits, the DIA Proceeds Default Amount, the Prior PFRS Pension Plan, the PFRS Restoration Payment, the New PFRS Active Pension Plan Formula and the terms of the New PFRS Active Pension Plan) or against any action that governs the selection of the investment return assumption described in Section II.B.3.q.ii.B, the contribution to the PFRS or the calculation or amount of PFRS pension benefits for the period ending June 30, 2023, notwithstanding whether that subsequent amendment or act is created or undertaken by contract, agreement (including collective bargaining agreement), statute, rule, regulation, ordinance, charter, resolution or otherwise by operation of law.**

**H. State Contribution Agreement.**

The State Contribution Agreement, the effectiveness of which is contingent upon the acceptance of the Plan by Classes 10 and 11, shall include the following principal terms: (1) the State, or the State's authorized agent, will distribute the State Contribution for the benefit of Holders of Pension Claims; and (2) the Plan shall provide for the release of the State and the State Related Entities by each holder of a Pension Claim from all Liabilities arising from or related to the City, the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution, as more particularly described in the State Contribution Agreement and as set forth at Section III.D.7.b.

**r. Class 11 – GRS Pension Claims.**

**i. Allowance.**

The GRS Pension Claims shall be allowed in an aggregate amount equal to the sum of approximately \$1,879,000,000.

**ii. Treatment.**

**A. Contributions to GRS.**

During the Fiscal Years from the Effective Date through Fiscal Year 2023, annual contributions shall be made to fund benefits accrued under the Prior GRS Pension Plan only in the amounts identified on Exhibit II.B.3.r.ii.A. The exclusive sources for such contributions shall be certain pension related, administrative and restructuring payments received from the DWSD equal to approximately \$428.5 million, a portion of the State Contribution, certain DIA Proceeds, a portion of the Assigned UTGO Bond Tax Proceeds and certain revenues from City departments, the Detroit Public Library and the Detroit Regional Convention Facility Authority. After June 30, 2023, (1) certain DIA Proceeds shall be contributed to the GRS and (2) the City will contribute such additional funds as are necessary to pay each Holder of a GRS Pension Claim his or her GRS Adjusted Pension Amount in accordance with and as modified by the terms and conditions contained in the Plan and the Prior GRS Pension Plan, in accordance with the State Contribution Agreement and exhibits thereto. Nothing in this Plan prevents any non-City third party from making additional contributions to or for the benefit of GRS if such party chooses to do so.

**B. Investment Return Assumption.**

During the period that ends on June 30, 2023, the board of trustees of the GRS, or the trustees of any successor trust or pension plan, shall adopt and maintain an investment return assumption and discount rate for purposes of determining the assets and liabilities of the GRS that shall be 6.75%.

**C. Modification of Benefits for GRS Participants.**

During the period that ends no earlier than June 30, 2023, the pension benefits payable to each Holder of a GRS Pension Claim shall be equal to the GRS Adjusted Pension Amount for such Holder, provided that such GRS Adjusted Pension Amount shall be (1) automatically reduced by the DIA Proceeds Default Amount in the event of a DIA Proceeds Payment Default and (2) increased by any GRS Restoration Payment.

Restoration of all or a portion of the modified pension benefits will be provided in accordance with the methodology set forth on Exhibit II.B.3.r.ii.C. For purposes of calculating a GRS Restoration Payment, market value of assets shall not include any City contributions through June 30, 2023, other than those listed on Exhibit II.B.3.r.ii.A or any State contributions if the GRS trustees fail to comply with the requirements described in the State Contribution Agreement. In the event that the Foundations and DIA Corp. accelerate all or a portion of their funding commitments described in Section IV.E.1 prior to June 30, 2023, the incremental portion of the acceleration will not count towards pension restoration.

**D. Annuity Savings Fund Recoupment.**

**1. ASF Current Participants.**

On or as soon as reasonably practicable after the Effective Date, the Annuity Savings Fund Excess Amount will be calculated for each ASF Current Participant and will be deducted from such participant's Annuity Savings Fund account and be used to fund the accrued pension benefits of all GRS participants; provided, however, that in no event shall the amount deducted from an ASF Current Participant's Annuity Savings Fund account exceed the ASF Recoupment Cap. In the event that the amount credited to an ASF Current Participant's Annuity Savings Fund account as of the Effective Date is less than such participant's Annuity Savings Fund Excess Amount, the ASF Current Participant will be treated as an ASF Distribution Recipient to the extent of the shortfall.

**2. ASF Distribution Recipients.**

**i. Monthly Deduction**

For each ASF Distribution Recipient who does not elect the ASF Recoupment Cash Option described in Section II.B.3.r.ii.D.2.ii and in the case of any ASF Distribution Recipient that elected the ASF Recoupment Cash Option but does not timely deliver the ASF Recoupment Cash Payment to the GRS, the Annuity Savings Fund Excess Amount will: (A) be calculated and converted into monthly annuity amounts based on common actuarial assumptions (such as the ASF Distribution Recipient's life expectancy, and, if not already retired, expected date of retirement) and amortized using a 6.75% interest rate; and (B) then be deducted from the ASF Distribution Recipient's monthly pension check; provided, however, that in no event shall the total amount deducted from an ASF Distribution Recipient's monthly pension check exceed the ASF Recoupment Cap or the Current GRS Retiree Adjustment Cap, if applicable. The total ASF Recoupment from the ASF Distribution Recipient's monthly pension checks over time shall not exceed the amount necessary to amortize the applicable Annuity Savings Fund Excess Amount at 6.75% interest.

**ii. Single Lump Sum Payment**

Each ASF Distribution Recipient shall be afforded the ASF Recoupment Cash Option.

No later than seven days following the Effective Date, the City, through its Claims and Balloting Agent, shall send the ASF Election Notice and the ASF Election Form by first-class U.S. mail to each ASF Distribution Recipient. The ASF Election Form shall explain that the amount of the ASF Recoupment Cash Payment shall be equal to the total amount of ASF Recoupment shown on the ASF Distribution Recipient's Ballot, unless the aggregate amount of ASF Recoupment for all ASF Distribution Recipients electing the ASF Recoupment Cash Option exceeds \$30,000,000, in which case (A) the ASF Recoupment Cash Payment will be the ASF Distribution Recipient's Pro Rata portion of \$30,000,000, and (B) the remaining portion of the ASF Distribution Recipient's ASF Recoupment will be annuitized and deducted from the ASF Distribution Recipient's monthly pension check, as provided for in Section II.B.3.r.ii.D.2.i.

An ASF Distribution Recipient must return his or her ASF Election Form to the Claims and Balloting Agent so that it is actually received by the Claims and Balloting Agent by the ASF Election Date.

GRS shall mail the ASF Final Cash Payment Notice no later than 14 days after the ASF Election Date. ASF Distribution Recipients shall have until the ASF Final Cash Payment Date to make the ASF Recoupment Cash Payment, which payment must be made by cashier's check or wire transfer and may not be made by personal check. If an ASF Distribution Recipient's ASF Recoupment Cash Payment is not received by the ASF Final Cash Payment Date, GRS will notify the ASF Distribution Recipient of the failure to timely pay, and ASF Recoupment will be effected through diminution of such recipient's monthly pension check, as provided for in Section II.B.3.r.ii.D.2.i. The calculation of each electing ASF Distribution Recipient's ASF Recoupment Cash Payment shall not be adjusted under any circumstances, including as a result of default by any other electing ASF Distribution Recipient to remit his or her ASF Recoupment Cash Payment by the ASF Final Cash Payment Date.

**E. Contingent Payment Rights.**

The City will issue the DWSD CVR to the Restoration Trust for the benefit of Holders of Pension Claims, as described in Section IV.F.

**F. Accrual of Future Benefits.**

Each Holder of a GRS Pension Claim who is an Active Employee shall receive, in addition to his or her GRS Adjusted Pension Amount, as such amount may be modified herein, such additional pension benefit for service on or after July 1, 2014, consistent with the terms and conditions of the New GRS Active Pension Plan Formula and the New GRS Active Pension Plan.

**G. Governance.**

On or as soon as reasonably practicable after the Effective Date, an Investment Committee shall be established under GRS in accordance with the State Contribution Agreement. The Investment Committee shall be vested with the authority and responsibilities set forth in the State Contribution Agreement for a period of 20 years following the Effective Date. The initial independent members of the Investment Committee established by GRS shall be (1) Kerrie VandenBosch, (2) Doris Ewing, (3) Robert Rietz, (4) David Sowerby and (5) Ken Whipple.

**H. No Changes in Terms for Ten Years.**

**Except as may be required to maintain the tax-qualified status of the GRS or to comply with the terms of the Plan, the City, the trustees of the GRS and all other persons or entities shall be enjoined from and against the subsequent amendment of the terms, conditions and rules of operation of the GRS, or any successor plan or trust, that govern the calculation of pension benefits (including the GRS Adjusted Pension Amount, accrual of additional benefits, the DIA Proceeds Default Amount, the Prior GRS Pension Plan, the GRS Restoration Payment, the New GRS Active Pension Plan Formula and the terms of the New GRS Active Pension Plan) or against any action that governs the selection of the investment return assumption described in Section II.B.3.r.ii.B, the contribution to the GRS, or the calculation or amount of GRS pension benefits for the period ending June 30, 2023, notwithstanding whether that subsequent amendment or act is created or undertaken by contract, agreement (including collective bargaining agreement), statute, rule, regulation, ordinance, charter, resolution or otherwise by operation of law.**

**I. State Contribution Agreement**

The State Contribution Agreement, the effectiveness of which is contingent upon the acceptance of the Plan by Classes 10 and 11, shall include the following principal terms: (1) the State, or the State's authorized agent, will distribute the State Contribution for the benefit of Holders of Pension Claims; and (2) the Plan shall provide for the release of the State and the State Related Entities by each holder of a Pension Claim from all Liabilities arising from or related to the City, the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution, as more particularly described in the State Contribution Agreement and as set forth at Section III.D.7.b.

**s. Class 12 – OPEB Claims.**

**i. Allowance.**

As a result of a settlement between the City and the Retiree Committee, the OPEB Claims shall be allowed in an aggregate amount equal to \$4,303,000,000.

**ii. Treatment.**

**A. Detroit General VEBA.**

Establishment of Detroit General VEBA: On or as soon as practicable following the Effective Date, the City will establish the Detroit General VEBA to provide health benefits to Detroit General VEBA Beneficiaries and certain of their dependents. The Detroit General VEBA will be governed by a seven member board of trustees that will be responsible for, among other things, management of property held by the Detroit General VEBA, administration of the Detroit General VEBA and determination of the level of and distribution of benefits to Detroit General VEBA Beneficiaries. The Detroit General VEBA Trust Agreement and related plan documentation will be substantially in the form set forth on Exhibit I.A.108. With respect to the initial appointment of the board of trustees, the Mayor will appoint one member, and the DRCEA and the Retiree Committee will each appoint three board members. The DRCEA will fill board member vacancies created by the departure of members initially appointed by the Retiree Committee or the DRCEA, and the Mayor will fill a board member vacancy created by the departure of the member appointed by the Mayor. The initial members of the Detroit General VEBA board of trustees shall be (1) Floyd Allen, (2) Roger Cheek, (3) Suzanne Daniels Paranjpe, (4) Doris Ewing,

(5) Barbara Wise-Johnson, (6) Shirley Lightsey and (7) Thomas Sheehan. Nothing in the Plan precludes either the Detroit General VEBA from being formed under Section 115 or the formation of a separate trust under Section 115, in each case with the City's consent, which consent will not be unreasonably withheld.

Distributions to Detroit General VEBA: On the Effective Date, the City shall distribute to the Detroit General VEBA New B Notes in the aggregate principal amount of \$218,000,000, in satisfaction of the Allowed OPEB Claims held by Detroit General VEBA Beneficiaries. The Detroit General VEBA shall also be entitled to additional distributions as set forth in Section II.B.3.p.i.A.

**B. Detroit Police and Fire VEBA.**

Establishment of Detroit Police and Fire VEBA: On or as soon as practicable following the Effective Date, the City will establish the Detroit Police and Fire VEBA to provide health benefits to Detroit Police and Fire VEBA Beneficiaries and certain of their dependents. The Detroit Police and Fire VEBA will be governed by a seven member board of trustees and, for the first four years, one additional non-voting, ex-officio member. The board of trustees will be responsible for, among other things, management of property held by the Detroit Police and Fire VEBA, administration of the Detroit Police and Fire VEBA and determination of the level of and distribution of benefits to Detroit Police and Fire VEBA Beneficiaries. The Detroit Police and Fire VEBA Trust Agreement and related plan documentation will be substantially in the form set forth on Exhibit I.A.112. With respect to the initial appointment of the board of trustees, the Mayor will appoint one member, and the RDPFFA and the Retiree Committee will each appoint three board members. The RDPMA will appoint the non-voting, ex-officio member. The RDPFFA will fill board member vacancies created by the departure of voting members initially appointed by the Retiree Committee or the RDPFFA, and the Mayor will fill a board member vacancy created by the departure of the member appointed by the Mayor. The RDPMA will fill a non-voting, ex-officio board member vacancy created by the departure of the member initially appointed by the RDPMA, but such non-voting, ex-officio member position shall expire on December 31, 2018. The initial members of the Detroit Police and Fire VEBA board of trustees shall be (1) Floyd Allen, (2) Gregory Best, (3) John Clark, (4) Andrew Dillon, (5) Allan Grant, (6) Thomas Sheehan, (7) Greg Trozak and (8) Shirley Berger (*ex officio*). Nothing in the Plan precludes either the Detroit Police and Fire VEBA from being formed under Section 115 or the formation of a separate trust under Section 115, in each case with the City's consent, which consent will not be unreasonably withheld.

Distributions to Detroit Police and Fire VEBA: On the Effective Date, the City shall distribute to the Detroit Police and Fire VEBA New B Notes in the aggregate principal amount of \$232,000,000, in satisfaction of the Allowed OPEB Claims held by Detroit Police and Fire VEBA Beneficiaries. The Detroit Police and Fire VEBA shall also be entitled to additional distributions as set forth in Section II.B.3.p.i.A.

**C. No Further Responsibility.**

From and after the Effective Date, the City shall have no further responsibility to provide retiree healthcare or any other retiree welfare benefits. The City shall have no responsibility from and after the Effective Date to provide life insurance or death benefits to former employees. On the Effective Date, the Employees Death Benefit Plan will be frozen for former employees, and the City will no longer have an obligation to contribute to fund death benefits under the plan for any participant or beneficiary who is a former employee. Existing retirees who participate in the plan will be granted a one-time opportunity to receive a lump sum distribution of the present value of their actuarially determined death benefit to the extent of the plan funding. For the avoidance of doubt, the Employees Death Benefit Plan shall not be merged into or operated by either the Detroit General VEBA or the Detroit Police and Fire VEBA. The Employees Death Benefit Board of Trustees shall continue to manage the Employees Death Benefit Plan and employ the staff of the Retirement Systems to administer the disbursement of benefits thereunder, the costs of which administration shall be borne by the assets of the Employees Death Benefit Plan.

Retirees (and active employees that retire prior to December 31, 2014) of the Detroit Public Library and the Detroit Regional Convention Facility Authority are Detroit General VEBA Beneficiaries and will receive the treatment set forth above. However, the collective bargaining and other legal rights and obligations of the Detroit Public Library and the Detroit Regional Convention Facility Authority, on one hand, and their respective unions and former and current employees, on the other hand, are not affected by the Plan. These parties retain the

right to negotiate further or additional benefits; provided, however, that the City shall not be responsible for, or have any obligation with respect to, any such further or additional benefits or the administration thereof. In addition, in consideration of the eligible retirees of the Detroit Public Library and the Detroit Regional Convention Facility Authority participating in the Detroit General VEBA, the Detroit Public Library and the Detroit Regional Convention Facility Authority shall reimburse the City for their allocable share of the New B Note debt service related to the Detroit General VEBA.

**t. Class 13 – Downtown Development Authority Claims.**

**i. Allowance.**

On the Effective Date, the Downtown Development Authority Claims shall be deemed Allowed in the amount of \$33,600,000.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Downtown Development Authority Claim, in full satisfaction of such Allowed Claim, shall receive, on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of approximately \$3.69 million in New B Notes.

**u. Class 14 – Other Unsecured Claims.**

**i. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Other Unsecured Claim, in full satisfaction of such Allowed Claim, shall receive (A) on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of approximately \$16.48 million in New B Notes and (B) distributions in accordance with Section II.B.3.p.i.A.

**v. Class 15 – Convenience Claims.**

**i. Treatment.**

Each Holder of an Allowed Convenience Claim, in full satisfaction of such Allowed Claim, shall receive Cash equal to the amount of 25% of such Allowed Claim (as reduced, if applicable, pursuant to an election by such Holder in accordance with Section I.A.76) on or as soon as reasonably practicable after the Effective Date, unless such Holder agrees to a different treatment of such Claim.

**w. Class 16 – Subordinated Claims.**

**i. Treatment.**

On the Effective Date, all Subordinated Claims shall be disallowed, extinguished and discharged without Distribution under the Plan, and Holders of Subordinated Claims shall not receive or retain any property on account of such Claims. Pursuant to section 1126(g) of the Bankruptcy Code, Class 16 is deemed to have rejected the Plan and Holders of Subordinated Claims are not entitled to cast a Ballot in respect of such Claims.

**x. Class 17 – Indirect 36th District Court Claims.**

**i. Treatment.**

Unless such Holder agrees to a different treatment of its Claim, each Holder of an Allowed Indirect 36th District Court Claim, in full satisfaction of such Allowed Claim, shall receive: (A) if the Allowed amount of such Indirect 36th District Court Claim is less than \$100,000.00, on or as soon as reasonably practicable after the Effective Date, Cash in an amount equal to 33% of the Allowed amount of such Allowed Indirect 36th

District Court Claim; or (B) if the Allowed amount of such Indirect 36th District Court Claim is equal to or more than \$100,000.00, Cash equal to 33% of the Allowed amount of such Indirect 36th District Court Claim, plus simple interest on outstanding amounts at a rate of five percent per annum, payable in five equal annual installments, with the first installment to be paid on or as soon as reasonably practicable after the Effective Date and the remaining four installments to be paid on the date of the first four anniversaries of the Effective Date or, if any such date is not a Business Day, on the first Business Day thereafter.

**ii. Further Obligation of City, State and 36th District Court.**

Subject to the terms of the 36th District Court Settlement, the treatment of Allowed Indirect 36th District Court Claims set forth in Section II.B.3.x.i shall fulfill any obligation of the City and the 36th District Court that may exist with respect to all Indirect 36th District Court Claims. Nothing in Section II.B.3.x.i prevents the Holder of an Indirect 36th District Court Claim from seeking further relief or payment from the State with respect to such Indirect 36th District Court Claim to the extent such Claim is not satisfied pursuant to the Plan.

**C. Confirmation Without Acceptance by All Impaired Classes.**

The City requests Confirmation under section 1129(b) of the Bankruptcy Code in the event that any impaired Class does not accept or is deemed not to accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Plan shall constitute a motion for such relief.

**D. Treatment of Executory Contracts and Unexpired Leases.**

**1. Assumption.**

Except as otherwise provided in the Plan, in any contract, instrument, release or other agreement or document entered into in connection with the Plan or in a Final Order of the Bankruptcy Court, or as requested in any motion Filed by the City on or prior to the Effective Date, on the Effective Date, pursuant to section 365 of the Bankruptcy Code, the City will be deemed to assume all Executory Contracts and Unexpired Leases to which it is a party. Notwithstanding the foregoing, Retirement System Indemnity Obligations shall not be assumed under the Plan and shall be discharged. For the avoidance of doubt, the City shall assume the Tunnel Lease pursuant to this Section II.D.1.

**2. Assumption of Ancillary Agreements.**

Each Executory Contract and Unexpired Lease assumed pursuant to Section II.D.1 will include any modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such Executory Contract or Unexpired Lease, unless any such modification, amendment, supplement, restatement or other agreement is rejected pursuant to Section II.D.6 or designated for rejection in accordance with Section II.D.3.

**3. Approval of Assumptions and Assignments.**

The Confirmation Order will constitute an order of the Bankruptcy Court approving the assumption of Executory Contracts and Unexpired Leases pursuant to Sections II.D.1 and II.D.2 (and any related assignment) as of the Effective Date, except for Executory Contracts or Unexpired Leases that (a) have been rejected pursuant to a Final Order of the Bankruptcy Court, (b) are subject to a pending motion for reconsideration or appeal of an order authorizing the rejection of such Executory Contract or Unexpired Lease, (c) are subject to a motion to reject such Executory Contract or Unexpired Lease Filed on or prior to the Effective Date, (d) are rejected pursuant to Section II.D.6 or (e) are designated for rejection in accordance with the last sentence of this paragraph. An order of the Bankruptcy Court (which may be the Confirmation Order) entered on or prior to the Confirmation Date will specify the procedures for providing notice to each party whose Executory Contract or Unexpired Lease is being assumed pursuant to the Plan of: (a) the Executory Contract or Unexpired Lease being assumed; (b) the Cure Amount Claim, if any, that the City believes it would be obligated to pay in connection with such assumption; (c) any assignment of an Executory Contract or Unexpired Lease; and (d) the procedures for such party to object to

the assumption of the applicable Executory Contract or Unexpired Lease, the amount of the proposed Cure Amount Claim or any assignment of an Executory Contract or Unexpired Lease. If an objection to a proposed assumption, assumption and assignment or Cure Amount Claim is not resolved in favor of the City, the applicable Executory Contract or Unexpired Lease may be designated by the City for rejection, which shall be deemed effective as of the Effective Date.

**4. Payments Related to the Assumption of Executory Contracts and Unexpired Leases.**

To the extent that such Claims constitute monetary defaults, the Cure Amount Claims associated with each Executory Contract or Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, at the option of the City: (a) by payment of the Cure Amount Claim in Cash on the Effective Date or (b) on such other terms as are agreed to by the parties to such Executory Contract or Unexpired Lease. If there is a dispute regarding: (a) the amount of any Cure Amount Claim, (b) the ability of the City or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (c) any other matter pertaining to the assumption of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code will be made within 30 days following the entry of a Final Order resolving the dispute and approving the assumption.

**5. Contracts and Leases Entered Into After the Petition Date.**

Contracts, leases and other agreements entered into after the Petition Date by the City, including (a) any Executory Contracts or Unexpired Leases assumed by the City and (b) the collective bargaining agreements identified on Exhibit II.D.5, will be performed by the City in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**6. Rejection of Executory Contracts and Unexpired Leases.**

On the Effective Date, each Executory Contract and Unexpired Lease that is listed on Exhibit II.D.6 shall be deemed rejected pursuant to section 365 of the Bankruptcy Code. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections, pursuant to section 365 of the Bankruptcy Code, as of the later of: (a) the Effective Date or (b) the resolution of any objection to the proposed rejection of an Executory Contract or Unexpired Lease. Each contract or lease listed on Exhibit II.D.6 shall be rejected only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. The City reserves its right, at any time on or prior to the Effective Date, to amend Exhibit II.D.6 to delete any Executory Contract or Unexpired Lease therefrom, thus providing for its assumption pursuant to Section II.D.1, or add any Executory Contract or Unexpired Lease thereto, thus providing for its rejection pursuant to this Section II.D.6. The City will provide notice of any amendments to Exhibit II.D.6 to the parties to the Executory Contracts or Unexpired Leases affected thereby and to the parties on the then-applicable service list in the Chapter 9 Case. Listing a contract or lease on Exhibit II.D.6 shall not constitute an admission by the City that such contract or lease is an Executory Contract or Unexpired Lease or that the City has any liability thereunder. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan shall be treated as Class 14 Claims (Other Unsecured Claims), subject to the provisions of section 502 of the Bankruptcy Code.

**7. Rejection Damages Bar Date.**

Except as otherwise provided in a Final Order of the Bankruptcy Court approving the rejection of an Executory Contract or Unexpired Lease, Claims arising out of the rejection of an Executory Contract or Unexpired Lease must be Filed with the Bankruptcy Court and served upon counsel to the City on or before the later of: (a) 45 days after the Effective Date; or (b) 45 days after such Executory Contract or Unexpired Lease is rejected pursuant to a Final Order or designated for rejection in accordance with Section II.D.3. Any Claims not Filed within such applicable time periods will be forever barred from receiving a Distribution from, and shall not be enforceable against, the City.

**8. Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases.**

Pursuant to section 365(g) of the Bankruptcy Code, rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall constitute a breach of such contract or lease and not a termination thereof, and all obligations owing to the City under such contract or lease as of the date of such breach shall remain owing to the City upon rejection. Notwithstanding any applicable non-bankruptcy law to the contrary, the City expressly reserves and does not waive any right to receive, or any continuing obligation of a non-City party to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased, or services previously received, by the City from non-City parties to rejected Executory Contracts or Unexpired Leases, and any such rights shall remain vested in the City as of the Effective Date.

**9. Insurance Policies.**

From and after the Effective Date, each of the City's insurance policies (other than welfare benefits insurance policies) in existence as of or prior to the Effective Date shall be reinstated and continue in full force and effect in accordance with its terms and, to the extent applicable, shall be deemed assumed by the City pursuant to section 365 of the Bankruptcy Code and Section II.D.1. Nothing contained herein shall constitute or be deemed a waiver of any Causes of Action that the City may hold against any Entity, including any insurer under any of the City's insurance policies. For the avoidance of doubt, nothing contained in this Section II.D.9 shall apply to reinstate or continue any obligation of the City or any fund thereof to any Bond Insurer.

**ARTICLE III  
CONFIRMATION OF THE PLAN**

**A. Conditions Precedent to the Effective Date.**

The Effective Date will not occur, and the Plan will not be consummated, unless and until the City has determined that all of following conditions have been satisfied or waived in accordance with Section III.B:

1. The Bankruptcy Court shall have entered the Confirmation Order in form and substance satisfactory to the City.
2. The Bankruptcy Court shall have entered an order (which may be included in the Confirmation Order) approving and authorizing the City to take all actions necessary or appropriate to implement the Plan, including the transactions contemplated by the Plan and the implementation and consummation of the contracts, instruments, settlements, releases and other agreements or documents entered into or delivered in connection with the Plan.
3. The Confirmation Order shall not be stayed in any respect.
4. The Confirmation Order shall contain (a) a finding that the FGIC Settlement Consideration and the FGIC Development Agreement are solely for the benefit of FGIC and the FGIC COP Holders (subject to any provision set forth herein for payment of COP Agent Fees), and (b) an ordered provision that such consideration be administered and distributed to FGIC and the FGIC COP Holders in a manner consistent therewith and with the Plan.
5. The Confirmation Order shall contain (a) a finding that the Syncora Development Agreement is solely for the benefit of Syncora (subject to any provision set forth herein for payment of COP Agent Fees), and (b) an ordered provision that such consideration be administered and distributed to Syncora in a manner consistent therewith and with the Plan.
6. All actions and all contracts, instruments, settlements, releases and other agreements or documents necessary to implement the terms and provisions of the Plan are effected or executed and delivered, as applicable, in form and substance satisfactory to the City.

7. All authorizations, consents and regulatory approvals, if any, required in connection with the consummation of the Plan have been obtained and not revoked, including all governmental and Emergency Manager consents and approvals required to carry out the terms of the LTGO Settlement Agreement.

8. Any legislation that must be passed by the State legislature to effect any term of the Plan shall have been enacted.

9. The MFA board shall have approved the issuance of the Restructured UTGO Bonds and the Restructured UTGO Bonds shall have been issued.

10. The City shall have obtained all governmental and Emergency Manager consents and approvals required to carry out the terms of the UTGO Settlement Agreement.

11. The Plan and all Exhibits shall have been Filed and shall not have been materially amended, altered or modified from the Plan as confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section VIII.B.

12. If Classes 10 and 11 have accepted the Plan, all conditions to the effectiveness of the State Contribution Agreement and the DIA Settlement Documents have been satisfied.

13. The Syncora Settlement and the Syncora Settlement Agreement shall have been approved by the Bankruptcy Court in form and substance reasonably acceptable to the City and Syncora, and such approval shall not have been vacated or otherwise modified, and the definitive documents contemplated thereby shall have been executed and delivered.

14. The Syncora Development Agreement shall have been approved by the Bankruptcy Court in form and substance reasonably acceptable to the City and Syncora, and such approval shall not have been vacated or otherwise modified, and the definitive documents contemplated thereby shall have been executed and delivered.

15. The FGIC/COP Settlement Documents and the FGIC Development Agreement shall have been approved by the Bankruptcy Court in form and substance reasonably acceptable to the City and FGIC, and such approval shall not have been vacated or otherwise modified, and the definitive documents contemplated thereby shall have been executed and delivered.

16. The New York State Department of Financial Services shall have waived in writing the notice requirement under FGIC's plan of rehabilitation with respect to the settlement contemplated by the FGIC/COP Settlement Documents and the FGIC Development Agreement in form and substance reasonably acceptable to FGIC, and such waiver shall not have been vacated or otherwise modified.

17. The Effective Date shall have occurred within 180 days of the entry of the Confirmation Order, unless the City requests an extension of such deadline and such deadline is extended by the Bankruptcy Court.

**B. Waiver of Conditions to the Effective Date.**

The conditions to the Effective Date set forth in Section III.A may be waived in whole or part at any time by the City in its sole and absolute discretion, except for those conditions set forth in (1) Section III.A.9 and Section III.A.10, which conditions cannot be waived, (2) Sections III.A.5, III.A.13 and III.A.14, which may only be waived by the City with the prior written consent of Syncora, (3) Sections III.A.4 and III.A.15, which may only be waived by the City with the prior written consent of FGIC and (4) Section III.A.16, which may be waived by the City at any time on or after November 4, 2014 at 5:00 p.m. (Eastern Time) with the prior written consent of FGIC.

**C. Effect of Nonoccurrence of Conditions to the Effective Date.**

If each of the conditions to the Effective Date is not satisfied, or duly waived in accordance with Section III.B, then, before the time that each of such conditions has been satisfied and upon notice to such parties in interest as the Bankruptcy Court may direct, the City may File a motion requesting that the Bankruptcy Court vacate the Confirmation Order; provided, however, that, notwithstanding the Filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is satisfied before the Bankruptcy Court enters an order granting such motion. If the Confirmation Order is vacated pursuant to this Section III.C: (1) the Plan will be null and void in all respects, including with respect to (a) the discharge of Claims pursuant to section 944(b) of the Bankruptcy Code, (b) the assumptions, assignments or rejections of Executory Contracts and Unexpired Leases pursuant to Section II.D and (c) the releases described in Section III.D.7; and (2) nothing contained in the Plan, nor any action taken or not taken by the City with respect to the Plan, the Disclosure Statement or the Confirmation Order, will be or will be deemed to be (a) a waiver or release of any Claims by or against the City, (b) an admission of any sort by the City or any other party in interest or (c) prejudicial in any manner the rights of the City or any other party in interest.

**D. Effect of Confirmation of the Plan.**

**1. Dissolution of Retiree Committee.**

On the Effective Date, the Retiree Committee, to the extent not previously dissolved or disbanded, will dissolve and disband, and the members of the Retiree Committee and their respective professionals will cease to have any role arising from or related to the Chapter 9 Case.

**2. Preservation of Rights of Action by the City.**

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3)(B) of the Bankruptcy Code, the City will retain and may enforce any claims, demands, rights, defenses and Causes of Action that it may hold against any Entity, including but not limited to any and all Causes of Action against any party relating to the past practices of the Retirement Systems (including any investment decisions related to, and the management of, the Retirement Systems' respective pension plans or assets), to the extent not expressly released under the Plan or pursuant to any Final Order of the Bankruptcy Court. A nonexclusive schedule of currently pending actions and claims brought by the City is attached as Exhibit III.D.2. The City's inclusion of, or failure to include, any right of action or claim on Exhibit III.D.2 shall not be deemed an admission, denial or waiver of any claims, demands, rights or Causes of Action that the City may hold against any Entity, and all Entities are hereby notified that the City intends to preserve all such claims, demands, rights or Causes of Action.

**3. Comprehensive Settlement of Claims and Controversies.**

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all claims or controversies relating to the rights that a holder of a Claim may have with respect to any Allowed Claim or any Distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that all such compromises or settlements are (a) in the best interests of the City, its property and Claim Holders and (b) fair, equitable and reasonable. For the avoidance of doubt, this Section III.D.3 shall not affect or limit the application of section 509 of the Bankruptcy Code or any similar doctrine to Bond Insurance Policy Claims.

**4. Discharge of Claims.**

**a. Complete Satisfaction, Discharge and Release.**

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the Holder of a Claim based on such debt has accepted the Plan.

**b. Discharge.**

In accordance with Section III.D.4.a, except as expressly provided otherwise in the Plan or the Confirmation Order, the Confirmation Order will be a judicial determination, as of the Effective Date, of a discharge of all debts of the City, pursuant to sections 524(a)(1), 524(a)(2) and 944(b) of the Bankruptcy Code, and such discharge will void any judgment obtained against the City at any time, to the extent that such judgment relates to a discharged debt; provided that such discharge will not apply to (i) debts specifically exempted from discharge under the Plan; and (ii) debts held by an Entity that, before the Confirmation Date, had neither notice nor actual knowledge of the Chapter 9 Case.

**5. Injunction.**

**On the Effective Date, except as otherwise provided herein or in the Confirmation Order,**

**a. all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims, along with their Related Entities, shall be permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):**

**1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims and (C) Indirect Employee Indemnity Claims);**

**2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property;**

**3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property;**

**4. asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property;**

**5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and**

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

**b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. Notwithstanding the foregoing and without limiting the injunctions in Section III.D.5.a, the Holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to Indirect 36th District Court Claims to the extent such Claims are not satisfied pursuant to the Plan.**

**6. Exculpation.**

From and after the Effective Date, to the fullest extent permitted under applicable law and except as expressly set forth in this Section, neither the City, its Related Entities (including the members of the City Council, the Mayor and the Emergency Manager), to the extent a claim arises from actions taken by such Related Entity in its capacity as a Related Entity of the City, the State, the State Related Entities, the Exculpated Parties nor the Released Parties shall have or incur any liability to any person or Entity for any act or omission in connection with, relating to or arising out of the City's restructuring efforts and the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the formulation, preparation, negotiation, dissemination, consummation, implementation, confirmation or approval (as applicable) of the Plan, the property to be distributed under the Plan, the settlements implemented under the Plan, the Exhibits, the Disclosure Statement, any contract, instrument, release or other agreement or document provided for or contemplated in connection with the consummation of the transactions set forth in the Plan or the management or operation of the City; provided that the foregoing provisions shall apply to (a) the LTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the LTGO Settlement Agreement or the Plan (as it relates to the LTGO Settlement Agreement), (b) the UTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the UTGO Settlement Agreement or the Plan (as it relates to the UTGO Settlement Agreement), (c) the DWSD Exculpated Parties solely in connection with acts or omissions taken in connection with the DWSD Tender, DWSD Tender Motion or DWSD Tender Order, (d) the Syncora Exculpated Parties solely in connection with acts or omissions taken in connection with the Syncora Settlement Documents and any actions or litigation positions taken by the Syncora Exculpated Parties in the Chapter 9 Case, (e) the FGIC/COP Exculpated Parties solely in connection with acts or omissions taken in connection with the FGIC/COP Settlement Documents and any actions or litigation positions taken by the FGIC/COP Exculpated Parties in the Chapter 9 Case, (f) the RDPMA Exculpated Parties and (g) the COP Agent, solely in its capacity as such and solely in connection with any Distributions made pursuant to the terms of the Plan; provided, further, that the foregoing provisions in this Section III.D.6 shall not affect the liability of the City, its Related Entities, the State, the State Related Entities, the Released Parties and the Exculpated Parties that otherwise would result from any such act or omission to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct or any act or omission occurring before the Petition Date. The City, its Related Entities (with respect to actions taken by such Related Entities in their capacities as Related Entities of the City), the State, the State Related Entities, the Released Parties and the Exculpated Parties shall be entitled to rely upon the advice of counsel and financial advisors with respect to their duties and responsibilities under, or in connection with, the Chapter 9 Case, the administration thereof and the Plan. This Section III.D.6 shall not affect any liability of (a) any of the COP Swap Exculpated Parties to the Syncora Exculpated Parties or FGIC or (b) the Syncora Exculpated Parties or FGIC/COP Exculpated Parties to any of the COP Swap Exculpated Parties.

**7. Releases**

Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge (which release will be in addition to the release and discharge of Claims otherwise provided herein and under the Confirmation Order and the Bankruptcy Code):

i. all Liabilities in any way relating to the City, the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), the Plan, the Exhibits or the Disclosure Statement, in each case that such holder has, had or may have against the City or its current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity (and, in addition to and without limiting the foregoing, in the case of any Emergency Manager, in such Emergency Manager's capacity as an appointee under PA 436); provided further, for the avoidance of doubt, that any person or entity designated to manage the Chapter 9 Case for the City after the Emergency Manager's term is terminated, whether such person or entity acts as an employee, advisor or contractor to the City or acts as an employee, agent, contractor or appointee of the State under any applicable state law, shall be treated the same as an employee of the City hereunder; and

ii. all Liabilities in any way relating to (A) Claims that are compromised, settled or discharged under or in connection with the Plan, (B) the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), (C) the Plan, (D) the Exhibits, (E) the Disclosure Statement or (F) the DIA Settlement, in each case that such holder has, had or may have against the City's Related Entities, the State, the State Related Entities and the Released Parties; provided, however, that any such Liability of the Foundations, the DIA Funders and the CFSEM Supporting Organization and their Related Entities shall be released only to the extent that such Liability, if any, arises from any such entity's participation in the DIA Settlement;

provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties that are such as of the commencement of the Confirmation Hearing (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties that are such as of the commencement of the Confirmation Hearing, which conditions may not be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; provided, further, that nothing in this Section III.D.7.a shall release (i) the City's obligations under the Plan or (ii) any defenses that any party may have against the City, its Related Entities, the State, the State Related Entities or the Released Parties; and

- b. if the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law or the Plan, or, with respect to pensions only, GRS or PFRS.

Notwithstanding Sections III.D.5-7 and IV.L of the Plan, except as set forth in the COP Swap Settlement, nothing in the Plan or the Confirmation Order shall or shall be deemed to provide a release by the COP Swap Counterparties of any Liabilities related to the COPs, the COP Service Corporations, the Transaction Documents (as defined in the COP Swap Settlement), the COP Swap Settlement or the COP Swap Settlement Approval Order. For the avoidance of doubt, notwithstanding Section III.D.6 of the Plan, a vote of DWSD Bond Claims or DWSD Revolving Bond Claims in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to this Section III.D.7 by a Holder of any such DWSD Bond Claims, a Holder of any such DWSD Revolving Bond Claims or the Bond Insurer insuring any such Claims of any Liabilities against the City or its Related Entities that do not arise in connection with the DWSD Bonds or the DWSD Revolving Bonds. For the further avoidance of doubt, notwithstanding anything in the Plan to the contrary, a vote of a Claim other than a DWSD Bond Claim or DWSD Revolving Bond Claim in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to this Section III.D.7 by a Holder of any such voted Claim or the Bond Insurer insuring such voted Claim of any Liabilities against the City or any other Entity arising in connection with the DWSD Bonds or DWSD Revolving Bonds.

**E. No Diminution of State Power**

No provision of this Plan shall be construed: (1) so as to limit or diminish the power of the State to control, by legislation or otherwise, the City in the exercise of the political or governmental powers of the City, including expenditures for such exercise; (2) so as to limit or diminish the power of the State to effect setoffs necessary to compensate the State or relieve the State of liability against funds (a) owing to the City from the State, (b) granted to the City by the State, or (c) administered by the State on behalf of the City or the federal government (including funds resulting from federal or state grants), for acts or omissions by the City (including but not limited to misappropriation or misuse of funds); and (3) as a waiver by the State of its rights as a sovereign or rights granted to it pursuant to the Tenth Amendment to the United States Constitution, or limit or diminish the State's exercise of such rights.

**F. Effectiveness of the Plan.**

The Plan shall become effective on the Effective Date. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

**G. Binding Effect of Plan.**

Pursuant to section 944(a) of the Bankruptcy Code, on and after the Effective Date, the provisions of the Plan shall bind all Holders of Claims, and their respective successors and assigns, whether or not the Claim of any such Holder is Impaired under the Plan and whether or not such Holder has accepted the Plan. The releases and settlements effected under the Plan will be operative, and subject to enforcement by the Bankruptcy Court, from and after the Effective Date, including pursuant to the injunctive provisions of the Plan. Once approved, the

compromises and settlements embodied in the Plan, along with the treatment of any associated Allowed Claims, shall not be subject to any collateral attack or other challenge by any Entity in any court or other forum. As such, any Entity that opposes the terms of any compromise and settlement set forth in the Plan must (1) challenge such compromise and settlement prior to Confirmation of the Plan and (2) demonstrate appropriate standing to object and that the subject compromise and settlement does not meet the standards governing bankruptcy settlements under Bankruptcy Rule 9019 and other applicable law.

**ARTICLE IV  
MEANS FOR IMPLEMENTATION OF THE PLAN**

**A. DWSD.**

**1. Rates and Revenues.**

DWSD will maintain Fiscal Year 2015 rate setting protocols for a minimum of five years, subject to certain changes necessary to stabilize water and sewer revenues. Rates will be determined by the Board of Water Commissioners or, if a DWSD Authority is formed and approved by the incorporating units' governing bodies, by the board of any such DWSD Authority. The City may seek to implement a rate stability program for City residents, which program may, among other things, (a) provide a source of funds to mitigate against rate increases, (b) enhance affordability and (c) provide a buffer against delinquent payments.

**2. DWSD CBAs.**

Collective bargaining agreements with respect to current DWSD employees that are in effect and not expired as of the Effective Date will be assumed by the City.

**3. Potential DWSD Authority Transaction.**

As a result of mediation or otherwise, it is possible that the City may enter into a DWSD Authority Transaction that includes the formation of the DWSD Authority to conduct many or all of the operations currently conducted by DWSD. Any such transaction would be subject to the approval of incorporating units and numerous other conditions. The timing of any such transaction, if it occurs at all, is not known. If any such transaction could occur, unless waived by the City in its sole discretion, the City will enter into such transaction only if Macomb County, Oakland County and Wayne County, and each of their municipal affiliates or related public corporations, withdraw with prejudice or shall have withdrawn with prejudice their objections to the Confirmation of the Plan. Any DWSD Authority Transaction shall be on terms that are consistent with all other provisions of the Plan, applicable law and orders of the Bankruptcy Court. The City shall not enter into any binding agreement with respect to or consummate any DWSD Authority Transaction prior to the Effective Date without first obtaining an order of the Bankruptcy Court approving and authorizing such DWSD Authority Transaction.

All terms and conditions in respect of any DWSD Authority Transaction set forth in (a) any DWSD Bond Document or (b) any transaction document in respect of such a DWSD Authority Transaction shall in any case include: (i) no material modifications to the source of payment and security for any DWSD Bonds or 2014 Revenue and Revenue Refinancing Bonds; (ii) an opinion of tax counsel that such transfer shall have no material adverse effect on the tax exempt status of the interest on the DWSD Bonds or 2014 Revenue and Revenue Refinancing Bonds; (iii) that the City could issue at least \$1 of additional new money DWSD Bonds in compliance with the additional bonds test set forth in the applicable DWSD Bond Documents; and (iv) ratings confirmation of any rating agency then rating the DWSD Bonds and 2014 Revenue and Revenue Refinancing Bonds. A DWSD Authority Transaction shall not affect, impair, modify or otherwise alter the rights of any party under the DWSD Tender Order, the DWSD Bond Documents, the DWSD Revolving Bond Documents, the 2014 DWSD Refinancing Obligations, the 2014 Revenue and Revenue Refinancing Bonds or the 2014 Revenue Refinancing Bonds or any Bond Insurance Policy related to or issued in connection with any of the foregoing.

**B. The New B Notes, New C Notes and New LTGO Bonds.**

On or before the Effective Date, the City shall (a) execute the New B Notes Documents, issue the New B Notes, substantially on the terms set forth on Exhibit I.A.246, and distribute the New B Notes as set forth in the Plan; (b) execute the New C Notes Documents, issue the New C Notes, substantially on the terms set forth on Exhibit I.A.248 (and in any case in form and substance reasonably acceptable to the City and Syncora), and distribute the New C Notes as set forth in the Plan; and (c) execute the New LTGO Bond Documents, issue the New LTGO Bonds, substantially on the terms set forth on Exhibit I.A.237, and distribute the New LTGO Bonds as set forth in the Plan.

**C. The UTGO Settlement.**

On the Effective Date, the City and the Settling UTGO Bond Insurers shall consummate the UTGO Settlement Agreement, a copy of which is attached hereto as Exhibit I.A.360. The treatment of Unlimited Tax General Obligation Bond Claims under the Plan is provided for pursuant to the UTGO Settlement Agreement, which involves the settlement of, among other things, the UTGO Litigation and is subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, the UTGO Settlement Agreement pursuant to Bankruptcy Rule 9019.

Pursuant to the UTGO Settlement Agreement, among other things: (1) the Unlimited Tax General Obligation Bond Claims shall be deemed Allowed in the amount of \$388,000,000; (2) the City shall issue the Municipal Obligation to the MFA, which in turn will issue the Restructured UTGO Bonds; (3) Holders of Allowed Unlimited Tax General Obligation Bond Claims shall be entitled to receive their Pro Rata share of \$279,618,950 of the Restructured UTGO Bonds as set forth in Schedule 1a of the UTGO Settlement Agreement; (4) the Settling UTGO Bond Insurers and the Non-Settling UTGO Bond Insurer shall be entitled to receive \$7,941,840 of the Restructured UTGO Bonds as set forth in Schedule 1b to the UTGO Settlement Agreement; and (5) a designee or designees of the City shall have the right to receive the Assigned UTGO Bond Tax Proceeds, which Assigned UTGO Bond Tax Proceeds will be distributed over a 14-year period to the Income Stabilization Funds of GRS and PFRS for the payment of Income Stabilization Payments to Eligible Pensioners and to the Retirement Systems, in accordance with applicable agreements.

Each Settling UTGO Bond Insurer shall receive, as soon as reasonably practicable after the occurrence of a Trigger Event, its allocable share of the Top-Off Payments in accordance with the terms of the UTGO Settlement Agreement.

**D. The State Contribution Agreement.**

Prior to or on the Effective Date, if Classes 10 and 11 vote to accept the Plan, the City, GRS, PFRS and the State will enter into the State Contribution Agreement, substantially on the terms set forth on Exhibit I.A.332.

**1. State Contribution.**

The State or the State's authorized agent will contribute the net present value of \$350 million payable over 20 years using a discount rate of 6.75% to GRS and PFRS for the benefit of the Holders of Pension Claims.

**2. Income Stabilization Payments.**

The Income Stabilization Funds of GRS and PFRS will receive not less than an aggregate amount of \$20 million over 14 years of the Assigned UTGO Bond Tax Proceeds in the form of annual installment payments pursuant to a payment schedule approved by the State. Following the Effective Date, on an annual basis, GRS and PFRS will distribute such portion of the funds held in their respective Income Stabilization Fund to Eligible Pensioners entitled to receive the Income Stabilization Benefit and the Income Stabilization Benefit Plus. The

Income Stabilization Benefit, which will be calculated in the first year following the Effective Date and will not increase thereafter, will be provided by the applicable Retirement System to each Eligible Pensioner. In addition, to the extent that an Eligible Pensioner's estimated adjusted annual household income (as determined by the applicable Retirement System) in any calendar year after the first year of the income stabilization program is less than 105% of the Federal Poverty Level for such year, the applicable Retirement System will distribute the Income Stabilization Benefit Plus to such Eligible Pensioner.

In the event that, in 2022 (provided that the State has not issued a certificate of default under the State Contribution Agreement with respect to GRS or PFRS, as applicable, at any time prior to 2022), it is the opinion of at least 75% of the independent members of the Investment Committee of GRS or PFRS, as applicable, that the Income Stabilization Fund of the applicable Retirement System is credited with Excess Assets, the respective Investment Committee may recommend that the Excess Assets, in an amount not to exceed \$35 million, be used to fund the Adjusted Pension Amounts payable by the applicable Retirement System. In the event that any funds remain in the Income Stabilization Fund of each or either of GRS or PFRS on the date upon which no Eligible Pensioners under the applicable Retirement System are living, such funds shall be used to fund the Adjusted Pension Amounts payable by the applicable Retirement System.

### **3. Conditions to State's Participation.**

The payment of the State Contribution by the State or the State's authorized agent is conditioned upon satisfaction of the conditions precedent set forth in the State Contribution Agreement, including, among other things, the following: (a) the Confirmation Order becoming a Final Order no later than December 31, 2014, which Confirmation Order must contain certain provisions as set forth in the State Contribution Agreement, including a requirement that the governing documents of GRS and PFRS be amended to include (i) the governance terms and conditions set forth in the State Contribution Agreement and (ii) the Income Stabilization Funds and Income Stabilization Payments; (b) the occurrence of the Effective Date no later than April 1, 2015; (c) acceptance of the Plan by Classes 10 and 11, which Plan must be in form and substance reasonably acceptable to the State and contain certain release provisions; (d) the Retiree Committee's endorsement of the Plan, including a letter from the Retiree Committee recommending that Classes 10 and 11 vote in favor of the Plan, or equivalent assurances from member organizations representing a majority of retirees in Classes 10 and 11; (e) active support of the Plan by, a release of and covenant not to sue the State from, and an agreement not to support in any way the litigation described in subsection (f) of this Section by, the City, the Retiree Committee, the Retirement Systems and certain unions and retiree associations, or equivalent assurances of litigation finality; (f) cessation of all litigation, or equivalent assurances of finality of such litigation, including the cessation of funding of any litigation initiated by any other party, as it relates to the City, (i) challenging PA 436 or any actions taken pursuant to PA 436 or (ii) seeking to enforce Article IX, Section 24 of the Michigan Constitution; (g) evidence satisfactory to the State of an irrevocable commitment by the Foundations (excluding the Special Foundation Funders, as that term is defined in the DIA Settlement Documents) to fund \$366 million (or the net present value thereof) as part of the DIA Settlement, as provided in Section IV.E.1; and (h) evidence satisfactory to the State of an irrevocable commitment by DIA Corp. to fund \$100 million (or the net present value thereof) as part of the DIA Settlement, as provided in Section IV.E.1.

The State shall File and serve via the Court's electronic case filing and noticing system a notice that the conditions precedent to the State's payment of the State Contribution have been satisfied or otherwise addressed pursuant to the procedures outlined in the State Contribution Agreement no later than ten days after all such conditions have been satisfied or otherwise addressed.

### **4. Release of Claims Against the State and State Related Entities.**

The State Contribution Agreement requires that the Plan provide for the release of the State and the State Related Entities by each holder of a Pension Claim from all Liabilities arising from or related to the City, the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution, as more particularly described in the State Contribution Agreement and as set forth at Section III.D.7.b.

**E. The DIA Settlement.**

On the Effective Date, the City and the DIA Corp. will enter into the DIA Settlement, pursuant to which (1) the DIA Funding Parties that are such as of the Effective Date have committed to assist in the funding of the City's restructured legacy pension obligations and (2) the City has agreed to enter into certain transactions that will cause the DIA to remain in the City in perpetuity, as described in and subject to the terms and conditions of the DIA Settlement Documents, and to otherwise make the DIA Assets available for the benefit of the residents of the City and the Counties and the citizens of the State. The DIA Settlement Documents attached hereto as Exhibit I.A.127 will qualify the description of the DIA Settlement in the Plan, Disclosure Statement and Exhibit I.A.126. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, the DIA Settlement pursuant to Bankruptcy Rule 9019.

**1. Funding Contributions.**

The DIA Settlement will be funded as follows: (a) irrevocable commitments in an aggregate amount of at least \$366 million by the Foundations (excluding the Special Foundation Funders, as that term is defined in the DIA Settlement Documents); and (b) in addition to its continuing commitments outside of the DIA Settlement, irrevocable commitments in an aggregate amount of \$100 million from the DIA Direct Funders (including the commitment of the Special Foundation Funders, as that term is defined in the DIA Settlement Documents, and subject to certain adjustments as set forth in the DIA Settlement Documents), the payment of which \$100 million will be guaranteed by DIA Corp., subject to the terms of the DIA Settlement Documents. The foregoing commitments shall be funded over the course of the 20 year period immediately following the Effective Date (subject to the annual confirmation of the City's continuing compliance with the terms of the DIA Settlement) according to the "Agreed Required Minimum Schedule" and subject to the option at any time for the "Present Value Discount," as set forth in the DIA Settlement Documents. Amounts committed by the Foundations and the DIA Direct Funders will be paid to the CFSEM Supporting Organization, which will (a) transfer such amounts for the purpose of funding the Retirement Systems upon the City's satisfaction of certain conditions and (b) not be subject to claims of creditors of the Community Foundation for Southeast Michigan.

**2. Transfer of DIA Assets.**

On the Effective Date, the City shall irrevocably transfer all of its right, title and interest in and to the DIA Assets to DIA Corp., as trustee, to be held in perpetual charitable trust, and within the City limits, for the primary benefit of the residents of the City and the Counties and the citizens of the State.

**3. Conditions to the DIA Funding Parties' Participation.**

The DIA Funding Parties' participation in the DIA Settlement is conditioned upon, among other things, the following: (a) execution of the DIA Settlement Documents by each Foundation; (b) the irrevocable commitment from the DIA Corp. described in Section IV.E.1; (c) the acceptance of the Plan by Classes 10 and 11; (d) the irrevocable transfer by the City of the DIA Assets described in Section IV.E.2; (e) approval by the DIA's Board of Directors and the taking effect of the recommendation of the governance committee as described in Exhibit I.A.126; (f) the earmarking of all funds provided by the DIA Funding Parties towards the recoveries upon Pension Claims under the Plan for Holders of Claims in Classes 10 and 11; (g) the adoption of prospective governance and financial oversight mechanisms for the Retirement Systems that are reasonably satisfactory to the DIA Funding Parties; (h) the amendment by DIA Corp. and the art institute authority for each of Macomb County, Oakland County and Wayne County, Michigan of each art institute authority's respective service agreement so that the termination of the 1997 Operating Agreement between the City and DIA Corp. will not affect the art institute authorities' obligations under such agreements to pay millage proceeds to DIA Corp.; (i) the approval of the DIA Settlement by the Attorney General for the State; (j) the agreement of the State to provide the State Contribution; and (k) the City's agreement to indemnify and hold harmless the DIA Funding Parties and the CFSEM Supporting Organization and their Related Entities pursuant to, and in accordance with, the terms of the DIA Settlement Documents.

**F. Contingent Payment Rights**

On or as soon as reasonably practicable after the Confirmation Date, the City shall establish the Restoration Trust. The City shall issue the DWSD CVR to the Restoration Trust. If a Qualifying DWSD Transaction has not occurred before the seventh anniversary of the Effective Date, the DWSD CVR shall terminate and expire. The Restoration Trust shall distribute proceeds from the DWSD CVR in the following amounts and priorities: (1) first, to GRS up to an amount sufficient for all three GRS waterfall classes identified on Exhibit II.B.3.r.ii.C to have their 4.5% pension reductions restored; (2) second, to GRS up to an amount sufficient for all three GRS waterfall classes identified on Exhibit II.B.3.r.ii.C to have 92% of their COLA benefits restored; and (3) third, 53% to GRS and 47% to PFRS. If the City makes any contributions to either GRS or PFRS out of its portion of the Net DWSD Transaction Proceeds, such contributions and earnings thereon shall not be taken into account for determining whether any pension restoration may be made. The DWSD CVR may not be transferred.

**1. Special Restoration**

Any proceeds from the DWSD CVR distributed by the Restoration Trust on account of a Qualifying DWSD Transaction consummated on or before the Effective Date, or fully executed and enforceable before the Effective Date but consummated after the Effective Date, shall be utilized for the purpose of funding the Special Restoration; provided that the City shall act in good faith so as not to unreasonably delay the execution of a Qualifying DWSD Transaction solely to avoid Special Restoration. In such case, the City will perform a Value Determination and arrive at the Discounted Value. The City will engage in good faith discussion as to the reasonableness of the Value Determination with the Retiree Committee or Restoration Trust, as applicable. In the event that the Retiree Committee or the Restoration Trust, as applicable, does not accept the Value Determination, the Retiree Committee or the Restoration Trust, as applicable, may seek to have the Bankruptcy Court determine the dispute, and the City consents to such jurisdiction.

Special Restoration shall follow the priorities of restoration of benefits set forth in Exhibits II.B.3.q.ii.C and II.B.3.r.ii.C. In order for benefits to be restored pursuant to the Special Restoration, such benefits must be fully funded by 50% of the Discounted Value for the full actuarially-determined lives of all participants for whom benefits are restored. In the event that actual Net DWSD Transaction Proceeds from the DWSD CVR do not equal 50% of the contemplated Net DWSD Transaction Proceeds as of the date of the Value Determination, the Investment Committees of the Retirement Systems will reduce or eliminate the Special Restoration benefits, as applicable, by the amount that 50% of the Discounted Value exceeds the actual Net DWSD Transaction Proceeds from the DWSD CVR received or projected to be received using a 6.75% discount rate. In the event that the Retiree Committee, the Restoration Trust or the City, as applicable, does not agree with the reduction in the Special Restoration benefits, the Retiree Committee or the Restoration Trust, as applicable, or the City may consult with the trustees and Investment Committees of PFRS or GRS with respect to any such reduction. Neither the Retiree Committee nor the Restoration Trust shall have any right to initiate any enforcement proceeding with respect to Special Restoration.

**2. General Restoration**

Any Net DWSD Transaction Proceeds from the DWSD CVR distributed by the Restoration Trust on account of a Qualifying DWSD Transaction consummated after the Effective Date, if such Qualifying Transaction was not fully executed and enforceable before the Effective Date, shall be utilized for the purpose of funding the pension trusts, and such cash contributions shall be included in any calculations allowing for the restoration of benefits in accordance with the general rules governing pension restoration as provided for in Exhibits II.B.3.q.ii.C and II.B.3.r.ii.C.

**G. The OPEB Settlement.**

The City and the Retiree Committee have reached a settlement related to the allowance and calculation of the OPEB Claims in Class 12 and the treatment of such Allowed OPEB Claims, the terms of which settlement are reflected in the Plan. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, such settlement pursuant to Bankruptcy Rule 9019.

**H. The LTGO Settlement.**

The City, the LTGO Insurer and BlackRock Financial Management have reached a settlement related to the treatment of Allowed Limited Tax General Obligation Bond Claims, the terms of which settlement are reflected in the Plan. Pursuant to the LTGO Settlement Agreement, Distributions attributable to the Insured LTGO Bonds shall be made to the LTGO Distribution Agent (as opposed to directly to the record owners of the Insured LTGO Bonds or to the LTGO Insurer) for the benefit of the record owners of the Insured LTGO Bonds in accordance with the LTGO Settlement Agreement. In the event that the City intends to redeem the principal amount of New LTGO Notes during any time that the Insured LTGO Bonds are outstanding, the City and the LTGO Distribution Agent shall be required to take certain actions as described in the LTGO Settlement Agreement. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, the LTGO Settlement Agreement pursuant to Bankruptcy Rule 9019.

**I. The Syncora Settlement**

The City and Syncora have reached a settlement effecting a global resolution of all matters and litigation between the parties related to the Chapter 9 Case, as set forth in the Syncora Settlement Documents (the terms of which qualify and control over any description of the Syncora Settlement contained herein). Pursuant to the Syncora Settlement, and in accordance with the Plan, among other things: (1) the City shall, pursuant to Section II.D.1, assume the Tunnel Lease; (2) the parties shall enter into the Syncora Development Agreement; (3) the parties shall dismiss or withdraw the Dismissed Syncora Litigation as set forth in the Syncora Settlement Agreement; (4) any vote cast by Syncora to reject the Plan shall be deemed a vote to accept the Plan; (5) Syncora shall support Confirmation; and (6) on the Effective Date or as soon thereafter as practical, the City shall pay the sum of \$5 million in full satisfaction of all of Claims filed or asserted against the City by Syncora relating to the COP Swap Agreements and any agreements related thereto, including the COP Syncora Swap Insurance Policies and the COP Swap Collateral Agreement. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving and authorizing the parties to enter into, (1) the Syncora Settlement pursuant to Bankruptcy Rule 9019 and (2) the related Syncora Development Agreement (including the garage option) and the Tunnel Lease. The City shall not amend the Plan in any way that adversely affects Syncora without Syncora's prior written consent.

**J. The FGIC/COP Settlement**

The City and FGIC have reached a settlement effecting a global resolution of all matters and litigation between the parties related to the Chapter 9 Case, as set forth in the FGIC/COP Settlement Documents (the terms of which qualify and control over any description of the FGIC/COP Settlement contained herein). Pursuant to the FGIC/COP Settlement, and in accordance with the Plan, among other things: (1) the City and the Developer, for the benefit of FGIC and the FGIC COP Holders, shall enter into the FGIC Development Agreement; (2) FGIC shall, on behalf of the FGIC COP Holders, become a Settling COP Claimant with respect to all COPs and COP Claims associated with COPs originally insured by FGIC; (3) the parties shall dismiss or withdraw the Dismissed FGIC/COP Litigation as set forth in the FGIC/COP Settlement Documents; (4) except for Excluded Actions, FGIC shall waive any claims it may have against any other party related to the Dismissed FGIC/COP Litigation as set forth in the FGIC/COP Settlement Documents; (5) any vote cast by FGIC to reject the Plan shall be deemed a vote to accept the Plan; and (6) in full satisfaction and discharge of FGIC's claims against the City related to FGIC's Swap Insurance Policies, (a) FGIC shall receive an Allowed Class 14 Claim in the amount of \$6.15 million, entitling FGIC to receive the Distributions provided pursuant to Section II.B.3.u.i and (b) the DDA shall assign to FGIC all of its right, title and interest to the New B Notes to be distributed to the DDA pursuant to Section II.B.3.t.ii. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving and authorizing the parties to enter into, (1) the FGIC/COP Settlement pursuant to Bankruptcy Rule 9019 and (2) the related FGIC Development Agreement. The City shall not amend the Plan in any way that adversely affects FGIC without FGIC's prior written consent.

**K. Issuance of the New Securities.**

The City shall issue the New Securities on the Effective Date or a subsequent Distribution Date, as applicable. To the maximum extent provided by section 1145 of the Bankruptcy Code and applicable non-

bankruptcy law, the issuance of New Securities as contemplated by the Plan is exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities. The New Securities (a) are not "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (b) are freely tradable and transferable by any initial recipient thereof that (i) is not an "affiliate" of the City or applicable issuer as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an "affiliate" within 90 days of such transfer, and (iii) is not an entity that is an "underwriter" as defined in subsection (b) of Section 1145 of the Bankruptcy Code.

**L. Cancellation of Existing Bonds, Bond Documents, COPs and COP Documents.**

Except (a) as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, (b) for purposes of evidencing a right to Distribution under the Plan or (c) as specifically provided otherwise in the Plan (including any rejection of Executory Contracts pursuant to Section II.D), on the Effective Date, the Bonds, the Bond Documents, the COPs and the COP Documents will be deemed automatically cancelled, terminated and of no further force or effect against the City without any further act or action under any applicable agreement, law, regulation, order or rule, and the obligations of the parties to the City, as applicable, under the Bonds, the Bond Documents, the COPs and the COP Documents shall be discharged; provided, however, that the Bonds, the Bond Documents, the COPs and the COP Documents shall continue in effect solely (i) to allow the Disbursing Agent to make any Distributions as set forth in the Plan and to perform such other necessary administrative or other functions with respect thereto, (ii) for any trustee, agent, contract administrator or similar entity under the Bond Documents or COP Documents to have the benefit of all the rights and protections and other provisions of the Bond Documents or COP Documents, as applicable, and all other related agreements with respect to priority in payment and lien rights with respect to any Distribution, (iii) to set forth the terms and conditions applicable to parties to the Bond Documents and COP Documents other than the City, (iv) as may be necessary to preserve any claim by (1) a Bondholder or Bond Agent under a Bond Insurance Policy or against any Bond Insurer, (2) a COPs Holder or COP Agent under a COP Insurance Policy or against any COP Insurer or (3) a COP Swap Counterparty under a Swap Insurance Policy or against any insurer thereunder and (v) with respect to any obligation of any party (other than the City, except to the extent provided in the COP Swap Settlement or the COP Swap Settlement Approval Order) under any COP Document related to such party's obligations owed in respect of the COP Swap Documents or the COP Swap Claims. Notwithstanding the foregoing, and except as otherwise expressly provided in the Plan (or the COP Swap Settlement or the COP Swap Settlement Approval Order), such Bonds, Bond Documents, COPs or COP Documents as remain outstanding shall not form the basis for the assertion of any Claim against the City. Nothing in the Plan impairs, modifies, affects or otherwise alters the rights of (a) Bondholders or Bond Agents with respect to claims under applicable Bond Insurance Policies or against the Bond Insurers, (b) COPs Holders or COP Agent with respect to claims under COP Insurance Policies and obligations related thereto or (c) COP Swap Counterparties with respect to claims under Swap Insurance Policies and obligations related thereto. For the avoidance of doubt, except for the immediately preceding sentence, this Section IV.L shall not apply to any Bonds that are Reinstated pursuant to Section II.B.3.a.ii. As of the Effective Date, the principal amounts of the COPs originally insured by FGIC shall be deemed accelerated and due and payable, and no interest on the COPs originally insured by FGIC shall accrue thereafter, solely for the purposes of determining distributions from the COP Trustee to holders of COPs originally insured by FGIC. The foregoing acceleration of principal and cessation of interest shall affect only the rights of each holder of COPs originally insured by FGIC to the receipt of proceeds of distributions under the Plan and not the rights of each such COPs holder against FGIC or shall not in any way modify payments currently required of FGIC under its existing insurance policies or FGIC's Plan of Rehabilitation.

**M. Release of Liens.**

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, or where a Claim is Reinstated, on the Effective Date, all Liens against the City's property will be deemed fully released and discharged, and all of the right, title and interest of any holder of such Liens, including any rights to any collateral thereunder, will revert to the City. As of the Effective Date, (1) the holders of such Liens will be authorized and directed to release any collateral or other property of the City (including any cash collateral) held by such Holder and to take such actions as may be requested by the City to evidence the release of such Lien, including the execution, delivery, filing or recording of such releases as may be requested by the City, and (2) the City shall be authorized to execute and file on behalf of

creditors Form UCC-3 termination statements or such other forms as may be necessary or appropriate to implement the provisions of this Section IV.M.

**N. Professional Fees**

**1. Professional Fee Reserve**

On the Effective Date, the City shall establish and fund the Professional Fee Reserve from the General Fund or, where applicable, the DWSD's funds, in an amount determined by the City to be sufficient to pay the Fee Review Professional Fees that remain unpaid as of the Effective Date, solely to the extent that such amounts are payable from the General Fund or the DWSD's funds. The initial amount of the Professional Fee Reserve shall be equal to the sum of (a) all invoices received from Fee Review Professionals and the Fee Examiner Parties as of the establishment and funding of the Professional Fee Reserve to the extent not yet paid (including holdbacks); (b) an estimate of the Fee Review Professionals' unbilled fees through the Effective Date as determined by the City in consultation with the Fee Review Professionals, which estimate shall be no lower than 125% of the aggregate amount of the highest monthly invoices respectively submitted by each Fee Review Professional pursuant to the Fee Review Order prior to the establishment and funding of the Professional Fee Reserve; and (c) an estimate of the Fee Examiner Parties' unbilled fees and expenses through the projected date of dismissal of the Fee Examiner under Section IV.N.3, as determined by the City in consultation with the Fee Examiner. The funds held in the Professional Fee Reserve may not be used for any purpose other than the payment of Fee Review Professional Fees until any and all disputes regarding the Fee Review Professional Fees, including any disputes arising under the Fee Review Order, have been fully and finally resolved pursuant to a Final Order or a stipulation between the disputing parties. Any amounts remaining in the Professional Fee Reserve after final resolution of all such disputes and the payment of all Fee Review Professional Fees determined to be reasonable in accordance with the Fee Review Order shall be released to the General Fund or the DWSD's funds, as applicable. If the Professional Fee Reserve is insufficient to pay all Fee Review Professional Fees that are determined to be reasonable in accordance with the Fee Review Order and that are payable from the General Fund or the DWSD's funds, the City shall pay such additional amounts from the General Fund or the DWSD's funds, as applicable.

**2. Fee Review Order**

The Fee Examiner shall review all fees and expenses of the Fee Review Professionals for the period from the Petition Date and ending on the Effective Date in accordance with the terms of the Fee Review Order. For the avoidance of doubt, the Fee Review Order shall not apply to any fees or expenses of the Fee Review Professionals for the period on and after the Effective Date, and the Fee Examiner shall not review any such fees or expenses; provided, however, that all fees and expenses of the Fee Examiner Parties, whether incurred before, on or after the Effective Date, shall remain subject to review and approval of the Bankruptcy Court pursuant to the terms of the Fee Review Order.

**3. Dismissal of the Fee Examiner**

Once the Fee Examiner completes his review of all Fee Review Professional Fees and submits or Files all reports related thereto as required by the Fee Review Order, the Fee Examiner shall be dismissed of all duties and obligations under the Fee Examiner Order and the Fee Review Order, other than any obligations of confidentiality thereunder. The confidentiality obligations of the Fee Examiner and the other Fee Examiner Parties, including the confidentiality obligations set forth in paragraph 22 of the Fee Review Order, shall remain binding from and after the Effective Date.

**4. Potential Review of Fees Not Subject to Fee Review Order**

The City shall have the right to bring before the Bankruptcy Court a request to review and determine the reasonableness of the fees and expenses of any Fee Review Professional retained by a creditor of the City or any of its departments to the extent that such fees and expenses have not been either (a) approved pursuant to or in accordance with the DWSD Tender Order, (b) subject to court review or (c) subject to a Bankruptcy Court-approved or agreed upon process for binding arbitration.

**5. Court-Appointed Expert**

The Court-appointed expert, Martha E. M. Kopacz of Phoenix Management Services, and her counsel shall be compensated for any reasonable fees and expenses incurred through the Confirmation Date in accordance with the terms of the Court's Order Appointing Expert Witness (Docket No. 4215), entered on April 22, 2014, as amended.

**O. Assumption of Indemnification Obligations.**

Notwithstanding anything otherwise to the contrary in the Plan, nothing in the Plan shall discharge or impair the obligations of the City as provided in the City Charter of the City or other organizational documents, resolutions, employment contracts, applicable law or other applicable agreements as of the Petition Date to indemnify, defend, reimburse, exculpate, advance fees and expenses to, or limit the liability of officers and employees of the City (consistent with the injunction provisions of Section III.D.5 and including the members of the City Council, the Mayor and the Emergency Manager) and their Related Entities, in each case to the extent such Entities were acting in such capacity, against any claims or causes of action whether direct or derivative, liquidated or unliquidated, foreseen or unforeseen, asserted or unasserted; provided that this Section IV.O shall be read in conjunction with the provisions for Indirect Employee Indemnity Claims set forth in Section III.D.5. Notwithstanding the foregoing, Retirement System Indemnity Obligations shall not be assumed under the Plan and shall be discharged. For the avoidance of doubt, no indemnification provision in any loan document, bond document, Bond Insurance Policy or other agreement with a Bond Insurer is exempted from discharge by reason of this Section IV.O.

**P. Incorporation of Retiree Health Care Settlement Agreement.**

The terms of the Retiree Health Care Settlement Agreement resolving the Retiree Health Care Litigation, which agreement is attached hereto as Exhibit I.A.298, are incorporated herein by reference and shall be binding upon the parties thereto.

**Q. Payment of Workers' Compensation Claims.**

From and after the Effective Date, (a) the City will continue to administer (either directly or through a third party administrator) and pay all valid claims for benefits and liabilities for which the City is responsible under applicable State workers' compensation law, regardless of when the applicable injuries were incurred, in accordance with the City's prepetition practices and procedures and governing State workers' compensation law, and (b) nothing in the Plan shall discharge, release or relieve the City from any current or future liability under applicable State workers' compensation law. The City expressly reserves the right to challenge the validity of any claim for benefits or liabilities arising under applicable State workers' compensation law.

**R. 36th District Court Settlement.**

The City and the Settling 36th District Court Claimants have reached a settlement related to (1) the allowance of certain of the Settling 36th District Court Claimants' Claims and (2) the treatment of Allowed Indirect 36th District Court Claims under the Plan substantially on the terms attached hereto as Exhibit I.A.9. The 36th District Court Settlement is incorporated into the Plan, which shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, such settlement pursuant to Bankruptcy Rule 9019.

**S. Payment of Certain Claims Relating to the Operation of City Motor Vehicles.**

From and after the Effective Date, the City will continue to administer (either directly or through a third party administrator) and pay valid prepetition Claims for liabilities with respect to which the City is required to maintain insurance coverage pursuant to MCL § 500.3101 in connection with the operation of the City's motor vehicles, as follows: (1) Claims for personal protection benefits as provided by MCL § 500.3107 and MCL § 500.3108, for which insurance coverage is required by MCL § 500.3101(1), shall be paid in full, to the extent valid, provided, however, that the City will not be liable for or pay interest or attorneys' fees under MCL § 500.3142

or MCL § 500.3148 on prepetition Claims for personal protection benefits; (2) tort claims permitted by MCL § 500.3135, for which residual liability insurance coverage is required by MCL § 500.3101(1) and MCL § 500.3131, shall be paid, to the extent valid, only up to the minimum coverages specified by MCL § 500.3009(1), *i.e.*, up to a maximum of (a) \$20,000 because of bodily injury to or death of one person in any one accident, and subject to that limit for one person, (b) \$40,000 because of bodily injury to or death of two or more persons in any one accident and (c) \$10,000 because of injury to or destruction of property of others in any accident; and (3) Claims for property protection benefits under MCL § 500.3121 and MCL § 500.3123 shall be paid, to the extent valid, only up to the maximum benefits specified in MCL § 500.3121; provided, however, for the avoidance of doubt, to the extent any valid Claim subject to subsections 2 and 3 above exceeds the applicable payment limits, the excess claim amount shall be treated as an Other Unsecured Claim or a Convenience Claim (as applicable). Nothing in the Plan shall discharge, release or relieve the City from any current or future liability with respect to Claims subject to insurance coverage pursuant to MCL § 500.3101 or Claims within the minimum coverage limits in MCL § 500.3009(1). The City expressly reserves the right to challenge the validity of any Claim subject to this Section IV.S, and nothing herein shall be deemed to expand the City's obligations or claimants' rights with respect to these Claims under State law.

**T. Payment of Tax Refund Claims.**

From and after the Effective Date, the City will continue to administer (either directly or through a third party administrator) and pay all valid claims for income tax refunds and property tax refunds for which the City is responsible under applicable law, regardless of when the applicable right to a refund arose, in accordance with the City's prepetition practices and procedures. The City expressly reserves the right to challenge the validity of any claim for an income tax refund or property tax refund.

**U. Utility Deposits.**

From and after the Effective Date, the City will continue to administer utility deposits in accordance with the City's prepetition practices and procedures, including the payment of any undisputed, non-contingent, liquidated claims against the City for the refund of a utility deposit.

**V. Pass-Through Obligations.**

The City shall continue to honor its Pass-Through Obligations to the Pass-Through Recipients.

**W. Exit Facility.**

On the Effective Date, the City shall enter into the Exit Facility, as well as any ancillary notes, documents or agreements in connection therewith, including, without limitation, any documents required in connection with the creation or perfection of the liens securing the Exit Facility.

**X. Post-Effective Date Governance.**

Prior to or on the Effective Date, the Financial Review Commission shall be established pursuant to and in accordance with the Financial Review Commission Act. The Financial Review Commission shall provide oversight as set forth in the Financial Review Commission Act, including to ensure that, post-Effective Date, the City adheres to the Plan and continues to implement financial and operational reforms that promote more efficient and effective delivery of services to City residents. The City shall promptly provide to the Bankruptcy Court copies of any reports given to, or received from, the Financial Review Commission. Nothing herein shall expand, limit or otherwise modify the role or powers of the Financial Review Commission.

**ARTICLE V  
PROVISIONS REGARDING DISTRIBUTIONS UNDER THE PLAN**

**A. Appointment of Disbursing Agent.**

The City may act as Disbursing Agent or may employ or contract with other Entities to act as the Disbursing Agent or to assist in or make the Distributions required by the Plan. Any Disbursing Agent appointed by the City will serve without bond. Other than as specifically set forth in the Plan, the Disbursing Agent shall make all Distributions required to be made under the Plan.

**B. Distributions on Account of Allowed Claims.**

Except as otherwise provided in the Plan, on the Effective Date or as soon as practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim shall receive from the Disbursing Agent, the Bond Agent or the COP Agent, as applicable, the Distributions that the Plan provides for Allowed Claims in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, Distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Section VI.B. Except as otherwise provided in the Plan, Holders of Claims shall not be entitled to interest, dividends or accruals on the Distributions provided for in the Plan, regardless of whether such Distributions are delivered on or at any time after the Effective Date. Notwithstanding anything to the contrary in the Plan, no Holder of an Allowed Claim shall, on account of such Allowed Claim, receive a Distribution in excess of the Allowed amount of such Claim.

**C. Certain Claims to Be Expunged.**

Any Claim that has been or is hereafter listed in the List of Creditors as contingent, unliquidated or disputed, and for which no proof of Claim is or has been timely Filed, is not considered to be an Allowed Claim and shall be expunged without further action by the City and without further notice to any party or any action, approval or order of the Bankruptcy Court.

**D. Record Date for Distributions; Exception for Bond Claims.**

With the exception of Bond Claims, neither the City nor any Disbursing Agent will have any obligation to recognize the transfer of, or the sale of any participation in, any Claim that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes herein to recognize and distribute only to those Holders of Allowed Claims (including Holders of Claims that become Allowed after the Distribution Record Date) that are Holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date. With the exception of the Bond Claims, the City and any Disbursing Agent shall instead be entitled to recognize and deal for all purposes under the Plan with only those record Holders stated on the official Claims Register as of the close of business on the Distribution Record Date. Unless otherwise set forth in the Confirmation Order, the City shall not establish a record date for Distributions to Holders of Bond Claims.

**E. Means of Cash Payments.**

Except as otherwise specified herein, all Cash payments made pursuant to the Plan shall be in U.S. currency and made by check drawn on a domestic bank selected by the Disbursing Agent or, at the option of the Disbursing Agent, by wire transfer, electronic funds transfer or ACH from a domestic bank selected by the Disbursing Agent; provided, however, that Cash payments to foreign Holders of Allowed Claims may be made, at the option of the Disbursing Agent, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

**F. Selection of Distribution Dates for Allowed Claims.**

Except where the Plan requires the making of a Distribution on account of a particular Allowed Claim within a particular time, the Disbursing Agent shall have the authority to select Distribution Dates that, in the judgment of the Disbursing Agent, provide Holders of Allowed Claims with payments as quickly as reasonably practicable while limiting the costs incurred in the distribution process. Upon the selection of a Distribution Date by the Disbursing Agent, the Disbursing Agent shall File a notice of such Distribution Date that provides information regarding the Distribution to be made.

**G. Limitations on Amounts to Be Distributed to Holders of Allowed Claims Otherwise Insured.**

No Distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the City's insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy; provided that, if the City believes a Holder of an Allowed Claim has recourse to an insurance policy and intends to direct the Disbursing Agent to withhold a Distribution pursuant to this Section V.G, the City shall provide written notice to such Holder regarding what the City believes to be the nature and scope of applicable insurance coverage. To the extent that one or more of the City's insurance carriers agrees to satisfy a Claim in full, then immediately upon such agreement such Claim may be expunged without a Claims objection having to be Filed and without any further notice or any action, order or approval of the Bankruptcy Court. Nothing in the Plan, including this Section V.G, shall constitute a waiver of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action or liabilities that any Entity may hold against any other Entity, including the City's insurance carriers and Bond Insurers, other than the City. For the avoidance of doubt, this Section shall not apply to Bond Insurance Policies or Swap Insurance Policies.

**H. City's Rights of Setoff Preserved.**

Notwithstanding anything to the contrary in the Plan, pursuant to section 553 of the Bankruptcy Code or otherwise applicable non-bankruptcy law, the City may set off against any Allowed Claim and the Distributions to be made pursuant to the Plan on account of such Allowed Claim the claims, rights and Causes of Action of any nature that the City may assert against the Holder of such Claim; provided, however, that neither the failure to effect a setoff nor the allowance of any Claim pursuant to the terms of the Plan shall constitute a waiver or release by the City of any claims, rights and Causes of Action that the City may assert against such Holder, all of which are expressly preserved.

**I. Delivery of Distributions and Undeliverable or Unclaimed Distributions.**

**1. Delivery of Distributions Generally.**

Except as set forth in Section V.I.2, Distributions to Holders of Allowed Claims shall be made at the addresses set forth in the City's records unless such addresses are superseded by proofs of Claim or transfers of Claim Filed pursuant to Bankruptcy Rule 3001.

**2. Delivery of Distributions on Account of Bond Claims.**

Distributions on account of the Bond Claims shall (a) be made by the Disbursing Agent to the Bond Agent under the applicable Bond Documents for the benefit of Holders of Bond Claims and (b) be deemed completed when made by the Disbursing Agent to the Bond Agent as if such Distributions were made directly to the Holders of such Claims. The applicable Bond Agent, in turn, shall make such distributions to the applicable Holders pursuant to the terms and conditions of the applicable Bond Documents and subject to the respective rights, claims and interests, if any, that the Bond Agent may have under the applicable Bond Documents or otherwise to the recovery or reimbursement of their fees, costs and expenses (including the fees, costs and expenses of counsel and financial advisors) from any distribution hereunder, whether such rights, claims or interests are in the nature of a charging lien or otherwise. The Bond Agent shall not be required to give any bond, surety or other security for the performance of its duties with respect to such Distributions.

**3. De Minimis Distributions / No Fractional New Securities.**

No distribution shall be made by the Disbursing Agent on account of an Allowed Claim if the amount to be distributed to the specific Holder of an Allowed Claim on the applicable Distribution Date has an economic value of less than \$25.00. No fractional New Securities shall be distributed. Where a fractional portion of a New Security otherwise would be called for under the Plan, the actual issuance shall reflect a rounding down to the nearest whole New Security.

**4. Undeliverable or Unclaimed Distributions.**

In the event that any Distribution to any Holder is returned as undeliverable, no Distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such Distribution shall be made to such Holder without interest.

**Any Holder of an Allowed Claim that does not claim an undeliverable or unclaimed Distribution within six months after the Effective Date shall be deemed to have forfeited its claim to such Distribution and shall be forever barred and enjoined from asserting any such claim against the City or its property.** In such cases, any Cash held by the City on account of such undeliverable or unclaimed Distributions shall become the property of the City free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary. Any New Securities held for distribution on account of such Claims shall be canceled and of no further force or effect. Nothing contained in the Plan shall require any Disbursing Agent to attempt to locate any Holder of an Allowed Claim.

**5. Time Bar to Cash Payment Rights.**

Checks issued in respect of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for reissuance of any check shall be made to the Disbursing Agent by the Holder of the Allowed Claim to whom such check originally was issued within 180 days after the date of the original check issuance. After such date, the Claim of any Holder to the amount represented by such voided check shall be released and forever barred from assertion against the City and its property.

**J. Other Provisions Applicable to Distributions in All Classes.**

**1. No Postpetition Interest.**

Except as otherwise specifically provided for in the Plan, or required by applicable bankruptcy law, the City shall have no obligation to pay any amount that constitutes or is attributable to interest on an Allowed Claim accrued after the Petition Date and no Holder of a Claim shall be entitled to be paid any amount that constitutes or is attributable to interest accruing on or after the Petition Date on any Claim without regard to the characterization of such amounts in any document or agreement or to whether such amount has accrued for federal income tax purposes. Any such amount that constitutes or is attributable to interest that has been accrued and has not been paid by the City shall be cancelled as of the Effective Date for federal income tax purposes.

**2. Compliance with Tax Requirements.**

In connection with the Plan and all instruments issued in connection therewith and distributed thereon, the City and any Disbursing Agent shall comply with all Tax withholding and reporting requirements imposed on it by any governmental unit, and all Distributions under the Plan shall be subject to such withholding and reporting requirements. All such amounts withheld and paid to the appropriate governmental unit shall be treated as if made directly to the Holder of an Allowed Claim. The City and the Disbursing Agent shall be authorized to take any actions that they determine, in their reasonable discretion, to be necessary or appropriate to comply with such withholding and reporting requirements, including withholding Distributions pending receipt of information necessary to facilitate such Distributions, or establishing any other mechanisms they believe are reasonable and appropriate.

Notwithstanding any other provision of the Plan, each Entity receiving or deemed to receive a Distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax imposed on such Entity on account of such Distribution, including income, withholding and other Tax obligations. The City has the right, but not the obligation, to refuse, or to direct a Disbursing Agent to refuse, to make a Distribution until a Holder of an Allowed Claim has made arrangements satisfactory to the City and any Disbursing Agent for payment of any such Tax obligations. The City may require, as a condition to making a Distribution, that the Holder of an Allowed Claim provide the City or any Disbursing Agent with a completed Form W-8, W-9 or other Tax information, certifications and supporting documentation, as applicable.

If the City makes such a request and the Holder of an Allowed Claim fails to comply before the date that is 180 days after the initial request is made, the amount of such Distribution shall irrevocably revert to the City and any Claim in respect of such Distribution shall be released and forever barred from assertion against the City and its property.

**3. Allocation of Distributions.**

All Distributions to Holders of Allowed Claims that have components of principal and interest shall be deemed to apply first to the principal amount of such Claim until such principal amount is paid in full, and then the remaining portion of such Distributions, if any, shall be deemed to apply to any applicable accrued interest included in such Claim to the extent interest is payable under the Plan.

**4. Surrender of Instruments.**

As a condition to participation under this Plan, the Holder of a note, debenture or other evidence of indebtedness of the City that desires to receive the property to be distributed on account of an Allowed Claim based on such note, debenture or other evidence of indebtedness shall surrender such note, debenture or other evidence of indebtedness to the City or its designee (unless such Holder's Claim will not be Impaired by the Plan, in which case such surrender shall not be required), and shall execute and deliver such other documents as are necessary to effectuate the Plan; provided, however, that, if a claimant is a Holder of a note, debenture or other evidence of indebtedness for which no physical certificate was issued to the Holder but which instead is held in book-entry form pursuant to a global security held by the Depository Trust Company or other securities depository or custodian thereof, there shall be no requirement of surrender. In the City's sole discretion, if no surrender of a note, debenture or other evidence of indebtedness occurs and the Holder of Claim does not provide an affidavit and indemnification agreement, in form and substance reasonably satisfactory to the City, that such note, debenture or other evidence of indebtedness was lost, then no distribution may be made to such Holder in respect of the Claim based on such note, debenture or other evidence of indebtedness. For the avoidance of doubt, (a) no Bond, note, debenture or other evidence of indebtedness of the City shall be surrendered or deemed surrendered that is subject to any Bond Insurance Policy and (b) no COP shall be surrendered or deemed surrendered hereby to the extent necessary to make or preserve a claim under any applicable policies or other instruments insuring the COPs and obligations related thereto or against any party, other than the City, that insures the COPs. Notwithstanding the foregoing, such Bonds or Bond Documents as remain outstanding shall not form the basis for the assertion of any Claim against the City.

**ARTICLE VI  
PROCEDURES FOR RESOLVING DISPUTED CLAIMS**

**A. Treatment of Disputed Claims.**

**1. General.**

No Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) allowing such Claim. Notwithstanding any other provision of the Plan, no payments or Distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim. Without limiting the foregoing in any way, no partial payments and no partial Distributions will be made with respect to a disputed, contingent or

unliquidated Claim, or with respect to any Claim for which a proof of Claim has been Filed but not Allowed, until the resolution of such disputes or estimation or liquidation of such Claim by settlement or by Final Order.

**2. ADR Procedures.**

At the City's option, any Disputed Claim designated or eligible to be designated for resolution through the ADR Procedures may be submitted to the ADR Procedures in accordance with the terms thereof and the ADR Procedures Order. For the avoidance of doubt, the designation of a Disputed Claim for resolution through the ADR Procedures, either prior to or after the Effective Date, will not modify, and will not be deemed to have modified, the terms of the ADR Injunction imposed pursuant to the ADR Procedures Order. Disputed Claims not resolved through the ADR Procedures will be resolved pursuant to the Plan.

**3. Tort Claims.**

At the City's option, any unliquidated Tort Claim (as to which a proof of Claim was timely Filed in the Chapter 9 Case) not resolved through the ADR Procedures or pursuant to a Final Order of the Bankruptcy Court will be determined and liquidated in the administrative or judicial tribunal(s) in which it is pending on the Effective Date (subject to the City's right to seek removal or transfer of venue) or, if no action was pending on the Effective Date, in an administrative or judicial tribunal of appropriate jurisdiction that (a) has personal jurisdiction over the parties, (b) has subject matter jurisdiction over the Tort Claim and (c) is a proper venue. The City may exercise the above option by service upon the holder of the applicable Tort Claim of a notice informing such holder that the City has exercised such option (which notice shall be deemed to satisfy the notice requirements of Section I.B of the ADR Procedures). Upon the City's service of such notice, the automatic stay imposed pursuant to sections 362 and 922 of the Bankruptcy Code (along with any extension of such stay pursuant to the terms of the Stay Extension Order) or, after the Effective Date, the injunction set forth at Section III.D.5, will be deemed modified, without the necessity for further Bankruptcy Court approval or any further action by the City, solely to the extent necessary to allow the parties to determine or liquidate the Tort Claim in the applicable administrative or judicial tribunal(s); provided that nothing contained in this Section will modify, or will be deemed to have modified, the terms of the Stay Extension Order with respect to any Tort Claim prior to the City having served notice of its intent to determine and liquidate such Tort Claim pursuant to this Section. If the City does not serve such a notice upon a holder of a Tort Claim by the Claims Objection Bar Date, such holder may file a motion with the Bankruptcy Court no later than 30 days after the Claims Objection Bar Date seeking relief from the discharge injunction imposed pursuant to Section III.D.5 in order to liquidate and determine its Claim, which right and the deadline for exercising such right shall be set forth in the notice of entry of the Confirmation Order.

Any Tort Claim determined and liquidated pursuant to a judgment obtained in accordance with this Section VI.A.3 and applicable non-bankruptcy law that is no longer appealable or subject to review will be deemed an Allowed Claim, provided that only the amount of such Allowed Tort Claim that is not satisfied from proceeds of insurance payable to the holder of such Allowed Tort Claim will be treated as an Allowed Claim for the purposes of distributions under the Plan and subject to the terms of the Plan. Distributions on account of any such Allowed Tort Claim shall be made in accordance with the Plan. Nothing contained in this Section will constitute or be deemed a waiver of any claim, right or Cause of Action that the City may have against any Entity in connection with or arising out of any Tort Claim, including any rights under section 157(b)(5) of title 28 of the United States Code. All claims, demands, rights, defenses and Causes of Action that the City may have against any Entity in connection with or arising out of any Tort Claim are expressly retained and preserved.

**B. Disputed Claims Reserve.**

On and after the Effective Date, until such time as all Disputed Claims have been compromised and settled or determined by Final Order and before making any Distributions, consistent with and subject to section 1123(a)(4) of the Bankruptcy Code, the City shall establish and maintain a reserve of property equal to (1) the Distributions to which Holders of Disputed Claims would be entitled under the Plan if such Disputed Claims were Allowed Claims in the Face Amount of such Disputed Claims or (2) such lesser amount as required by an order of the Bankruptcy Court. On the first Distribution Date that is at least 30 days (or such fewer days as may be agreed to by the City in its sole discretion) after the date on which a Disputed Claim becomes an Allowed Claim, the Disbursing Agent shall remit to the Holder of such Allowed Claim any Distributions such Holder would have been

entitled to under the Plan on account of such Allowed Claim had such Claim been Allowed as of the Effective Date. If a Disputed Claim is disallowed by Final Order, the property reserved on account shall become available for Distribution to the Holders of Allowed Claims within the Class(es) entitled to receive such property. Each Holder of a Disputed Claim that ultimately becomes an Allowed Claim will have recourse only to the assets held in the disputed claims reserve and not to any other assets held by the City, its property or any property previously distributed on account of any Allowed Claim.

**C. Objections to Claims.**

**1. Authority to Prosecute, Settle and Compromise.**

The City's rights to object to, oppose and defend against all Claims on any basis are fully preserved. As of the Effective Date, only the City shall have the authority to File, settle, compromise, withdraw or litigate to judgment objections to Claims, including pursuant to the ADR Procedures or any similar procedures approved by the Bankruptcy Court. Any objections to Claims shall be Filed no later than the Claims Objection Bar Date. On and after the Effective Date, the City may settle or compromise any Disputed Claim or any objection or controversy relating to any Claim without any further notice or any action, order or approval of the Bankruptcy Court.

**2. Expungement or Adjustment of Claims Without Objection.**

Any Claim that has been paid, satisfied or superseded shall be expunged from the Claims Register by the Claims and Balloting Agent at the request of the City, and any Claim that has been amended by the Holder of such Claim shall be adjusted on the Claims Register by the Claims and Balloting Agent at the request of the City, without the Filing of an objection and without any further notice or any action, order or approval of the Bankruptcy Court.

**3. Extension of Claims Objection Bar Date.**

Upon motion by the City to the Bankruptcy Court, the City may request, and the Bankruptcy Court may grant, an extension to the Claims Objection Bar Date generally or with respect to specific Claims. Any extension granted by the Bankruptcy Court shall not be considered to be a modification to the Plan under section 1127 of the Bankruptcy Code.

**4. Authority to Amend List of Creditors.**

The City will have the authority to amend the List of Creditors with respect to any Claim and to make Distributions based on such amended List of Creditors without approval of the Bankruptcy Court. If any such amendment to the List of Creditors reduces the amount of a Claim or changes the nature or priority of a Claim, the City will provide the Holder of such Claim with notice of such amendment and such Holder will have 20 days to File an objection to such amendment with the Bankruptcy Court. If no such objection is Filed, the Disbursing Agent may proceed with Distributions based on such amended List of Creditors without approval of the Bankruptcy Court.

**ARTICLE VII  
RETENTION OF JURISDICTION**

Pursuant to sections 105(c), 945 and 1142(b) of the Bankruptcy Code and notwithstanding entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 9 Case and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

A. Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the amount, allowance, priority or classification of Claims;

B. Confirm the maturity date and the terms as written of the collective bargaining agreements identified on Exhibit II.D.5 of the Plan, which agreements are incorporated as part of the Plan (it being understood that the enforcement, interpretation and resolution of disputes of the terms of the contracts shall proceed under applicable state law);

C. Resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease and to hear, determine and, if necessary, liquidate any Claims arising therefrom, including claims for payment of any cure amount;

D. Ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

E. Adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, and grant or deny any applications involving the City that may be pending on the Effective Date or brought thereafter;

F. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

G. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;

H. Approve any modification of the Plan or approve any modification of the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any order, the Plan, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or the Confirmation Order, or enter any order in aid of confirmation pursuant to sections 945 and 1142(b) of the Bankruptcy Code, in such manner as may be necessary or appropriate to consummate the Plan;

I. Issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

J. Adjudicate, decide or resolve any matters relating to the City's compliance with the Plan and the Confirmation Order consistent with section 945 of the Bankruptcy Code;

K. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or Distributions pursuant to the Plan are enjoined or stayed;

L. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

M. Resolve any matters, cases, controversies, suits or disputes that may arise in connection with the FGIC Development Agreement;

N. Resolve any matters, cases, controversies, suits or disputes that may arise in connection with the Syncora Development Agreement

O. Enforce or clarify any orders previously entered by the Bankruptcy Court in the Chapter 9 Case;

P. Enter a final decree closing the Chapter 9 Case pursuant to section 945(b) of the Bankruptcy Code; and

Q. Hear any other matter over which the Bankruptcy Court has jurisdiction under the provisions of the Bankruptcy Code and the Bankruptcy Rules subject to any limits on the Bankruptcy Court's jurisdiction and powers under sections 903 and 904 of the Bankruptcy Code.

## **ARTICLE VIII MISCELLANEOUS PROVISIONS**

### **A. Plan Supplements.**

All Plan Supplements not previously filed will be Filed no later than ten days before the Confirmation Hearing.

### **B. Modification of the Plan.**

Subject to section 942 and 1127(d) of the Bankruptcy Code, the City may alter, amend or modify the Plan or the Exhibits at any time prior to or after the Confirmation Date but prior to the substantial consummation of the Plan. A Holder of a Claim that has accepted the Plan shall be deemed to have accepted the Plan as altered, amended or modified so long as the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

### **C. Revocation of the Plan.**

The City reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the City revokes or withdraws the Plan, or if the Confirmation Date does not occur, then the Plan shall be null and void in all respects, and nothing contained in the Plan, nor any action taken or not taken by the City with respect to the Plan, the Disclosure Statement or the Confirmation Order, shall be or shall be deemed to be: (1) a waiver or release of any claims by or against the City; (2) an admission of any sort by the City or any other party in interest, or (3) prejudicial in any manner to the rights of the City or any other party in interest.

### **D. Severability of Plan Provisions.**

If any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, in each case at the election of and with the consent of the City, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the City's consent; and (3) non-severable and mutually dependent.

### **E. Effectuating Documents and Transactions.**

The City is authorized to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan and any notes or securities issued pursuant to the Plan. All such actions shall be deemed to have occurred and shall be in effect pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any requirement of further action by the City Council, the Emergency Manager, the Mayor or any employees or officers of the City. On the Effective Date, the appropriate employees and officers of the City are authorized and directed to execute and deliver the agreements, documents and instruments contemplated

by the Plan, and to take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan, in the name and on behalf of the City.

**F. Successors and Assigns.**

Except as expressly provided otherwise in the Plan, the rights, benefits and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, Affiliate, representative, beneficiary or guardian, if any, of each Entity.

**G. Plan Controls.**

In the event and to the extent that any provision of the Plan is inconsistent with the provisions of the Disclosure Statement, the provisions of the Plan shall control and take precedence.

**H. Notice of the Effective Date.**

On or before ten Business Days after occurrence of the Effective Date, the City shall mail or cause to be mailed to all Holders of Claims a notice that informs such Holders of (1) entry of the Confirmation Order; (2) the occurrence of the Effective Date; (3) the assumption and rejection of Executory Contracts and Unexpired Leases pursuant to the Plan, as well as the deadline for the filing of Claims arising from such rejection; (4) the deadline for the filing of Administrative Claims; and (5) such other matters as the City deems to be appropriate.

**I. Governing Law.**

Unless (1) a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or (2) otherwise specifically stated herein or in any contract, articles or certificates of incorporation, bylaws, codes of regulation, ordinance, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the laws of the State of Michigan, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction and implementation of the Plan and any contract, articles or certificates of incorporation, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan.

**J. Request for Waiver of Automatic Stay of Confirmation Order.**

The Plan shall serve as a motion seeking a waiver of the automatic stay of the Confirmation Order imposed by Bankruptcy Rule 3020(e). Any objection to this request for waiver shall be Filed and served on the parties listed in Section VIII.L on or before the Voting Deadline.

**K. Term of Existing Injunctions and Stays.**

**All injunctions or stays provided for in the Chapter 9 Case under sections 105, 362 or 922 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.**

**L. Service of Documents**

Any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to (1) the City and (2) the Retiree Committee must be sent by overnight delivery service, facsimile transmission, courier service or messenger to:

**1. The City**

David G. Heiman, Esq.  
Heather Lennox, Esq.  
Thomas A. Wilson, Esq.  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212

Bruce Bennett, Esq.  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 243 2382  
Facsimile: (213) 243 2539

Jonathan S. Green, Esq.  
Stephen S. LaPlante, Esq.  
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500

(Counsel to the City)

**2. The Retiree Committee**

Claude Montgomery, Esq.  
Carole Neville, Esq.  
DENTONS US LLP  
1221 Avenue of the Americas  
New York, New York 10020  
Telephone: (212) 768-6700  
Facsimile: (212) 768-6800

Sam J. Alberts, Esq.  
DENTONS US LLP  
1301 K Street NW, Suite 600, East Tower  
Washington, DC 20005-3364  
Telephone: (202) 408-6400  
Facsimile: (202) 408-6399

Matthew E. Wilkins, Esq.  
Paula A. Hall, Esq.  
BROOKS WILKINS SHARKEY & TURCO PLLC  
401 South Old Woodward, Suite 400  
Birmingham, Michigan 48009  
Telephone: (248) 971-1711  
Facsimile: (248) 971-1801

(Counsel to the Retiree Committee)

Dated: October 22, 2014

Respectfully submitted,

The City of Detroit, Michigan

By: /s/ Kevyn D. Orr  
Name: Kevyn D. Orr  
Title: Emergency Manager for the City of Detroit, Michigan

COUNSEL:

/s/ David G. Heiman  
David G. Heiman  
Heather Lennox  
Thomas A. Wilson  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212

Bruce Bennett  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 243 2382  
Facsimile: (213) 243 2539

Jonathan S. Green  
Stephen S. LaPlante  
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500

ATTORNEYS FOR THE DEBTOR

EXHIBIT I.A.9

PRINCIPAL TERMS OF 36TH DISTRICT COURT SETTLEMENT

**TERM SHEET REGARDING CLAIMS INVOLVING 36TH DISTRICT COURT**

|                                     |   |
|-------------------------------------|---|
| <p>I. Parties</p>                   | <ul style="list-style-type: none"> <li>• The City of Detroit, Michigan (the "<u>City</u>")</li> <li>• The 36th District Court, State of Michigan (the "<u>36th District Court</u>")</li> <li>• Local 917 and Local 3308 of the American Federation of State, County and Municipal Employees (the "<u>AFSCME Locals</u>")</li> <li>• Bobby Jones, Richard T. Weatherly, Roderick Holley and Carlton Carter (collectively, the "<u>Individual Claimants</u>" and, together with the City, the 36th District Court and the AFSCME Locals, the "<u>Parties</u>")</li> </ul>   |
| <p>II. Resolved Proofs of Claim</p> | <p>This Term Sheet applies to all proofs of claim (collectively, the "<u>Claims</u>") filed by: (a) the AFSCME Locals, (b) the individuals and entities identified in the AFSCME Locals Claim (as defined below), with the exception of any proof of claim filed by Arnette Rodgers solely to the extent such proof of claim asserts liabilities that arise from that certain proceeding pending in the United States District Court for the Eastern District of Michigan and captioned <u>Arnette Rodgers, et al. v. 36th District court and Chief Judge Marilyn Adkins</u>, Case No. 10-cv-11799 (E.D. Mich.); (c) the Individual Claimants; and (d) the 36th District Court. The Claims include, without limitation, the following proofs of claim:</p> <ul style="list-style-type: none"> <li>• Proof of claim number 1828 filed by Bobby Jones (the "<u>Jones Claim</u>") asserting a general unsecured nonpriority claim in the amount of \$1,039,242.40;</li> <li>• Proof of claim number 1843 filed by Richard T. Weatherly (the "<u>Weatherly Claim</u>") asserting the total amount of \$1,580,708.74 (consisting of \$1,568,233.74 asserted as a general unsecured nonpriority claim and \$12,475.00 asserted as a priority claim pursuant to section 507(a)(4) of title 11 of the United States Code (the "<u>Bankruptcy Code</u>"));</li> <li>• Proof of claim number 2280 filed by Roderick Holley (the "<u>Holley Claim</u>") asserting the total amount of \$1,408,200.13 (consisting of \$1,395,725.13 asserted as a general unsecured nonpriority claim and \$12,475.00 asserted as a priority claim pursuant to section 507(a)(4) of the Bankruptcy Code);</li> <li>• Proof of claim number 2281 filed by Carlton Carter (the "<u>Carter Claim</u>") asserting a general unsecured nonpriority claim in the total amount of \$1,621,760.41;</li> <li>• Proof of claim number 2422 filed by the 36th District Court (the "<u>36th District Court Claim</u>") asserting contingent and unliquidated liabilities against the City; and</li> <li>• Proof of claim number 2841 filed by the AFSCME Locals (the "<u>AFSCME Locals Claim</u>") asserting general unsecured nonpriority claims in the total amount of \$8,747,322.44 on behalf of the AFSCME Locals' members and themselves arising from grievances, administrative actions and other legal proceedings that the AFSCME Locals commenced against the 36th District Court.</li> </ul> |

|   |   |
|---|---|
| <p>III. Agreed Liquidated Amounts of Claims</p> | <p>By agreement of the Parties, (a) the 36th District Court Claim is withdrawn with prejudice and (b) the remaining Claims (collectively, the "<u>Allowed Claims</u>") are liquidated and deemed allowed as follows:</p> <ul style="list-style-type: none"> <li>• The Jones Claim is liquidated as a nonpriority unsecured claim in the amount \$1,061,716.99.</li> <li>• The Weatherly Claim is liquidated as a nonpriority unsecured claim in the amount of \$1,486,820.23.</li> <li>• The Holley Claim is liquidated as a nonpriority unsecured claim in the amount of \$1,438,322.30.</li> <li>• The Carter Claim is liquidated as a nonpriority unsecured claim in the amount of \$1,656,869.17.</li> <li>• The AFSCME Locals Claim is liquidated as a nonpriority unsecured claim in the amount of \$319,721.00, consisting of the following amounts relating to the grievance claims of the following parties with respect to the 36th District Court (collectively, the "<u>Grievances</u>"): <ul style="list-style-type: none"> <li>○ Donnita Cleveland (Grievance Nos. BH31808 and NKC11-1-7) - \$85,000.00</li> <li>○ Arnette Rodgers (Grievance Nos. BH022709 and BH120408) - \$125,000.00</li> <li>○ Jonathan Mapp (Case No. 13-154132) - \$75,000.00</li> <li>○ Annette Walton (Grievance No. BH102408) - \$500.00</li> <li>○ Quanetta Anderson (Grievance No. BH081007) - \$1,250.00</li> <li>○ Pamela Muldron (Grievance No. BH081110) - \$1,500.00</li> <li>○ Samuel Jamison (Arbitration No. AJ-30512/AJ-32712) - \$10,000.00</li> <li>○ Kiambu Boyd (Grievance No. 4-BH091710) - \$2,940.00</li> <li>○ Selena Wilson (wrongful suspension claim) - \$488.00</li> <li>○ Laticia Lemus (Grievance No. YM5208) - \$750.00</li> <li>○ Michele Hembree (Arbitration No. A17671-3308-07) - \$293.00</li> <li>○ AFSCME Local 3308 (Grievance No. BH011608) - \$16,500.00</li> </ul> </li> <li>• All (a) Claims other than the Allowed Claims and the 36th District Court Claim and (b) liabilities asserted in the AFSCME Locals Claim other than the Grievances are liquidated in the amount of \$0.00.</li> </ul> |
| <p>IV. Mutual Releases</p>                      | <p>Effective upon the date of approval of this settlement by the Bankruptcy Court, each of the Parties shall for itself and for each of its successor firms, parents, subsidiaries, affiliates, assigns, agents, attorneys, representatives, executors and administrators, present and former members, principals, judges, officers and employees, and each of their respective assigns, agents, representatives, partners, heirs, executors and administrators release each and every other Party and each of its successor firms, parents, subsidiaries, affiliates, assigns, agents, attorneys, representatives, executors and administrators, present and former members, principals, judges, officers and employees, and each of their respective assigns, agents, representatives, partners, heirs, executors and administrators of all claims and causes of action, whether legal or equitable, known or unknown, that arose prior to such date (including, without limitation, the reinstatement claims of Richard T. Weatherly and Arnette Rodgers) <u>provided, however</u>, that the Parties agree that the AFSCME Locals and the Individual Claimants (other than Richard T. Weatherly) shall not release the 36th District Court or any other parties with respect to that certain proceeding captioned <u>In the Matter of: 36th District Court, Respondent v. AFSCME Council 25, Local 917, Charging Party (13-012254-MERC / C13 I-163)</u>.</p>   |

|   |   |
|---|---|
| <p>V. Treatment of Claims Under the City's Fourth Amended Plan of Adjustment [Docket No. 4392] (as it may be modified, amended or supplemented, the "Plan")</p> | <p>Capitalized terms not otherwise defined in this section shall have the meanings given to them in the Plan.</p> <ul style="list-style-type: none"> <li>• All of the Allowed Claims shall be Indirect 36th District Court Claims under the Plan.</li> <li>• All Indirect 36th District Court Claims shall be reclassified into a new Class 17 under the Plan, which will provide for the following treatment of Indirect 36th District Court Claims: <ul style="list-style-type: none"> <li>Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Indirect 36th District Court Claim, in full satisfaction of such Allowed Claim, shall receive: (a) if the Allowed Amount of such Indirect 36th District Court Claim is less than \$100,000.00, on or as soon as reasonably practicable after the Effective Date, Cash in an amount equal to 33% of the Allowed Amount of such Allowed Indirect 36th District Court Claim; or (b) if the Allowed Amount of such Indirect 36th District Court Claim is equal to or more than \$100,000.00, Cash, equal to 33% of the Allowed Amount of such Indirect 36th District Court Claim, plus simple interest on outstanding amounts at a rate of five percent <i>per annum</i>, payable in five equal annual installments, with the first installment to be paid on or as soon as reasonably practicable after the Effective Date and the remaining four installments to be paid on the date of the first four anniversaries of the Effective Date or, if any such date is not a business day, on the first business day thereafter.</li> </ul> </li> </ul> <p>Subject to the terms of the 36th District Court Settlement, the foregoing shall fulfill any obligation of the City and the 36th District Court that may exist with respect to all Indirect 36th District Court Claims. Nothing in the foregoing prevents the Holder of an Indirect 36th District Court Claim from seeking further relief or payment from the State with respect to such Indirect 36th District Court Claim to the extent such Claim is not satisfied pursuant to the Plan.</p> <ul style="list-style-type: none"> <li>• The City shall make such other modifications to the Plan as are necessary or appropriate to effectuate the foregoing treatment of Indirect 36th District Court Claims including, solely by way of example, by modifying the definition of "Other Unsecured Claim" under the Plan to exclude Indirect 36th District Court Claims.</li> <li>• Solely for the purpose of the treatment under the Plan of the AFSCME Locals Claim, each of the Grievances shall be deemed to be a separate Indirect 36th District Court Claim.</li> </ul> |
|---|---|

|  |   |
|--|---|
|  | <ul style="list-style-type: none"> <li>• For the avoidance of doubt, based on the foregoing treatment of the Allowed Claims in Class 17, the Individual Claimants and the AFSCME Locals will receive the following distributions in Cash on account of the Allowed Claims: <ul style="list-style-type: none"> <li>○ The Jones Claim (\$350,366.61 payable in five equal annual payments in the amount of \$77,072.24)</li> <li>○ The Weatherly Claim (\$490,650.68 payable in five equal annual payments in the amount of \$107,931.37)</li> <li>○ The Holley Claim (\$474,646.36 payable in five equal annual payments in the amount of \$104,410.81)</li> <li>○ The Carter Claim (\$546,766.83 payable in five equal annual payments in the amount of \$120,275.58)</li> <li>○ The AFSCME Locals Claim (\$105,507.93), consisting of the following amounts relating to the claims of the following parties: (a) Donnita Cleveland (\$28,050.00 lump sum), (b) Arnette Rodgers (\$41,250.00 payable in five equal annual payments in the amount of \$9,074.01), (c) Jonathan Mapp (\$24,750.00 lump sum), (d) Annette Walton (\$165.00 lump sum), (e) Quanetta Anderson (\$412.50 lump sum), (f) Pamela Muldron (\$495.00 lump sum), (g) Samuel Jamison (\$3,300.00 lump sum), (h) Kiambu Boyd (\$970.20 lump sum), (i) Selena Wilson (\$161.04 lump sum), (j) Laticia Lemus (\$247.50 lump sum), (k) Michele Hembree (\$96.69 lump sum) and (l) AFSCME Local 3308 (\$5,445.00 lump sum).</li> </ul> </li> </ul> |
| VI. Plan Voting                              | The AFSCME Locals and the Individual Claimants each shall be deemed to have voted their applicable Claims in favor of the Plan in the amounts established by the Order Regarding the Voting of Claims Relating to the 36th District Court (Docket No. 5905).  |
| VII. Discharge, Release and Injunction       | <ul style="list-style-type: none"> <li>• Section III.D.5.b of the Plan shall be revised to add the following provision:<br/> <p style="text-align: center;"><b><u>Notwithstanding the foregoing and without limiting the injunctions in Section III.D.5.a, the Holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to the liabilities asserted in the Indirect 36th District Court Claims, to the extent not satisfied pursuant to the Plan.</u></b></p> </li> <li>• Section III.D.7.a of the Plan shall be revised to provide that no Holders of Indirect 36th District Court Claims shall, by voting in favor of the Plan, be deemed to release, waive and discharge the State and the State Related Entities with respect to any liabilities asserted in the Indirect 36th District Court Claims.</li> </ul>  |
| VIII.  | The AFSCME Locals, the Individual Claimants and the 36th District Court shall stipulate to the entry of judgment against the 36th District Court in that certain proceeding pending in the Circuit Court for the County of Wayne and captioned <u>36th District Court v. Michigan American Federation of State, County and Municipal Employees Council 25, et al.</u> , Case No. 13-013170-CL, in the respective liquidated amounts set forth in Section III above with respect to the Jones Claim, the Weatherly Claim, the Holley Claim and the Carter Claim (the "Judgment"), <u>provided, however</u> , that the AFSCME Locals and the Individual Claimants shall waive all right to collect upon the Judgment from the City and the 36th District Court except pursuant to the terms of this settlement and the Plan.  |
| IX. Definitive Documentation/ Court Approval | <ul style="list-style-type: none"> <li>• The foregoing terms are subject to definitive documentation reasonably acceptable to the Parties and approval of the Bankruptcy Court, which may be as part of the order confirming the Plan.</li> </ul>   |

**EXHIBIT I.A.66**

SCHEDULE OF CLASS 9 ELIGIBLE CITY ASSETS

## Schedule of Class 9 Eligible City Assets

1. RFP for City Parking Assets.
2. Any City-owned real property asset within a 3-mile radius of the terminus of the Detroit Windsor Tunnel in Detroit, Michigan; excluding all real property assets subject to the Development Agreement.

**EXHIBIT I.A.88**

SCHEDULE OF COP SWAP AGREEMENTS

### SCHEDULE OF COP SWAP AGREEMENTS

| COP Swap Agreements  |
|--|
| ISDA Master Agreement (including the Schedule thereto) dated as of May 25, 2005, between Detroit Police and Fire Retirement System Service Corporation (" <u>DFPRS Service Corporation</u> ") and Merrill Lynch Capital Services, Inc. (as successor to SBS Financial Products Company LLC (" <u>Merrill Lynch</u> ") and the Confirmation thereunder dated June 7, 2006 (bearing Reference No. SBSFPC-0010) (as amended, modified or supplemented). |
| ISDA Master Agreement (including the Schedule thereto) dated as of May 25, 2005 between DFPRS Service Corporation and Merrill Lynch and the Confirmation thereunder dated June 7, 2006 (bearing Reference No. SBSFPC-0011) (as amended, modified or supplemented).   |
| ISDA Master Agreement (including the Schedule thereto) dated as of May 25, 2005 between Detroit General Retirement System Service Corporation (" <u>DGRS Service Corporation</u> ") and Merrill Lynch and the Confirmation thereunder dated June 7, 2006 (bearing Reference No. SBSFPC-0009) (as amended, modified or supplemented).   |
| ISDA Master Agreement (including the Schedule thereto) dated as of June 7, 2006 between DGRS Service Corporation and Merrill Lynch and the Confirmation thereunder dated June 7, 2006 (bearing Reference No. SBSFPC-0012) (as amended, modified or supplemented).  |
| ISDA Master Agreement between DGRS Service Corporation and UBS AG, dated as of June 7, 2006, including the Schedule and Credit Support Annex thereto and the Confirmations thereunder, dated June 7, 2006, bearing UBS AG Reference No. 37380291 (as amended, modified or supplemented).   |
| ISDA Master Agreement between DFPRS Service Corporation and UBS AG, dated as of May 25, 2005, including the Schedule and Credit Support Annex thereto and the Confirmations thereunder, dated June 7, 2006, bearing UBS AG Reference No. 37380351 (as amended, modified or supplemented).  |
| ISDA Master Agreement between DFPRS Service Corporation and UBS AG, dated as of May 25, 2005, including the Schedule and Credit Support Annex thereto and the Confirmations thereunder, dated June 7, 2006, bearing UBS Reference No. 37380313 (as amended, modified or supplemented).   |
| ISDA Master Agreement between DGRS Service Corporation and UBS AG, dated as of May 25, 2005, including the Schedule and Credit Support Annex thereto and the Confirmations thereunder, dated June 7, 2006, bearing UBS Reference No. 37380341 (as amended, modified or supplemented).  |

**EXHIBIT I.A.108**

FORM OF DETROIT GENERAL VEBA TRUST AGREEMENT

**CITY OF DETROIT GENERAL RETIREE HEALTH CARE TRUST**

THIS TRUST AGREEMENT, entered into effective \_\_\_\_\_, 2014, by and among the City of Detroit (“Detroit” or the “City”), [\_\_\_\_\_ Bank] (the “Bank”), and the undersigned individual trustees (“Individual Trustees”).

**WITNESSETH:**

WHEREAS, Detroit filed a voluntary petition for relief under chapter 9 of the Bankruptcy Code on July 18, 2013 in the United States Bankruptcy Court for the United States Bankruptcy Court Eastern District of Michigan (the “Court”);

WHEREAS, pursuant to the Plan for the Adjustment of Debts of the City of Detroit (the “Plan of Adjustment”), the City agreed to establish a voluntary employees beneficiary association (“VEBA”) to provide health care benefits to certain retirees and their Eligible Dependents;

WHEREAS, Detroit hereby establishes this City of Detroit General Retiree Health Care Trust (the “Trust”);

WHEREAS, the undersigned Individual Trustees constituting the Board of Trustees shall be responsible for: (i) managing the property held by, and administration of, this Trust; and (ii) designing, adopting, maintaining and administering the “Health Care Plan for General Retirees of the City of Detroit” (the “Plan”), through which all health care benefits to the Trust’s beneficiaries shall be provided;

WHEREAS, the Board of Trustees is willing to exercise the authority granted to it herein with regard to the Trust and Plan;

WHEREAS, through this Trust Agreement, Detroit intends to designate the Bank to serve in the capacity of the institutional trustee with respect to the Trust and to maintain custody of the Trust assets;

WHEREAS, the Bank is willing to receive, hold, and invest the assets of the Trust in accordance with the terms of this Trust Agreement; and

WHEREAS, the Trust and the interdependent Plan are intended to comply with the requirements of section 501(c)(9) of the Internal Revenue Code of 1986, as amended (the “Code”), and are together intended to constitute a “governmental plan” within the meaning of section 3(32) of the Employee Retirement Income Security Act of 1974;

NOW THEREFORE, in consideration of the premises and the covenants contained herein, Detroit and the Bank agree as follows:

**ARTICLE I  
DEFINITIONS**

Section 1.1 Bank. The entity referred to in the Preamble to this Trust Agreement named to perform the duties set forth in this Trust Agreement, or any successor thereto appointed

by the Board in accordance with Section 7.3. Any corporation continuing as the result of any merger or consolidation to which the Bank is a party, or any corporation to which substantially all the business and assets of the Bank may be transferred, will be deemed automatically to be continuing as the Bank.

Section 1.2 Board of Trustees or Board. The Board of Trustees is the body described in Article VIII to which Detroit has delegated responsibility for: (i) managing the property held by, and administering, this Trust; and (ii) designing, adopting, maintaining and administering the Plan, through which all benefits to the Trust's beneficiaries shall be provided. It shall be constituted and operated in accordance with Article IX.

Section 1.3 Code. The Internal Revenue Code of 1986, as amended, and any successor statute thereto.

Section 1.4 Detroit General VEBA Beneficiary. Has the meaning given to that term in the Plan of Adjustment.

Section 1.5 Eligible Dependent. An Eligible Retiree Member's dependent, within the meaning of Code section 501(c)(9) and the regulations promulgated thereunder, who is eligible to receive benefits under the Plan in accordance with its terms.

Section 1.6 Eligible Retiree Member. A former employee of Detroit, the Detroit Public Library, or the Detroit Regional Convention Facility Authority who is a Detroit General VEBA Beneficiary.

Section 1.7 Investment Manager. An investment manager appointed by the Board or its successor in accordance with the provisions of Section 9.4 hereof

Section 1.8 New B Notes. Has the meaning given to that term in the Plan of Adjustment.

Section 1.9 OPEB Claims Notes. The New B Notes the City is required to contribute to the Trust pursuant to the Plan of Adjustment.

Section 1.10 Other Supporting Organization. An organization other than the City, the Rate Stabilization Fund, or the Supporting Organization, having voluntarily contributed funds in excess of **[\$500,000]** to the Trust on or after the Effective Date.

Section 1.11 Participant. An Eligible Retiree Member or Eligible Dependent who is entitled to health care benefits pursuant to the terms of the Plan.

Section 1.12 Plan. The Health Care Plan for Retirees of the City of Detroit, to be adopted and thereafter amended from time to time by the Board, as specified herein, and which will provide health care benefits permitted to be provided by a VEBA under Code section 501(c)(9).

Section 1.13 Plan of Adjustment. The Plan for the Adjustment of Debts of the City of Detroit.

Section 1.14 Rate Stabilization Fund. The Rate Stabilization Reserves Fund maintained under the control of the Governing Board of the City of Detroit Employee Benefits Plan established pursuant to Title 9, Chapter VIII of the Charter of the City of Detroit for the exclusive purpose of providing hospital, surgical, and death benefits for current or former employees of the City.

Section 1.15 Supporting Organization. The Foundation for Detroit's Future, a not for profit that is created to collect certain contributions and make an annual contribution to an escrow account as described in Section 3.2, or the successor to such not for profit. The Supporting Organization was created to receive funds from organizations, including those listed in Exhibit B, and allocate such funds in the amounts described in Exhibit B, to, among other entities, this Trust Fund.

Section 1.16 Trust Agreement. This agreement as it may be amended thereafter from time to time by the parties hereto in accordance with the terms hereof.

Section 1.17 Trust or Trust Fund. The City of Detroit General Retiree Health Care Trust established by this Trust Agreement, comprising all property or interests in property held by the Bank from time to time under this Trust Agreement.

## **ARTICLE II ESTABLISHMENT OF TRUST**

Section 2.1 Purpose. The Trust is established for the purpose of providing life, sickness, accident, and other similar benefits, directly, through the purchase of insurance, or by reimbursement of expenses, to the Participants in accordance with the Plan and consistent with Section 501(c)(9) of the Code and the regulations and other guidance promulgated thereunder. The Trust, together with the Plan, is intended to constitute a VEBA under Section 501(c)(9) of the Code.

Section 2.2 Receipt of Funds. The Bank shall accept all sums of money and other property contributed to the Trust pursuant to Article III. The Bank shall hold, manage and administer the Trust Fund without distinction between principal and income. The Bank shall be accountable for the contributions or transfers it receives, but shall not be responsible for the collection of any contributions or transfers to the Trust or enforcement of the terms of the OPEB Claims Notes.

Section 2.3 Inurement and Reversion Prohibited. At no time shall any part of the principal or income of the Trust Fund be used for, or diverted to, any purpose other than sponsoring, operating and administering the Plan and Trust to provide benefits that are permitted under Code section 501(c)(9) to Participants. Nothing in this Trust Agreement shall be construed in such a way as to prohibit the use of assets of the Trust Fund to pay reasonable fees and other expenses and obligations incurred in maintaining, administering and investing the Trust Fund or in sponsoring, administering and operating the Plan in accordance with the provisions of this Trust Agreement. At no time shall any part of the net earnings inure to the benefit of any individual other than through the provision of benefits as permitted under Code section 501(c)(9) and the regulations promulgated thereunder. In no event will the assets held in the Trust Fund revert to Detroit. Upon termination of the Trust Fund, any assets remaining upon satisfaction of all liabilities to existing Participants shall be applied, either directly or through the

purchase of insurance, to provide life, sick accident or other permissible benefits under Code section 501(c)(9) and the rules and regulations promulgated thereunder, pursuant to criteria consistent with such rules and regulations.

Section 2.4 No Guarantee. Nothing contained in the Trust or the Plan shall constitute a guarantee that the assets of the Trust Fund will be sufficient to pay any benefit to any person or make any other payment. The obligation of the Plan to pay any benefit provided under the Plan is expressly conditioned on the availability of cash in the Trust to pay the benefit, and no plan fiduciary or any other person shall be required to liquidate the OPEB Claims Notes or any other Plan asset in order to generate cash to pay benefits. Detroit shall not have any obligation to contribute any amount to the Trust except as provided in Article III. Except for payments of benefits under the Plan, no Participant shall receive any distribution of cash or other thing of current or exchangeable value, either from the Board or the Bank, on account of or as a result of the Trust Fund created hereunder.

Section 2.5 No Interest. Detroit shall not have any legal or equitable interest in the assets of the Trust Fund at any time, including following the termination of the Trust.

### **ARTICLE III CONTRIBUTIONS TO THE TRUST FUND**

Section 3.1 Detroit Contributions. The Bank will accept the City's contribution of the OPEB Claims Notes to the Trust Fund pursuant to the Plan of Adjustment. Apart from the contribution of the OPEB Claims Notes, contributions to the Trust Fund made within sixty (60) days of the Effective Date by the Rate Stabilization Fund in the amount of \$[4.0] million, or from Other Supporting Organizations, and as otherwise provided in Section 3.2, Detroit shall have no further obligation to contribute to the Trust or otherwise fund the Plan. In connection with monies contributed by the Employee Benefit Plan of the City of Detroit, the General VEBA trustees shall establish a catastrophic illness fund within the General VEBA to be used to provide limited assistance to those participants who are otherwise unable to afford the cost of necessary and immediate life-threatening health care costs. The catastrophic illness fund shall operate pursuant to the criteria established in consultation with the Detroit Retired City Employees Association and approved by the VEBA Trustees.

Section 3.2 Other Contributions. The Bank will accept other contributions to the Trust Fund from Participants, from funds held in escrow by an escrow agent on behalf of the City that are received from the Supporting Organization, or from Other Supporting Organizations whether or not contributed through an escrow on behalf of the City.

### **ARTICLE IV PAYMENTS FROM THE TRUST FUND**

Section 4.1 Payments from the Trust Fund.

(a) Subject to paragraph (b) below, the Bank shall make payments from the Trust Fund to provide, directly or through the purchase of insurance, benefits under the Plan as directed by the Board.

(b) To the extent permitted by law, the Bank shall be fully protected in making payments out of the Trust Fund, and shall have no responsibility to see to the application of such payments or to ascertain whether such payments comply with the terms of the Plan, and shall not be liable for any payment made by it in good faith and in the exercise of reasonable care without actual notice or knowledge of the impropriety of such payments hereunder. The Bank may withhold all or any part of any payment as the Bank in the exercise of its reasonable discretion may deem proper, to protect the Bank and the Trust against any liability or claim on account of any income or other tax whatsoever; and with all or any part of any such payment so withheld, may discharge any such liability. Any part of any such payment so withheld by the Bank that may be determined by the Bank to be in excess of any such liability will upon such determination by the Bank be paid to the person or entity from whom or which it was withheld.

Section 4.2 Method of Payments. The Bank may make any payment required to be made by it hereunder, unless directed otherwise by the Board, by direct electronic deposit of the amount thereof to the financial institution where the person or entity to whom or to which such payment is to be made maintains an account, or by mailing a check in the amount thereof by first class mail in a sealed envelope addressed to such person or entity to whom or to which such payment is to be made, according to the direction of the Board. If any dispute arises as to the identity or rights of persons who may be entitled to benefits hereunder, the Bank may withhold payment until such dispute is resolved by a court of competent jurisdiction or, at the discretion of the Board pursuant to written instructions.

Section 4.3 Excessive Payments. If the payment of any benefit under the Plan is determined to have been excessive or improper, and the recipient thereof fails to make repayment to the Bank or an administrator chosen by the Board of such excessive or improper payment upon the Bank's or administrator's request, the Bank shall deduct the amount of such excessive or improper payment from any other benefits thereafter payable to such person. Until repaid to the Bank or Bank's agent, the amount of said excessive or improper payment shall not be included in any report by the auditor, the Bank, or the administrator as an asset of the Plan or the Trust Fund.

## **ARTICLE V BANK POWERS AND DUTIES**

Section 5.1 Powers of the Bank Generally. The Bank has whatever powers are required to discharge its obligations and to accomplish any of the purposes of this Trust Agreement, including (but not limited to) the powers specified in the following Sections of this Article, and the powers and authority granted to the Bank under other provisions of this Trust Agreement. The enumeration of any power herein shall not be by way of limitation, but shall be cumulative and construed as full and complete power in favor of the Bank.

Section 5.2 Powers Exercisable by the Bank in Its Discretion. The Bank is authorized and empowered to exercise the following powers at its discretion in satisfaction of the duties imposed on it under this Trust Agreement:

(a) To place securities orders, settle securities trades, hold securities in custody, deposit securities with custodians or securities clearing corporations or depositories or similar organizations, and other related activities as shall be necessary and appropriate in performing its duties under this Trust Agreement. Any indicia of ownership of any Trust Fund

assets, however, shall not be maintained outside the jurisdiction of the district courts of the United States. Trades and related activities conducted through a broker shall be subject to reasonable fees and commissions established by the broker, which may be paid from the Trust Fund or netted from the proceeds of trades.

(b) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.

(c) To cause any investment in the Trust Fund to be registered in, or transferred into, its name as the institutional trustee or the name of its nominee or nominees, or to retain such investments unregistered in a form permitting transfer by delivery, but the books and records of the Bank shall at all times show that all such investments are part of the Trust Fund, and the Bank shall be fully responsible for any misappropriation in respect of any investment held by its nominee or held in unregistered form and shall cause the indicia of ownership to be maintained within the jurisdiction of the district courts of the United States.

(d) To deliver to the Board, or the person or persons identified by the Board, on a timely basis as required under Section 5.5, proxies and powers of attorney and related informational material, for any shares or other property held in the Trust.

Section 5.3 Powers Exercisable by the Bank Only Upon the Direction of the Board.  
The Bank shall exercise the following powers only upon the direction of the Board (or, in the case of subparagraphs (a) and (b)), a duly appointed Investment Manager who has been conferred such power by the Board):

(a) To receive, hold, invest and reinvest Trust Fund assets and income under provisions of law from time to time existing and in accordance with Article IX.

(b) To exercise or abstain from exercising any option, privilege or right attaching to any Trust Fund assets.

(c) To make payments from the Trust Fund for the provision of benefits in accordance with Article IV and for the payment of expenses as provided in Section 5.8.

(d) To employ suitable agents and depositaries (domestic or foreign), public accountants, brokers, custodians, ancillary trustees, appraisers, enrolled actuaries, and legal counsel as shall be reasonably necessary and appropriate to fulfill its obligations under this Trust Agreement and to comply with the lawful instructions of the Board, and to pay their reasonable expenses and compensation.

(e) To pay any income or other tax or estimated tax, charge or assessment attributable to any property or benefit out of such property or benefit in its sole discretion, or any tax on unrelated business income of the Trust, if any, out of the Trust Fund.

(f) To vote, in person or by general or limited proxy, at any election of any corporation in which the Trust Fund is invested, and similarly to exercise, personally or by a general or limited power of attorney, any right appurtenant to any investment held in the Trust Fund.

(g) To accept, compromise or otherwise settle any obligations or liability due to or from them as the Bank hereunder, including any claim that may be asserted for taxes, assessments or penalties under present or future laws, or to enforce or contest the same by appropriate legal proceedings.

(h) To act as the sole trustee in the event that the Board, by reason of death, resignation, or failure to appoint successor Individual Trustees, has fewer than three (3) members.

Section 5.4 Title to Trust Fund. All rights, title and interest in and to the Trust Fund shall at all times be vested exclusively in the Bank or any institutional successor trustee under this Trust Agreement.

Section 5.5 General Duties and Obligations of Bank.

(a) In accordance with Article II, the Bank shall hold all property received by it and any income and gains thereupon. In accordance with this Article and Article IX, the Bank shall manage, invest and reinvest the Trust Fund following the directions of the Board or a duly appointed Investment Manager (who has been conferred such power by the Board), shall collect the income therefrom, and shall make payments or disbursements as directed by the Board.

(b) Subject to the provisions of Articles VII and X, the Bank shall comply with any directive issued by the Board to withdraw and transfer all or any part of the Trust Fund to another institutional trustee, custodian or a funding agent.

(c) The Board shall have responsibility for directing the Bank as to the voting (by proxy or in person) of any shares or other property held in the Trust. Accordingly, the Bank shall deliver to the Board (or the person or persons identified by the Board), on a timely basis, proxies, powers of attorney and related informational material that are necessary for the Board to fulfill its responsibility.

The Bank may use agents to effect such delivery to the Board (or the person or persons identified by the Board).

(d) The Bank shall discharge its duties in the interests of Participants and for the exclusive purpose of providing benefits to Participants and defraying reasonable expenses of administering the Trust and the Plan and shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in conduct of an enterprise of like character and with like aims. The Bank will be under no liability or obligation to anyone with respect to any failure of the Board to perform any of its obligations under the Plan or Trust Agreement or for any error or omission of the Board.

Section 5.6 Determination of Rights. The Bank shall have no power, authority, or duty hereunder in respect to the determination of the eligibility of any person to coverage under the Plan, or the entitlement of any person to any benefit payments under the Plan.

Section 5.7 Continuance of Plan; Availability of Funds. Neither the Board, the Bank nor Detroit assumes any contractual obligation as to the continuance of the Plan and shall not be

responsible for the adequacy of the Trust Fund to meet and discharge any liabilities under the Plan, and the Bank's obligation to make any payment shall be limited to amounts held in the Trust Fund at the time of the payment.

Section 5.8 Payment of Expenses. The Bank shall apply the assets of the Trust Fund to pay all reasonable costs, charges, and expenses (including, but not limited to, all brokerage fees and transfer tax expenses and other expenses incurred in connection with the sale or purchase of investments, all real and personal property taxes, income taxes and other taxes of any kind at any time levied or assessed under any present or future law upon, or with respect to, the Trust Fund or any property included in the Trust Fund and all legal, actuarial, accounting and financial advisory expenses) reasonably incurred by the Bank or the Board in connection with establishing, sponsoring, administering or operating the Trust or Plan. The Board shall by written certificate provided to the Bank request payment for any expenses related to the administration of the Trust and/or the Plan. Upon receipt of the written certificate, the Bank may make the payment requested by the Board. The expenses of the Bank shall constitute a lien on the Trust Fund.

Section 5.9 Bank Compensation. The Bank will apply the assets of the Trust Fund to pay its own fees in the amounts and on the dates set forth in Exhibit A. The Bank's compensation shall constitute a lien on the Trust Fund.

Section 5.10 Reliance on Written Instruments. The Bank shall be fully protected in acting upon any instrument, certificate or paper believed by it to be genuine and to be signed or presented by a duly authorized person or persons, and shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

## ARTICLE VI BANK ACCOUNTS

Section 6.1 Records. The Bank shall maintain accurate and detailed records and accounts of all investments, receipts, disbursements, and other transactions with respect to the Trust, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by the Board or such person or persons as the Board may designate.

Section 6.2 Annual Audit. The Trust Fund shall be audited annually by a firm of certified public accountants independent of the Bank, the members of the Board, and the City, and a statement of the results of such audit shall be provided to the Bank and the Board and also made available for inspection by interested persons at the principal office of the Trust. Such audit must be completed no later than 120 days after the expiration of the calendar year, or after expiration of the fiscal year if the Trust Fund is on a fiscal year other than a calendar year. The Board shall provide a copy of this statement to the Supporting Organization and any Other Supporting Organization no later than the May 15<sup>th</sup> immediately succeeding the last day of the year covered by such audited financial statements.

Section 6.3 No Interest by Participants. In no event shall any Participant or beneficiary have any interest in any specific asset of the Trust Fund. At no time shall any account or separate fund be considered a savings account or investment or asset of any particular Participant, beneficiary, or class of Participants or beneficiaries, and no Participant or beneficiary

shall have any right to any particular asset which the Board or Bank may have allocated to any account or separate fund for accounting purposes.

Section 6.4 Furnishing Written Accounts. The Bank shall file with the Board a written account setting forth a description of all securities and other property purchased and sold, and all receipts, disbursements, and other transactions effected by it during the accounting period to which the Board and the Bank have agreed, and showing the securities and other properties held, and their fair market values at such times and as of such dates as may be agreed by the Board and the Bank in writing. Such written account shall be filed with the Board within thirty (30) days after the close of each calendar quarter.

Section 6.5 Accounting Year, Cash Basis. The accounting year of the Trust shall be the calendar year. All accounts of the Bank shall be kept on a cash basis.

Section 6.6 Judicial Proceedings. If the Bank and the Board cannot agree with respect to any act or transaction reported in any statement, the Bank shall have the right to have its accounts settled by judicial proceedings in which only the Bank and the Board shall be necessary parties. No Participant shall have any right to compel an accounting, judicial or otherwise, by the Bank.

## **ARTICLE VII PROCEDURES FOR THE BANK**

Section 7.1 Removal. The Bank may be removed by the Board at any time upon thirty (30) days' advance written notice. Such removal shall be effective on the date specified in such written notice, provided that notice has been given to the Bank of the appointment of a successor institutional trustee or custodian in the manner set forth in Section 7.3 below.

Section 7.2 Resignation. The Bank may resign by filing with the Board a written resignation that shall take effect ninety (90) days after the date of such filing, unless prior thereto a successor institutional trustee or custodian has been appointed by the Board. In no event may the Bank's resignation take effect before a successor institutional trustee or custodian has been appointed by the Board and such successor trustee has accepted the appointment. If the Board fails to appoint a successor institutional trustee or custodian, the retiring Bank may seek the appointment of a successor entity in the manner set forth in Section 7.3.

### Section 7.3 Successor Bank.

(a) The Board may appoint a successor institutional trustee or custodian by delivering to such successor an instrument in writing, executed by an authorized representative of the Board, appointing such successor entity, and by delivering to the removed or resigning Bank an acceptance in writing, executed by the successor so appointed. Such appointment shall take effect upon the date specified in Section 7.1 or 7.2 above, as applicable.

(b) Alternatively, the Board may appoint a successor institutional trustee or custodian by securing from such successor an amendment to this Trust Agreement, executed by both the successor and an authorized representative of the Board, which replaces the current Bank with the successor institutional trustee or custodian, appointing such successor institutional

trustee or custodian, and by delivering to the removed or resigning Bank an executed copy of the amendment. Such appointment shall take effect upon the date specified in the amendment.

(c) If no appointment of a successor institutional trustee or custodian is made by the Board within a reasonable time after such resignation, removal or other event, any court of competent jurisdiction may, upon application by the retiring Bank, appoint a successor institutional trustee or custodian after such notice to the Board and the retiring Bank, as such court may deem suitable and proper.

Section 7.4 Effect of Removal or Resignation of Bank. Upon the removal or resignation of the Bank in accordance with Section 7.1 or 7.2 above, the Bank shall be fully discharged from further duty or responsibility under this Trust Agreement to the extent permitted by law.

Section 7.5 Merger or Consolidation of the Bank. Any corporation continuing as the result of any merger or resulting from any consolidation, to which merger or consolidation the Bank is a party, or any corporation to which substantially all the business and assets of the Bank may be transferred, will be deemed to be continuing as the Bank.

## **ARTICLE VIII COMPOSITION OF AND PROCEDURES FOR THE BOARD OF TRUSTEES**

Section 8.1 Number and Appointment of Members. The Board of Trustees shall consist of seven (7) Individual Trustees as voting members, who are selected as provided below.

(a) The Mayor of Detroit shall appoint one (1) voting member, who may not be an employee or employed by an affiliate of the City (for such purposes, a contractor of the City shall not be deemed an affiliate), or of any labor union representing employees of the City, or a member of any such labor union, or a Participant. Such member shall have expert knowledge or extensive experience with respect to economics, finance, institutional investments, administration of public or private health and welfare benefit plans, executive management, benefits administration or actuarial science. The Board member selected by the Mayor to begin serving as of the Effective Date shall be Floyd Allen.

(b) The remaining six (6) voting members shall be appointed as follows: three (3) such voting members shall initially be designated by the Official Committee of Retirees of the City of Detroit, Michigan, and three (3) such voting members shall initially be designated by the Detroit Retired City Employees Association. The members initially selected by the Official Committee of Retirees of the City of Detroit, Michigan shall be: Suzanne Daniels Paranjpe, Roger Cheek, and Thomas Sheehan. The members initially selected by the Detroit Retired City Employees Association shall be: Doris Ewing, Barbara Wise-Johnson, and Shirley Lightsey.

Each Board member shall acknowledge his or her appointment and acceptance of the duties and responsibilities set forth in this Trust Agreement in writing.

Section 8.2 Term of Office. Each member of the Board shall serve a period of four (4) years, or if earlier, until his or her death, incapacity to serve hereunder, or resignation. A Board

member whose term has ended due to the passage of time may be reappointed to serve an additional four (4) year term pursuant to the procedures set forth in Section 8.4 below.

Section 8.3 Resignation. A Board member may resign, and shall be fully discharged from further duty or responsibility under this Trust Agreement to the extent permitted by law, by giving at least ninety (90) days' advance written notice to the Board (and in the case of a Board member selected by the Mayor, to the Mayor, and in the case of a Board member selected by the Official Committee of Retirees or the Detroit Retired City Employees Association, to the Detroit Retired City Employees Association), which notice shall state the date when such resignation shall take effect, which notice or time period may be waived by the Board.

Section 8.4 Vacancies. In the event of a vacancy, either by resignation, death, incapacity, expiration of term of office, or other reasons, the replacement Board member shall be appointed as provided below.

(a) In the event of a vacancy of the seat previously filled by the appointee of the Mayor of Detroit, the replacement Board member shall be appointed as provided in Section 8.1(a).

(b) In the event of a vacancy of a seat previously filled by an appointee of the Official Committee of Retirees or the Detroit Retired City Employees Association, the replacement Board member shall be appointed by the Detroit Retired City Employees Association.

Section 8.5 Fees and Expenses. Board members shall each be paid a stipend. For the 2015 and 2016 calendar year, this stipend shall be in the amount of \$12,000 per year (payable ratably on a monthly basis). Beginning with the 2017 calendar year and for each year thereafter, this stipend shall be in the amount of \$6,000 per year (payable ratably on a monthly basis); provided, however, that the Board, by a vote of not less than six (6) out of seven (7) Board members, shall have the power to provide for a different amount for the stipend; and provided, further, that in no event shall such annual stipend exceed \$12,000. Each Board member may be reimbursed for reasonable expenses properly and actually incurred in the performance of his or her duties. Compensation payable to the Board members and all reimbursed expenses shall be payable out of the Trust.

Section 8.6 Operation of the Board; Quorum. The Board shall select from among its members a chair and a vice chair. The Board shall hold regular meetings, and shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure and shall keep a record of proceedings. Each Board member shall be entitled to one vote on each question before the Board. Five (5) members shall constitute a quorum at any meeting. Except as provided in Section 8.5 and Article X, a majority vote of the seven (7) members of the Board, at a meeting in which a quorum exists, shall be necessary for a decision by the Board. Notwithstanding the foregoing, the voting members of the Board may act by unanimous written consent in lieu of a meeting.

**ARTICLE IX  
POWERS AND DUTIES OF THE BOARD OF TRUSTEES**

Section 9.1 General. The Board shall be responsible for designing, adopting, maintaining and administering the Plan, as well as administering the Trust and managing the Trust assets as provided herein. Subject to the provisions of this Trust Agreement, the Plan documents and applicable laws, the Board shall have sole, absolute and discretionary authority to adopt such rules and regulations and take all actions that it deems desirable for the administration of the Plan and Trust, and to interpret the terms of the Plan and Trust. The decisions of the Board will be final and binding on all Participants and all other parties to the maximum extent allowed by law. In performing its duties hereunder, the members of the Board shall comply with the terms of the Trust, and shall discharge their duties for the exclusive purposes of providing benefits to participants and beneficiaries of the Plan and Trust and defraying reasonable expenses of the Plan and Trust, and with the care, skill, prudence, and diligence then prevailing that a prudent person acting in a like capacity – and familiar with such matters – would use in the conduct of an enterprise of like character and with like aims.

Section 9.2 Plan Design and Administration.

(a) Adoption of Plan. The Board shall adopt a Plan to offer life, sickness, accident or other similar benefits to Participants. All terms of the Plan shall be determined by the Board; provided that such terms shall be consistent with this Trust Agreement, Code section 501(c)(9) and the regulations promulgated thereunder. The Board shall be under no obligation to design the Plan to assure that the assets of the Trust Fund are sufficient to provide benefits to all potential Participants of the Plan in subsequent years.

(b) Benefits. The Plan shall include benefits and any other features including, without limitation, premium-sharing or other cost-sharing or reimbursements, that the Board from time to time determines appropriate or desirable in its sole discretion. The Plan may provide for different benefit structures or programs for different groups of Participants, as determined by the Board in its sole discretion. In designing the Plan and the benefits to be provided thereunder, the Board may take into account relevant circumstances, including, without limitation, the degree to which Participants may have alternative resources or coverage sources, as well as the resources of the Trust Fund. Benefits provided under the Plan shall be limited to those health care benefits permitted by Code Section 501(c)(9), and any Plan eligibility restrictions established by the Board shall conform with the requirements set forth in Treasury Regulation Section 1.501(c)(9)-2. Notwithstanding the foregoing or any authority granted trustees herein, and for the duration of this Trust, for purposes of determining benefit levels and determination of benefits under this Trust, including but not limited to any coordination of benefits, any amounts paid into or from any Library or Cobo Hall health reimbursement account for Detroit General VEBA Beneficiaries who are Library or Cobo Hall retirees (and their spouses) shall not be taken into account.

(c) Method of Providing Benefits. Benefits under the Plan may be fully insured, partially insured or self-insured, as determined by the Board from time to time in its sole discretion. The expected cost of benefits under the Plan shall not exceed the amount expected to be available under the Trust.

(d) Plan Documentation. The Board shall be responsible for creating, adopting and/or executing any documents necessary to set forth the Plan's governing terms, and shall be responsible for communicating the terms of the Plan to the Eligible Retiree Members and Eligible Dependents in accordance with applicable law.

Section 9.3 Investment of the Trust. The Board, with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar means, shall have full power and authority to manage, control, invest and reinvest the money and other assets of the Trust Fund, and the Bank shall comply with the proper written direction of the Board concerning those assets. The Board may employ outside advisors, including investment advisors, to advise it with regard to the investment of the assets of the Trust Fund. Any outside advisors shall acknowledge a fiduciary relationship to the Board and the Trust Fund.

In investing and managing the assets of the Trust, the Board:

shall consider among other circumstances: the general economic conditions; the possible effect of inflation or deflation; the role that each investment or course of action plays within the overall portfolio; the expected total return from income and the appreciation of capital; needs for liquidity, regularity of income, and preservation or appreciation of capital; and the adequacy of funding for the plan based on reasonable actuarial factors;

(b) shall diversify the investments of the Trust unless the Board reasonably determines that because of special circumstances, it is clearly prudent not to do so;

(c) shall make a reasonable effort to verify facts relevant to the investment and management of assets of the Trust; and

(d) may consider benefits created by an investment in addition to investment return only if the Board determines that the investment providing these collateral benefits would be prudent even without the collateral benefits.

Section 9.4 Appointment of Investment Managers. The Board, from time to time, may appoint one or more independent Investment Managers, pursuant to a written investment management agreement describing the powers and duties of the Investment Manager, to direct the investment and reinvestment of all or a portion of the Trust (hereinafter referred to as an "Investment Account"). The Board shall determine that each Investment Manager is a fiduciary to the Board and Trust with demonstrated expertise in the type of investments authorized by the Board and, is entitled (under its investment management agreement) to direct the investment and reinvestment of the Investment Account for which it is responsible, in its sole and independent discretion and without limitation, except for any limitations which from time to time the Board determines shall modify the scope of such authority. If an Investment Manager is appointed, it shall have the authority of the Bank specified in Section 5.1 hereof with respect to the Investment Account over which it has investment discretion and the Bank's duties with respect to such Investment Account shall be limited to following the instructions of the Investment Manager. Provided that an Investment Manager is prudently selected and monitored by the Board, the Board shall have no liability (a) for the acts or omissions of such Investment Manager; (b) for following directions of such Investment Manager which are given in

accordance with this Trust Agreement; or (c) for any loss of any kind which may result by reason of the manner of division of the Trust into Investment Accounts.

Section 9.5 Government Reports and Returns. The Board shall file all reports and returns that are required to be made with respect to the Trust and the Plan.

Section 9.6 Compromise or Settle Claims. The Board may compromise, settle and release claims or demands in favor of or against the Trust or the Board on such terms and conditions as the Board may deem advisable. The Board may at all times rely upon the advice of independent counsel in reaching such decisions.

Section 9.7 Appointment of Administrator. The Board may appoint one or more third parties to perform any administrative functions it has with regard to the Trust or Plan.

Section 9.8 Employment of Assistance. The Board has the exclusive authority to employ, contract and pay for all professional services including, but not limited to, actuarial, investment, legal, accounting, medical, and any other services that the Board considers necessary for the proper operation and administration of the Plan and Trust. The powers granted to the Board in this subparagraph include complete control of the procurement process, including contracts for office space, computer hardware and software, and human resource services. In accordance with the provisions of Section 5.3 hereof, the Board may direct the Bank to pay reasonable compensation therefor from the Trust Fund. The Board may take or may refrain from taking any action in accordance with or reliance upon the opinion of counsel or such expert advisors.

Section 9.9 Reliance on Written Instruments. The Board shall be fully protected in acting upon any instrument, certificate or paper believed by him or her to be genuine and to be signed or presented by a duly authorized person or persons, and shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

Section 9.10 No Individual Liability on Contracts. The Board shall not be liable personally for any debts, obligations, or undertakings contracted by them, or for the breach of any contracts. Such claims and obligations shall be paid out of the Trust; provided, however, that neither the Board nor any of its members shall be exempt from personal liability for willful misconduct, intentional wrongdoing, breach of applicable fiduciary duty, negligence or fraud, and the Trust shall not indemnify the Board for such liabilities to the extent that such indemnification would violate the provisions of Section 9.13 herein, or to the extent that application of this sentence would violate any law.

Section 9.11 Detroit Not Liable for Conduct of Board. The Board is not in its capacity as Board an officer, agent, employee, or representative of Detroit. In its capacity as Board, the Board is a principal acting independently of Detroit, which shall not be liable for any act, omission, contract, obligation, liability, debt, or undertaking of the Board or its officers, agents, or representatives.

Section 9.12 Liability Insurance. The Board shall obtain and keep current a policy or policies of insurance, insuring the members of the Board from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act, or omission to act, in

connection with the performance of their duties, responsibilities and obligations under this Trust Agreement or the Plan. To the extent permitted by applicable law, the premiums on such policies may be paid from the Trust Fund.

Section 9.13 Reimbursement for Defense of Claims.

(a) To the extent permitted by applicable law, and not otherwise covered by liability insurance purchased by the Trust (without regard to any non-recourse rider purchased by the insured), the Board, its individual trustees, employees of the Board and persons acting on the Board's behalf pursuant to an express written delegation to the extent such written delegation provides for indemnification (each separately, the "Indemnified Party") shall be indemnified and held harmless by the Trust Fund for all reasonable costs and expenses, including without limitation attorney's fees, judgments, settlements, liabilities, fines, or penalties, incurred or suffered in defense of any claim demand, cause of action or administrative proceeding that seeks to hold the Indemnified Party personally liable for any loss to the Plan or Trust Fund or for damages suffered by any party to, or beneficiary of this Trust Agreement arising out of conduct reasonably believed to be good faith acts within the scope and powers and duties of the Indemnified Party, provided that, the Board shall have the right to approve of the retention of any counsel whose fees would be paid by the Trust Fund, but such approval shall not be withheld unreasonably. In the event that indemnification is made by the Trust pursuant hereto, the Indemnified Party shall agree to reimburse the Trust for all fees, costs and expenses to the extent that it is determined that the Indemnified Party's acts or omissions constituted fraud, bad faith, willful misconduct, negligence, or breach of fiduciary duty, and an independent fiduciary shall take all reasonable steps to ensure reimbursement at the time the Trust Fund agrees to indemnify pursuant to this Section; provided further that in the case of a final judicial determination of negligence or breach of fiduciary duty the Indemnified Party's reimbursement obligation shall be limited to the lesser of \$50,000 or the deductible on any non-recourse commercial liability insurance policy.

(b) The Board may make, execute, record and file on its own behalf and on behalf of the Trust, all instruments and other documentation (including one or more separate indemnification agreements between the Trust and individual Indemnified Parties) that the Board deems necessary and appropriate in order to extend the benefit of the provisions of this Section to any Indemnified Party.

Section 9.14 Subrogation and Reimbursement. If the Plan is self-insured, the following provisions regarding subrogation and third-party reimbursement will apply.

(a) If the Trust Fund pays, or is obligated to pay, any amount to or on behalf of an individual ("Benefit Recipient"), the Trust Fund shall be subrogated as provided in this Section 9.14 to all the Benefit Recipient's rights of recovery with respect to the illness or injury for which the payment of benefits is made by the Trust Fund. The right of recovery referred to in the preceding sentence shall include the right to make a claim, sue, and recover against any person or entity from the first dollars of any funds which are paid or payable as a result of a personal injury claim or any reimbursement of health care expenses. If requested in writing by the Board, the Benefit Recipient shall take, through any representative designated by the Board, such action as may be necessary or appropriate to recover such payment from any person or entity, said action to be taken in the name of the Benefit Recipient. In the event of a recovery or

settlement, the Trust Fund shall be reimbursed in full on a first priority basis out of such recovery or settlement for expenses, costs, and attorneys' fees incurred by it in connection therewith.

(b) If the Trust Fund pays, or is obligated to pay, any amount to or on behalf of a Benefit Recipient for an illness or injury, the Trust Fund shall be entitled to, and shall have a first priority equitable lien on, the proceeds of any recovery, by judgment, settlement or otherwise, with respect to the illness or injury, and if paid to the Benefit Recipient, the Benefit Recipient shall immediately pay any such proceeds to the Trust Fund. If the Benefit Recipient fails to pay such proceeds, or does not cause such proceeds to be paid, to the Trust Fund, the Board may, in addition to any other remedy to which it may be entitled, recover the proceeds directly or by offset against claims for benefits under the Plan and Trust made with respect to the affected Benefit Recipient (or such Benefit Recipient's beneficiaries, heirs, attorneys, agents, representatives, or estate).

(c) The Trust Fund shall have the right of subrogation and reimbursement set forth in this Section 9.14 regardless of whether the Benefit Recipient is made whole and regardless of whether the recovery, or any part thereof, is designated as payment for health care expenses, pain and suffering, loss of income or any other specified or unspecified damages or reason, and without regard to whether recovery is designated as including or excluding the health care expenses covered by the Plan and Trust. Any recovery by a Benefit Recipient, an attorney or other third party shall be deemed to be for the benefit of the Plan and Trust and shall be held in constructive trust for the Trust Fund until the Trust Fund is reimbursed in full for all amounts paid by the Trust Fund. The subrogation and reimbursement rights of the Trust Fund described in this Section 9.14 include all rights against, and include all rights with respect to, proceeds from or held by any attorney, third party, insurance carrier or payer of medical benefits, including an uninsured or under-insured motorist carrier, a no-fault carrier and a school insurance carrier, even if such coverage was purchased by the Benefit Recipient, and without regard to whether the proceeds have been paid or are payable.

(d) By participating in the Plan, each Benefit Recipient agrees to cooperate fully with the Plan and Trust and to execute and deliver agreements, liens and other documents and do whatever else the Board deems necessary to enable and assist the Trust Fund in exercising its rights under this Section 9.14, but the Trust Fund's rights under this Section 9.14 shall be effective regardless of whether the Benefit Recipient actually signs any agreements, liens or other documents. By participating in the Plan, each Benefit Recipient also agrees (i) that he or she will not make or maintain any make whole, common trust fund or apportionment action or claim in contravention of the subrogation and reimbursement provisions of this Section 9.14; and (ii) that he or she will not oppose any proceeding by the Trust Fund to obtain reimbursement on procedural grounds. The Benefit Recipient, directly or through his or her representatives, shall not do anything to impair the Trust Fund's rights. If the Board determines that any Trust Fund recovery rights under Section 9.14 have been impaired by any action of the Benefit Recipient or his or her representatives or by the Benefit Recipient's or such other person's failure to comply with the Benefit Recipient's obligations under Section 9.14, the Board may, in addition to any other remedy to which it may be entitled, determine the amount by which the Trust Fund's recovery rights have been impaired and recover such amount directly or by offset against claims for benefits under the Trust Fund made with respect to the affected Benefit Recipient.

(e) This Section 9.14 entitles the Trust Fund to subrogation and reimbursement equal to the entire amount paid by the Trust Fund for the illness or injury to which the subrogation or reimbursement relates, including related expenses, costs and attorneys' fees, which shall be from the first dollars payable to or received by the Benefit Recipient, his representatives, heirs, legal counsel, estate or any other third party from any settlement, judgment or other payment, without reduction for attorneys' fees or for any other reason. The common fund, make-whole, apportionment or any similar doctrines shall not apply to any amounts received. Any attorneys' fees shall be the responsibility solely of the Benefit Recipient, and the Trust Fund shall not pay any attorneys' fees or costs associated with a Benefit Recipient's claim or lawsuit without the Board's prior written authorization.

(f) The intention of this Section 9.14 is to give the Trust Fund the first right of subrogation and reimbursement in full with respect to the first dollars paid or payable, even though the Benefit Recipient is not made whole. Each Benefit Recipient agrees that as a condition to receiving benefits under the Plan and from the Trust Fund, the Benefit Recipient shall comply with the requirements of this Section 9.14.

## **ARTICLE X AMENDMENT, TERMINATION AND MERGER**

Section 10.1 Amendment. The Trust Agreement may be amended at any time in writing by the Board, by a vote of not less than six (6) out of seven (7) Board members, or by Court order upon proper motion, provided, however, that no amendment may impose a contribution obligation on Detroit; provided further that no amendment shall in any way conflict with the terms of the Plan of Adjustment or a Court order confirming the Plan of Adjustment; and provided further that no amendment shall adversely affect the exempt status of the Trust or Plan under Section 501(c)(9) of the Code. No amendment to the Trust Agreement shall modify the responsibilities of the Bank hereunder unless the Bank has first consented to such amendment.

### Section 10.2 Termination.

(a) The Trust and this Trust Agreement may be terminated at any time in writing by action of the Board, acting by a vote of not less than six (6) out of seven (7) Board members, with a copy of such written instrument to be provided to the Bank, or by Court order upon proper motion. Upon termination of this Trust Agreement, the assets of the Trust Fund shall be paid out at the direction of the Board in the following order of priority: (i) the payment of reasonable and necessary administrative expenses (including taxes); (ii) the payment of benefits to Participants entitled to payments for claims arising prior to such termination; and (iii) upon satisfaction of all liabilities to existing Participants, either directly or through the purchase of insurance, to provide life, sick accident or other permissible benefits in accordance with Code section 501(c)(9) and the rules and regulations promulgated thereunder. Neither Detroit nor any member of the Board shall have any beneficial interest in the Trust Fund, except to the extent an Individual Trustee is also a Participant in the Plan. Any determination by the Board or an administrator to distribute assets of the Trust upon termination to an Individual Trustee who is also a Participant must have the written concurrence of the Bank. The Trust Fund shall remain in existence until all assets have been distributed.

(b) Upon termination, the Bank and the Board shall continue to have all of the powers provided in this Trust Agreement as are necessary or desirable for the orderly liquidation and distribution of the Trust Fund in accordance with the provisions hereof.

Section 10.3 Transfer of Assets and/or Liabilities. To the extent permitted by Code section 501(c)(9) and other applicable law, some or all of the assets and/or liabilities of the Trust Fund may at the discretion of the Board be transferred directly to another trust for the purpose of providing health or welfare benefits to some or all of the Participants on such terms and conditions as the Board may determine.

## ARTICLE XI MISCELLANEOUS

Section 11.1 Rights in Trust Fund. No Participant or other person shall have any right, title or interest in the Trust Fund or any legal or equitable right against the Bank, the Board, or Detroit, except as may be otherwise expressly provided in the Plan or in this Trust Agreement.

Section 11.2 Non-Alienation. Except to the extent required by applicable law, the rights or interest of any Participant to any benefits or future payments hereunder or under the provisions of the Plan shall not be subject to attachment or garnishment or other legal process by any creditor of any such Participant, nor shall any such Participant have any right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he may expect to receive, contingent or otherwise, under this Trust Agreement.

Section 11.3 Controlling Laws. The Trust shall be construed and the terms hereof applied according to the laws of the state of Michigan to the extent not superseded by federal law.

Section 11.4 Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be considered as an original.

Section 11.5 Headings. The headings and subheadings of this Trust Agreement are for convenience of reference only and shall have no substantive effect on the provisions of this Trust Agreement.

Section 11.6 Notices. All notices, requests, demands and other communications under this Trust Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of receipt if served personally or by confirmed facsimile or other similar communication; (b) on the first business day after sending if sent for guaranteed next day delivery by Federal Express or other next-day courier service; or (c) on the fourth business day after mailing if mailed to the party or parties to whom notice is to be given by registered or certified mail, return receipt requested, postage prepaid, and properly addressed as follows:

If to the Bank:

**[insert name and address]**

If to the Board:

**[insert 7 names and addresses]**

If to the Mayor:

**[insert name and address]**

If to the Supporting Organization:

**[insert name and address]**

If to the Other Supporting Organization:

**[insert name and address]**

If to the Detroit Retired City Employees Association:

**[insert name and address]**

IN WITNESS WHEREOF, and as evidence of the establishment of the Trust created hereunder, the parties hereto have caused this instrument to be executed as of the date above first written.

**BANK**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CITY OF DETROIT**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**INDIVIDUAL TRUSTEES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**  
**Bank Compensation**

**EXHIBIT B**

**Supporting Organization Funding**

| <b>Contributing Organization</b> | <b>Contribution Amount</b> |
|----------------------------------|----------------------------|
| Skillman Foundation              |                            |
|                                  |                            |
|                                  |                            |
|                                  |                            |

EXHIBIT I.A.112

FORM OF DETROIT POLICE AND FIRE VEBA TRUST AGREEMENT

**CITY OF DETROIT POLICE AND FIRE RETIREE HEALTH CARE TRUST**

THIS TRUST AGREEMENT, entered into effective \_\_\_\_\_, 2014, by and among the City of Detroit (“Detroit” or the “City”), [\_\_\_\_\_ Bank] (the “Bank”), and the undersigned individual trustees (“Individual Trustees”).

**WITNESSETH:**

WHEREAS, Detroit filed a voluntary petition for relief under chapter 9 of the Bankruptcy Code on July 18, 2013 in the United States Bankruptcy Court for the United States Bankruptcy Court Eastern District of Michigan (the “Court”);

WHEREAS, pursuant to the Plan for the Adjustment of Debts of the City of Detroit (the “Plan of Adjustment”), the City agreed to establish a voluntary employees beneficiary association (“VEBA”) to provide health care benefits to certain retirees and their Eligible Dependents;

WHEREAS, Detroit hereby establishes this City of Detroit Police and Fire Retiree Health Care Trust (the “Trust”);

WHEREAS, the undersigned Individual Trustees constituting the Board of Trustees shall be responsible for: (i) managing the property held by, and administration of, this Trust; and (ii) designing, adopting, maintaining and administering the “Health Care Plan for Police and Fire Retirees of the City of Detroit” (the “Plan”), through which all health care benefits to the Trust’s beneficiaries shall be provided;

WHEREAS, the Board of Trustees is willing to exercise the authority granted to it herein with regard to the Trust and Plan;

WHEREAS, through this Trust Agreement, Detroit intends to designate the Bank to serve in the capacity of the institutional trustee with respect to the Trust and to maintain custody of the Trust assets;

WHEREAS, the Bank is willing to receive, hold, and invest the assets of the Trust in accordance with the terms of this Trust Agreement; and

WHEREAS, the Trust and the interdependent Plan are intended to comply with the requirements of section 501(c)(9) of the Internal Revenue Code of 1986, as amended (the “Code”), and are together intended to constitute a “governmental plan” within the meaning of section 3(32) of the Employee Retirement Income Security Act of 1974;

NOW THEREFORE, in consideration of the premises and the covenants contained herein, Detroit and the Bank agree as follows:

**ARTICLE I  
DEFINITIONS**

Section 1.1 Bank. The entity referred to in the Preamble to this Trust Agreement named to perform the duties set forth in this Trust Agreement, or any successor thereto appointed

by the Board in accordance with Section 7.3. Any corporation continuing as the result of any merger or consolidation to which the Bank is a party, or any corporation to which substantially all the business and assets of the Bank may be transferred, will be deemed automatically to be continuing as the Bank.

Section 1.2 Board of Trustees or Board. The Board of Trustees is the body described in Article VIII to which Detroit has delegated responsibility for: (i) managing the property held by, and administering, this Trust; and (ii) designing, adopting, maintaining and administering the Plan, through which all benefits to the Trust's beneficiaries shall be provided. It shall be constituted and operated in accordance with Article IX.

Section 1.3 Code. The Internal Revenue Code of 1986, as amended, and any successor statute thereto.

Section 1.4 Detroit Police and Fire VEBA Beneficiary. Has the meaning given to that term in the Plan of Adjustment.

Section 1.5 Eligible Dependent. An Eligible Retiree Member's dependent, within the meaning of Code section 501(c)(9) and the regulations promulgated thereunder, who is eligible to receive benefits under the Plan in accordance with its terms.

Section 1.6 Eligible Retiree Member. A former employee of Detroit who is a Detroit Police and Fire VEBA Beneficiary.

Section 1.7 Investment Manager. An investment manager appointed by the Board or its successor in accordance with the provisions of Section 9.4 hereof

Section 1.8 New B Notes. Has the meaning given to that term in the Plan of Adjustment.

Section 1.9 OPEB Claims Notes. The New B Notes the City is required to contribute to the Trust pursuant to the Plan of Adjustment.

Section 1.10 Other Supporting Organization. An organization other than the City, the Rate Stabilization Fund, or the Supporting Organization, having voluntarily contributed funds in excess of **[\$500,000]** to the Trust on or after the Effective Date.

Section 1.11 Participant. An Eligible Retiree Member or Eligible Dependent who is entitled to health care benefits pursuant to the terms of the Plan.

Section 1.12 Plan. The Health Care Plan for Retirees of the City of Detroit, to be adopted and thereafter amended from time to time by the Board, as specified herein, and which will provide health care benefits permitted to be provided by a VEBA under Code section 501(c)(9).

Section 1.13 Plan of Adjustment. The Plan for the Adjustment of Debts of the City of Detroit.

Section 1.14 Rate Stabilization Fund. The Rate Stabilization Reserves Fund maintained under the control of the Governing Board of the City of Detroit Employee Benefits Plan established pursuant to Title 9, Chapter VIII of the Charter of the City of Detroit for the exclusive purpose of providing hospital, surgical, and death benefits for current or former employees of the City.

Section 1.15 Supporting Organization. The Foundation for Detroit's Future, a not for profit that is created to collect certain contributions and make an annual contribution to an escrow account as described in Section 3.2, or the successor to such not for profit. The Supporting Organization was created to receive funds from organizations, including those listed in Exhibit B, and allocate such funds, in the amounts described in Exhibit B, to, among other entities, this Trust Fund.

Section 1.16 Trust Agreement. This agreement as it may be amended thereafter from time to time by the parties hereto in accordance with the terms hereof.

Section 1.17 Trust or Trust Fund. The City of Detroit Police and Fire Retiree Health Care Trust established by this Trust Agreement, comprising all property or interests in property held by the Bank from time to time under this Trust Agreement.

## **ARTICLE II ESTABLISHMENT OF TRUST**

Section 2.1 Purpose. The Trust is established for the purpose of providing life, sickness, accident, and other similar benefits, directly, through the purchase of insurance, or by reimbursement of expenses, to the Participants in accordance with the Plan and consistent with Section 501(c)(9) of the Code and the regulations and other guidance promulgated thereunder. The Trust, together with the Plan, is intended to constitute a VEBA under Section 501(c)(9) of the Code.

Section 2.2 Receipt of Funds. The Bank shall accept all sums of money and other property contributed to the Trust pursuant to Article III. The Bank shall hold, manage and administer the Trust Fund without distinction between principal and income. The Bank shall be accountable for the contributions or transfers it receives, but shall not be responsible for the collection of any contributions or transfers to the Trust or enforcement of the terms of the OPEB Claims Notes.

Section 2.3 Inurement and Reversion Prohibited. At no time shall any part of the principal or income of the Trust Fund be used for, or diverted to, any purpose other than sponsoring, operating and administering the Plan and Trust to provide benefits that are permitted under Code section 501(c)(9) to Participants. Nothing in this Trust Agreement shall be construed in such a way as to prohibit the use of assets of the Trust Fund to pay reasonable fees and other expenses and obligations incurred in maintaining, administering and investing the Trust Fund or in sponsoring, administering and operating the Plan in accordance with the provisions of this Trust Agreement. At no time shall any part of the net earnings inure to the benefit of any individual other than through the provision of benefits as permitted under Code section 501(c)(9) and the regulations promulgated thereunder. In no event will the assets held in the Trust Fund revert to Detroit. Upon termination of the Trust Fund, any assets remaining upon satisfaction of all liabilities to existing Participants shall be applied, either directly or through the

purchase of insurance, to provide life, sick accident or other permissible benefits under Code section 501(c)(9) and the rules and regulations promulgated thereunder, pursuant to criteria consistent with such rules and regulations.

Section 2.4 No Guarantee. Nothing contained in the Trust or the Plan shall constitute a guarantee that the assets of the Trust Fund will be sufficient to pay any benefit to any person or make any other payment. The obligation of the Plan to pay any benefit provided under the Plan is expressly conditioned on the availability of cash in the Trust to pay the benefit, and no plan fiduciary or any other person shall be required to liquidate the OPEB Claims Notes or any other Plan asset in order to generate cash to pay benefits. Detroit shall not have any obligation to contribute any amount to the Trust except as provided in Article III. Except for payments of benefits under the Plan, no Participant shall receive any distribution of cash or other thing of current or exchangeable value, either from the Board or the Bank, on account of or as a result of the Trust Fund created hereunder.

Section 2.5 No Interest. Detroit shall not have any legal or equitable interest in the assets of the Trust Fund at any time, including following the termination of the Trust.

### **ARTICLE III CONTRIBUTIONS TO THE TRUST FUND**

Section 3.1 Detroit Contributions. The Bank will accept the City's contribution of the OPEB Claims Notes to the Trust Fund pursuant to the Plan of Adjustment. Apart from the contribution of the OPEB Claims Notes, contributions to the Trust Fund made within sixty (60) days of the Effective Date by the Rate Stabilization Fund in the amount of \$[1.5] million, or from Other Supporting Organizations, and as otherwise provided in Section 3.2, Detroit shall have no further obligation to contribute to the Trust or otherwise fund the Plan.

Section 3.2 Other Contributions. The Bank will accept other contributions to the Trust Fund from Participants, from funds held in escrow by an escrow agent on behalf of the City that are received from the Supporting Organization, or from Other Supporting Organizations whether or not contributed through an escrow on behalf of the City.

### **ARTICLE IV PAYMENTS FROM THE TRUST FUND**

Section 4.1 Payments from the Trust Fund.

(a) Subject to paragraph (b) below, the Bank shall make payments from the Trust Fund to provide, directly or through the purchase of insurance, benefits under the Plan as directed by the Board.

(b) To the extent permitted by law, the Bank shall be fully protected in making payments out of the Trust Fund, and shall have no responsibility to see to the application of such payments or to ascertain whether such payments comply with the terms of the Plan, and shall not be liable for any payment made by it in good faith and in the exercise of reasonable care without actual notice or knowledge of the impropriety of such payments hereunder. The Bank may withhold all or any part of any payment as the Bank in the exercise of its reasonable discretion may deem proper, to protect the Bank and the Trust against any liability or claim on

account of any income or other tax whatsoever; and with all or any part of any such payment so withheld, may discharge any such liability. Any part of any such payment so withheld by the Bank that may be determined by the Bank to be in excess of any such liability will upon such determination by the Bank be paid to the person or entity from whom or which it was withheld.

Section 4.2 Method of Payments. The Bank may make any payment required to be made by it hereunder, unless directed otherwise by the Board, by direct electronic deposit of the amount thereof to the financial institution where the person or entity to whom or to which such payment is to be made maintains an account, or by mailing a check in the amount thereof by first class mail in a sealed envelope addressed to such person or entity to whom or to which such payment is to be made, according to the direction of the Board. If any dispute arises as to the identity or rights of persons who may be entitled to benefits hereunder, the Bank may withhold payment until such dispute is resolved by a court of competent jurisdiction or, at the discretion of the Board pursuant to written instructions.

Section 4.3 Excessive Payments. If the payment of any benefit under the Plan is determined to have been excessive or improper, and the recipient thereof fails to make repayment to the Bank or an administrator chosen by the Board of such excessive or improper payment upon the Bank's or administrator's request, the Bank shall deduct the amount of such excessive or improper payment from any other benefits thereafter payable to such person. Until repaid to the Bank or Bank's agent, the amount of said excessive or improper payment shall not be included in any report by the auditor, the Bank, or the administrator as an asset of the Plan or the Trust Fund.

## **ARTICLE V BANK POWERS AND DUTIES**

Section 5.1 Powers of the Bank Generally. The Bank has whatever powers are required to discharge its obligations and to accomplish any of the purposes of this Trust Agreement, including (but not limited to) the powers specified in the following Sections of this Article, and the powers and authority granted to the Bank under other provisions of this Trust Agreement. The enumeration of any power herein shall not be by way of limitation, but shall be cumulative and construed as full and complete power in favor of the Bank.

Section 5.2 Powers Exercisable by the Bank in Its Discretion. The Bank is authorized and empowered to exercise the following powers at its discretion in satisfaction of the duties imposed on it under this Trust Agreement:

(a) To place securities orders, settle securities trades, hold securities in custody, deposit securities with custodians or securities clearing corporations or depositories or similar organizations, and other related activities as shall be necessary and appropriate in performing its duties under this Trust Agreement. Any indicia of ownership of any Trust Fund assets, however, shall not be maintained outside the jurisdiction of the district courts of the United States. Trades and related activities conducted through a broker shall be subject to reasonable fees and commissions established by the broker, which may be paid from the Trust Fund or netted from the proceeds of trades.

(b) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.

(c) To cause any investment in the Trust Fund to be registered in, or transferred into, its name as the institutional trustee or the name of its nominee or nominees, or to retain such investments unregistered in a form permitting transfer by delivery, but the books and records of the Bank shall at all times show that all such investments are part of the Trust Fund, and the Bank shall be fully responsible for any misappropriation in respect of any investment held by its nominee or held in unregistered form and shall cause the indicia of ownership to be maintained within the jurisdiction of the district courts of the United States.

(d) To deliver to the Board, or the person or persons identified by the Board, on a timely basis as required under Section 5.5, proxies and powers of attorney and related informational material, for any shares or other property held in the Trust.

Section 5.3 Powers Exercisable by the Bank Only Upon the Direction of the Board.  
The Bank shall exercise the following powers only upon the direction of the Board (or, in the case of subparagraphs (a) and (b)), a duly appointed Investment Manager who has been conferred such power by the Board):

(a) To receive, hold, invest and reinvest Trust Fund assets and income under provisions of law from time to time existing and in accordance with Article IX.

(b) To exercise or abstain from exercising any option, privilege or right attaching to any Trust Fund assets.

(c) To make payments from the Trust Fund for the provision of benefits in accordance with Article IV and for the payment of expenses as provided in Section 5.8.

(d) To employ suitable agents and depositaries (domestic or foreign), public accountants, brokers, custodians, ancillary trustees, appraisers, enrolled actuaries, and legal counsel as shall be reasonably necessary and appropriate to fulfill its obligations under this Trust Agreement and to comply with the lawful instructions of the Board, and to pay their reasonable expenses and compensation.

(e) To pay any income or other tax or estimated tax, charge or assessment attributable to any property or benefit out of such property or benefit in its sole discretion, or any tax on unrelated business income of the Trust, if any, out of the Trust Fund.

(f) To vote, in person or by general or limited proxy, at any election of any corporation in which the Trust Fund is invested, and similarly to exercise, personally or by a general or limited power of attorney, any right appurtenant to any investment held in the Trust Fund.

(g) To accept, compromise or otherwise settle any obligations or liability due to or from them as the Bank hereunder, including any claim that may be asserted for taxes, assessments or penalties under present or future laws, or to enforce or contest the same by appropriate legal proceedings.

(h) To act as the sole trustee in the event that the Board, by reason of death, resignation, or failure to appoint successor Individual Trustees, has fewer than three (3) members.

Section 5.4 Title to Trust Fund. All rights, title and interest in and to the Trust Fund shall at all times be vested exclusively in the Bank or any institutional successor trustee under this Trust Agreement.

Section 5.5 General Duties and Obligations of Bank.

(a) In accordance with Article II, the Bank shall hold all property received by it and any income and gains thereupon. In accordance with this Article and Article IX, the Bank shall manage, invest and reinvest the Trust Fund following the directions of the Board or a duly appointed Investment Manager (who has been conferred such power by the Board), shall collect the income therefrom, and shall make payments or disbursements as directed by the Board.

(b) Subject to the provisions of Articles VII and X, the Bank shall comply with any directive issued by the Board to withdraw and transfer all or any part of the Trust Fund to another institutional trustee, custodian or a funding agent.

(c) The Board shall have responsibility for directing the Bank as to the voting (by proxy or in person) of any shares or other property held in the Trust. Accordingly, the Bank shall deliver to the Board (or the person or persons identified by the Board), on a timely basis, proxies, powers of attorney and related informational material that are necessary for the Board to fulfill its responsibility.

The Bank may use agents to effect such delivery to the Board (or the person or persons identified by the Board).

(d) The Bank shall discharge its duties in the interests of Participants and for the exclusive purpose of providing benefits to Participants and defraying reasonable expenses of administering the Trust and the Plan and shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in conduct of an enterprise of like character and with like aims. The Bank will be under no liability or obligation to anyone with respect to any failure of the Board to perform any of its obligations under the Plan or Trust Agreement or for any error or omission of the Board.

Section 5.6 Determination of Rights. The Bank shall have no power, authority, or duty hereunder in respect to the determination of the eligibility of any person to coverage under the Plan, or the entitlement of any person to any benefit payments under the Plan.

Section 5.7 Continuance of Plan; Availability of Funds. Neither the Board, the Bank nor Detroit assumes any contractual obligation as to the continuance of the Plan and shall not be responsible for the adequacy of the Trust Fund to meet and discharge any liabilities under the Plan, and the Bank's obligation to make any payment shall be limited to amounts held in the Trust Fund at the time of the payment.

Section 5.8 Payment of Expenses. The Bank shall apply the assets of the Trust Fund to pay all reasonable costs, charges, and expenses (including, but not limited to, all brokerage fees and transfer tax expenses and other expenses incurred in connection with the sale or purchase of investments, all real and personal property taxes, income taxes and other taxes of any kind at any time levied or assessed under any present or future law upon, or with respect to, the Trust Fund or any property included in the Trust Fund and all legal, actuarial, accounting and financial advisory expenses) reasonably incurred by the Bank or the Board in connection with establishing, sponsoring, administering or operating the Trust or Plan. The Board shall by written certificate provided to the Bank request payment for any expenses related to the administration of the Trust and/or the Plan. Upon receipt of the written certificate, the Bank may make the payment requested by the Board. The expenses of the Bank shall constitute a lien on the Trust Fund.

Section 5.9 Bank Compensation. The Bank will apply the assets of the Trust Fund to pay its own fees in the amounts and on the dates set forth in Exhibit A. The Bank's compensation shall constitute a lien on the Trust Fund.

Section 5.10 Reliance on Written Instruments. The Bank shall be fully protected in acting upon any instrument, certificate or paper believed by it to be genuine and to be signed or presented by a duly authorized person or persons, and shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

## **ARTICLE VI BANK ACCOUNTS**

Section 6.1 Records. The Bank shall maintain accurate and detailed records and accounts of all investments, receipts, disbursements, and other transactions with respect to the Trust, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by the Board or such person or persons as the Board may designate.

Section 6.2 Annual Audit. The Trust Fund shall be audited annually by a firm of certified public accountants independent of the Bank, the members of the Board, and the City, and a statement of the results of such audit shall be provided to the Bank and the Board and also made available for inspection by interested persons at the principal office of the Trust. Such audit must be completed no later than 120 days after the expiration of the calendar year, or after expiration of the fiscal year if the Trust Fund is on a fiscal year other than a calendar year. The Board shall provide a copy of this statement to the Supporting Organization and any Other Supporting Organization no later than the May 15<sup>th</sup> immediately succeeding the last day of the year covered by such audited financial statements.

Section 6.3 No Interest by Participants. In no event shall any Participant or beneficiary have any interest in any specific asset of the Trust Fund. At no time shall any account or separate fund be considered a savings account or investment or asset of any particular Participant, beneficiary, or class of Participants or beneficiaries, and no Participant or beneficiary shall have any right to any particular asset which the Board or Bank may have allocated to any account or separate fund for accounting purposes.

Section 6.4 Furnishing Written Accounts. The Bank shall file with the Board a written account setting forth a description of all securities and other property purchased and sold, and all receipts, disbursements, and other transactions effected by it during the accounting period to which the Board and the Bank have agreed, and showing the securities and other properties held, and their fair market values at such times and as of such dates as may be agreed by the Board and the Bank in writing. Such written account shall be filed with the Board within thirty (30) days after the close of each calendar quarter.

Section 6.5 Accounting Year, Cash Basis. The accounting year of the Trust shall be the calendar year. All accounts of the Bank shall be kept on a cash basis.

Section 6.6 Judicial Proceedings. If the Bank and the Board cannot agree with respect to any act or transaction reported in any statement, the Bank shall have the right to have its accounts settled by judicial proceedings in which only the Bank and the Board shall be necessary parties. No Participant shall have any right to compel an accounting, judicial or otherwise, by the Bank.

## **ARTICLE VII PROCEDURES FOR THE BANK**

Section 7.1 Removal. The Bank may be removed by the Board at any time upon thirty (30) days' advance written notice. Such removal shall be effective on the date specified in such written notice, provided that notice has been given to the Bank of the appointment of a successor institutional trustee or custodian in the manner set forth in Section 7.3 below.

Section 7.2 Resignation. The Bank may resign by filing with the Board a written resignation that shall take effect ninety (90) days after the date of such filing, unless prior thereto a successor institutional trustee or custodian has been appointed by the Board. In no event may the Bank's resignation take effect before a successor institutional trustee or custodian has been appointed by the Board and such successor trustee has accepted the appointment. If the Board fails to appoint a successor institutional trustee or custodian, the retiring Bank may seek the appointment of a successor entity in the manner set forth in Section 7.3.

Section 7.3 Successor Bank.

(a) The Board may appoint a successor institutional trustee or custodian by delivering to such successor an instrument in writing, executed by an authorized representative of the Board, appointing such successor entity, and by delivering to the removed or resigning Bank an acceptance in writing, executed by the successor so appointed. Such appointment shall take effect upon the date specified in Section 7.1 or 7.2 above, as applicable.

(b) Alternatively, the Board may appoint a successor institutional trustee or custodian by securing from such successor an amendment to this Trust Agreement, executed by both the successor and an authorized representative of the Board, which replaces the current Bank with the successor institutional trustee or custodian, appointing such successor institutional trustee or custodian, and by delivering to the removed or resigning Bank an executed copy of the amendment. Such appointment shall take effect upon the date specified in the amendment.

(c) If no appointment of a successor institutional trustee or custodian is made by the Board within a reasonable time after such resignation, removal or other event, any court of competent jurisdiction may, upon application by the retiring Bank, appoint a successor institutional trustee or custodian after such notice to the Board and the retiring Bank, as such court may deem suitable and proper.

Section 7.4 Effect of Removal or Resignation of Bank. Upon the removal or resignation of the Bank in accordance with Section 7.1 or 7.2 above, the Bank shall be fully discharged from further duty or responsibility under this Trust Agreement to the extent permitted by law.

Section 7.5 Merger or Consolidation of the Bank. Any corporation continuing as the result of any merger or resulting from any consolidation, to which merger or consolidation the Bank is a party, or any corporation to which substantially all the business and assets of the Bank may be transferred, will be deemed to be continuing as the Bank.

## **ARTICLE VIII COMPOSITION OF AND PROCEDURES FOR THE BOARD OF TRUSTEES**

Section 8.1 Number and Appointment of Members. The Board of Trustees shall consist of seven (7) Individual Trustees as voting members and for the first four (4) years, one (1) non-voting, ex-officio member, who are selected as provided below.

(a) The Mayor of Detroit shall appoint one (1) voting member, who may not be an employee or employed by an affiliate of the City (for such purposes, a contractor of the City shall not be deemed an affiliate), or of any labor union representing employees of the City, or a member of any such labor union, or a Participant. Such member shall have expert knowledge or extensive experience with respect to economics, finance, institutional investments, administration of public or private health and welfare benefit plans, executive management, benefits administration or actuarial science. The Board member selected by the Mayor to begin serving as of the Effective Date shall be Floyd Allen.

(b) The remaining six (6) voting members shall be appointed as follows: three (3) such voting members shall initially be designated by the Official Committee of Retirees of the City of Detroit, Michigan, and three (3) such voting members shall initially be designated by the Retired Detroit Police and Fire Fighters Association. The members initially selected by the Official Committee of Retirees of the City of Detroit, Michigan shall be: Gregory Best, John Clark, and Thomas Sheehan. The members initially selected by the Retired Detroit Police and Fire Fighters Association shall be: Allan Grant, Greg Trozak, and Andrew Dillon.

(c) The Retired Detroit Police Members Association shall appoint one (1) non-voting, ex-officio member who shall initially be: Shirley Berger. The non-voting member may attend any meeting of the Board, provide whatever opinion and recommendations he or she deems warranted, and receive all written product received by the full Board. To the extent the Board appoints any committee or subcommittee, such non-voting member is also eligible to be appointed, in the full voting Board's discretion, as an ex-officio member of such committee/subcommittee, but if appointed would not vote as a committee/subcommittee member.

Each voting Board member shall acknowledge his or her appointment and acceptance of the duties and responsibilities set forth in this Trust Agreement in writing.

Section 8.2 Term of Office. Each member of the Board shall serve a period of four (4) years, or if earlier, until his or her death, incapacity to serve hereunder, or resignation. A voting Board member whose term has ended due to the passage of time may be reappointed to serve an additional four (4) year term pursuant to the procedures set forth in Section 8.4 below.

Section 8.3 Resignation. A Board member may resign, and shall be fully discharged from further duty or responsibility under this Trust Agreement to the extent permitted by law, by giving at least ninety (90) days' advance written notice to the Board (and in the case of a Board member selected by the Mayor, to the Mayor; and in the case of a Board member selected by the Official Committee of Retirees or the Retired Detroit Police and Fire Fighters Association, to the Retired Detroit Police and Fire Fighters Association), which notice shall state the date when such resignation shall take effect, which notice or time period may be waived by the Board.

Section 8.4 Vacancies. In the event of a vacancy, either by resignation, death, incapacity, expiration of term of office, or other reasons, the replacement Board member shall be appointed as provided below.

(a) In the event of a vacancy of the seat previously filled by the appointee of the Mayor of Detroit, the replacement Board member shall be appointed as provided in Section 8.1(a).

(b) In the event of a vacancy of a seat previously filled by an appointee of the Official Committee of Retirees or the Retired Detroit Police and Fire Fighters Association, the replacement Board member shall be appointed by the Retired Detroit Police and Fire Fighters Association.

(c) In the event of a vacancy of the non-voting, ex-officio seat previously filled by the appointee of the Retired Detroit Police Members Association, the replacement Board member shall be appointed by the Retired Detroit Police Members Association; provided, however, that such seat shall terminate on December 31, 2018, and in no event shall a vacancy in this seat after December 31, 2018 be filled.

Section 8.5 Fees and Expenses. Voting Board members shall each be paid a stipend. For the 2015 and 2016 calendar year, this stipend shall be in the amount of \$12,000 per year (payable ratably on a monthly basis). Beginning with the 2017 calendar year and for each year thereafter, this stipend shall be in the amount of \$6,000 per year (payable ratably on a monthly basis); provided, however, that the Board, by a vote of not less than six (6) out of seven (7) voting Board members, shall have the power to provide for a different amount for the stipend; and provided, further, that in no event shall such annual stipend exceed \$12,000. The ex-officio member appointed by the Retired Detroit Police Members Association shall be paid a stipend of \$4,800 per year (payable ratably on a monthly basis) for the 2015 and 2016 calendar years, and shall be paid an amount equal to 50% of the stipend of a voting Board member for the 2017 and 2018 calendar years. Each voting Board member may be reimbursed for reasonable expenses properly and actually incurred in the performance of his or her duties, and in the case of the non-voting member, he or she may be reimbursed for reasonable expenses properly and actually

incurred in connection with attendance at Board or Board committee meetings. Compensation payable to the Board members and all reimbursed expenses shall be payable out of the Trust.

Section 8.6 Operation of the Board; Quorum. The Board shall select from among its members a chair and a vice chair. The Board shall hold regular meetings, and shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure and shall keep a record of proceedings. Each Board member shall be entitled to one vote on each question before the Board. Five (5) voting members shall constitute a quorum at any meeting. Except as provided in Section 8.5 and Article X, a majority vote of the seven (7) voting members of the Board at a meeting in which a quorum exists shall be necessary for a decision by the Board. Notwithstanding the foregoing, the voting members of the Board may act by unanimous written consent in lieu of a meeting.

## **ARTICLE IX POWERS AND DUTIES OF THE BOARD OF TRUSTEES**

Section 9.1 General. The Board shall be responsible for designing, adopting, maintaining and administering the Plan, as well as administering the Trust and managing the Trust assets as provided herein. Subject to the provisions of this Trust Agreement, the Plan documents and applicable laws, the Board shall have sole, absolute and discretionary authority to adopt such rules and regulations and take all actions that it deems desirable for the administration of the Plan and Trust, and to interpret the terms of the Plan and Trust. The decisions of the Board will be final and binding on all Participants and all other parties to the maximum extent allowed by law. In performing its duties hereunder, the voting members of the Board shall comply with the terms of the Trust, and shall discharge their duties for the exclusive purposes of providing benefits to participants and beneficiaries of the Plan and Trust and defraying reasonable expenses of the Plan and Trust, and with the care, skill, prudence, and diligence then prevailing that a prudent person acting in a like capacity – and familiar with such matters – would use in the conduct of an enterprise of like character and with like aims.

### Section 9.2 Plan Design and Administration.

(a) Adoption of Plan. The Board shall adopt a Plan to offer life, sickness, accident or other similar benefits to Participants. All terms of the Plan shall be determined by the Board; provided that such terms shall be consistent with this Trust Agreement, Code section 501(c)(9) and the regulations promulgated thereunder. The Board shall be under no obligation to design the Plan to assure that the assets of the Trust Fund are sufficient to provide benefits to all potential Participants of the Plan in subsequent years.

(b) Benefits. The Plan shall include benefits and any other features including, without limitation, premium-sharing or other cost-sharing or reimbursements, that the Board from time to time determines appropriate or desirable in its sole discretion. The Plan may provide for different benefit structures or programs for different groups of Participants, as determined by the Board in its sole discretion. In designing the Plan and the benefits to be provided thereunder, the Board may take into account relevant circumstances, including, without limitation, the degree to which Participants may have alternative resources or coverage sources, as well as the resources of the Trust Fund. Benefits provided under the Plan shall be limited to those health care benefits permitted by Code Section 501(c)(9), and any Plan eligibility

restrictions established by the Board shall conform with the requirements set forth in Treasury Regulation Section 1.501(c)(9)-2.

(c) Method of Providing Benefits. Benefits under the Plan may be fully insured, partially insured or self-insured, as determined by the Board from time to time in its sole discretion. The expected cost of benefits under the Plan shall not exceed the amount expected to be available under the Trust.

(d) Plan Documentation. The Board shall be responsible for creating, adopting and/or executing any documents necessary to set forth the Plan's governing terms, and shall be responsible for communicating the terms of the Plan to the Eligible Retiree Members and Eligible Dependents in accordance with applicable law.

Section 9.3 Investment of the Trust. The Board, with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar means, shall have full power and authority to manage, control, invest and reinvest the money and other assets of the Trust Fund, and the Bank shall comply with the proper written direction of the Board concerning those assets. The Board may employ outside advisors, including investment advisors, to advise it with regard to the investment of the assets of the Trust Fund. Any outside advisors shall acknowledge a fiduciary relationship to the Board and the Trust Fund.

In investing and managing the assets of the Trust, the Board:

shall consider among other circumstances: the general economic conditions; the possible effect of inflation or deflation; the role that each investment or course of action plays within the overall portfolio; the expected total return from income and the appreciation of capital; needs for liquidity, regularity of income, and preservation or appreciation of capital; and the adequacy of funding for the plan based on reasonable actuarial factors;

(b) shall diversify the investments of the Trust unless the Board reasonably determines that because of special circumstances, it is clearly prudent not to do so;

(c) shall make a reasonable effort to verify facts relevant to the investment and management of assets of the Trust; and

(d) may consider benefits created by an investment in addition to investment return only if the Board determines that the investment providing these collateral benefits would be prudent even without the collateral benefits.

Section 9.4 Appointment of Investment Managers. The Board, from time to time, may appoint one or more independent Investment Managers, pursuant to a written investment management agreement describing the powers and duties of the Investment Manager, to direct the investment and reinvestment of all or a portion of the Trust (hereinafter referred to as an "Investment Account"). The Board shall determine that each Investment Manager is a fiduciary to the Board and Trust with demonstrated expertise in the type of investments authorized by the Board and, is entitled (under its investment management agreement) to direct the investment and reinvestment of the Investment Account for which it is responsible, in its sole and independent

discretion and without limitation, except for any limitations which from time to time the Board determines shall modify the scope of such authority. If an Investment Manager is appointed, it shall have the authority of the Bank specified in Section 5.1 hereof with respect to the Investment Account over which it has investment discretion and the Bank's duties with respect to such Investment Account shall be limited to following the instructions of the Investment Manager. Provided that an Investment Manager is prudently selected and monitored by the Board, the Board shall have no liability (a) for the acts or omissions of such Investment Manager; (b) for following directions of such Investment Manager which are given in accordance with this Trust Agreement; or (c) for any loss of any kind which may result by reason of the manner of division of the Trust into Investment Accounts.

Section 9.5 Government Reports and Returns. The Board shall file all reports and returns that are required to be made with respect to the Trust and the Plan.

Section 9.6 Compromise or Settle Claims. The Board may compromise, settle and release claims or demands in favor of or against the Trust or the Board on such terms and conditions as the Board may deem advisable. The Board may at all times rely upon the advice of independent counsel in reaching such decisions.

Section 9.7 Appointment of Administrator. The Board may appoint one or more third parties to perform any administrative functions it has with regard to the Trust or Plan.

Section 9.8 Employment of Assistance. The Board has the exclusive authority to employ, contract and pay for all professional services including, but not limited to, actuarial, investment, legal, accounting, medical, and any other services that the Board considers necessary for the proper operation and administration of the Plan and Trust. The powers granted to the Board in this subparagraph include complete control of the procurement process, including contracts for office space, computer hardware and software, and human resource services. In accordance with the provisions of Section 5.3 hereof, the Board may direct the Bank to pay reasonable compensation therefor from the Trust Fund. The Board may take or may refrain from taking any action in accordance with or reliance upon the opinion of counsel or such expert advisors.

Section 9.9 Reliance on Written Instruments. The Board shall be fully protected in acting upon any instrument, certificate or paper believed by him or her to be genuine and to be signed or presented by a duly authorized person or persons, and shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

Section 9.10 No Individual Liability on Contracts. The Board shall not be liable personally for any debts, obligations, or undertakings contracted by them, or for the breach of any contracts. Such claims and obligations shall be paid out of the Trust; provided, however, that neither the Board nor any of its members shall be exempt from personal liability for willful misconduct, intentional wrongdoing, breach of applicable fiduciary duty, negligence, or fraud, and the Trust shall not indemnify the Board for such liabilities to the extent that such indemnification would violate the provisions of Section 9.13 herein, or to the extent that application of this sentence would violate any law.

Section 9.11 Detroit Not Liable for Conduct of Board. The Board is not in its capacity as Board an officer, agent, employee, or representative of Detroit. In its capacity as Board, the Board is a principal acting independently of Detroit, which shall not be liable for any act, omission, contract, obligation, liability, debt, or undertaking of the Board or its officers, agents, or representatives.

Section 9.12 Liability Insurance. The Board shall obtain and keep current a policy or policies of insurance, insuring the members of the Board from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act, or omission to act, in connection with the performance of their duties, responsibilities and obligations under this Trust Agreement or the Plan. To the extent permitted by applicable law, the premiums on such policies may be paid from the Trust Fund.

Section 9.13 Reimbursement for Defense of Claims.

(a) To the extent permitted by applicable law, and not otherwise covered by liability insurance purchased by the Trust (without regard to any non-recourse rider purchased by the insured), the Board, its individual trustees, employees of the Board and persons acting on the Board's behalf pursuant to an express written delegation to the extent such written delegation provides for indemnification (each separately, the "Indemnified Party") shall be indemnified and held harmless by the Trust Fund for all reasonable costs and expenses, including without limitation attorney's fees, judgments, settlements, liabilities, fines, or penalties, incurred or suffered in defense of any claim demand, cause of action or administrative proceeding that seeks to hold the Indemnified Party personally liable for any loss to the Plan or Trust Fund or for damages suffered by any party to, or beneficiary of this Trust Agreement arising out of conduct reasonably believed to be good faith acts within the scope and powers and duties of the Indemnified Party, provided that, the Board shall have the right to approve of the retention of any counsel whose fees would be paid by the Trust Fund, but such approval shall not be withheld unreasonably. In the event that indemnification is made by the Trust pursuant hereto, the Indemnified Party shall agree to reimburse the Trust for all fees, costs and expenses to the extent that it is determined that the Indemnified Party's acts or omissions constituted fraud, bad faith, willful misconduct, negligence, or breach of fiduciary duty, and an independent fiduciary shall take all reasonable steps to ensure reimbursement at the time the Trust Fund agrees to indemnify pursuant to this Section; provided further that in the case of a final judicial determination of negligence or breach of fiduciary duty the Indemnified Party's reimbursement obligation shall be limited to the lesser of \$50,000 or the deductible on any non-recourse commercial liability insurance policy.

(b) The Board may make, execute, record and file on its own behalf and on behalf of the Trust, all instruments and other documentation (including one or more separate indemnification agreements between the Trust and individual Indemnified Parties) that the Board deems necessary and appropriate in order to extend the benefit of the provisions of this Section to any Indemnified Party.

Section 9.14 Subrogation and Reimbursement. If the Plan is self-insured, the following provisions regarding subrogation and third-party reimbursement will apply.

(a) If the Trust Fund pays, or is obligated to pay, any amount to or on behalf of an individual (“Benefit Recipient”), the Trust Fund shall be subrogated as provided in this Section 9.14 to all the Benefit Recipient’s rights of recovery with respect to the illness or injury for which the payment of benefits is made by the Trust Fund. The right of recovery referred to in the preceding sentence shall include the right to make a claim, sue, and recover against any person or entity from the first dollars of any funds which are paid or payable as a result of a personal injury claim or any reimbursement of health care expenses. If requested in writing by the Board, the Benefit Recipient shall take, through any representative designated by the Board, such action as may be necessary or appropriate to recover such payment from any person or entity, said action to be taken in the name of the Benefit Recipient. In the event of a recovery or settlement, the Trust Fund shall be reimbursed in full on a first priority basis out of such recovery or settlement for expenses, costs, and attorneys’ fees incurred by it in connection therewith.

(b) If the Trust Fund pays, or is obligated to pay, any amount to or on behalf of a Benefit Recipient for an illness or injury, the Trust Fund shall be entitled to, and shall have a first priority equitable lien on, the proceeds of any recovery, by judgment, settlement or otherwise, with respect to the illness or injury, and if paid to the Benefit Recipient, the Benefit Recipient shall immediately pay any such proceeds to the Trust Fund. If the Benefit Recipient fails to pay such proceeds, or does not cause such proceeds to be paid, to the Trust Fund, the Board may, in addition to any other remedy to which it may be entitled, recover the proceeds directly or by offset against claims for benefits under the Plan and Trust made with respect to the affected Benefit Recipient (or such Benefit Recipient’s beneficiaries, heirs, attorneys, agents, representatives, or estate).

(c) The Trust Fund shall have the right of subrogation and reimbursement set forth in this Section 9.14 regardless of whether the Benefit Recipient is made whole and regardless of whether the recovery, or any part thereof, is designated as payment for health care expenses, pain and suffering, loss of income or any other specified or unspecified damages or reason, and without regard to whether recovery is designated as including or excluding the health care expenses covered by the Plan and Trust. Any recovery by a Benefit Recipient, an attorney or other third party shall be deemed to be for the benefit of the Plan and Trust and shall be held in constructive trust for the Trust Fund until the Trust Fund is reimbursed in full for all amounts paid by the Trust Fund. The subrogation and reimbursement rights of the Trust Fund described in this Section 9.14 include all rights against, and include all rights with respect to, proceeds from or held by any attorney, third party, insurance carrier or payer of medical benefits, including an uninsured or under-insured motorist carrier, a no-fault carrier and a school insurance carrier, even if such coverage was purchased by the Benefit Recipient, and without regard to whether the proceeds have been paid or are payable.

(d) By participating in the Plan, each Benefit Recipient agrees to cooperate fully with the Plan and Trust and to execute and deliver agreements, liens and other documents and do whatever else the Board deems necessary to enable and assist the Trust Fund in exercising its rights under this Section 9.14, but the Trust Fund’s rights under this Section 9.14 shall be effective regardless of whether the Benefit Recipient actually signs any agreements, liens or other documents. By participating in the Plan, each Benefit Recipient also agrees (i) that he or she will not make or maintain any make whole, common trust fund or apportionment action or claim in contravention of the subrogation and reimbursement provisions of this Section 9.14; and (ii) that he or she will not oppose any proceeding by the Trust Fund to obtain reimbursement

on procedural grounds. The Benefit Recipient, directly or through his or her representatives, shall not do anything to impair the Trust Fund's rights. If the Board determines that any Trust Fund recovery rights under Section 9.14 have been impaired by any action of the Benefit Recipient or his or her representatives or by the Benefit Recipient's or such other person's failure to comply with the Benefit Recipient's obligations under Section 9.14, the Board may, in addition to any other remedy to which it may be entitled, determine the amount by which the Trust Fund's recovery rights have been impaired and recover such amount directly or by offset against claims for benefits under the Trust Fund made with respect to the affected Benefit Recipient.

(e) This Section 9.14 entitles the Trust Fund to subrogation and reimbursement equal to the entire amount paid by the Trust Fund for the illness or injury to which the subrogation or reimbursement relates, including related expenses, costs and attorneys' fees, which shall be from the first dollars payable to or received by the Benefit Recipient, his representatives, heirs, legal counsel, estate or any other third party from any settlement, judgment or other payment, without reduction for attorneys' fees or for any other reason. The common fund, make-whole, apportionment or any similar doctrines shall not apply to any amounts received. Any attorneys' fees shall be the responsibility solely of the Benefit Recipient, and the Trust Fund shall not pay any attorneys' fees or costs associated with a Benefit Recipient's claim or lawsuit without the Board's prior written authorization.

(f) The intention of this Section 9.14 is to give the Trust Fund the first right of subrogation and reimbursement in full with respect to the first dollars paid or payable, even though the Benefit Recipient is not made whole. Each Benefit Recipient agrees that as a condition to receiving benefits under the Plan and from the Trust Fund, the Benefit Recipient shall comply with the requirements of this Section 9.14.

## ARTICLE X AMENDMENT, TERMINATION AND MERGER

Section 10.1 Amendment. The Trust Agreement may be amended at any time in writing by the Board, by a vote of not less than six (6) out of seven (7) voting Board members, or by Court order upon proper motion, provided, however, that no amendment may impose a contribution obligation on Detroit; provided further that no amendment shall in any way conflict with the terms of the Plan of Adjustment or a Court order confirming the Plan of Adjustment; and provided further that no amendment shall adversely affect the exempt status of the Trust or Plan under Section 501(c)(9) of the Code. No amendment to the Trust Agreement shall modify the responsibilities of the Bank hereunder unless the Bank has first consented to such amendment.

### Section 10.2 Termination.

(a) The Trust and this Trust Agreement may be terminated at any time in writing by action of the Board, acting by a vote of not less than six (6) out of seven (7) voting Board members, with a copy of such written instrument to be provided to the Bank, or by Court order upon proper motion. Upon termination of this Trust Agreement, the assets of the Trust Fund shall be paid out at the direction of the Board in the following order of priority: (i) the payment of reasonable and necessary administrative expenses (including taxes); (ii) the payment of benefits to Participants entitled to payments for claims arising prior to such termination; and

(iii) upon satisfaction of all liabilities to existing Participants, either directly or through the purchase of insurance, to provide life, sick accident or other permissible benefits in accordance with Code section 501(c)(9) and the rules and regulations promulgated thereunder. Neither Detroit nor any member of the Board shall have any beneficial interest in the Trust Fund, except to the extent an Individual Trustee is also a Participant in the Plan. Any determination by the Board or an administrator to distribute assets of the Trust upon termination to an Individual Trustee who is also a Participant must have the written concurrence of the Bank. The Trust Fund shall remain in existence until all assets have been distributed.

(b) Upon termination, the Bank and the Board shall continue to have all of the powers provided in this Trust Agreement as are necessary or desirable for the orderly liquidation and distribution of the Trust Fund in accordance with the provisions hereof.

Section 10.3 Transfer of Assets and/or Liabilities. To the extent permitted by Code section 501(c)(9) and other applicable law, some or all of the assets and/or liabilities of the Trust Fund may at the discretion of the Board be transferred directly to another trust for the purpose of providing health or welfare benefits to some or all of the Participants on such terms and conditions as the Board may determine.

## **ARTICLE XI MISCELLANEOUS**

Section 11.1 Rights in Trust Fund. No Participant or other person shall have any right, title or interest in the Trust Fund or any legal or equitable right against the Bank, the Board, or Detroit, except as may be otherwise expressly provided in the Plan or in this Trust Agreement.

Section 11.2 Non-Alienation. Except to the extent required by applicable law, the rights or interest of any Participant to any benefits or future payments hereunder or under the provisions of the Plan shall not be subject to attachment or garnishment or other legal process by any creditor of any such Participant, nor shall any such Participant have any right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he may expect to receive, contingent or otherwise, under this Trust Agreement.

Section 11.3 Controlling Laws. The Trust shall be construed and the terms hereof applied according to the laws of the state of Michigan to the extent not superseded by federal law.

Section 11.4 Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be considered as an original.

Section 11.5 Headings. The headings and subheadings of this Trust Agreement are for convenience of reference only and shall have no substantive effect on the provisions of this Trust Agreement.

Section 11.6 Notices. All notices, requests, demands and other communications under this Trust Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of receipt if served personally or by confirmed facsimile or other similar communication; (b) on the first business day after sending if sent for guaranteed next day delivery by Federal Express or other next-day courier service; or (c) on the fourth business day after mailing if

mailed to the party or parties to whom notice is to be given by registered or certified mail, return receipt requested, postage prepaid, and properly addressed as follows:

If to the Bank:

**[insert name and address]**

If to the Board:

**[insert 8 names and addresses]**

If to the Mayor:

**[insert name and address]**

If to the Supporting Organization:

**[insert name and address]**

If to the Other Supporting Organization:

**[insert name and address]**

If to the Retired Detroit Police and Fire Fighters Association:

**[insert name and address]**

If to the Retired Detroit Police Members Association

**[insert name and address]**

IN WITNESS WHEREOF, and as evidence of the establishment of the Trust created hereunder, the parties hereto have caused this instrument to be executed as of the date above first written.

**BANK**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CITY OF DETROIT**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**INDIVIDUAL TRUSTEES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**  
**Bank Compensation**

**EXHIBIT B**

**Supporting Organization Funding**

| <b>Contributing Organization</b> | <b>Contribution Amount</b> |
|----------------------------------|----------------------------|
| Skillman Foundation              |                            |
|                                  |                            |
|                                  |                            |
|                                  |                            |

**EXHIBIT I.A.126**

PRINCIPAL TERMS OF DIA SETTLEMENT

## Term Sheet

|                           |  |
|---------------------------|--|
| <p><b>Definitions</b></p> | <p>For the purposes of this Term Sheet the following terms have the meanings provided below:</p> <p><b><u>CFSEM</u></b> means Community Foundation for Southeast Michigan.</p> <p><b><u>City</u></b> means the City of Detroit.</p> <p><b><u>Closing</u></b> means the closing of the transactions contemplated herein.</p> <p><b><u>Definitive Documentation</u></b> means the definitive agreements and other transaction documents to be executed and delivered at Closing.</p> <p><b><u>DIA Funders</u></b> means those persons, businesses, business-affiliated foundations and other foundations that are listed on Exhibit C to this Term Sheet and all additional persons, businesses, business-affiliated foundations and any other foundations from which The DIA secures commitments to contribute monies as “DIA Funders” in furtherance of the transactions contemplated by this Term Sheet.</p> <p><b><u>Foundation Funders</u></b> means the foundations that are listed on Exhibit B to this Term Sheet and any additional foundations (other than foundations that are DIA Funders) that, subsequent to the date of this Term Sheet, agree to contribute monies as “Foundation Funders” in furtherance of the transactions contemplated by this Term Sheet.</p> <p><b><u>Funder</u></b> means a Foundation Funder, a DIA Funder, or The DIA (collectively, the “<b>Funders</b>”).</p> <p><b><u>Museum</u></b> means the museum that is commonly referred to as the Detroit Institute of Arts.</p> <p><b><u>Museum Assets</u></b> means the Museum art collection, operating assets, buildings, parking lots and structures, and any other assets having title vested in the City that are used primarily in servicing the Museum, including those covered by the 1997 Operating Agreement between the City and The DIA (the “<b>Operating Agreement</b>”) all as more particularly described on Exhibit A to this Term Sheet.</p> <p><b><u>Payment Amount</u></b> means at least \$815 million without interest and, to the extent applicable, reduced by any Present Value Discount.</p> |
|---------------------------|--|

|  |  |
|--|--|
|  | <p><b>Payment Period</b> means the twenty year period commencing on and immediately following the date of the Closing.</p> <p><b>State</b> means the State of Michigan.</p> <p><b>Supporting Organization</b> means the Foundation for Detroit's Future, a Michigan nonprofit corporation, which is a supporting organization of CFSEM, which was established to accommodate the contribution and payment of monies from the Funders, as contemplated under this Term Sheet, and will obtain 501(c)(3) status prior to the Closing.</p> <p><b>The DIA</b> means The Detroit Institute of Arts, a Michigan not-for-profit corporation.</p> <p><b>Tri-Counties</b> means the Counties of Macomb, Oakland and Wayne, all in the State.</p> <p>Other capitalized terms are defined elsewhere in this Term Sheet.</p> |
| <p style="text-align: center;"><b>Scope of Settlement</b></p>        | <p>The consummation of the transactions contemplated in this Term Sheet shall be in full and final settlement of all disputes relating to the rights of the City, the Police and Fire Retirement System and the General Retirement System for the City (collectively, the "<b>Pensions</b>"), The DIA, and the State with respect to the Museum, including the Museum Assets. Disputes held by other of the City's creditors pertaining to the foregoing subject matter shall be resolved by confirmation of the Plan of Adjustment (defined below).</p>   |
| <p style="text-align: center;"><b>Reservation of Rights</b></p>      | <p>This Term Sheet proposes a settlement of disputed factual and legal issues. Nothing in this Term Sheet constitutes an admission as to any factual or legal issue or a waiver of any claim or defense, and all rights of the City, The DIA, the Funders and all other parties in the City's bankruptcy case regarding the Museum and the Museum Assets are fully preserved until the Closing.</p>  |
| <p style="text-align: center;"><b>Treatment of Museum Assets</b></p> | <p>As a result of this settlement, at Closing, all right, title and interest in and to the Museum Assets shall be conveyed to The DIA to be held in perpetual charitable trust for the benefit of the people of the City and the State, including the citizens of the Tri-Counties, permanently free and clear of all liens, encumbrances, claims and interests of the City and its creditors (the "<b>Transfer</b>").</p>   |

Funding Commitments

All commitments of the Funders shall, subject to the terms and conditions of this Term Sheet and the Definitive Documentation, be the irrevocable, authorized, valid and binding commitments by the Funders, enforceable against such Funders, except that the commitment of The DIA as to any DIA Deficiency will be subject to its right of substitution as discussed in "*DIA Commitment Regarding Funding*" below. Exhibit B and Exhibit C, as applicable, set forth the commitment amount and, to the extent known prior to the date of this Term Sheet, the payment schedule for each Funder. Prior to execution of the Definitive Documentation, each Funder with respect to which the payment schedule was not known as of the date of this Term Sheet (unless such party becomes a "**Funder**" only after the date of the Definitive Documentation) shall agree to a payment schedule. Each Funder shall have the right to prepay its commitment in whole or in part at any time without penalty and no interest will be owed on any Funder's payments.

All payments by the Funders shall be made as set forth in "*Payment Mechanism*" of this Term Sheet. (The mechanics, timing and terms of all payments by the State shall be determined between the State and the City.)

The parties acknowledge that Funder payments are conditioned on the City meeting certain conditions both initially and on a continuing basis. See "*Conditions to Future Funding Obligations*" of this Term Sheet. Failure of the City to meet those conditions in any material respect may result in the delay of a scheduled payment by the Funders to the Supporting Organization and a delay of a scheduled payment by the Supporting Organization to the City until (i) all material requisite conditions for that payment are met; or (ii) cancellation of that payment if the material requisite conditions are not met within any established cure period.

Funding commitments of the following amounts (before giving effect to any Present Value Discount, as applicable) are required as a condition to Closing:

|                          |                |
|--------------------------|----------------|
| Foundation Funders (net) | \$366 million  |
| DIA Funders and DIA      | \$100 million* |
| State                    | \$350 million  |

\*inclusive of the intended funding amounts for the identified Foundation Funders

|                               |  |
|-------------------------------|--|
|                               | <p>listed in Exhibit B</p> <p>To the extent the City fails to meet its indemnity obligations further described in Exhibit D, the Funders', the Supporting Organization's and The DIA's (with respect to a DIA Deficiency or under the Guaranty) funding commitments will be reduced by any litigation or defense costs, damages or settlement costs incurred by the applicable Funder, the Supporting Organization or The DIA in connection therewith. Similarly, the Funders, the Supporting Organization and The DIA may reduce their funding commitments to the extent that any litigation or defense costs, damages or settlement costs incurred by them and arising from the transactions contemplated by this Term Sheet and the Definitive Documentation are not otherwise covered by the City's indemnity obligations described in Exhibit D.</p>  |
| <p>Present Value Discount</p> | <p>To the extent that the DIA Funders and The DIA have agreed upon an aggregate payment schedule (determined as of the Closing and adjusted after the Closing for any New Donor Commitments), that provides for the payment of greater than an aggregate of \$5 million per year during the Payment Period (the "<b>Agreed Required Minimum Schedule</b>"), the amount and timing of such annual excess in commitments shall, applying a discount rate to be agreed upon hereafter but prior to Closing, which may or may not be the same earnings rate that the Pensions use as provided for in the confirmed Plan of Adjustment as the Pensions' assumed future investment return, result in a present value discount in an amount which reflects the payments required to be made being instead made more rapidly than required by the Agreed Required Minimum Payment Schedule, which present value discount shall reduce the aggregate amount of the commitments that The DIA is required to secure or, as to any DIA Deficiency, undertake itself (the "<b>Present Value Discount</b>").</p> <p>Each Foundation Funder which funds its commitment more rapidly than ratably over twenty years shall likewise be entitled to a Present Value Discount determined in the same manner as set forth in the preceding paragraph.</p> <p>Any disputes regarding the calculation or application of a Present Value Discount will be irrevocably determined,</p> |

|  |  |
|--|--|
|  | <p>based upon the formula described in this Term Sheet, by an independent auditing firm to be agreed upon in the Definitive Documentation.</p>   |
| <p><b>The DIA Commitment Regarding Funding</b></p> | <p>The DIA undertakes to secure commitments for contributions of \$100 million (subject to the Present Value Discount) from the business community (and their related foundations), other foundations and individuals. As of the Closing, The DIA shall be responsible for any portion of the \$100 million (subject to the Present Value Discount) for which it has not secured commitments from DIA Funders as of the Closing (the "<b>DIA Deficiency</b>"). However, The DIA shall have the right after the Closing to substitute for its obligation to pay any or all of the DIA Deficiency commitments from new DIA Funders or an increased funding commitment from an existing DIA Funder (each a "<b>New Donor Commitment</b>") for such amount of the DIA Deficiency. Subject to the terms of this Term Sheet, all New Donor Commitments shall be payable according to payment schedules which shall not run later than the end of the Payment Period. In addition, The DIA agrees that it will have no claims against the Foundation Funders for failure to fund their commitments and that the Foundation Funders have made no commitments beyond those set forth in this Term Sheet (as will be reflected in the Definitive Documentation).</p> |
| <p><b>DIA Guaranty</b></p>                         | <p>Subject to the terms and conditions of this Term Sheet, The DIA shall guaranty (the "<b>Guaranty</b>") the payment by all DIA Funders of all amounts such DIA Funders pledge against the \$100 million (subject to the Present Value Discount) commitment of The DIA under the "<i>Funding Commitment</i>" section of this Term Sheet. The City may take action to collect Default Amounts under the Guaranty as permitted under the "<i>Default and Remedies</i>" section of this Term Sheet. The City shall not otherwise take action to collect any amounts under the Guaranty, and under no circumstances will anyone other than the City have any right to take any action to collect any amounts under the Guaranty. The DIA Guaranty shall be in form and substance acceptable to the City and the Funders.</p>  |
| <p><b>Default and Remedies</b></p>                 | <p>All Funders (including The DIA, both as to any DIA Deficiency and with respect to the Guaranty) shall have the right to rely upon the determination of the Board of Directors of the Supporting Organization as to whether the conditions</p>   |

to a scheduled payment have been satisfied and, if not initially satisfied, whether they have been timely cured. In the event that the Supporting Organization has determined that the conditions have not been satisfied (or timely cured) and the City disputes that determination, the City's only recourse shall be to dispute the Supporting Organization's determination. The City shall have no claim against any Funder (or under the Guaranty) for such Funder's reliance upon the determination of the Board of Directors of the Supporting Organization. Any dispute between the City and the Supporting Organization regarding whether the conditions had been satisfied or timely cured shall be determined in accordance with the "*Dispute Resolution*" section of this Term Sheet.

In the event it is determined by the Supporting Organization or through arbitration that the conditions to a scheduled payment have been satisfied or timely cured, all Funders shall be required to make their scheduled payments to the Supporting Organization (or, as to DIA Funders that so elect in accordance with the "*Payment Mechanism*" section of this Term Sheet, to The DIA, which will be required to make its scheduled payments to the Supporting Organization). If a Foundation Funder, a DIA Funder or The DIA (either with respect to a Deficiency Amount or on behalf of a DIA Funder who elects to make its payments to The DIA) has made its scheduled payment to the Supporting Organization, the City shall have recourse only to the Supporting Organization (and not any Funder that made its scheduled payment) for such payment. If a Foundation Funder, a DIA Funder or The DIA (either with respect to a Deficiency Amount or on behalf a DIA Funder who elects to make its payments to The DIA) has not made its scheduled payment after it is determined by the Supporting Organization or through arbitration that the conditions to such payment have been satisfied or timely cured, the Supporting Organization shall, after making reasonable efforts to collect the scheduled payment from the Funder (the "**Non-funding Party**"), assign its right to enforce payment of that scheduled payment (the "**Default Amount**") to the City in full satisfaction of the Supporting Organization's obligation to make such payment to the City.

If the Supporting Organization assigns to the City, in accordance with the preceding paragraph, the Supporting Organization's right to enforce payment of a Default Amount from a DIA Funder (a "**Defaulted DIA Funder**"), during the twelve-month period following the assignment of the claim

|   |   |
|---|---|
|   | <p>to the City (the “<b>City Collection Period</b>”), the City shall exercise commercially reasonable efforts to collect the Default Amount from that Defaulted DIA Funder, and any amounts collected from that Defaulted DIA Funder shall reduce the amount subject to the Guaranty. If the City is unable to collect the Default Amount from a Defaulted DIA Funder during the City Collection Period, upon the expiration of the City Collection Period, the City may collect the Default Amount from The DIA under the Guaranty and, in such event, assign to The DIA all right and title to (and exclusive authority to collect) the Default Amount.</p> <p>In no event will any Funder other than the Non-funding Party have any responsibility for the payment or obligations of such Non-funding Party (except, as to The DIA, under the Guaranty), and the City will not have any right to collect any amounts from any Funder except as set forth above. Moreover, there will be no third-party beneficiaries to the rights of the City or the Supporting Organization, and no party other than the City or the Supporting Organization (or The DIA in respect of the Guaranty), as applicable, shall have the right to assert any claim against any Funder in respect of the obligations arising under the Definitive Documentation. Without limiting the foregoing, the failure of any Funder or the Supporting Organization to make a scheduled payment shall give rise to a claim by the City against such Non-funding Party, as set forth above, and not against any other Funder, the Supporting Organization, The DIA or the Museum Assets; provided, however, (i) as contemplated in “<i>The DIA Commitment Regarding Funding</i>” above, The DIA will be obligated for any DIA Deficiency except to the extent the DIA Deficiency is replaced during the Payment Period with a New Donor Commitment, and (ii) The DIA will have its obligations under the Guaranty.</p> <p>The City will be responsible for all costs of its enforcement against the Non-funding Party and will not seek reimbursement of costs of enforcement from any other party or the Supporting Organization. No other person or entity shall have the right to enforce payment.</p> |
| <p style="text-align: center;"><b>Initial Payment</b></p> | <p>At and as a condition to the Closing (a) each of the Foundation Funders and the State shall pay at least 5% of its commitment under this Term Sheet and (b) The DIA and the DIA Funders in the aggregate shall pay at least \$5 million.</p>   |

|   |  |
|---|--|
| <p><b>Transfer on Initial Payment</b></p>                                   | <p>The Transfer shall be irrevocably consummated upon the Initial Payment to the City Account (defined in "Conditions to Future Funding Obligations" of this Term Sheet) (which shall be made at the Closing). In addition, at the Closing, the City and The DIA will enter into an agreement that (1) terminates the Operating Agreement, (2) includes a mutual release of pre-Closing claims, and (3) assigns (without recourse) from the City to The DIA all current and future commitments or gifts made or intended for the benefit of the Museum or The DIA, including without limitation money and works of art. The City will not, however, make any representations or warranties relating to the condition of, or title to, the Museum Assets or such commitments and will not have any liability with respect thereto.</p>  |
| <p><b>Payment Mechanism</b></p>   | <p>All payments by the Funders shall be made directly to the Supporting Organization which shall hold such payments in a segregated account (the "Account") pending payment to the City. Notwithstanding the foregoing, any DIA Funder may make its payments to The DIA instead of to the Supporting Organization; payments by The DIA (either with respect to a Deficiency Amount or on behalf a DIA Funder who elects pursuant to the preceding sentence to make its payments to The DIA) to the Supporting Organization shall be pursuant to the terms of an agreement which will be entered into between The DIA and the Supporting Organization in connection with the execution of the Definitive Documentation. As set forth under "Default and Remedies" above, only the City will have recourse or claims against the Account, provided all conditions specified in "Conditions to Future Funding Obligations" of this Term Sheet have been satisfied and as otherwise provided in this Term Sheet, and the City shall be paid when due, directly from the Account for the exclusive payment of the Pensions. The City will not be entitled to any interest or earnings on the balances of the Account. The City shall then pay such amounts to and for the exclusive payment of the Pensions in accordance with the allocation determined by the City and agreed by the Funders.</p> |
| <p><b>DIA Commitment for State-wide Services for State Contribution</b></p> | <p>In addition to continuing to operate the Museum for the benefit of the people of the City and the State, including the citizens of the Tri-Counties, and continuing to provide the special services to the residents of the Tri-Counties during the millage term that are provided for in the millage</p>   |

agreements, during the Payment Period The DIA will provide an array of art programs at no or discounted costs to the residents of the State. In determining which programs to offer, both the cost to The DIA of developing and operating these programs and The DIA's other fundraising obligations, including its need to raise funds for general operations and its stated goal of building endowment funds, as well as any fundraising obligation under this settlement, will be taken into account. As appropriate, The DIA will collaborate with its Michigan museum colleagues in the development of these programs. Given the length of the Payment Period, it is expected that these programs would be developed and adjusted over time. Such programs could include at the outset:

- Two exhibitions in each twelve-month period, with the first such period beginning six months after the Closing, of objects from the Museum collection that would rotate through museums and art centers around the State on a schedule to be determined by The DIA and the recipient museums. Each exhibition will be developed and organized by The DIA and will include installation and de-installation of the objects, a marketing package (logo and advertising template) and, possibly, input on programming and education opportunities.
- An annual professional development program coordinated with the Michigan Museums Association designed to strengthen museum professionals and introduce museum job opportunities to student audiences.
- An expansion of the Museum's popular Inside/Out program (during the tenure of the program), which places high-quality art reproductions in Southeast Michigan communities, to include two additional outstate locations annually, supporting tourism, cultural awareness and life-long learning.
- Art object conservation services at a discounted rate to Michigan museums conducted in consultation with the Museum conservators and the curatorial staff of the requesting museum.
- The development of an educational program based on the Museum collection that supports National Common Core Standards, to be offered in two

|   |   |
|---|---|
|   | <p>Michigan communities annually and to include follow-up support for educators.</p>  |
| <p style="text-align: center;"><b>DIA Operating and Maintenance Commitments</b></p> | <ol style="list-style-type: none"> <li data-bbox="691 331 1430 617">(1) Subject to the terms set forth herein and the Definitive Documentation, The DIA shall have complete responsibility for and control over Museum operations, capital expenditures, collection management, purchase or sale of assets, <i>etc.</i> and will be responsible for all related liabilities, including existing liabilities of The DIA to its employees, contractors and vendors.</li> <li data-bbox="691 638 1430 1100">(2) The permanent primary situs of The DIA and its art collection will remain in the City in perpetuity. This Term Sheet and the Definitive Documentation will not otherwise restrict the ability of The DIA to lend or to otherwise allow works to travel outside of the City or the State, consistent with ordinary Museum operations and the state-wide services proposed under this settlement. Notwithstanding anything to the contrary set forth in this Term Sheet, The DIA acknowledges and agrees that the Museum shall be operated primarily for the benefit of the people of the City and the State, including the citizens of the Tri-Counties.</li> <li data-bbox="691 1121 1430 1835">(3) The DIA will be required to operate the Museum as an encyclopedic art museum in the City, in accordance with changing future demands in the operation of such a Museum. The DIA will not deaccession from its collection or sell, lease, pledge, mortgage, or otherwise encumber art that is accessioned to or otherwise held in its collection except in accordance with the code of ethics or applicable standards for museums published by the American Alliance of Museums (the "AAM") as amended or modified by the accreditation organization. If the AAM ceases to exist or to be generally regarded by leading American art museums as the preeminent American art museum accreditation organization, then the AAM's successor organization or such other organization that is at that time generally regarded by leading American art museums as the preeminent American art museum accreditation organization shall be substituted for the AAM.</li> </ol> |

|   |   |
|---|---|
|   | <p>(4) In the event of a liquidation of The DIA, the Museum Assets will be transferred only to another not-for-profit entity (which entity shall be subject to the reasonable approval of the City and the Supporting Organization, if then in existence, and otherwise by majority vote of the City and the then-existing Foundation Funders). Such successor entity would subject itself to the same conditions as set forth in this Term Sheet and the Definitive Documentation, including but not limited to holding the Museum Assets in perpetual charitable trust for the people of the City and the State, including the citizens of the Tri-Counties. For the purposes of determining the majority vote described above, and for the avoidance of doubt, the parties agree that the City and each of the then-existing Foundation Funders shall each have one vote with respect to such approval.</p>  |
| <p style="text-align: center;"><b>City Commitments<br/>Relating to Pensions</b></p> | <p>(1) The City will adopt and maintain pension governance mechanisms that meet or exceed commonly accepted best practices reasonably satisfactory to the Funders and the State to ensure acceptable fiscal practices and procedures for management and investment of pensions and selection of acceptable pension boards to ensure the foregoing.</p> <p>(2) The City will establish, by the Effective Date (as defined below), a Receivership Transition Review Board ("<b>Review Board</b>") or other independent fiduciary that is independent of the City and any association of City employees or retirees for future supervision of the Pensions' management, administration and investments for at least twenty years after the Effective Date.</p> <p>(3) Any commitments by the City to make payments hereunder, or cause payments to be made, to the Pensions shall be subject to receipt of the related payment amount from the Supporting Organization which, in turn, will be conditioned on the City's compliance with the above.</p> <p>(4) The Pension funds themselves shall agree as part of the settlements approved through the confirmed Plan of Adjustment that they waive and release</p> |

|                               |  |
|-------------------------------|--|
|                               | <p>any and all claims against, and shall have no recourse directly against, the Funders or the Supporting Organization with respect to enforcement of the City's commitment to make payments to the Pensions or any such party, nor for any matter arising from the contemplated transaction. The agreement of the Pension funds, as implemented through the Plan of Adjustment and any associated court orders shall be binding on the Pensions and all entities or persons claiming through the Pensions, including without limitation any successors or assigns and any plan participants, and any of their representatives, successors or assigns.</p>   |
| <p>Other City Commitments</p> | <ol style="list-style-type: none"> <li>(1) The City shall pass no charter, ordinance or other provision that solely affects or primarily targets the Museum, The DIA or museums within the City generally which such charter, ordinance or other provision has a material adverse impact on the Museum or The DIA (it being understood that a "material adverse impact" shall include any adverse financial impact or any contradiction, or adverse impact on the enforceability, of the terms of this settlement), except pursuant to State-enabling legislation, and the City agrees that the Detroit Arts Commission will henceforth have no oversight of The DIA, the Museum or the Museum Assets.</li> <li>(2) The City shall not impose any fee, tax or other cost on the Museum or The DIA that solely affects or primarily targets the Museum, The DIA or museums within the City generally.</li> <li>(3) The City shall provide (or cause to be provided) utilities and other City services to The DIA at the same pricing and on the same terms upon which the City offers to provide utilities and such other City services to arm's-length third parties generally.</li> <li>(4) The City agrees that there are no further commitments from the Funders, the Supporting Organization, The DIA or the State relating to the Museum or the Museum Assets beyond those contained in the Term Sheet or the Definitive</li> </ol> |

|  |   |
|--|---|
|  | <p>Documentation.</p> <p>(5) The City agrees to the indemnification, jurisdiction, venue and choice of law language contained in Exhibit D for the benefit of the Funders.</p>  |
| <p><b>Bankruptcy Court Approval Process</b></p>  | <p>The settlement between the City and The DIA over the Transfer in exchange for the Funders' and the State's commitments for the Payment Amount and The DIA's commitment to provide for the operation and maintenance of the Museum is subject to the Bankruptcy Court's approval in a manner acceptable to the parties hereto, which the City shall seek promptly after the signing of the Definitive Documentation for the settlement.</p>   |
| <p><b>Conditions to The DIA's, the City's and the Funders' Commitments and Initial Payments under the Settlement</b></p> | <p>The City's and the Funders' obligations under the settlement will become binding only upon:</p> <ol style="list-style-type: none"> <li>(1) execution of Definitive Documentation acceptable in all respects to The DIA, the City, the State and the Funders, memorializing the terms of this Term Sheet, including irrevocable commitments (subject to The DIA's right of substitution as to the DIA Deficiency) of the Funders, in the aggregate, for the full Payment Amount,</li> <li>(2) Bankruptcy Court entry of an order confirming the Plan of Adjustment of Debts of the City of Detroit, Michigan (the "<b>Plan of Adjustment</b>") that is binding on The DIA, the City and all of the City's creditors and provides, among other things, for approval and inclusion of all of the terms of this settlement, including treatment of the Payment Amount in accordance with this Term Sheet and protection of the Museum Assets as provided in "<i>Treatment of Museum Assets</i>" of this Term Sheet, and not stayed on appeal,</li> <li>(3) occurrence of the Effective Date,</li> <li>(4) approval of the settlement by the Michigan Attorney General as consistent with Michigan law and with Attorney General Opinion No. 7272,</li> <li>(5) agreement by the millage authorities for each of the Tri-Counties to the settlement for protection of the three-county millage payable to the Museum for the balance of the millage period approved in 2012,</li> </ol> |

|                                     |   |
|-------------------------------------|---|
|                                     | <ul style="list-style-type: none"> <li>(6) approval of the relevant City and State persons or entities specified in the Local Financial Stability and Choice Act (PA 436) to the extent applicable, including, but not limited to, the Emergency Manager, the Governor of the State and/or the Treasurer of the State and (if needed) the Detroit City Council and/or Detroit Arts Commission, in each case, for the Transfer,</li> <li>(7) The DIA, the Foundation Funders, the City and the State being satisfied with The DIA's governance structure, mechanisms and documents, program for provision of statewide services, multi-year fundraising plan, insurance coverage, policies, practices and procedures and such other matters as the Funders determine are critical to their decision to fund and the City determines are critical to its decision to execute the Definitive Documentation,</li> <li>(8) Closing occurring no later than December 31, 2014,</li> <li>(9) All existing agreements and other arrangements between the City and The DIA are either affirmed, modified or terminated, as provided in this Term Sheet or as otherwise agreed between the City and The DIA.</li> <li>(10) The DIA agrees to indemnify and hold harmless the Foundation Funders, the City and the Supporting Organization from any and all claims against them (together with all reasonable associated costs and expenses) that result from The DIA's failure to perform any of its obligations under the Definitive Documentation. The DIA acknowledges that the Foundation Funders and the Supporting Organization have no financial obligations other than, in the case of the Foundation Funders, the amount specified in the "<i>Funding Commitments</i>" of this Term Sheet and are not guaranteeing payment to the City of any amount committed by the DIA Funders or The DIA.</li> </ul> |
| <p><b>Closing of Settlement</b></p> | <p>Upon satisfaction of all "<i>Conditions to The DIA's, the City's, the State's and the Funders' Commitments and Initial Payments under the Settlement</i>" under this Term Sheet (any of which may be waived by agreement of all parties to this Term Sheet for whose benefit the condition exists) and the occurrence of the</p>   |

|  |  |
|--|--|
|  | effective date of the Plan of Adjustment (" <b>Effective Date</b> ").  |
| <p style="text-align: center;"><b>Conditions to Future Funding Obligations</b></p> | <p>The Funders' obligations to continue to fund the settlement (and the Supporting Organization's obligation to continue to pay funds provided by the Funders to the City) are conditioned on the following:</p> <ol style="list-style-type: none"> <li>(1) all amounts paid by the Funders shall be used only to pay Pensions as provided in this Term Sheet and the confirmed Plan of Adjustment,</li> <li>(2) the Funders' receipt of an annual certification from the Review Board or other oversight authority reasonably acceptable to the Funders that the City is in compliance with its obligation to use the amounts paid by the Funders solely for the benefit of the pensioners and that the amounts received from the Funders are unencumbered by the City or any other entity,</li> <li>(3) the amounts paid by the Funders and transmitted by the Supporting Organization to the City are placed into a segregated account to be used for payments to the Pensions only and shown separately on the City's books ("<b>City Account</b>"),</li> <li>(4) the Funders' receipt of an annual reconciliation report of the City Account prepared by external auditors reasonably satisfactory to the Funders at the City's expense, certifying use of funds in a manner consistent with the settlement,</li> <li>(5) full compliance by the City with the terms of the funding agreements with the Funders or the Supporting Organization, and</li> <li>(6) the City's continued compliance with the first two commitments set forth above in the provision entitled "<i>City Commitments Relating to Pensions</i>" of this Term Sheet.</li> </ol> <p>The City shall have the opportunity to cure any breach or failure of these conditions within 180 days of issuance of notice of the same by the Funders or the Supporting Organization. Notwithstanding the foregoing, to the extent that the applicable event of default cannot reasonably be cured within the period specified above, and as long as the City has commenced to cure, and diligently pursues the cure of such default in good faith, such cure period shall be</p> |

|                                  |   |
|----------------------------------|---|
|                                  | <p>extended by a reasonable period of time to permit the City to cure such event of default; provided, however, such additional extended cure period shall not extend beyond the later of: (i) 180 days beyond the initial cure period; and (ii) the date that the next applicable payment is due the City by the Supporting Organization. The City's ability to receive the benefit of the extended cure period, beyond the initial cure period, shall be subject to the approval of the Supporting Organization upon receipt of a written request from the City setting forth why the City is entitled to such extended cure period by meeting the requirements set forth above, which approval shall not be unreasonably withheld, conditioned or delayed. All obligations of the Funders and Supporting Organization to make payments shall be suspended for the duration of the cure period. If the City fails to cure a breach or failure during the cure period each Funder and the Supporting Organization shall have the right to cancel its remaining commitments.</p>  |
| <p>Changes in DIA Governance</p> | <p>The DIA shall establish an ad-hoc committee (the "Governance Committee") to review best practices in museum governance, gather input from the parties to this Term Sheet and the State, and make recommendations regarding the future governance of The DIA. In addition to three members representing the perspective of The DIA, The DIA shall appoint to the Governance Committee one member representing each of the following perspectives: 1) the Foundation Funders; 2) the City; and 3) the State. In addition, The DIA shall appoint to the Governance Committee one person who is selected by agreement of the millage authorities of the Tri-Counties. The parties believe the proposed make-up of the Governance Committee will appropriately represent the perspectives of The DIA, the City, the State, the millage authorities and the Foundation Funders, but The DIA will consider adjustments to the proposed membership to the extent necessary to address any concerns raised by the State. Susan Nelson, principal of Technical Development Corporation, will facilitate and advise the process, with funding as required from the Foundation Funders. The process will be completed as quickly as possible but in any event prior to the Closing, with the Governance Committee's recommendations taking effect upon their approval by The DIA's Board of Directors and prior to Closing. The goal of the Governance Committee will be to ensure that The DIA has the best possible governance</p> |

|                                      |  |
|--------------------------------------|--|
|                                      | structure for maintaining its position as one of America's great art museums.  |
| <b>Future Obligations of The DIA</b> | The DIA will provide to the other Funders and the City, or their representatives, on an annual basis, a narrative report covering overall operations, fundraising and state services, as well as audited financial statements.   |
| <b>Dispute Resolution</b>            | In connection with the negotiation of the Definitive Documentation, the parties shall use good faith efforts to work with the State to identify and agree upon alternative dispute resolution mechanisms that provide a process for resolution of disputes surrounding whether conditions to a scheduled payment have been satisfied or cured while considering the ability of the public, Pensions and other stakeholders to monitor such alternative dispute resolution process. |

## EXHIBIT A

### MUSEUM ASSETS

1. The Museum building and grounds, and the employee parking lot located at 5200 Woodward Avenue, Detroit, Michigan, comprised of land and improvements bounded by Woodward Avenue as widened, existing John R Street, existing East Kirby Avenue and the South line of Farnsworth Avenue, depicted on the attached Exhibit A-1 AERIAL PHOTO MAP, and more particularly described in Commitment for Title Insurance No. 58743275 revision 5, with an effective date of December 16, 2013, and Commitment for Title Insurance No. 58781215, with an effective date of December 26, 2013, (collectively, the "Title Commitment") issued by Title Source Inc., as follows:

PARCEL 1: Block A; together with the Northerly half of vacated Frederick Douglass Avenue adjacent thereto, of Ferry's Subdivision of Park Lot 40 and of Lots 1 to 18 inclusive of Farnsworth's Subdivision of Park Lots 38 and 39, according to the recorded plat thereof, as recorded in Liber 18 of Plats, Page 71, Wayne County Records.

PARCEL 6: Lots 43 through 78, both inclusive, together with the Southerly half of vacated Frederick Douglass Avenue adjacent to Lots 43 through 58, and the Northerly half of vacated Farnsworth Avenue adjacent to Lots 63 through 78, and together with vacated alleys appurtenant to said lots.

PARCEL 11: Lots 103 through 120, both inclusive, together with the Southerly half of vacated Farnsworth Avenue adjacent to Lots 103 through 118, and vacated portions of Farnsworth Avenue adjacent to the South of Lots 103 through 117 and Lot 120, and vacated alleys appurtenant to said lots, of Farnsworth Subdivision of Park Lots 38 and 39, according to the recorded plat thereof, as recorded in Liber 1, Page 16, Wayne County Records.

2. The Frederick Lot (across from the Museum, Easterly from existing John R to existing Brush) located, in the City of Detroit, Wayne County, Michigan, depicted on the attached Exhibit A-1 AERIAL PHOTO MAP, and more particularly described in the Title Commitment as follows:

PARCEL 4: Lots 31 to 37 of Farnsworth Subdivision of Park Lots 38 and 39, together with the southerly half of vacated Frederick Douglass Avenue adjacent to said lots and together with the vacated alley appurtenant to said lots, according to the recorded plat thereof, as recorded in Liber 1, Page 16, Wayne County Records.

PARCEL 7: Lots 79 and 80 of Farnsworth Subdivision of Park Lots 38 and 39, together with the Northerly half of vacated Farnsworth Avenue adjacent to said lots and together with the vacated alley appurtenant to said lots, as recorded in Liber 1, Page 16 of Plats, Wayne County Records.

PARCEL 9: The East 5 feet of Lot 85 and Lots 86 and 87 and the West 16 feet of Lot 88, together with the Northerly half of vacated Farnsworth Avenue adjacent to said lots and together with the vacated alley appurtenant to said lots of Farnsworth Subdivision of Park Lots 38 and 39, as recorded in Liber 1, Page 16 of Plats, Wayne County Records.

PARCEL 12: Lots 1 through 5, both inclusive, and Lots 10 through 14, both inclusive, Block 25, together with the Southerly half of vacated Frederick Douglass Avenue adjacent to Lots 1 through 5, Block 25, and the Northerly half of vacated Farnsworth Avenue adjacent to Lots 10 through 14, Block 25 and together with the vacated alley appurtenant to said lots of Brush's Subdivision of that part of the Brush Farm lying between the North line of Farnsworth Street and South line of Harper Avenue, as recorded in Liber 17, Page 28 of Plats, Wayne County Records.

3. The cultural center underground garage<sup>1</sup> *i.e.*, the parking garage with all appurtenant utilities, equipment, drives, pedestrian and vehicular entrances and easements therefor, on the south side of the Museum building located at 40 Farnsworth, Detroit, Michigan, depicted on the attached Exhibit A-1 AERIAL PHOTO MAP, and more particularly described in the Title Commitment as follows:

PARCEL 14: A parking structure in the City of Detroit occupying space under and on the following described parcel of land. Land in the City of Detroit, being a part of Lots 62 through 68 inclusive; parts of Lot 112 and 118 through 120 inclusive; all that part of Lots 113 through 117 inclusive not set aside as a part of Farnsworth Avenue, parts of public alleys and Farnsworth Avenue (60 feet wide) vacated by the Common Council on October 7, 1924 and January 11, 1927; all as platted in "Farnsworth's Subdivision of Park Lots 38 and 39, City of Detroit" recorded in Liber 1, Page 16 of Plats, Wayne County Records and also a portion of the Northerly 49 feet of Farnsworth Avenue (70 feet wide), which was opened as a public street by action of the Common Council on October 7, 1924. Being more particularly described as follows: Commencing at the intersection of the South line of Farnsworth Avenue 70 feet wide and the East line of Woodward Avenue as widened August 2, 1932, J.C.C. Page 1279, thence North 29 degrees 42 minutes 10 seconds West 22.17 feet, thence North 60 degrees 17 minutes 50 seconds East 6.00 feet to the point of beginning of this parcel, thence North 29 degrees 42 minutes 10 seconds West 248.16 feet; thence North 60 degrees 11 minutes 50 seconds East 268.00 feet; thence South 29 degrees 42 minutes 10 seconds East 15.79 feet; thence North 60 degrees 17 minutes 50 seconds East 1.00 feet to a point of curve; thence 11.77 feet along the arc of a curve concave to the Northeast with a Radius of 14.00 feet, a Delta of 48 degrees 11 minutes 23 seconds with a Long Chord of 11.43 feet which bears South 53 degrees 47 minutes 52 seconds East to a point of reverse curve; thence 26.07 feet along the arc of curve concave to the Southwest, with a Radius of 31 feet, a Delta 48

---

<sup>1</sup> In connection with the preparation for Closing, the City will advise on the mechanics for the release of existing encumbrances on title to the garage.

degrees 11 minutes 23 seconds with a Long Chord of 25.31 feet which bears South 53 degrees 47 minutes 52 seconds East; thence South 29 degrees 42 minutes 10 seconds East 140.50 feet; thence 78.54 feet along the arc of a curve concave to the Northwest, with a Radius of 50.00 feet, a Delta of 90 degrees with a Long Chord of 70.71 feet which bears South 15 degrees 17 minutes 50 seconds West; thence South 60 degrees 17 minutes 50 seconds West 0.50 feet; thence South 29 degrees 42 minutes 10 seconds East 4.00 feet; thence South 60 degrees 17 minutes 50 seconds West 4.00 feet; thence South 29 degrees 42 minutes 10 seconds East 6.00 feet; thence South 60 degrees 17 minutes 50 seconds West 39.50 feet; thence North 29 degrees 42 minutes 10 seconds West 1.67 feet; thence South 60 degrees 17 minutes 50 seconds West 190 feet to the point of beginning.

The bottom floor of this structure is at elevation 129.10 feet as related to the City of Detroit Datum Plane; the structure has two (2) floors of vehicle parking with the top of the roof at elevation 149.34 feet. The structure has three (3) pedestrian exit buildings, four (4) air exhaust shafts and a vehicular ramp all of which extend upwards from the garage roof to the ground surface at elevations varying from 150.6 to 153.7 feet.

Together with the Easements created in Liber 20846, Page 762, Wayne County Records.

4. The collection of works of art owned by the City and located primarily at the Museum, the Museum's off-site warehouse or the Josephine Ford Sculpture Garden located at or about 201 East Kirby Street, Detroit, Michigan (which included at the effective date of the Operating Agreement the items listed in Exhibit 2 to the Operating Agreement) or included in the Museum collection (whether or not accessioned), whether or not reflected on any inventory and irrespective of the manner in which acquired by the City.
5. All assets of any kind located on or within the real estate described in items 1-4 above and used in the operations of the Museum, as well as any easements or other property rights benefiting such real estate.
6. All intangible property solely to the extent used in connection with the Museum and its art collection, including trademarks, copyrights and intellectual property, whether or not related to collection pieces.
7. All City records, books, files, records, ledgers and other documents (whether on paper, computer, computer disk, tape or other storage media) presently existing to the extent relating to the Museum, its art collection or its operations or to The DIA (other than those documents which are confidential to the City and not The DIA).
8. All monies held by the City that are designated for The DIA or the Museum or that were raised for the benefit of, or express purpose of supporting, The DIA or the Museum, including the approximately \$900,000 balance of proceeds of bonds issued for the benefit of The DIA by the City in 2010.

EXHIBIT B

FOUNDATION FUNDERS

**NOTE: The list of Foundation Funders below is being provided based on information known as of March 27, 2014. Foundation Funder commitments remain subject to: (i) final approval of the commitments by the appropriate governing body of the respective foundation listed below; (ii) all conditions otherwise contained in the Term Sheet and Definitive Documentation being met; (iii) approval of the Definitive Documentation by the Foundation Funder; and (iv) approval of the Plan of Adjustment through the bankruptcy proceedings.**

| <u>Foundation Funder</u>                         | <u>Intended Funding Amount</u> |
|--|--------------------------------|
| Community Foundation for Southeast Michigan      | \$10,000,000                   |
| William Davidson Foundation                      | 25,000,000                     |
| The Fred A. and Barbara M. Erb Family Foundation | 10,000,000                     |
| Max M. and Marjorie S. Fisher Foundation         | 2,500,000*                     |
| Ford Foundation                                  | 125,000,000                    |
| Hudson-Webber Foundation                         | 10,000,000                     |
| The Kresge Foundation                            | 100,000,000                    |
| W. K. Kellogg Foundation                         | 40,000,000                     |
| John S. and James L. Knight Foundation           | 30,000,000                     |
| McGregor Fund                                    | 6,000,000                      |
| Charles Stewart Mott Foundation                  | 10,000,000                     |
| A. Paul and Carol C. Schaap Foundation           | 5,000,000*                     |
| <b>Total</b>                                     | <b>\$373,500,000</b>           |
| Less Credits to DIA Commitments                  | (7,500,000)                    |
| <b>Net Total</b>                                 | <b>\$366,000,000</b>           |

\*The payment of the intended funding amount by these Foundation Funders will be credited against the \$100 million to be paid by DIA Funders and the DIA provided under *Funding Commitments* of the Term Sheet.

Payment Schedule

Each Foundation Funder intends to make payments available at 5% of the total intended funding amount per year over the 20 year term, subject to the right of any Foundation Funder to pay early without penalty and as otherwise provided in the Term Sheet and Definitive Documentation. Collectively, this will result in an annual payment of **\$18,300,000** (exclusive of Foundation Funder commitments credited to the DIA) to the City of Detroit as provided in the Term Sheet and Definitive Documentation.

EXHIBIT C

DIA FUNDERS

[to be provided]

## EXHIBIT D

### INDEMNIFICATION, JURISDICTION, VENUE AND CHOICE OF LAW

*All capitalized terms used but not defined in this Exhibit D are defined in the Term Sheet.*

- (a) To the maximum extent permitted by law, the City shall indemnify, defend, and hold the Foundation Funders, the DIA Funders, The DIA and the Supporting Organization and their affiliates and all their respective shareholders, officers, directors, members, managers, employees, successors, assigns, representatives, attorneys and agents (the "**Indemnified Parties**") harmless from, against, and with respect to any claim, liability, obligation, loss, damage, assessment, judgment, cost and expense (including, without limitation, actual out-of-pocket attorney fees and actual expenses incurred in investigating, preparing, defending against, or prosecuting any litigation or claim, action, suit, hearing, proceeding or demand) of any kind or character, arising out of or in any manner, incident, relating or attributable to the following (provided indemnification will not be available to an Indemnified Party to the extent resulting from such Indemnified Party's breach of contract, sole ordinary negligence, gross negligence or intentional wrongful acts):
- (i) *Any claims by third parties or the City arising out of any action properly taken by the Indemnified Parties under the Definitive Documentation with respect to the contemplated transaction including, but not limited to, any payment, non-payment or other obligation of the Indemnified Parties permitted thereunder;*
  - (ii) *Any breach or failure of any representation or warranty of the City contained in the Definitive Documentation between the City and the Indemnified Parties and/or other parties related to the contemplated transaction;*
  - (iii) *Any failure by the City to perform, satisfy or comply with any covenant, agreement or condition to be performed, satisfied or complied with by the City under the Definitive Documentation with the Indemnified Parties or under agreements with any third parties contemplated by this transaction;*
  - (iv) *Reliance by the Indemnified Parties upon any books or records of the City or reliance by them on any written information furnished by the City or any of the City's employees, officials or agents to them to the extent any such information should prove to be false or materially inaccurate or misleading (including, without limitation, by omission), but only to the extent that such books, records or written information was furnished by the City in connection with the City showing its compliance with the conditions to initial or future funding as set forth in the Term Sheet;*
  - (v) *Any claim or objection made in the City's Chapter 9 Bankruptcy (Case No. 13-53846) or any other action brought against, or involving, the Indemnified Parties with respect to their participation in any transaction contemplated by the proposed or confirmed Plan of Adjustment;*

(vi) *The transfer, assignment or sale by the City to The DIA of any assets or property (real or personal) and any rights, title and interests therein including, but not limited to, the Museum and all of the Museum Assets;*

(vii) *Any action or claim against the Indemnified Parties made by the Pensions, including any successors or assigns and any plan participants, or their representatives, successors or assigns (collectively, the "Pension Funds"), as nothing under the Term Sheet or the Definitive Documentation is intended to, nor are they to be construed or interpreted to, make the Indemnified Parties a party in privity with, or having an obligation in any capacity to the Pension Funds. By way of illustration and not limitation, the following statements apply:*

*First, the Indemnified Parties have no responsibility for the operation or administration of the Pension Funds and have no fiduciary responsibility for the Pension Funds as plan sponsor, plan administrator, investment advisor or otherwise.*

*Second, the Indemnified Parties have no obligation to contribute towards the funding of the Pension Funds and are not a funding guarantor.*

(viii) *Any action or claim brought by the City, The DIA, the Pension Funds or any other party concerning non-payment of the contributions pursuant to the contemplated transaction by the Indemnified Parties due to the breach of the Definitive Documentation by the City, the DIA, the Pension Funds or any other party, so long as the Indemnified Parties have made a good faith determination of the breach of the Definitive Documentation or payment condition.*

(b) An Indemnified Party shall notify the City in a timely manner of any matters as to which the Indemnified Party is entitled to receive indemnification and shall set forth in such notice reasonable detail regarding specific facts and circumstances then known by the Indemnified Party which pertain to such matters. Failure or delay in providing such notice shall not relieve the City of its defense or indemnity obligations except to the extent the City's defense of an applicable claim against an Indemnified Party is actually prejudiced by such Indemnified Party's failure or delay.

(c) The City shall not contest on any grounds the enforceability of its indemnification obligations hereunder.

(d) Notwithstanding the foregoing, the parties acknowledge that the City is not making any representations to The DIA regarding the City's title to the Museum Assets prior to the Closing and that The DIA will not be entitled to indemnification in connection with its defense of any post-Closing claims by third parties challenging The DIA's title to any Museum Asset to the extent that such claim is based on an allegation that the City did not have legal title to the particular Museum Asset prior to the Closing (a "**Quitclaim Challenge**"). To be clear, however, The DIA will be entitled to indemnification by the City under this Exhibit D in connection with any post-Closing challenges to The DIA's title to Museum Assets that are in any way based upon a claim that the title that the City

had to the Museum Assets prior to Closing was not effectively conveyed to The DIA at and as a result of the Closing.

### Defense of Indemnity Claims

(a) To the extent the City is notified of claim for which it is required to indemnify an Indemnified Party, the City shall be solely responsible for responding to or otherwise defending such claim. In such event, the City shall assume exclusive control of the defense of such claim at its sole expense using counsel of its sole choosing and may settle such claim in its sole discretion; provided, however, that (i) with respect to any claim that involves allegations of criminal wrongdoing, the City shall not settle such claim without the prior written approval of the Indemnified Party, which approval may be withheld in such Indemnified Party's sole discretion, and (ii) with respect to any other claim, the City shall not settle such claim in a manner that requires the admission of liability, fault, or wrongdoing on the part of an Indemnified Party, that fails to include a release of all covered claims pending against the Indemnified Party, or that imposes any obligation on the Indemnified Party without the prior written approval of the Indemnified Party, which approval may be withheld in such Indemnified Party's sole discretion. The City will keep the Indemnified Party reasonably informed of the status of any negotiations or legal proceedings related to any claim, and the Indemnified Party shall be entitled to engage counsel (at its own expense) to monitor the handling of any claim by the City. Notwithstanding the foregoing, other than as relates to a Quitclaim Challenge (for which The DIA will not be entitled to indemnification, as set forth above), The DIA shall be entitled to defend on its own behalf any claims regarding title to, interest in or control of the Museum Assets or operation of the Museum. To the extent The DIA intends to exercise such right, the City and The DIA shall use their commercially reasonable efforts in good faith to coordinate a joint defense of such claim (including as to selection of joint counsel). If the City and The DIA cannot agree on a joint defense of the claim, each party shall undertake its own defense, reserving all rights against the other for indemnification hereunder with respect to such claim, but, in such case, The DIA shall not be entitled to indemnification of its defense costs in connection therewith.

(b) Notwithstanding anything to the contrary set forth in this Exhibit D or the Term Sheet, to the extent that the City is required to indemnify an Indemnified Party hereunder, and the underlying claim being indemnified does not arise out of the City's breach of contract, sole ordinary negligence, gross negligence or intentional wrongful acts and is not due to a claim brought by the City, the City may reimburse itself for the costs of such indemnity out of the payments from the Supporting Organization, in which case the amount payable by the City to the Pensions shall be reduced by the amount reimbursed to the City for such indemnity.

### Jurisdiction/Venue/Choice of Law

The parties agree that, except as to disputes that are subject to arbitration in accordance with the "*Dispute Resolution*" section of the Term Sheet, jurisdiction shall be retained by

the United States Bankruptcy Court for the Eastern District of Michigan for all matters related to the contemplated transaction and venue shall be in Detroit. The parties agree that this agreement is to be governed by Michigan law.

EXHIBIT I.A.127

FORM OF DIA SETTLEMENT DOCUMENTS

**OMNIBUS TRANSACTION AGREEMENT**

**BY AND AMONG**

**THE CITY OF DETROIT**

**THE DETROIT INSTITUTE OF ARTS**

**AND**

**FOUNDATION FOR DETROIT'S FUTURE**

TABLE OF CONTENTS

ARTICLE I Definitions .....3

**1.1 Definitions**.....3

**1.2 Other Defined Terms**.....5

ARTICLE II The Commitments .....7

**2.1 DIA Funding Obligation**.....7

**2.2 Foundation Funders Commitments to Supporting Organization**.....8

**2.3 Payments**.....8

**2.4 City Reporting and Conditions to Funding**.....10

**2.5 The City’s Cure Right; Suspension or Cancellation of Funding**.....13

**2.6 Disputes and Remedies Regarding Conditions Precedent to Funding**.....14

**2.7 Notification of Funding Conditions**.....14

**2.8 Failures to Fund**.....14

ARTICLE III Initial Funding; Closing .....16

**3.1 Closing**.....16

**3.2 Initial Funding**.....16

**3.3 At the Closing**.....16

ARTICLE IV Representations and Warranties; Covenants of The DIA and the Supporting Organization .....17

**4.1 DIA Representations, Warranties and Covenants**.....17

**4.2 Supporting Organization Representations and Warranties**.....17

**4.3 Supporting Organization Covenants as to Funding Agreements**.....17

**4.4 Reporting Obligations**.....18

**4.5 Supporting Organization Observer Right**.....18

ARTICLE V Representations and Warranties; Covenants of the City .....18

**5.1 City Representations and Warranties**.....18

**5.2 City Commitments Relating to Pensions**.....18

**5.3 Other City Commitments**.....19

ARTICLE VI Indemnification .....20

**6.1 Indemnification by The DIA**.....20

**6.2 Indemnification by the City**.....20

**6.3 Defense of Indemnity Claims**.....22

ARTICLE VII Miscellaneous .....23

**7.1 No Third Party Beneficiary**.....23

**7.2 Choice of Law; Jurisdiction; Venue**.....23

**7.3 Dispute Resolution**.....24

**7.4 Specific Performance**.....25

**7.5 Amendment and Waiver**.....25

**7.6 Notices**.....25

**7.7 Binding Agreement; Assignment**.....26

**7.8 Severability**.....26

**7.9 No Strict Construction**.....26

**7.10 Captions**.....26

**7.11 Entire Agreement**.....26

**7.12 Counterparts**.....27

**List of Exhibits**

- Exhibit A - Settlement, Conveyance and Charitable Trust Agreement
- Exhibit B - Foundation FDF Agreement
- Exhibit C - DIA Direct Funder FDF Agreement
- Exhibit D - DIA FDF Agreement
- Exhibit E - Closing Direction

**List of Schedules**

- Schedule 1 - Wire Transfer Instructions for City Account
- Schedule 2 - Examples of Calculation of The DIA's Payment Obligation

**OMNIBUS TRANSACTION AGREEMENT**

THIS OMNIBUS TRANSACTION AGREEMENT (this “**Agreement**”), effective as of the Closing Date, is entered into by and among the City of Detroit, Michigan (the “**City**”), The Detroit Institute of Arts, a Michigan nonprofit corporation f/k/a Founders Society Detroit Institute of Arts (“**The DIA**”), and Foundation for Detroit’s Future, a Michigan nonprofit corporation (the “**Supporting Organization**”). The City, The DIA, and the Supporting Organization are collectively referred to herein as the “**Parties**” and individually as a “**Party**”.

**RECITALS**

WHEREAS, The DIA currently manages and operates the museum that is now commonly referred to as the Detroit Institute of Arts (the “**Museum**”) under an Operating Agreement for the Detroit Institute of Arts, made on December 12, 1997, between The DIA and the City (the “**Operating Agreement**”);

WHEREAS, on July 18, 2013, the City filed a petition under chapter 9 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Michigan (the “**Bankruptcy Court**”) captioned “*In re City of Detroit, Michigan*”, Case No. 13-53846 (the “**Bankruptcy Case**”);

WHEREAS, the City and The DIA are willing, on the terms and conditions set forth herein, to enter into a settlement (the “**DIA Settlement**”) pursuant to which the City will convey all of its right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) to the Museum and the Museum Assets (as defined in the Charitable Trust Agreement) to The DIA in exchange for fair value by virtue of (i) the settlement of any dispute regarding the ownership of the Museum Assets, (ii) the commitment of The DIA to hold the DIA Assets in perpetual charitable trust and to operate the Museum primarily for the benefit of the residents of the City and the Tri-Counties and the citizens of the State and (iii) the contributions through the Supporting Organization by The DIA (and through it, DIA Indirect Funders), DIA Direct Funders and Special Foundation Funders of \$100 million, by Foundation Funders (excluding Special Foundation Funders) of \$366 million, and an additional contribution by the State of Michigan (the “**State**”) of \$350 million, which total \$816 million (in each case and in the aggregate before applying any discount for early payment) (the “**Payment Amount**”);

WHEREAS, the Payment Amount will be paid for the benefit of Pension Claims of the City;

WHEREAS, the Bankruptcy Court has entered an order confirming the Corrected Fifth Amended Plan for the Adjustment of Debts of the City of Detroit, as it may be further amended and as modified prior to the Closing Date (the “**Plan of Adjustment**”) which provides for the treatment of the Payment Amount and the conveyance and protection of the Museum Assets in a manner consistent with the DIA Settlement;

WHEREAS, all conditions to the Effective Date of the Plan of Adjustment (as defined therein) have been satisfied or waived;

WHEREAS, the City, the State, each of their Related Entities (as defined in the Plan of Adjustment) and each of the Indemnified Parties is the beneficiary of the release and exculpation provisions of the Plan of Adjustment;

WHEREAS, the Supporting Organization has been established by the Community Foundation for Southeast Michigan as a tax exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to accommodate the contribution and payment of moneys from The DIA, DIA Direct Funders and Foundation Funders (and certain other contributions and payments that are not related to the DIA Settlement);

WHEREAS, the Attorney General of the State has approved the DIA Settlement as being consistent with Michigan law and with Attorney General Opinion No. 7272;

WHEREAS, The DIA and the applicable Art Institute Authority in each of Macomb, Oakland and Wayne Counties, Michigan (the "**Tri-Counties**") have amended the applicable Art Institute Service Agreement for such county in a manner to provide that termination of the Operating Agreement will not affect the obligations of the Art Institute Authorities' obligations under such agreements to collect and pay millage proceeds (the "**Millage**") to The DIA;

WHEREAS, the Governor of the State, the Treasurer of the State, the applicable legislative bodies of the State, the Emergency Manager specified in the Local Financial Stability and Choice Act (PA 436), and the Detroit City Council, in each case, have approved the DIA Settlement and the Transfer;

WHEREAS, the board of directors of The DIA has, to the extent necessary, adopted the recommendations of the ad-hoc committee established by The DIA, comprised of representatives from Foundation Funders, the City, the State and a representative of the Tri-Counties, regarding the future governance and oversight of The DIA;

WHEREAS, the City has adopted the Combined Plan for the General Retirement System of the City of Detroit, Michigan ("**GRS**"), effective July 1, 2014, which provides for the establishment, membership, terms, operation and duties of the GRS Investment Committee ("**GRS Pension Governance Terms**"), as set forth in the GRS, attached as Exhibit I.A.212.a to the Plan of Adjustment;

WHEREAS, the City has adopted the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan ("**PFRS**"), effective July 1, 2014, which provides for the establishment, membership, terms operation and duties of the PFRS Investment Committee ("**PFRS Pension Governance Terms**," together with the GRS Pension Governance Terms referred to as the "**Pension Governance Terms**"), as set forth in the PFRS, attached as Exhibit I.A.216.a to the Plan of Adjustment;

WHEREAS, in accordance with the Pension Governance Terms, the initial independent members for the respective GRS and PFRS Investment Committees shall be selected by mutual agreement of the appropriate representatives of the State, the City and the respective Boards of Trustees of GRS and PFRS, in consultation with the Supporting Organization, and shall be named in the Plan of Adjustment; provided, however, that if one of more of the initial independent Investment Committee members for GRS and PFRS, respectively, are not selected

by mutual agreement prior to confirmation of the Plan of Adjustment, then the United States Bankruptcy Court, Eastern District of Michigan shall designate such number of independent Investment Committee members as necessary to bring the number of independent members for the GRS and PFRS Investment Committees to five each;

WHEREAS, in accordance with the Pension Governance Terms and rules and procedures that may be adopted by the Investment Committees, successor independent members of the respective GRS and PFRS Investment Committees shall be recommended by a majority of the remaining independent members of the applicable Investment Committee and confirmed by the GRS Board or PFRS Board, as applicable, and the State Treasurer in consultation with the Supporting Organization; provided, however, that if the applicable Board and State Treasurer cannot agree on the successor independent member, the remaining independent members of the applicable Investment Committee shall appoint the successor independent member;

WHEREAS, the Emergency Manager has issued an order directing the City to comply with the covenants benefitting The DIA and the Museum incorporated in Section 5.3 of this Agreement; and

WHEREAS, the Michigan Settlement Administration Authority, the disbursement agent for the State, shall disburse to GRS and to PFRS the total contribution by the State of \$194.8 million, which is the present value of \$350 million paid in installments over twenty (20) years applying the discount rate of 6.75% per annum, in accordance with the terms and conditions of the State Contribution Agreement attached as Exhibit I.A.294 to the Plan of Adjustment.

NOW THEREFORE, in consideration of the covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound, the Parties hereby agree as follows:

**ARTICLE I**  
**Definitions**

**1.1 Definitions.** As used in this Agreement:

“**AAM**” means the American Alliance of Museums.

“**Business Day**” means any day other than a Saturday, Sunday or “legal holiday” on which banks in the State of Michigan are closed for business.

“**Charitable Trust Agreement**” means that certain Settlement, Conveyance and Charitable Trust Agreement between the City and The DIA in the form of **Exhibit A** to this Agreement pursuant to which the DIA Settlement will be consummated, including by virtue of the Transfer, the termination of the Operating Agreement, and the other transactions contemplated therein, as the same may be amended or modified from time to time.

“**City Account**” means a segregated escrow account titled “City of Detroit, in Trust for Certain of Its Retirement Systems and Associated Accounts”, established pursuant to that certain Escrow Agreement dated as of even date herewith by and among the City, the Supporting Organization and U.S. Bank National Association (the “**Escrow Agent**”) with instructions that

the amounts contributed to this escrow account by the Supporting Organization, which except as otherwise provided in Section 6.3(e) of this Agreement and the payment of reasonable expenses of maintaining the City Account, shall be used only for the payment of contributions to GRS and PFRS in satisfaction of the City's obligation to contribute to the Prior GRS Pension Plan (attached as Exhibit I.A.244 to the Plan of Adjustment) (the "**Prior GRS Pension Plan**") and the Prior PFRS Pension Plan (attached as Exhibit I.A.245 to the Plan of Adjustment) (the "**Prior PFRS Pension Plan**") and which is shown separately on the City's books and records. For the avoidance of doubt, in addition to the contributions made hereunder, contributions to the City Account may be made by the Supporting Organization to be used for the payment of contributions to the City of Detroit Retiree Health Care Trust, the City of Detroit Police and Fire Retiree Health Care Trust, the Section 401(h) Medical Benefits Account for Retirees in the Combined Plan for the General Retirement System of the City of Detroit, Michigan and the Section 401(h) Medical Benefits Account for Retirees in the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan.

"**DIA Assets**" has the same definition contained in the Charitable Trust Agreement.

"**DIA Direct Funders**" means those DIA Funders whose commitments (whether made before or after the Effective Time) to contribute monies in furtherance of The DIA's payment obligations under this Agreement are made directly to the Supporting Organization pursuant to a DIA Direct Funder FDF Agreement.

"**DIA Funders**" means those persons, businesses, business-affiliated foundations and other foundations from which The DIA secures commitments (whether made before or after the Effective Time) to contribute monies or otherwise secures contributions of monies in support of The DIA's payment obligations under this Agreement and, for clarity, includes all DIA Direct Funders and all DIA Indirect Funders.

"**DIA Indirect Funders**" means those DIA Funders whose commitments (whether made before or after the Effective Time) to contribute monies or whose actual contributions in furtherance of The DIA's payment obligations under this Agreement are made directly to The DIA.

"**Effective Time**" has the same definition contained in the Charitable Trust Agreement.

"**Foundation Funder**" means a business-affiliated foundation or other foundation that has entered into a Foundation FDF Agreement.

"**Funder**" means a Foundation Funder, a DIA Direct Funder, a DIA Indirect Funder or The DIA (collectively, the "**Funders**").

"**Funding Agreements**" means, collectively, the Foundation FDF Agreement, the DIA Direct Funder FDF Agreement and the DIA FDF Agreement, as such written agreements may be amended or modified in writing from time to time in accordance with this Agreement.

"**Indemnified Parties**" means, as applicable, DIA Indemnified Parties or City Indemnified Parties.

“**Loss**” means any claim, liability, obligation, loss, damage, assessment, judgment, cost and expense (including, without limitation, actual out-of-pocket attorney fees and actual expenses incurred in investigating, preparing, defending against, or prosecuting any litigation or claim, action, suit, hearing, proceeding or demand) of any kind or character.

“**Museum Assets**” has the same definition contained in the Charitable Trust Agreement.

“**Payment Date**” means the later of (x) June 30 of each calendar year commencing June 30, 2016 and (y) thirty (30) days after receipt by the Supporting Organization of evidence for that year of the satisfaction of the conditions precedent to funding set forth in Sections 2.4(a) -(d) of this Agreement (subject to the City’s right to cure in Section 2.5 of this Agreement).

“**Payment Period**” means the period commencing on the Closing Date and ending on June 30, 2034, subject to extension for any cure period in Section 2.5 of this Agreement.

“**Pension Claims**” means the Claims in Classes 10 and 11 of the Plan of Adjustment (as such terms are defined in the Plan of Adjustment).

“**Present Value Discount**” means the value of any amount that The DIA, a DIA Direct Funder or a Foundation Funder pays to the Supporting Organization as contemplated under this Agreement, discounted from the date that the Supporting Organization remits such payment to the City Account (on behalf of the Funder that paid the amount to the Supporting Organization) to the Closing Date at the rate of 6.75% per annum.

“**Related Parties**” means a person’s or entity’s Affiliates (as defined in the United States Bankruptcy Code), predecessors, successors and assigns (whether by operation of law or otherwise), and with respect to any of the foregoing, their respective present and former Affiliates and each of their respective current and former officials, officers, directors, employees, managers, members, attorneys, advisors, professionals, agents and consultants each acting in such capacity, and any entity claiming by or through any of them (including their respective officials, officers, directors, employees, managers, advisors, professionals, agents and consultants).

“**Special Foundation Funders**” means the following Foundation Funders: Max M. and Marjorie S. Fisher Foundation and the A. Paul and Carol C. Schaap Foundation.

“**Title Company**” means Title Source, Inc.

“**Transaction Documentation**” means the agreements and other transaction documents to be executed and delivered at the Closing under this Agreement and under the Charitable Trust Agreement.

“**Transfer**” has the same definition contained in the Charitable Trust Agreement.

**1.2 Other Defined Terms.** The following capitalized terms shall have the meanings given to them in the Sections of this Agreement set forth opposite such term:

.pdf ..... Section 7.12

|  |                       |
|--|-----------------------|
| AAA .....                                  | Section 7.3           |
| Accountant .....                           | Section 2.3(c)        |
| Agreement.....                             | Preamble              |
| Bankruptcy Case.....                       | Recitals              |
| Bankruptcy Court.....                      | Recitals              |
| City.....                                  | Preamble              |
| City Event of Default.....                 | Section 2.4(d)        |
| City Indemnified Parties .....             | Section 6.2(a)        |
| Closing .....                              | Section 3.1           |
| Closing Date.....                          | Section 3.1           |
| Closing Direction.....                     | Section 3.1           |
| Compliance Report .....                    | Section 2.4(b)(iii)   |
| Contribution Agreement .....               | Section 2.4(b)(iii)   |
| Default Amount .....                       | Section 2.8(b)        |
| Defaulted DIA Funder .....                 | Section 2.8(b)        |
| DIA Direct Funder FDF Agreement.....       | Section 3.3(b)        |
| DIA FDF Agreement .....                    | Section 3.3(c)        |
| DIA Indemnified Parties.....               | Section 6.1(a)        |
| DIA Settlement .....                       | Recitals              |
| Escrow Agent.....                          | Section 1.1           |
| Extended Cure Period.....                  | Section 2.5(a)        |
| Foundation FDF Agreement .....             | Section 3.3(a)        |
| Funders.....                               | Section 1.1           |
| GRS.....                                   | Recitals              |
| GRS Board.....                             | Section 2.4(a)(iv)(A) |
| GRS Investment Committee .....             | Section 2.4(a)(iv)(C) |
| GRS Pension Governance Terms.....          | Recitals              |
| Indemnifying Party .....                   | Section 6.3(a)        |
| Independent Audited Financial Reports..... | Section 2.4(b)(i)     |
| Interim Reaffirmation .....                | Section 2.4(c)        |
| Millage .....                              | Recitals              |
| Museum.....                                | Recitals              |
| Non- funding Party .....                   | Section 2.8(b)        |
| Operating Agreement.....                   | Recitals              |
| Parties.....                               | Preamble              |
| Party .....                                | Preamble              |
| Payment Amount .....                       | Recitals              |
| Pension Certificate.....                   | Section 2.4(b)(ii)    |
| Pension Funds .....                        | Section 6.2(a)(vii)   |
| Pension Governance Terms .....             | Recitals              |
| PFRS .....                                 | Recitals              |
| PFRS Board .....                           | Section 2.4(a)(iv)(B) |
| PFRS Investment Committee.....             | Section 2.4(a)(iv)(D) |
| PFRS Pension Governance Terms.....         | Recitals              |
| Plan of Adjustment .....                   | Recitals              |
| Prior GRS Pension Plan .....               | Section 1.1           |

Prior PFRS Pension Plan ..... Section 1.1  
 Quitclaim Challenge ..... Section 6.2(c)  
 State..... Recitals  
 Supporting Organization..... Preamble  
 Termination Date .....Section 2.1(b)  
 The DIA ..... Preamble  
 Treasurer .....Section 2.4(b)(iii)  
 Tri-Counties ..... Recitals

**ARTICLE II**  
**The Commitments**

**2.1 DIA Funding Obligation.**

(a) Subject to the terms and conditions of this Agreement, including The DIA’s guaranty obligations in Section 2.8(c) of this Agreement, The DIA hereby commits to pay to the Supporting Organization on the Closing Date and with respect to each Payment Date: (A) \$5 million multiplied by the number of annual payments required before and with respect to the then current Payment Date (treating the Closing Date for such purpose as a Payment Date) minus (B) the sum of (i) the aggregate amounts previously paid by The DIA, all DIA Direct Funders and both Special Foundation Funders plus (ii) the amount to be paid in the aggregate by all DIA Direct Funders and both Special Foundation Funders on such Payment Date. The DIA may pay an amount in excess of its obligation in this Section 2.1(a) without penalty or premium in connection with any payment otherwise made with respect to a Payment Date.

(b) Except for The DIA’s guaranty obligations as provided in Section 2.8(c) of this Agreement, and taking into account the application of Sections 2.1(c) and (d) below, The DIA shall have no obligation to make any further payments and The DIA’s obligations shall be entirely satisfied at such time (the “**Termination Date**”) as: (A) the sum of (1) the remaining aggregate funding commitments of DIA Direct Funders to the Supporting Organization assuming such commitments are paid precisely in accordance with the funding schedule reflected in their individual DIA Direct Funder FDF Agreements plus, (2) the remaining aggregate funding commitments of both Special Foundation Funders to the Supporting Organization assuming such commitments are paid precisely in accordance with the funding schedule reflected in their individual Foundation FDF Agreements, plus (3) the aggregate amount theretofore paid by DIA Direct Funders, The DIA and both Special Foundation Funders to the Supporting Organization that is paid to the City Account is greater than or equal to (B) the sum of (i) \$5 million paid on the Closing Date plus (ii) nineteen (19) payments of \$5 million on each Payment Date thereafter, with each of the amounts in (A) and (B) being calculated with application of the Present Value Discount. The term “Termination Date” includes the date, if any, of the cancellation of the commitment of The DIA hereunder in accordance with Section 2.5(b) of this Agreement. Hypothetical examples of the calculation of The DIA’s payment obligations pursuant to this Section 2.1 are attached as Schedule 2 to this Agreement.

(c) For purposes of the calculations in Sections 2.1(a) and 2.1(b) of this Agreement, in the event of a City Event of Default during a particular fiscal year (July 1 through June 30) that results in the cancellation of a payment pursuant to Section 2.5(b) of this

Agreement, The DIA, all DIA Direct Funders and both Special Foundation Funders shall, in each case, be deemed to have made the annual payment required by, with respect to The DIA, Section 2.1(a) of this Agreement and The DIA FDF Agreement, and with respect to DIA Direct Funders and Special Foundation Funders by their respective Funding Agreements, on June 30 of such year notwithstanding such cancellation of such scheduled payment.

(d) The DIA's payment obligations under Sections 2.1(a) and 2.1(b) above and Section 2.8(c) shall be reduced by (x) any litigation or defense costs, damages or settlement costs incurred by The DIA, any DIA Direct Funder or any Special Foundation Funder to the extent the City fails to meet its indemnity obligations set forth in Section 6.2 of this Agreement, and (y) to the extent of any litigation or defense costs, damages or settlement costs incurred by The DIA, any DIA Direct Funder or any Special Foundation Funder arising from the transactions contemplated by this Agreement and the other Transaction Documentation that are not otherwise covered by the City's indemnity obligations in Section 6.2 of this Agreement.

**2.2 Foundation Funders Commitments to Supporting Organization.** Under their respective Foundation FDF Agreements, each Foundation Funder has committed to make an aggregate amount of payments to the Supporting Organization. The obligation of each Foundation Funder to make such aggregate amount of payments to the Supporting Organization shall terminate at such time as, taking into account the application of Section 2.3(d), (A) the aggregate amount theretofore paid by that Foundation Funder to the Supporting Organization that is paid to the City Account is greater than or equal to (B) the aggregate amount of its commitment paid (i) on the Closing Date plus (ii) the nineteen (19) payments on each Payment Date thereafter, with each of the amounts in (A) and (B) being calculated with application of the Present Value Discount. For purposes of the calculations in this Section 2.2, in the event of a City Event of Default during a particular fiscal year (July 1 through June 30) that results in the cancellation of a payment pursuant to Section 2.5(b) of this Agreement, all Foundation Funders shall be deemed to have made the scheduled payment under their respective Foundation FDF Agreements on June 30 of such year notwithstanding the cancellation of such scheduled payment.

**2.3 Payments.**

(a) Subject to the terms and conditions of ARTICLE II, funding of the commitments shall be made by (i) each Foundation Funder pursuant to the terms and conditions of its Foundation FDF Agreement, (ii) The DIA pursuant to the terms and conditions of this Agreement and the DIA FDF Agreement, and (iii) each DIA Direct Funder pursuant to the terms and conditions of its DIA Direct Funder FDF Agreement.

(b) Subject to the terms and conditions of this Agreement, on the Closing Date, and on an annual basis thereafter commencing in 2016, on each Payment Date the Supporting Organization will remit to the City Account pursuant to the wire transfer instructions on Schedule 1 to this Agreement: (x) the payments made by all Foundation Funders as described in Section 2.2 of this Agreement and any prepayments by Foundation Funders, plus (y) the payments made by The DIA pursuant to Section 2.1 of this Agreement and the DIA FDF Agreement and any prepayments by The DIA, plus (z) the payments made by all DIA Direct Funders pursuant to the DIA Direct Funder FDF Agreements and any prepayments by DIA

Direct Funders. No interest will be owed on any Funder's payments. The Supporting Organization shall not have any obligation to remit funds to the City Account if it has not received scheduled payments from a Funder, except as provided in Section 2.8(c) of this Agreement with respect to The DIA's guaranty of payment obligations with respect to a Defaulted DIA Funder. Further, the obligation of the Supporting Organization to remit payments to the City shall terminate upon the remittance in the aggregate of \$466 million, comprised of \$100 million from The DIA (including the commitments of DIA Direct Funders and Special Foundation Funders) and \$366 million from Foundation Funders (excluding Special Foundation Funders), in each case, without interest and before applying any Present Value Discount, if applicable, or the equivalent of such amount, applying the Present Value Discount, payable \$23.3 million at Closing and \$23.3 million with respect to each Payment Date thereafter. For purposes of the calculations in this Section 2.3(b), (x) in the event of a City Event of Default during a particular fiscal year (July 1 through June 30) that results in the cancellation of a payment by any Funder pursuant to Section 2.5(b) of this Agreement, the Supporting Organization shall be deemed to have made the scheduled payment under this Agreement on June 30 of such year notwithstanding such cancellation of such scheduled payment and (y) the provisions of Section 2.3(d) shall, if applicable, be taken into account in such calculation.

(c) Either the City or the Supporting Organization may deliver written notice to the other party that they have been unable to reach agreement upon the calculation of the amount of any prepayment by any Foundation Funder applying the Present Value Discount in accordance with the applicable Foundation FDF Agreement in advance of a particular Payment Date. In addition, the City may deliver a written notice of objection to the Supporting Organization regarding the calculation of the payment obligations of The DIA with respect to a particular Payment Date within sixty (60) days after the remittance of the funds by the Supporting Organization to the City on behalf of The DIA. Any such disputes regarding the calculation of any such payment obligations under this Agreement or the applicable Foundation FDF Agreement will be determined by an independent accounting firm of national or regional (Midwest) reputation; provided that no such firm may have a conflict of interest and such firm shall be required to maintain independence as those terms are defined by the AICPA Code of Professional Conduct (as of June 1, 2012) (the "Accountant"). The Accountant shall be agreed to by the City and the Supporting Organization with respect to a Foundation Funder or by the City and The DIA if the dispute relates to The DIA's payment obligations. If the applicable Parties cannot agree on the Accountant within fourteen (14) days after either Party issues written notice to the other Party of the existence of a dispute, then within seven (7) days after the end of such fourteen (14) day notice period, each of such Parties shall submit the names of two (2) accounting firms that meet the standards of the preceding sentence, within seven (7) days thereafter, either Party may strike one name submitted by the other Party and the Accountant shall be selected by lot from the remaining names. The City and the Supporting Organization or The DIA, as applicable, shall deliver their calculations of the amounts they assert are owing to the Accountant within fourteen (14) days after the selection of the Accountant. The Accountant shall deliver its determination of the disputed payment obligations under this Agreement within thirty (30) days after receipt of the written notice of calculations from the Parties, and when rendered in writing, shall be final and binding upon each of the Parties. The City and The DIA agree that the Supporting Organization shall not be responsible for any shortfall in the amount of funds remitted to the City Account on behalf of The DIA due to a dispute regarding the calculation of The DIA's payment obligations in accordance with the provisions of this Section

2.3(c) nor shall the Supporting Organization have any other liability as a result of any such dispute.

(d) The obligation of the Foundation Funders under Section 2.2 of this Agreement and of the Supporting Organization to remit funds to the City Account under Section 2.3(b) above shall be reduced by (x) any litigation or defense costs, damages or settlement costs incurred by the Supporting Organization or the Foundation Funder to the extent the City fails to meet its indemnity obligations set forth in Section 6.2 of this Agreement, and (y) to the extent of any litigation or defense costs, damages or settlement costs incurred by the Supporting Organization or the Foundation Funder arising from the transactions contemplated by this Agreement and the other Transaction Documentation, that are not otherwise covered by the City's indemnity obligations in Section 6.2 of this Agreement.

#### **2.4 City Reporting and Conditions to Funding.**

(a) Commencing in 2015, by December 31<sup>st</sup> of each year, the City shall, at its expense, provide an annual report (the "**Annual Report**") to the Supporting Organization containing the following information:

(i) an annual reconciliation report of the City Account, performed at the City's expense, prepared by an independent external auditor, the selection of which is reasonably satisfactory to the Supporting Organization, certifying that the amounts transferred to the City Account by the Supporting Organization on each preceding Payment Date were used by the City in a manner consistent with the terms of the Transaction Documentation, including, without limitation, to make contributions to GRS and PFRS in satisfaction of the City's obligation to contribute to the Prior GRS Pension Plan and the Prior PFRS Pension Plan in accordance with the Plan of Adjustment, the payment of reasonable expenses of maintaining the City Account and consistent with Section 6.3(e) of this Agreement,

(ii) certification by the City's Chief Financial Officer on behalf of the City that the City has complied with the covenants in Sections 5.2 and 5.3(a)-(d) of this Agreement through the date of the Annual Report,

(iii) certification from the Escrow Agent that to its knowledge the amounts contributed to the GRS or PFRS from the City Account were unencumbered by the City or any other entity,

(iv) information as of the date of the Annual Report about the current membership of the:

- (A) board of trustees of the GRS (the "**GRS Board**"),
- (B) board of trustees of the PFRS (the "**PFRS Board**"),
- (C) investment committee of the GRS (the "**GRS Investment Committee**"), and

- (D) investment committee of the PFRS (the “**PFRS Investment Committee**”).

The information for this subsection (iv) should include the term of each member (where applicable), whether the person is a member of the GRS Board or PFRS Board by virtue of his or her position with the City, by appointment or by election, and, with respect to the independent members of the Investment Committees, such person’s qualifications.

- (v) evidence from the respective Investment Committee reasonably necessary to show that the internal controls governing the investment of the respective Pension Funds are in compliance with the applicable provision of the Plan of Adjustment, and

- (vi) any additional information that is necessary to evidence that the City is in compliance with the terms of this Agreement as may be reasonably requested by the Supporting Organization from time to time.

(b) Prior to the Closing Date, the City shall cause the Pension Governance Terms to be amended to provide that, commencing in 2015, no later than December 31 of each year, the GRS Investment Committee and the PFRS Investment Committee will provide the Supporting Organization with the following information:

- (i) a copy of the audited annual financial statement and the corresponding management letter for each of the GRS and the PFRS, as applicable, for the fiscal period ending June 30 of that year, containing a non-qualified opinion of an independent external auditor to the GRS and the PFRS, as applicable (the “**Independent Audited Financial Reports**”).

- (ii) a certification as of the date of the Annual Report from the respective Chair of each of the PFRS Investment Committee and the GRS Investment Committee on behalf of their respective Investment Committees in a form reasonably acceptable to the Supporting Organization (the “**Pension Certificate**”) that:

- (A) the City is current in its obligation to contribute to the Prior GRS Pension Plan and the Prior PFRS Pension Plan in accordance with the Plan of Adjustment,
- (B) the operation of the respective Investment Committees is in accordance with the applicable Pension Governance Terms, and
- (C) the City has complied and is continuing to comply with the covenants in Section 5.2(a) of this Agreement,

- (iii) copies of the documentation provided for under Section 6 of the Contribution Agreement by and among the Michigan Settlement Administration Authority, GRS, PFRS and the City (“**Contribution Agreement**”), including, as

applicable: (A) the compliance report(s) (“**Compliance Report**”) covering the calendar year for which the Annual Report is made that the respective Investment Committee provided to the Treasurer of the State of Michigan (“**Treasurer**”); (B) any additional compliance reports provided during the calendar year for which the Annual Report is made as requested by the Treasurer; (C) either the certificate of compliance or the Default Notice, within the meaning of Section 6 of the Contribution Agreement, as applicable, that was provided to the respective Investment Committee by the Treasurer; and (D) in the event that the Treasurer issued a Default Notice, the Cure Certification, within the meaning of Section 6 of the Contribution Agreement, provided by the Investment Committee for the defaulting system. Notwithstanding anything in this subsection (iii) to the contrary, if the parties to the Contribution Agreement agree to revise the requirements of Section 6 of the Contribution Agreement or the information required in the Compliance Report, in order to meet the conditions of this subsection (iii), the respective Investment Committee shall be required only to provide documentation to the Supporting Organization that meets such revised requirements. However, any such change in reporting requirements pursuant to this subsection (iii) shall not change the reporting obligations under subsections (i), (ii), (iv) and (v) of this Section 2.4(b).

(iv) Commencing in 2016, before May 15th of each year, the GRS Investment Committee and the PFRS Investment Committee will provide the Chief Financial Officer of the City with the information required of the GRS and PFRS in Section 2.4(c) of this Agreement, and

(v) any additional information from the GRS Investment Committee or the PFRS Investment Committee that may be reasonably requested by the Supporting Organization from time to time.

(c) Commencing in 2016, by May 15<sup>th</sup> of each year, the City shall provide (or with respect to the Pension Certificates cause to be provided) to the Supporting Organization a reaffirmation of the information and certifications provided by the City in the Annual Report which shall be executed by the Chief Financial Officer of the City (the “**Interim Reaffirmation**”) and which shall confirm that as of the date of the Interim Reaffirmation there has been no impairment or modification of the information in the most recent Annual Report since the date of that Annual Report, and which shall include confirmation from the GRS Investment Committee and PFRS Investment Committee that as of the date of the Interim Reaffirmation there has been no impairment or modification of the information in the most recent Pension Certificates since the date of such Pension Certificates. The Interim Reaffirmation shall include copies of the unaudited financial statements as of and for the most recent period prepared for each of the PFRS and the GRS.

To further confirm that the conditions precedent to funding are satisfied, the Supporting Organization reserves the right to make an onsite review and inspection of the City’s records and financial information and may employ at its cost an outside agent or consultant to undertake that review. The City will cooperate with any such onsite review and will provide those persons conducting the review adequate office space and assistance (without charge) to conduct that review. The City specifically waives, in favor of the Supporting Organization, or its agent or consultant, any fee for a public record search, pursuant to MCLA 15.234.

(d) The obligation of The DIA, a DIA Direct Funder and a Foundation Funder to make payment to the Supporting Organization of any portion of its commitment under this Agreement or any other Funding Agreement is conditioned upon the City's compliance with the covenants in Sections 5.2 and 5.3(a)-(d) of this Agreement, satisfaction of the conditions specified in Sections 2.4(a)-(c) above, the receipt of the Independent Audited Financial Reports and the Pension Certificate. The City acknowledges that The DIA under this Agreement, and under the DIA FDF Agreement, and each DIA Direct Funder and Foundation Funder under its respective Funding Agreement, shall have no obligation to make any payment to the Supporting Organization, nor shall the Supporting Organization have any obligation to remit any funds to the City Account, until all material requisite conditions precedent to funding in Section 2.4 of this Agreement are met. Failure of the City to meet the conditions to funding specified in this Section 2.4 in any material respect, including based on the Supporting Organization informing the City that the information provided in the Annual Report, the Independent Audited Financial Reports, the Pension Certificates or the Interim Reaffirmation is incomplete or unsatisfactory, shall be a "City Event of Default".

## **2.5 The City's Cure Right; Suspension or Cancellation of Funding.**

(a) The City shall have the opportunity to cure any City Event of Default by May 15th of the year following the date the Annual Report is due under Section 2.4(a) above (this being 135 days from the time conditions to funding were due to be met by the City) provided an issuance of written notice of a City Event of Default by the Supporting Organization was provided to the City by the Supporting Organization by January 31st of the year following the year such Annual Report was due from the City under Section 2.4(a) above. Notwithstanding the foregoing, to the extent that the applicable City Event of Default cannot reasonably be cured by May 15th as specified above or if the Event of Default arises out of the Independent Audited Financial Reports, the Pension Certificates or the Interim Reaffirmation of that Annual Report, and as long as the City has commenced to cure, and diligently pursues the cure of such default in good faith, such cure period shall be extended in writing by a reasonable period of time (the "Extended Cure Period"), to permit the City to cure such City Event of Default; provided, however, such Extended Cure Period shall not extend beyond December 15<sup>th</sup> (being 346 days from the date the Annual Report was due under Section 2.4(a) above). The City's ability to receive the benefit of the Extended Cure Period shall be subject to the written approval of the Supporting Organization upon receipt of a written request from the City setting forth why the City believes that it will be able to meet the requirements set forth above within the requested Extended Cure Period, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) All obligations of The DIA under this Agreement, and as acknowledged by the City, all obligations of The DIA under the DIA FDF Agreement and of DIA Direct Funders and Foundation Funders under their respective Funding Agreements, to make scheduled payments and of the Supporting Organization to remit funds to the City Account shall be suspended for the duration of the initial and any Extended Cure Period. The City acknowledges and agrees that, if the City fails to cure a City Event of Default during the initial and any Extended Cure Period, the scheduled payment of The DIA under this Agreement and under the DIA FDF Agreement and of all DIA Direct Funders and Foundation Funders under their respective Funding Agreements shall be cancelled, and the Supporting Organization shall have



not so paid, that the Supporting Organization shall assign its right to enforce payment of the Default Amount to the City. If the Non-funding Party does not pay its Default Amount within the thirty (30) day period, the Supporting Organization shall assign its right to enforce payment of the Default Amount to the City in full satisfaction of the Supporting Organization's obligation to make such payment to the City; provided that if the Non-funding Party is a DIA Direct Funder or a Special Foundation Funder (a "**Defaulted DIA Funder**") such assignment shall be made to The DIA and not the City. Except with respect to the guaranty obligation of The DIA with respect to a Defaulted DIA Funder in accordance with Section 2.8(c) below, the annual payment amount due to the City from the Supporting Organization on the Payment Date will be reduced by the Default Amount.

(c) In the case of a Defaulted DIA Funder, the Supporting Organization shall issue written notice to The DIA within two (2) days after the expiration of the twenty (20) day funding period specified in Section 2.7 of this Agreement of the name of the Defaulted DIA Funder and the Default Amount. The DIA shall within five (5) Business Days of receipt of such notice pay to the Supporting Organization (x) the Default Amount if the Termination Date has occurred and (y) if the Termination Date has not occurred, such additional amount as is necessary, if any, such that The DIA's payment to the Supporting Organization with respect to such Payment Date is equal to the amount that The DIA is otherwise required to pay pursuant to Section 2.1 of this Agreement. The DIA shall not, however, have any obligation pursuant to this Section 2.8(c) if The DIA's commitment has been cancelled as provided in Section 2.5 of this Agreement. If the Supporting Organization thereafter collects the Default Amount from the Defaulted DIA Funder, the Supporting Organization shall promptly pay such amount to The DIA.

(d) The City agrees that, except for the guaranty obligation of The DIA in Section 2.8(c) of this Agreement with respect to a Defaulted DIA Funder, in no event will any Funder other than the Non-funding Party have any responsibility for the payment or obligations of such Non-funding Party, and the City will not have any right to collect any amounts from any Funder except as set forth in Section 2.8(b) of this Agreement. No party other than the City (as provided in Section 2.8(b) of this Agreement), the Supporting Organization, or The DIA with respect to a Defaulted DIA Funder or a DIA Indirect Funder pursuant to any grant agreement directly with The DIA shall have the right to assert any claim against any Funder. Without limiting the foregoing, the failure of The DIA, any DIA Direct Funder, any Foundation Funder or the Supporting Organization to make a scheduled payment shall only give rise to a claim by the City against such Non-funding Party (pursuant to Section 2.8(b) above), or by the Supporting Organization, and not against any other Funder, the Supporting Organization, The DIA or the DIA Assets; provided, however, (x) The DIA will have its guaranty obligations under Section 2.8(c) of this Agreement and its rights under its applicable grant agreement with each DIA Indirect Funder and (y) the foregoing shall not preclude the City from asserting claims in satisfaction of an indemnity claim pursuant to Section 6.1(b) of this Agreement but only against cash, cash equivalents or cash receivables of The DIA (excluding any cash, cash equivalents or cash receivables that are restricted in use by the terms of the donation, gift, bequest or contribution of a third party or by restrictions imposed on the use of proceeds from the sale of art by the applicable standards or ethical guidelines of the AAM or the Association of Art Museum Directors (or such other organizations by which The DIA or the Museum or its Director is accredited in the future or of which they become members in accordance with then applicable art

museum best practices). Without limiting the foregoing, under no circumstances shall the City or the Supporting Organization have a claim against any DIA Indirect Funder.

(e) The City will be responsible for all costs of its enforcement against the Non-funding Party or the Supporting Organization, as applicable, and will not seek reimbursement of costs of enforcement from any other Funder or the Supporting Organization. No other person or entity shall have the right to enforce payment of any commitments in connection with any Funding Agreement or any Transactional Documentation except as specifically set forth in this Agreement.

### **ARTICLE III** **Initial Funding; Closing**

**3.1 Closing.** The closing of the transactions pursuant to this Agreement (the “**Closing**”) will take place immediately following the written confirmation from an authorized representative of the City, the Supporting Organization and The DIA in the form of **Exhibit E** to this Agreement (the “**Closing Direction**”); **provided**, that the Closing hereunder shall in all events occur concurrently with the closing under the Charitable Trust Agreement. The time and date on which the Closing occurs is referred to in this Agreement as the “**Closing Date**”.

**3.2 Initial Funding.** On the Closing Date, subject to the satisfaction of the deliverables pursuant to **Section 3.3** of this Agreement, the Supporting Organization shall remit to the City Account pursuant to the wire transfer instructions on **Schedule 1** to this Agreement:

- (i) the aggregate payment by Foundation Funders (excluding Special Foundation Funders) of at least \$18.3 million, and
- (ii) the aggregate payment by The DIA, DIA Direct Funders and Special Foundation Funders of at least \$5 million.

**3.3 At the Closing.** At the Closing, the Supporting Organization shall deliver, or cause to be delivered, to each of the other Parties fully executed copies of the following which, to the extent held by the Title Company in escrow, shall be deemed delivered by virtue of the release of such documents by the Title Company in accordance with escrow instructions previously delivered to the Title Company:

- (a) each grant agreement between a Foundation Funder and the Supporting Organization in substantially the form of **Exhibit B** to this Agreement (the “**Foundation FDF Agreement**”).
- (b) each grant agreement between a DIA Direct Funder and the Supporting Organization in substantially the form of **Exhibit C** to this Agreement (the “**DIA Direct Funder FDF Agreement**”).
- (c) the agreement between The DIA and the Supporting Organization in substantially the form of **Exhibit D** to this Agreement with respect to The DIA’s payment obligations as set forth in **Section 2.1** of this Agreement (the “**DIA FDF Agreement**”).

**ARTICLE IV**

**Representations and Warranties; Covenants of The DIA and the Supporting Organization**

**4.1 DIA Representations, Warranties and Covenants.**

(a) The DIA represents and warrants that this Agreement and the DIA FDF Agreement have been duly executed and The DIA's obligations under this Agreement and under the DIA FDF Agreement are authorized, valid and binding commitments of The DIA, enforceable against it in accordance with their respective terms.

(b) The DIA acknowledges that (x) Foundation Funders, DIA Funders and the Supporting Organization have no financial obligations other than, in the case of Foundation Funders, on a several basis, their individual commitments in their respective Foundation FDF Agreement, in the case of DIA Direct Funders, their respective commitments in each of their DIA Direct Funder FDF Agreements, and DIA Indirect Funders pursuant to any grant agreement directly with The DIA, and (y) that the Funders are not guaranteeing payment to the City of any amount committed by any other Funder (other than The DIA with respect to its obligations in Section 2.8(c) of this Agreement).

(c) The DIA agrees not to amend or modify the DIA FDF Agreement, or release or waive any rights that it has under such Funding Agreement, in a manner that would reasonably be expected to adversely affect the timing or amount of the payments to be made thereunder without the consent of the City.

**4.2 Supporting Organization Representations and Warranties.** The Supporting Organization represents that its obligations under this Agreement and under the applicable Funding Agreements have been duly executed and are authorized, valid and binding upon the Supporting Organization, enforceable against it in accordance with their respective terms.

**4.3 Supporting Organization Covenants as to Funding Agreements.**

(a) The Supporting Organization agrees not to amend or modify any Funding Agreement, or release or waive any rights that it has under any Funding Agreement, in a manner that would reasonably be expected to adversely affect the timing or amount of the payments to be made thereunder (i) without the consent of the City and, (ii) with respect to any DIA Direct Funder FDF Agreement or Foundation FDF Agreement with a Special Foundation Funder, the consent of The DIA.

(b) The Supporting Organization shall promptly after execution thereof deliver to The DIA and the City copies of any DIA Direct Funder FDF Agreement entered into after the Closing Date, or any modifications to any DIA Direct Funder FDF Agreement or Foundation FDF Agreement with a Special Foundation Funder executed at Closing, in the event that the commitments thereunder are increased or modified (with the consent of The DIA) after the Closing Date.

(c) Concurrently with the remittance of payments to the City Account by the Supporting Organization, the Supporting Organization shall deliver to The DIA and the City a schedule which reflects all payments received in such year from DIA Direct Funders and Special

Foundation Funders and shall denote thereon whether any such payment represents a prepayment in excess of the funding schedule under the applicable DIA Direct Funder FDF Agreement or Foundation FDF Agreement, as applicable, and the date on which such payment was remitted to the City Account.

**4.4 Reporting Obligations.** The DIA will provide to the other Funders and the City, and/or their representatives, within 150 days after the end of each fiscal year during the Payment Period (i) annual financial statements of The DIA audited by an independent certified public accountant and (ii) the annual report of the Director of the Museum in the form provided to the board of directors of the Museum.

**4.5 Supporting Organization Observer Right.** During the Payment Period, the Supporting Organization shall have the right to designate a representative to attend and participate in a non-voting observer capacity in the meetings of the Board of The DIA (or its successor entity) subject to such observer's compliance with the applicable policies regarding confidentiality, conflicts of interest and other similar matters as may reasonably be adopted from time to time by The DIA.

## **ARTICLE V** **Representations and Warranties; Covenants of the City**

### **5.1 City Representations and Warranties.**

(a) The City represents and warrants that this Agreement has been duly executed and the City's obligations under this Agreement are authorized, valid and binding commitments of the City, enforceable against it in accordance with its terms.

(b) The City acknowledges that (x) Foundation Funders, DIA Funders and the Supporting Organization have no financial obligations other than, in the case of Foundation Funders, on a several basis, each of their commitments in their individual Foundation FDF Agreements, in the case of DIA Direct Funders, their respective commitments in each of their DIA Direct Funder FDF Agreements, and DIA Indirect Funders pursuant to any grant agreement directly with The DIA, and (y) that the Funders are not guaranteeing payment to the City of any amount committed by any other Funder (other than The DIA with respect to its obligations in Section 2.8(c) of this Agreement). The City further acknowledges that it has no rights under any grant agreement between any DIA Indirect Funder and The DIA.

**5.2 City Commitments Relating to Pensions.** The City covenants to The DIA and Supporting Organization as follows:

(a) For the twenty (20) year period following the effective date of the Plan of Adjustment, the City shall maintain the Pension Governance Terms reflected in the GRS and the PFRS, as applicable, without modification or amendment, except as required to comply with applicable federal law, including without limitation to maintain the tax qualified status of the GRS or PFRS under the Internal Revenue Code, or the Plan of Adjustment.

(b) The City acknowledges that, except as provided in Section 6.3(e) and to pay reasonable expenses of maintaining the City Account, all funds remitted by the Supporting

Organization to the City Account in connection with this Agreement shall be used solely for the payment of contributions to GRS and PFRS, allocated as provided in the Plan of Adjustment, in satisfaction of the City's obligation to contribute to the Prior GRS Pension Plan and the Prior PFRS Pension Plan in accordance with the Plan of Adjustment. Except as provided in Section 6.3(e) and to pay reasonable expenses of maintaining the City Account, the City shall cause to be transferred from the City Account for payment of contributions to the Prior GRS Pension Plan and the Prior PFRS Pension Plan all amounts received from the Supporting Organization within not more than three (3) Business Days after such funds are deposited in the City Account.

(c) The City shall notify the Supporting Organization in writing prior to the selection of the initial and successor independent GRS Investment Committee and PFRS Investment Committee members and such notice shall include information regarding the identity and qualifications of the candidates under consideration by the State, the City and the GRS Board or PFRS Board, as applicable. In addition, upon the written request of the Supporting Organization, the City shall provide to the appropriate representatives of the State and the applicable Board any written comments or observations about the candidates that the Supporting Organization elects in its consulting role to provide to the City, provided that such written comments or observations are received by the City no later than three (3) days after the City has provided notice to the Supporting Organization of the identity of the candidates under consideration.

(d) The City shall provide written notification of any change to the wire transfer instructions to the City Account on Schedule 1 to this Agreement at least ten (10) Business Days prior to the next Payment Date.

**5.3 Other City Commitments.** The City covenants to The DIA and Supporting Organization as follows:

(a) The City shall pass no charter, ordinance or other provision that solely affects or primarily targets the Museum, The DIA or museums within the City generally which charter, ordinance or other provision has a material adverse impact on the Museum or The DIA (it being understood that a "material adverse impact" shall include any adverse financial impact or any contradiction, or adverse impact on the enforceability, of the terms of the DIA Settlement or the Transaction Documentation), except pursuant to State-enabling legislation.

(b) The City agrees that after the Effective Time the City of Detroit Arts Commission will have no oversight of The DIA, the Museum or the DIA Assets.

(c) The City shall not impose any fee, tax or other cost on the Museum or The DIA that solely affects or primarily targets the Museum, The DIA, the DIA Assets or museums within the City generally.

(d) The City shall provide (or cause to be provided) utilities, police, fire and other City services to The DIA at the same pricing and on the same terms upon which the City offers to provide utilities, police, fire and such other City services to arm's-length third parties generally.

(e) The City agrees that, as of the date hereof, there are no further commitments from the Funders, the Supporting Organization, The DIA or the State relating to the Museum or the DIA Assets beyond those contained in this Agreement or the other Transaction Documentation.

## ARTICLE VI Indemnification

**6.1 Indemnification by The DIA.** To the maximum extent permitted by law, The DIA shall indemnify, defend and hold harmless:

(a) DIA Funders, Foundation Funders, the City and the Supporting Organization and each of their Related Parties (the “**DIA Indemnified Parties**”) from, against, and with respect to any Loss arising out of or in any manner, incident, relating or attributable to, or resulting from The DIA’s failure to perform any of its obligations under the Transaction Documentation; and

(b) the City and its Related Parties from, against, and with respect to any Loss arising out of or in any manner, incident, relating or attributable to, or resulting from any claim brought by an employee of The DIA arising from or relating to his/her employment with The DIA which employment commenced at any time after the effective date of the Operating Agreement and prior to the Effective Time, including without limitation, wrongful termination, workers’ compensation, unemployment compensation, discrimination, violation of federal or state labor or employment laws, ERISA, bodily injury, personal injury or defamation, but excluding any claim relating to pension benefits from the GRS to which such employee was or is entitled by virtue of having been employed by the City prior to the commencement of employment with The DIA (the “**Employee Liabilities**”).

### **6.2 Indemnification by the City.**

(a) To the maximum extent permitted by law, the City shall indemnify, defend, and hold Foundation Funders, DIA Funders, The DIA and the Supporting Organization and their respective Related Parties (the “**City Indemnified Parties**”) harmless from, against, and with respect to any Loss arising out of or in any manner incident, relating or attributable to, or resulting from the following (provided indemnification will not be available to an Indemnified Party to the extent resulting from such Indemnified Party’s breach of contract, sole ordinary negligence, gross negligence or intentional wrongful acts):

(i) Any claims by third parties or the City arising out of any action properly taken by a City Indemnified Party under the Transaction Documentation, including but not limited to, any payment or non-payment or performance of any other obligation of the City Indemnified Parties permitted thereunder;

(ii) Any breach or failure of any representation or warranty of the City contained in the Transaction Documentation between the City and the City Indemnified Parties and/or other parties related to the transactions consummated pursuant to this Agreement or the Charitable Trust Agreement;

(iii) Any failure by the City to perform, satisfy or comply with any covenant, agreement or condition to be performed, satisfied or complied with by the City under the Transaction Documentation with the City Indemnified Parties or under agreements with any third parties contemplated by this Agreement or the Charitable Trust Agreement;

(iv) Reliance by the City Indemnified Parties upon any books or records of the City or reliance by them on any written information furnished by the City or any of the City's employees, officials or agents to them to the extent any such information should prove to be false or materially inaccurate or misleading (including, without limitation, by omission), but only to the extent that such books, records or written information was furnished by the City in connection with the City showing its compliance with the conditions to initial or future funding as set forth in this Agreement;

(v) Any claim or objection made after the Effective Date of the Plan of Adjustment in the Bankruptcy Case or any other action brought against, or involving, the City Indemnified Parties with respect to their participation in any transaction contemplated by the proposed or confirmed Plan of Adjustment;

(vi) The transfer, assignment or sale by the City to The DIA of any assets or property (real or personal) and any rights, title and interests therein including but not limited to, the Museum and all of the Museum Assets;

(vii) Any action or claim against the City Indemnified Parties made by the GRS or PFRS, including any successors or assigns and any plan participants, or their representatives, successors or assigns (collectively, the "**Pension Funds**"), as nothing under the Transaction Documentation is intended to, nor are they to be construed or interpreted to, make the City Indemnified Parties a party in privity with, or having an obligation in any capacity to the Pension Funds. By way of illustration and not limitation, the following statements apply:

First, the City Indemnified Parties have no responsibility for the operation or administration of the Pension Funds and have no fiduciary responsibility for the Pension Funds as plan sponsor, plan administrator, investment advisor or otherwise; and

Second, the City Indemnified Parties have no obligation to contribute towards the funding of the Pension Funds and are not a funding guarantor.

(viii) Any action or claim brought by the City, The DIA, the Pension Funds or any other party concerning non-payment of the commitments pursuant to this Agreement (and the Funding Agreements) by the City Indemnified Parties due to the breach of the Transaction Documentation by the City, The DIA, the Pension Funds or any other party, so long as the City Indemnified Parties have made a good faith determination of the breach of the Transaction Documentation or payment condition.

(b) The City shall not contest on any grounds the enforceability of its indemnification obligations hereunder.

(c) Notwithstanding the foregoing, the Parties acknowledge that the City is not making any representations to The DIA regarding the City's title to the Museum Assets prior to the Effective Time and that The DIA will not be entitled to indemnification in connection with its defense of any claims by third parties after the Effective Time challenging The DIA's title to any Museum Asset to the extent that such claim is based on an allegation that the City did not have legal title to the particular Museum Asset prior to the Effective Time (a "**Quitclaim Challenge**"). To be clear, however, The DIA will be entitled to indemnification by the City under this Section 6.2 in connection with any challenges after the Effective Time to The DIA's title to Museum Assets that are in any way based upon a claim that the title that the City had to the Museum Assets prior to the Effective Time was not effectively conveyed to The DIA at and as a result of the closing under the Charitable Trust Agreement. For avoidance of doubt, in the event of a final determination by the Bankruptcy Court not subject to appeal or certiorari by a court of competent jurisdiction that the Museum Assets must be re-conveyed to the City, the Losses for which The DIA may be indemnified shall not include the value of the Museum Assets but shall include all other Losses incurred by The DIA for which it is otherwise entitled to indemnification under this Agreement.

(d) Notwithstanding the foregoing, the City's indemnification of an Indemnified Party shall be limited solely to Losses arising out of or related to the Indemnified Party's participation in any transaction contemplated by the DIA Settlement.

### **6.3 Defense of Indemnity Claims.**

(a) An Indemnified Party shall provide written notice to The DIA or the City, as applicable (the "**Indemnifying Party**") in a timely manner and in any event, within twenty-one (21) days of receipt of any claim, of any matters as to which the Indemnified Party is entitled to receive indemnification and shall set forth in such notice reasonable detail regarding specific facts and circumstances then known by the Indemnified Party which pertain to such matters. Failure or delay in providing such notice shall not relieve the Indemnifying Party of its defense or indemnity obligations except to the extent the Indemnifying Party's defense of an applicable claim against an Indemnified Party is actually prejudiced by such Indemnified Party's failure or delay.

(b) To the extent the Indemnifying Party is notified of a claim for which it is required to indemnify an Indemnified Party, the Indemnifying Party shall be solely responsible at its expense for responding to or otherwise defending such claim. In such event, the Indemnifying Party shall assume exclusive control of the defense of such claim at its sole expense using counsel of its sole choosing and may settle such claim in its sole discretion; provided, however, that (i) with respect to any claim that involves allegations of criminal wrongdoing, the City shall not settle such claim without the prior written approval of the City Indemnified Party, which approval may be withheld in such City Indemnified Party's sole discretion, and (ii) with respect to any other claim, the Indemnifying Party shall not settle such claim in a manner that requires the admission of liability, fault, or wrongdoing on the part of an Indemnified Party, that fails to include a release of all covered claims pending against the

Indemnified Party, or that imposes any obligation on the Indemnified Party without the prior written approval of the Indemnified Party, which approval may be withheld in such Indemnified Party's sole discretion.

(c) The Indemnifying Party will keep the Indemnified Party reasonably informed of the status of any negotiations or legal proceedings related to any claim, and the Indemnified Party shall be entitled to engage counsel (at its own expense) to monitor the handling of any claim by the Indemnifying Party.

(d) Notwithstanding the foregoing, The DIA shall be entitled to defend on its own behalf any claims regarding title to, interest in or control of the Museum Assets or operation of the Museum (including with respect to a Quitclaim Challenge provided The DIA shall not be entitled to indemnification for a Quitclaim Challenge, as set forth above). To the extent The DIA intends to exercise such right, the City and The DIA shall use their commercially reasonable efforts in good faith to coordinate a joint defense of such claim (including as to selection of joint counsel). If the City and The DIA cannot agree on a joint defense of the claim, each Party shall undertake its own defense, reserving all rights against the other for indemnification hereunder with respect to such claim, but, in such case, The DIA shall not be entitled to indemnification of its defense costs in connection therewith.

(e) Notwithstanding anything to the contrary set forth in this Agreement or in the Charitable Trust Agreement, to the extent that the City is required to indemnify a City Indemnified Party hereunder, and the underlying claim being indemnified does not arise out of the City's breach of contract (including a City Event of Default), sole ordinary negligence, gross negligence or intentional wrongful acts and is not due to a claim brought by the City (including pursuant to Section 2.8(b) of this Agreement), the City may reimburse itself for the costs of such indemnity out of the City Account, in which case the amount payable by the City in satisfaction of the City's obligation to contribute to the Prior GRS Pension Plan and the Prior PFRS Pension Plan shall be reduced by the amount reimbursed to the City for such indemnity.

## ARTICLE VII Miscellaneous

**7.1 No Third Party Beneficiary.** Except for the Indemnified Parties, each of whom is an express third-party beneficiary under this Agreement with respect to ARTICLE VI of this Agreement, and each Funder who is an express third-party beneficiary under Sections 2.3(d), 2.5(b), 2.6, 2.8(a), 2.8(d), 2.8(e), 4.1(b), 4.4, 5.1(b) and 5.3(e) of this Agreement, the terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors and permitted assigns, and nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity other than the City, The DIA, and the Supporting Organization any third-party beneficiary rights or remedies.

**7.2 Choice of Law; Jurisdiction; Venue.** This Agreement shall be construed in accordance with the laws of the State of Michigan without regard to such state's choice of law provisions which would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties irrevocably and unconditionally agrees for itself that, except as to disputes regarding the calculation of the The DIA's payment

obligations under this Agreement or of a Foundation Funder under a Foundation FDF Agreement which shall be determined in accordance with Section 2.3(c) of this Agreement, or any disputes that are subject to arbitration in accordance with Section 7.3 of this Agreement, any legal action, suit or proceeding against it with respect to any matter arising under or arising out of or in connection with this Agreement, or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, including a proceeding under Section 2.3(c) or Section 7.3 of this Agreement, shall be brought in the Bankruptcy Court for so long as it has jurisdiction, and thereafter in the United States District Court for the Eastern District of Michigan; provided that if the United States District Court for the Eastern District of Michigan does not have jurisdiction, then such legal action, suit or proceeding shall be brought in such other court of competent jurisdiction located in Wayne County, Michigan; and provided, further, that The DIA may bring a legal action, suit or proceeding in a state court to obtain a writ of mandamus to enforce the obligations of the City in Section 5.3 of this Agreement. By execution and delivery of this Agreement, each of the Parties irrevocably accepts and submits to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding and specifically consents to the jurisdiction and authority of the Bankruptcy Court to hear and determine all such actions, suits, and proceedings under 28 U.S.C. §157(b) or (c), whichever applies.

**7.3 Dispute Resolution.** Any controversy or claim arising out of or relating to the satisfaction of the conditions precedent to funding in ARTICLE II of this Agreement shall be settled by arbitration administered by the American Arbitration Association (“AAA”) in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof in accordance with Section 7.2 of this Agreement. Any such controversy or claim shall be submitted to a panel of three (3) AAA arbitrators. The place of the arbitration shall be within the Wayne County, Michigan. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all Parties to the arbitration. The Parties may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. The Parties also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction in accordance with Section 7.2 of this Agreement any interim or provisional relief that is necessary to protect the rights or property of that party, pending the establishment of the arbitral tribunal (or pending the arbitral tribunal’s determination of the merits of the controversy). Each Party shall bear its own costs and expenses and an equal share of the arbitrators’ and administrative fees of arbitration. With respect to any dispute as to a City Event of Default and a payment in connection with the same, the arbitration proceeding and its findings contemplated under this Section must be held and received by no later than the January 31<sup>st</sup> of the second calendar year after the year in which the Annual Report was due, as provided in Section 2.4(a) above, from the City to the Supporting Organization from which the disputed City Event of Default arose, regardless of whether the City Event of Default arises from the Annual Report or the Interim Reaffirmation of said report. If the arbitration hearing findings cannot be received by that January 31<sup>st</sup>, the position of the Supporting Organization that the City Event of Default exists and has not been cured will be deemed a final determination for purposes of determining whether the conditions to funding have been satisfied.

**7.4 Specific Performance.** It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach, including, without limitation, seeking an order of the court having jurisdiction in accordance with Section 7.2 of this Agreement requiring any Party to comply promptly with any of its obligations hereunder.

**7.5 Amendment and Waiver.** This Agreement may be amended and any provision of this Agreement may be waived; provided that any such amendment or waiver will be binding upon the Parties only if such amendment or waiver is set forth in a writing executed by all Parties during the Payment Period and, thereafter, by The DIA and the City. No course of dealing between or among any persons having any interest in this Agreement will be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement.

**7.6 Notices.** All notices, demands and other communications given or delivered under this Agreement shall be given in writing to the address indicated below (or such other address as the recipient specifies in writing) and will be deemed to have been given when delivered personally, three (3) Business Days after mailed by certified or registered mail, return receipt requested and postage prepaid, or when delivery is guaranteed if sent via a nationally recognized overnight carrier, or when receipt is confirmed if sent via facsimile or other electronic transmission to the recipient with telephonic confirmation by the sending party.

**The City of Detroit**  
Law Department  
Coleman A. Young Municipal Center  
2 Woodward Avenue, 5<sup>th</sup> Floor  
Detroit, Michigan 48226  
Telephone: (313)224-1352  
Facsimile: (313)224-5505  
Attention: Corporation Counsel

with a copy to (which will not constitute notice):

Office of the Mayor  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1126  
Detroit, Michigan 48226  
Facsimile: (313)224-4128  
Attention: Mayor

**The Detroit Institute of Arts**  
5200 Woodward Avenue  
Detroit, Michigan 48202  
Facsimile:  
E-mail:  
Attention: Director and Chief Financial Officer

with a copy to (which will not constitute notice):

Honigman Miller Schwartz and Cohn LLP  
2290 First National Bank Building  
660 Woodward Avenue  
Detroit, Michigan 48226-3506  
Facsimile: (313)465-7575  
E-mail: azschwartz@honigman.com  
Attention: Alan S. Schwartz and  
E-mail: jopperer@honigman.com  
Attention: Joshua F. Opperer

**Foundation for Detroit's Future**

333 West Fort Street, Suite 2010  
Detroit, Michigan 48226-3134  
Facsimile: (313)961-2886  
E-mail: rferriby@cfsem.org  
Attention: Robin D. Ferriby

**7.7 Binding Agreement; Assignment.** This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any Party (by operation of law or otherwise) without the prior written consent of all the other Parties. Any attempted assignment in violation of this Section 7.7 shall be null and void.

**7.8 Severability.** Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

**7.9 No Strict Construction.** The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

**7.10 Captions.** The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

**7.11 Entire Agreement.** This Agreement, including the Exhibits, constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and

supersedes all other prior negotiations, agreements and understandings, whether written or oral, among the Parties with respect to the subject matter of this Agreement.

**7.12 Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, and shall become effective when counterparts have been signed by each of the Parties and delivered to the other Parties; it being understood that all Parties need not sign the same counterpart. The exchange of copies of this Agreement or of any other document contemplated by this Agreement (including any amendment or any other change thereto) and of signature pages thereof by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether otherwise transmitted via electronic transmission), by electronic mail in “portable document format” (“**.pdf**”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of an original Agreement or other document for all purposes. Signatures of the Parties transmitted by facsimile, by electronic mail in .pdf form or by any other electronic means referenced in the preceding sentence, or by any combination thereof, shall be deemed to be original signatures for all purposes.

*[signature page follows]*

IN WITNESS WHEREOF, the parties have executed this Omnibus Transaction Agreement effective as of the Closing Date.

**THE CITY OF DETROIT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE DETROIT INSTITUTE OF ARTS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FOUNDATION FOR DETROIT'S FUTURE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A

SETTLEMENT, CONVEYANCE AND CHARITABLE TRUST AGREEMENT

**EXHIBIT B**  
**FOUNDATION FDF AGREEMENT**

**EXHIBIT C**  
**DIA DIRECT FUNDER FDF AGREEMENT**

**EXHIBIT D**  
**DIA FDF AGREEMENT**

**EXHIBIT E**  
**CLOSING DIRECTION**

\_\_\_\_\_, 2014

Title Source, Inc.  
662 Woodward Avenue  
Detroit, Michigan 48226-3422

Re: Certification of Release Conditions

Ladies and Gentlemen:

We refer to the Escrow Agreement, dated as of \_\_\_\_\_, 2014 (the "Escrow Agreement"), among each of you and the undersigned. Capitalized terms used herein shall have the meaning given in the Omnibus Transaction Agreement or Escrow Agreement, as applicable.

By execution of this Certificate, each of the undersigned certifies that the conditions to the Closing under the Omnibus Transaction Agreement and to the Closing Release specified in Section 2.1 of the Escrow Agreement have been satisfied and directs that you shall undertake the actions specified in Section 2.1 of the Escrow Agreement.

*[signature pages follow]*

**THE CITY OF DETROIT**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SIGNATURE PAGE TO CLOSING DIRECTION]

THE DETROIT INSTITUTE OF ARTS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SIGNATURE PAGE TO CLOSING DIRECTION]

**FOUNDATION FOR DETROIT'S FUTURE**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[SIGNATURE PAGE TO CLOSING DIRECTION]*

**SCHEDULE 1**

**Wire Transfer Instructions for City Account**

U.S. Bank  
777 E. Wisconsin Avenue  
Milwaukee, WI 53202  
ABA# 091000022  
BNF: USBANK WIRE CLRG  
Beneficiary Account Number: 180121167365  
OBI: Detroit Art Escrow

## SCHEDULE 2

### Examples of the Calculation of The DIA's Payment Obligations

#### Examples Illustrating The DIA's Payment Obligation under the Omnibus Transaction Agreement

#### Example 1

| <u>Previous<br/>and Current<br/>Payment Dates</u> | <u>Payment<br/>Number</u> | <u>Aggregate<br/>Committed<br/>Payment</u> | <u>Previous DIA,<br/>DIA Direct Funder,<br/>and Special<br/>Foundation<br/>Funder Payments</u> | <u>DIA Direct<br/>Funder and<br/>Special<br/>Foundation<br/>Funder<br/>Scheduled<br/>Payments*</u> | <u>DIA<br/>Payment</u> |
|---|---------------------------|--|--|--|------------------------|
| Closing**   | 1                         | \$5,000,000                                | \$0  | \$0  | \$5,000,000            |
| 6/30/16   | 2                         | \$10,000,000                               | \$5,000,000  | \$2,000,000  | \$3,000,000            |
| 6/30/17   | 3                         | \$15,000,000                               | \$10,000,000   | \$5,000,000  | \$0                    |
| 6/30/18   | 4                         | \$20,000,000                               | \$15,000,000   | \$5,000,000  | \$0                    |
| 6/30/19   | 5                         | \$25,000,000                               | \$20,000,000   | \$5,000,000  | \$0                    |
| 6/30/20   | 6                         | \$30,000,000                               | \$25,000,000   | \$5,000,000  | \$0                    |
| 6/30/21   | 7                         | \$35,000,000                               | \$30,000,000   | \$5,000,000  | \$0                    |
| 6/30/22   | 8                         | \$40,000,000                               | \$35,000,000   | \$5,000,000  | \$0                    |
| 6/30/23   | 9                         | \$45,000,000                               | \$40,000,000   | \$5,000,000  | \$0                    |
| 6/30/24   | 10                        | \$50,000,000                               | \$45,000,000   | \$5,000,000  | \$0                    |
| 6/30/25   | 11                        | \$55,000,000                               | \$50,000,000   | \$5,000,000  | \$0                    |
| 6/30/26   | 12                        | \$60,000,000                               | \$55,000,000   | \$5,000,000  | \$0                    |
| 6/30/27   | 13                        | \$65,000,000                               | \$60,000,000   | \$5,000,000  | \$0                    |
| 6/30/28   | 14                        | \$70,000,000                               | \$65,000,000   | \$5,000,000  | \$0                    |
| 6/30/29   | 15                        | \$75,000,000                               | \$70,000,000   | \$5,000,000  | \$0                    |
| 6/30/30   | 16                        | \$80,000,000                               | \$75,000,000   | \$5,000,000  | \$0                    |
| 6/30/31   | 17                        | \$85,000,000                               | \$80,000,000   | \$5,000,000  | \$0                    |
| 6/30/32   | 18                        | \$90,000,000                               | \$85,000,000   | \$5,000,000  | \$0                    |
| 6/30/33   | 19                        | \$95,000,000                               | \$90,000,000   | \$5,000,000  | \$0                    |
| 6/30/34   | 20                        | \$100,000,000                              | \$95,000,000   | \$5,000,000  | \$0                    |
| <b>Total</b>                                      |                           |  | <b>\$100,000,000</b>   | <b>\$92,000,000</b>  | <b>\$8,000,000</b>     |

As of the Closing Date, \$5 million multiplied by the single Payment Date (Closing) equals \$5 million. The sum of previous payments by The DIA, DIA Direct Funders and Special Foundation Funders (\$0) and the DIA Direct Funders' and Special Foundation Funders' scheduled payment at Closing (\$0) equals \$0. Therefore, at Closing, The DIA is obligated to pay \$5 million less \$0, which equals \$5 million. The formula applies in an identical manner to the June 30, 2016 Payment Date (and the remaining Payment Dates). \$5 million multiplied by the two (2) relevant Payment Dates (the Closing Date and June 30, 2016) equals \$10 million. The sum of the previous payments by The DIA, DIA Direct Funders and Special Foundation Funders (\$5 million) and the DIA Direct Funders' and Special Foundation Funders' scheduled payment (\$2 million) equals \$7 million. Therefore, on June 30, 2016, The DIA is obligated to pay \$10 million less \$7 million, which equals \$3 million.

As of June 30, 2016, The DIA has satisfied its payment obligation under the Omnibus Transaction Agreement (other than its guarantee obligation). The Present Value Discount of the total payments made as of the end of the day June 30, 2016, plus the Present Value Discount of

the DIA Direct Funders' and Special Foundation Funders' remaining scheduled payments equals the Present Value Discount of \$5 million paid at Closing and 19 annual payments of \$5 million commencing as of June 30, 2016.

\*DIA Direct Funder and Special Foundation Funder scheduled payments are assumed to be made on the Payment Date, as scheduled.

\*\* All examples assume an October 31, 2014 Closing Date.

**Examples Illustrating The DIA's Payment Obligation  
under the Omnibus Transaction Agreement**

**Example 2: DIA Payments and Present Value Discount Limitation**

| <u>Previous and Current Payment Dates</u> | <u>Payment Number</u> | <u>Aggregate Committed Payment</u> | <u>Previous DIA, DIA Direct Funder, and Special Foundation Funder Payments</u> | <u>DIA Direct Funder and Special Foundation Funder Scheduled Payments*</u> | <u>DIA Payment</u>  | <u>DIA Prepayment</u> |
|---|-----------------------|------------------------------------|--|--|---------------------|-----------------------|
| Closing                                   | 1                     | \$5,000,000                        | \$0  | \$10,000,000   | \$0                 | \$0                   |
| 6/30/16                                   | 2                     | \$10,000,000                       | \$10,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/17                                   | 3                     | \$15,000,000                       | \$20,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/18                                   | 4                     | \$20,000,000                       | \$30,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/19                                   | 5                     | \$25,000,000                       | \$40,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/20                                   | 6                     | \$30,000,000                       | \$50,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/21                                   | 7                     | \$35,000,000                       | \$60,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/22                                   | 8                     | \$40,000,000                       | \$60,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/23                                   | 9                     | \$45,000,000                       | \$60,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/24                                   | 10                    | \$50,000,000                       | \$60,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/25                                   | 11                    | \$55,000,000                       | \$60,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/26                                   | 12                    | \$60,000,000                       | \$60,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/27                                   | 13                    | \$65,000,000                       | \$60,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/28                                   | 14                    | \$70,000,000                       | \$65,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/29                                   | 15                    | \$75,000,000                       | \$70,000,000   | \$0  | \$4,316,096         | \$0                   |
| 6/30/30                                   | 16                    | \$80,000,000                       | \$74,316,096   | \$0  | \$                  | ** \$0                |
| 6/30/31                                   | 17                    | \$85,000,000                       | \$74,316,096   | \$0  | \$                  | ** \$0                |
| 6/30/32                                   | 18                    | \$90,000,000                       | \$74,316,096   | \$0  | \$                  | ** \$0                |
| 6/30/33                                   | 19                    | \$95,000,000                       | \$74,316,096   | \$0  | \$                  | ** \$0                |
| 6/30/34                                   | 20                    | \$100,000,000                      | \$74,316,096   | \$0  | \$                  | ** \$0                |
| <b>Total</b>                              |                       |                                    | <b>\$74,316,096</b>  | <b>\$60,000,000</b>  | <b>\$14,316,096</b> | <b>\$0</b>            |

As of the Closing Date, \$5 million multiplied by the single Payment Date (the Closing Date) equals \$5 million. The sum of previous payments by The DIA, DIA Direct Funders and Special Foundation Funders (\$0) and the DIA Direct Funders' and Special Foundation Funders' scheduled payment at Closing (\$10,000,000) is \$10 million. Therefore, at Closing, The DIA is not obligated to make a payment. The same result occurs for each Payment Date up to June 30, 2027.

As of the June 30, 2027 Payment Date, \$5 million multiplied by the 13 relevant Payment Dates equals \$65 million. The sum of the previous payments by The DIA (\$0) and DIA Direct Funders and Special Foundation Funders (\$60 million) and the DIA Direct Funders' and Special Foundation Funders' scheduled payments on June 30, 2027 (\$0), equals \$60 million. Therefore, on June 30, 2027, The DIA is obligated to pay \$65 million less \$60 million, which equals \$5 million. The same result would occur for each of the remaining Payment Dates, except the Present Value Discount limitation under Section 2.1(b) applies as of the June 30, 2029 Payment Date. On that Payment Date, the formula for the Present Value Discount will result in The DIA only needing to pay \$4,316,096 in order for the Present Value Discount of the total payments made as of the end of that day, plus the Present Value Discount of the DIA Direct Funders' and Special Foundation Funders' remaining scheduled payments (\$0) equaling the Present Value Discount of \$5 million paid at Closing and 19 annual payments of \$5 million commencing as of June 30, 2016.

\*DIA Direct Funder and Special Foundation Funder scheduled payments are assumed to be made on the Payment Date, as scheduled.

\*\*No payment due because of Present Value Discount limitation.

**Examples Illustrating The DIA's Payment Obligation  
under the Omnibus Transaction Agreement**

**Example 3: DIA Prepayments and Present Value Discount Limitation**

| <u>Previous and Current Payment Dates</u> | <u>Payment Number</u> | <u>Aggregate Committed Payment</u> | <u>Previous DIA, DIA Direct Funder, and Special Foundation Funder Payments</u> | <u>DIA Direct Funder and Special Foundation Funder Scheduled Payments*</u> | <u>DIA Payment</u> | <u>DIA Prepayment</u> |
|---|-----------------------|------------------------------------|--|--|--------------------|-----------------------|
| Closing                                   | 1                     | \$5,000,000                        | \$0  | \$10,000,000   | \$0                | \$0                   |
| 6/30/16                                   | 2                     | \$10,000,000                       | \$10,000,000   | \$10,000,000   | \$0                | \$0                   |
| 6/30/17                                   | 3                     | \$15,000,000                       | \$20,000,000   | \$10,000,000   | \$0                | \$0                   |
| 6/30/18                                   | 4                     | \$20,000,000                       | \$30,000,000   | \$10,000,000   | \$0                | \$0                   |
| 6/30/19                                   | 5                     | \$25,000,000                       | \$40,000,000   | \$10,000,000   | \$0                | \$0                   |
| 6/30/20                                   | 6                     | \$30,000,000                       | \$50,000,000   | \$10,000,000   | \$0                | \$0                   |
| 6/30/21                                   | 7                     | \$35,000,000                       | \$60,000,000   | \$0  | \$0                | \$0                   |
| 6/30/22                                   | 8                     | \$40,000,000                       | \$60,000,000   | \$0  | \$0                | \$0                   |
| 6/30/23                                   | 9                     | \$45,000,000                       | \$60,000,000   | \$0  | \$0                | \$0                   |
| 6/30/24                                   | 10                    | \$50,000,000                       | \$60,000,000   | \$0  | \$0                | \$0                   |
| 6/30/25                                   | 11                    | \$55,000,000                       | \$60,000,000   | \$0  | \$0                | \$0                   |
| 6/30/26                                   | 12                    | \$60,000,000                       | \$60,000,000   | \$0  | \$0                | \$0                   |
| 6/30/27                                   | 13                    | \$65,000,000                       | \$60,000,000   | \$0  | \$5,000,000        | \$4,683,841**         |
| 6/30/28                                   | 14                    | \$70,000,000                       | \$69,683,841   | \$0  | \$ 316,159         | \$3,726,128***        |
| 6/30/29                                   | 15                    | \$75,000,000                       | \$73,726,128   | \$0  | \$-----****        | \$0                   |
| 6/30/30                                   | 16                    | \$80,000,000                       | \$73,726,128   | \$0  | \$-----****        | \$0                   |
| 6/30/31                                   | 17                    | \$85,000,000                       | \$73,726,128   | \$0  | \$-----****        | \$0                   |
| 6/30/32                                   | 18                    | \$90,000,000                       | \$73,726,128   | \$0  | \$-----****        | \$0                   |
| 6/30/33                                   | 19                    | \$95,000,000                       | \$73,726,128   | \$0  | \$-----****        | \$0                   |
| 6/30/34                                   | 20                    | \$100,000,000                      | \$73,726,128   | \$0  | \$-----****        | \$0                   |
| <b>Total</b>                              |                       |                                    | <b>\$73,726,128</b>  | <b>\$60,000,000</b>  | <b>\$5,316,159</b> | <b>\$8,409,969</b>    |

The facts are the same as in Example 2, except that The DIA makes a \$4,683,841 prepayment at the time of the June 30, 2027 Payment Date. For the June 30, 2028 Payment Date, The DIA is obligated to pay \$316,159, calculated as follows: \$5 million multiplied by 14 relevant Payment Dates equals \$70 million, less previous payments of \$69,683,841, equals \$316,159. The DIA makes a \$3,726,128 prepayment at the time of the June 30, 2028 Payment Date also. For the June 30, 2029 Payment Date, The DIA is not obligated to make any payment, notwithstanding the following calculation: \$5 million multiplied by 15 relevant Payment Dates equals \$75 million, less previous payments of \$73,726,128, equals \$1,273,872. However, under Section 2.1(b), the Present Value Discount of the payments made as of the end of the day on June 30, 2028 (\$73,726,128, before discounting), plus the Present Value Discount of the DIA Direct Funders' and Special Foundation Funders' remaining scheduled payments (\$0) equals the Present Value Discount of \$5 million paid at Closing and 19 annual payments of \$5 million commencing as of June 30, 2016. The DIA's prepayments at the time of the 2027 and 2028 Payment Dates results in The DIA not having a payment obligation in 2029 or thereafter.

\*DIA Direct Funder and Special Foundation Funder scheduled payments are assumed to be made on the Payment Date, as scheduled.

\*\*\$4,683,841 is the discounted value of \$5 million at a 6.75% discount rate for a one-year period.

\*\*\*\$3,726,128 is the discounted amount that results in The DIA fulfilling its payment obligation on a present value basis as of June 30, 2028.

\*\*\*\*No payment due because of Present Value Discount limitation and no guarantee because there are no remaining commitments.

**Examples Illustrating the DIA’s Payment Obligation  
under the Omnibus Transaction Agreement**

**Example 4: DIA Prepayments and Present Value Discount Limitation**

| <u>Previous and Current Payment Dates</u> | <u>Payment Number</u> | <u>Aggregate Committed Payment</u> | <u>Previous DIA, DIA Direct Funder, and Special Foundation Funder Payments</u> | <u>DIA Direct Funder and Special Foundation Funder Scheduled Payments*</u> | <u>DIA Payment</u>  | <u>DIA Prepayment</u> |
|---|-----------------------|------------------------------------|--|--|---------------------|-----------------------|
| Closing                                   | 1                     | \$5,000,000                        | \$0  | \$10,000,000   | \$0                 | \$0                   |
| 6/30/16                                   | 2                     | \$10,000,000                       | \$10,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/17                                   | 3                     | \$15,000,000                       | \$20,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/18                                   | 4                     | \$20,000,000                       | \$30,000,000   | \$10,000,000   | \$0                 | \$0                   |
| 6/30/19                                   | 5                     | \$25,000,000                       | \$40,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/20                                   | 6                     | \$30,000,000                       | \$40,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/21                                   | 7                     | \$35,000,000                       | \$40,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/22                                   | 8                     | \$40,000,000                       | \$40,000,000   | \$0  | \$0                 | \$0                   |
| 6/30/23                                   | 9                     | \$45,000,000                       | \$40,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/24                                   | 10                    | \$50,000,000                       | \$45,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/25                                   | 11                    | \$55,000,000                       | \$50,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/26                                   | 12                    | \$60,000,000                       | \$55,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/27                                   | 13                    | \$65,000,000                       | \$60,000,000   | \$0  | \$5,000,000         | \$4,683,841**         |
| 6/30/28                                   | 14                    | \$70,000,000                       | \$69,683,841   | \$0  | \$ 316,159          | \$0                   |
| 6/30/29                                   | 15                    | \$75,000,000                       | \$70,000,000   | \$0  | \$5,000,000         | \$0                   |
| 6/30/30                                   | 16                    | \$80,000,000                       | \$75,000,000   | \$0  | \$1,969,618***      | \$0                   |
| 6/30/31                                   | 17                    | \$85,000,000                       | \$76,969,618   | \$0  | \$0****             | \$0                   |
| 6/30/32                                   | 18                    | \$90,000,000                       | \$76,969,618   | \$0  | \$0****             | \$0                   |
| 6/30/33                                   | 19                    | \$95,000,000                       | \$76,969,618   | \$5,000,000  | \$0****             | \$0                   |
| 6/30/34                                   | 20                    | \$100,000,000                      | \$81,969,618   | \$5,000,000  | \$0****             | \$0                   |
| <b>Total</b>                              |                       |                                    | <b>\$86,969,618</b>  | <b>\$50,000,000</b>  | <b>\$32,285,777</b> | <b>\$4,683,841</b>    |

The facts are the same as in Example 3, except the DIA Direct Funders’ and Special Foundation Funders’ Scheduled Payment has been revised as set forth above and The DIA will be required to make payments for the Payment Dates in years 2023 through 2030. The DIA’s prepayment of \$4,683,841 at the time of the June 30, 2027 Payment Date and its payment obligation on the June 30, 2028 Payment Date remain the same as in Example 3. Under Section 2.1(a), The DIA has a \$5 million payment obligation with respect to the June 30, 2029 Payment Date. On the June 30, 2030 Payment Date, The DIA pays \$1,969,618, notwithstanding the following calculation: \$5 million multiplied by 16 relevant Payment Dates equals \$80 million, less previous payments of \$75,000,000, equals \$5,000,000. However, under Section 2.1(b), the Present Value Discount of the payments made as of the end of the day on June 30, 2030 (\$76,969,618 before discounting), plus the Present Value Discount of the DIA Direct Funders’ and Special Foundation Funders’ remaining scheduled payments (\$10,000,000, before discounting) equals the Present Value Discount of \$5 million paid at Closing and 19 annual payments of \$5 million commencing as of June 30, 2016. The DIA’s aggregate payments as of the June 30, 2030 Payment Date result in The DIA not having a payment obligation in 2031 or thereafter.

\*DIA Direct Funder and Special Foundation Funder scheduled payments are assumed to be made on the Payment Date, as scheduled.

\*\*\$4,683,841 is the discounted value of \$5 million at a 6.75% discount rate for a one-year period.

\*\*\*\$1,969,618 is the discounted amount that results in The DIA fulfilling its payment obligation on a present value basis as of June 30, 2030.

\*\*\*\*No payment due because of Present Value Discount limitation, but The DIA guarantee applies if the 2033 and 2034 payments are not made or are not made on a timely basis.

**Form of Settlement, Conveyance and Charitable Trust Agreement  
By and Between the City of Detroit and the Detroit Institute of Arts**

**FORM OF SETTLEMENT, CONVEYANCE  
AND CHARITABLE TRUST AGREEMENT**

**SETTLEMENT, CONVEYANCE AND CHARITABLE TRUST AGREEMENT**

**BY AND BETWEEN**

**THE CITY OF DETROIT**

**AND**

**THE DETROIT INSTITUTE OF ARTS**

**TABLE OF CONTENTS**

ARTICLE I Definitions .....2

    1.1. Definitions.....2

    1.2. Other Defined Terms. ....2

ARTICLE II Transfer of Assets.....3

    2.1. Transfer. ....3

    2.2. Liabilities. ....3

ARTICLE III Effective Time; Deliverables .....4

    3.1. Effective Time. ....4

    3.2. Deliverables. ....4

ARTICLE IV Termination of the Various Agreements .....4

    4.1. Termination of the Operating Agreement.....4

    4.2. Termination of the Licensing Agreement.....4

    4.3. Release. ....5

ARTICLE V Representations and Warranties .....5

    5.1. Representations and Warranties of The DIA.....5

    5.2. Representations and Warranties of The City. ....5

    5.3. Acknowledgement of No Further Representations and Warranties. ....5

ARTICLE VI Covenants of the City .....6

    6.1. Further Assurances.....6

    6.2. Remittance of Museum Assets.....6

    6.3. NO RECOURSE.....6

ARTICLE VII Covenants of The DIA.....7

    7.1. Charitable Trust. ....7

    7.2. State-wide Services. ....7

    7.3. Liquidation.....8

    7.4. City Board Representative.....8

    7.5. Enforcement of Certain of The DIA’s Obligations.....9

ARTICLE VIII Incorporation by Reference; Entire Agreement .....9

    8.1. Incorporation by Reference.....9

    8.2. No Third Party Beneficiary.....9

    8.3. Choice of Law; Jurisdiction; Venue. ....9

    8.4. Amendment and Waiver. ....10

    8.5. Entire Agreement.....10

**List of Exhibits**

- Exhibit A – Museum Assets
- Exhibit B – Bill of Sale
- Exhibit C – Intellectual Property Assignment
- Exhibit D – Museum Quit Claim Deed
- Exhibit E – Cultural Center Garage Quit Claim Deed

## SETTLEMENT, CONVEYANCE AND CHARITABLE TRUST AGREEMENT

THIS SETTLEMENT, CONVEYANCE AND CHARITABLE TRUST AGREEMENT (this “**Agreement**”), effective as of the Effective Time, is entered into by and between the City of Detroit, Michigan (the “**City**”) and The Detroit Institute of Arts, a Michigan nonprofit corporation f/k/a Founders Society Detroit Institute of Arts (“**The DIA**”). The City and The DIA are together referred to herein as the “**Parties**” and individually as a “**Party**”. Capitalized terms used in this Agreement and not defined herein shall have the meaning ascribed thereto in the Omnibus Transaction Agreement among the City, The DIA and Foundation for Detroit’s Future, a Michigan nonprofit corporation (the “**Omnibus Transaction Agreement**”).

### RECITALS

WHEREAS, beginning in 1885 The DIA held the assets of the museum that is now commonly referred to as the Detroit Institute of Arts (the “**Museum**”) in charitable trust for the benefit of the people of the City and the State of Michigan (the “**State**”) and, beginning in 1919, the City began to hold certain of such assets in charitable trust, with museum assets acquired by either The DIA or the City, and assets contributed by other donors and the State, constituting additions to the trust corpus to the extent not expended for the ongoing conduct of the trust’s charitable and educational activities;

WHEREAS, the Attorney General of the State has determined that the Museum collection is held by the City in charitable trust;

WHEREAS, The DIA asserts that the Museum and all Museum Assets are owned by the City in charitable trust, the co-trustees of which are the City and The DIA and subject to the protections of a public trust;

WHEREAS, the City acknowledges that certain creditors of the City and other interested persons have taken the position that the City has full legal and beneficial title to the Museum, including its art collection;

WHEREAS, this Agreement is being entered into as part of the DIA Settlement pursuant to the Omnibus Transaction Agreement whereby the City will convey all of its right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) to the Museum and all related assets to The DIA in exchange for fair value by virtue of (i) the settlement of any dispute regarding the ownership of Museum and the Museum Assets, (ii) the contributions through the Supporting Organization by The DIA (and through it, the DIA Indirect Funders), DIA Direct Funders and Special Foundation Funders of \$100 million, of Foundation Funders (excluding Special Foundation Funders) of \$366 million, and an additional contribution by the State of \$350 million, which aggregate \$816 million (in each case and in the aggregate before applying any discount for early payment), which amounts will be paid for the benefit of Pension Claims of the City, and (iii) the commitment of The DIA to hold the Museum Assets (as they may be augmented, replaced or disposed of consistent with the perpetual charitable trust and as otherwise permitted under this Agreement) (collectively, “**DIA Assets**”) in perpetual charitable trust and to operate the Museum primarily for benefit of the residents of the City and the Tri-Counties and the citizens of the State;

WHEREAS, the allocation of responsibilities with respect to the charitable trust assets and the operation of the Museum has changed from time to time;

WHEREAS, The DIA currently operates the Museum and manages its assets under an Operating Agreement for the Detroit Institute of Arts, made on December 12, 1997, between The DIA and the City (the “**Operating Agreement**”) whereby those responsibilities have been performed by The DIA as operator on the terms set forth therein;

WHEREAS, the City and The DIA currently are parties to that certain Licensing Agreement, dated December 12, 1997 (the “**Licensing Agreement**”) under which the City licensed the use of certain intellectual property assets to The DIA, which will be terminated by the Parties pursuant to this Agreement;

WHEREAS, as part of the DIA Settlement and concurrently with the closing pursuant to the Omnibus Transaction Agreement, the Transfer shall occur, each of the Operating Agreement and the Licensing Agreement shall be terminated, and the other transactions and agreements reflected herein shall become effective; and

WHEREAS, the Transfer of the Museum and the Museum Assets is for fair value, for a public purpose and authorized by law.

NOW THEREFORE, in consideration of the covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound, the Parties hereby agree as follows:

## **ARTICLE I** **Definitions**

**1.1. Definitions.** As used in this Agreement:

“**Museum Assets**” means the Museum art collection, operating assets, buildings, parking lots and structures, and any other assets that are used primarily in operating or servicing the Museum, including, without limitation, any item that is in the “City art collection” (as defined in the Operating Agreement but taking into account any additions to or subtractions from such collection over time) as of the Effective Time and including, without limitation, those items described in Exhibit A to this Agreement and all items conveyed pursuant to the Bill of Sale, Intellectual Property Assignment, Museum Quit Claim Deed and Cultural Center Garage Quit Claim Deed (each as defined below).

**1.2. Other Defined Terms.** The following capitalized terms shall have the meanings given to them in the Sections set forth opposite such term:

|  |                  |
|--|------------------|
| Agreement                              | Preamble         |
| Assigned Intellectual Property         | Exhibit C        |
| Bill of Sale                           | Section 3.2(i)   |
| City                                   | Preamble         |
| Cultural Center Garage                 | Section 3.2(iv)  |
| Cultural Center Garage Quit Claim Deed | Section 3.2(iv)  |
| DIA Assets                             | Recitals         |
| Effective Time                         | Section 3.1      |
| Intellectual Property Assignment       | Section 3.2(ii)  |
| Licensing Agreement                    | Recitals         |
| Museum                                 | Recitals         |
| Museum Quit Claim Deed                 | Section 3.2(iii) |
| Omnibus Transaction Agreement          | Preamble         |
| Operating Agreement                    | Recitals         |
| Parties                                | Preamble         |
| Party                                  | Preamble         |
| State                                  | Recitals         |
| The DIA                                | Preamble         |
| Title Company                          | Section 3.2      |
| Transfer                               | Section 2.1      |

**ARTICLE II**  
**Transfer of Assets**

**2.1. Transfer.** As of the Effective Time, the City hereby irrevocably sells, transfers, conveys, assigns and delivers to The DIA, and The DIA hereby acquires, all of the City’s right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) throughout the world in and to the Museum and the Museum Assets free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors (the “**Transfer**”). Subject to the provisions in this Agreement, from and after the Effective Time, The DIA shall have exclusive responsibility for and control over the Museum, Museum Assets, Museum operations, capital expenditures, collection management, and the purchase or sale of assets.

**2.2. Liabilities.** From and after the Effective Time, The DIA is assuming (i) the obligations arising prior to the Effective Time to pay operating expenses to third parties to the extent that any such obligation was an expense imposed on The DIA under the Operating Agreement prior to the Effective Time and (ii) the Employee Liabilities. Except as provided in the preceding sentence, The DIA is not assuming or in any way becoming liable for any of the City’s debts, liabilities or obligations, whether known, unknown, absolute, contingent, matured or unmatured, regardless of whether any of the foregoing relate to the Museum or the Museum Assets.

**ARTICLE III**  
**Effective Time; Deliverables**

**3.1. Effective Time.** This Agreement will become effective immediately following the written confirmation under the Omnibus Transaction Agreement that the Closing under the Omnibus Transaction Agreement shall be deemed to occur (the “**Effective Time**”).

**3.2. Deliverables.** The City hereby delivers or causes to be delivered to The DIA the following which, to the extent Title Source, Inc. (the “**Title Company**”) shall be deemed delivered by virtue of the release of such documents by the Title Company in accordance with the escrow instructions previously delivered to the Title Company:

(i) the bill of sale substantially in the form of **Exhibit B** to this Agreement (the “**Bill of Sale**”) duly executed by the City pursuant to which all tangible and intangible assets included in the Museum Assets (including those described on **Exhibit A** to this Agreement) and not otherwise conveyed by a distinct instrument delivered pursuant to this Section 3.2 shall be conveyed to The DIA, including, without limitation, all rights to donations, gifts, bequests, grants and contributions for the benefit of the Museum or The DIA;

(ii) the transfer agreement with respect to all Assigned Intellectual Property substantially in the form of **Exhibit C** to this Agreement (the “**Intellectual Property Assignment**”) duly executed by the City;

(iii) a quitclaim deed substantially in the form of **Exhibit D** to this Agreement (the “**Museum Quit Claim Deed**”) duly executed by the City with respect to the real estate referenced as the Museum building and grounds, the employee parking lot located at 5200 Woodward Avenue, Detroit, Michigan, and the Frederick Lot (Parcels 1-7 in **Exhibit A** to this Agreement);

(iv) a quitclaim deed substantially in the form of **Exhibit E** to this Agreement (the “**Cultural Center Garage Quit Claim Deed**”) duly executed by the City with respect to the real estate referenced as the cultural center underground garages (Parcel 8 in **Exhibit A** to this Agreement being the “**Cultural Center Garage**”).

**ARTICLE IV**  
**Termination of the Various Agreements**

**4.1. Termination of the Operating Agreement.** As of the Effective Time, the Operating Agreement is terminated without any further action or notice by the Parties and without any further rights or obligations of any Party thereunder other than The DIA’s indemnity obligation under Section J of the Operating Agreement (which shall survive in accordance with its terms).

**4.2. Termination of the Licensing Agreement.** As of the Effective Time, the Licensing Agreement is terminated without any further action or notice by the Parties and without any further rights or obligations of any Party thereunder.

**4.3. Release.** Each of the Parties hereby fully and forever, knowingly, voluntarily, and irrevocably, releases, acquits, discharges and promises not to sue the other Party or its Related Parties from, including, without limitation, any and all claims, demands, damages, obligations, losses, causes of action, costs, expenses, attorneys' fees judgments, liabilities, duties, debts, liens, accounts, obligations, contracts, agreements, promises, representations, actions and causes of action, other proceedings and indemnities of any nature whatsoever arising from or in any way related to the Operating Agreement other than The DIA's indemnity obligation under Section J of the Operating Agreement (which shall survive in accordance with its terms), the Licensing Agreement, the Museum, the Museum Assets or any other matter of any kind or nature, whether accrued or contingent, known or unknown and whether based on law, equity, contract, tort, statute or other legal or equitable theory of recovery, whether mature or to mature in the future, which from the beginning of time of the world to the Effective Time, either Party had, now has, or may have against the other Party or its Related Parties; provided that the foregoing release shall not extend to, nor be deemed to modify in any respect, any right of any Party under this Agreement or any other Transaction Documentation.

**ARTICLE V**  
**Representations and Warranties**

**5.1. Representations and Warranties of The DIA.** The DIA represents and warrants to the City that (a) it has the power and authority to execute and deliver this Agreement and each Exhibit to this Agreement to which it is a party and to perform its obligations hereunder and thereunder, (b) the execution, delivery and performance of this Agreement and each Exhibit to this Agreement to which it is a party have been duly authorized by all necessary action, (c) this Agreement and each Exhibit to this Agreement to which it is a party constitutes the valid and binding obligation of The DIA, enforceable in accordance with its respective terms, and (d) its performance under this Agreement and each Exhibit to this Agreement to which it is a party will not conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under, any agreement or other instrument or any applicable law binding upon The DIA.

**5.2. Representations and Warranties of The City.** The City represents and warrants to The DIA that (a) it has the power and authority to execute and deliver this Agreement and each Exhibit to this Agreement to which it is a party and to perform its obligations hereunder and thereunder, (b) the execution, delivery and performance of this Agreement and each Exhibit to this Agreement to which it is a party have been duly authorized by all necessary action, (c) this Agreement and each Exhibit to this Agreement to which it is a party constitutes the valid and binding obligation of the City, enforceable in accordance with its respective terms, and (d) its performance under this Agreement and each Exhibit to this Agreement to which it is a party will not conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under, any agreement or other instrument or any applicable law binding upon the City.

**5.3. Acknowledgement of No Further Representations and Warranties.** Except for the representations and warranties in Section 5.2 of this Agreement or as otherwise specifically set forth in the Transaction Documentation, the Museum Assets are being transferred by the City to The DIA without warranty or representation of any kind, including any warranty of merchantability or fitness for a particular purpose or any warranty or representation which might otherwise be inherent in a description or in specifications.

**ARTICLE VI**  
**Covenants of the City**

**6.1. Further Assurances.** In addition to the actions specifically provided for elsewhere in this Agreement, at any time and from time to time, at The DIA's reasonable request, the City shall (x) at its own expense (except as provided in subsection (y)), do, execute, acknowledge and deliver all and every such further acts, transfers, assignments, conveyances, powers of attorney, and assurances (including in recordable form) as The DIA reasonably may require to transfer, convey, assign and deliver the Museum and the Museum Assets free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors and to confirm The DIA's title to the Museum and all of the Museum Assets and (y) at no cost or expense to the City, take such actions, including filing such releases, as may be necessary to remove any security interest, lien, encumbrance, claim or interest of the City or any of its creditors on the Museum or the Museum Assets.

**6.2. Remittance of Museum Assets.** If after the Effective Time, the City receives (a) any monies for the benefit of The DIA or the Museum, including with respect to any existing or future (i) donations, gifts, bequests, and contributions from individuals, corporations, foundations and trusts, if any, and (ii) federal, state, regional, county or local tax proceeds and grants from governmental or quasi-public entities, if any, other than proceeds or grants that are intended for the City for reimbursement for specific amounts that were previously advanced or funded by the City with the expectation of the City at the time of such advance or funding that such reimbursement would be received by the City, or (b) any art or other property that is, as designated by its grant, intended for the benefit of the Museum or The DIA, in each case, the City shall promptly pay or deliver such monies, art or other property to The DIA.

**6.3. NO RECOURSE.** THE TRANSFER OF THE MUSEUM AND THE MUSEUM ASSETS IS FINAL AND IRREVOCABLE. THE DIA SHALL RETAIN TITLE TO AND OWNERSHIP OF THE MUSEUM AND THE DIA ASSETS IN PERPETUITY AND THE CITY SHALL NOT HAVE RECOURSE TO ANY OF THE DIA ASSETS FOR ANY CLAIMS THE CITY MAY HAVE AGAINST THE DIA, ANY OTHER FUNDER, THE SUPPORTING ORGANIZATION, THE STATE OR OTHERWISE, WHETHER ARISING NOW OR IN THE FUTURE, INCLUDING, WITHOUT LIMITATION, NONCOMPLIANCE BY THE DIA, ANY OTHER FUNDER OR THE SUPPORTING ORGANIZATION WITH ANY OF THE TERMS OR CONDITIONS OF THE OMNIBUS TRANSACTION AGREEMENT, THE TRANSACTION DOCUMENTS OR ANY RELATED DOCUMENTS; PROVIDED THAT THE FOREGOING SHALL NOT PRECLUDE THE CITY FROM ASSERTING CLAIMS IN SATISFACTION OF AN INDEMNITY OBLIGATION PURSUANT TO SECTION J OF THE OPERATING AGREEMENT OR SECTION 6.1(b) OF THE OMNIBUS AGREEMENT BUT ONLY AGAINST CASH, CASH EQUIVALENTS OR CASH RECEIVABLES OF THE DIA (EXCLUDING ANY CASH, CASH EQUIVALENTS OR CASH RECEIVABLES THAT ARE RESTRICTED IN USE BY THE TERMS OF THE DONATION, GIFT, BEQUEST OR CONTRIBUTION OF A THIRD PARTY OR BY RESTRICTIONS IMPOSED ON THE USE OF PROCEEDS FROM THE SALE OF ART BY THE APPLICABLE STANDARDS OR ETHICAL GUIDELINES OF THE AAM OR THE ASSOCIATION OF ART MUSEUM DIRECTORS (OR SUCH OTHER ORGANIZATIONS BY WHICH THE DIA OR THE MUSEUM OR ITS DIRECTOR IS ACCREDITED IN THE FUTURE OR OF WHICH THEY

BECOME MEMBERS IN ACCORDANCE WITH THEN APPLICABLE ART MUSEUM BEST PRACTICES).

**ARTICLE VII**  
**Covenants of The DIA**

**7.1. Charitable Trust.**

(a) The DIA as trustee shall hold the DIA Assets in perpetual charitable trust. The primary purpose of the charitable trust shall be to provide for the primary benefit of the residents of the City and the Tri-Counties and the citizens of the State an art museum located in the City of Detroit, including the ownership, maintenance and operation of The Detroit Institute of Arts, and all the benefits that are derivative thereof.

(b) The DIA shall neither change the name of the Museum from “The Detroit Institute of Arts” nor relocate the primary situs of the Museum from its current location at 5200 Woodward Avenue, Detroit, Michigan, without the approval of the City; provided that nothing in this Agreement or in any other agreement included in the Transaction Documentation shall be deemed to otherwise restrict the ability of The DIA to lend or to otherwise allow art works to travel outside of the City or the State consistent with ordinary Museum operations.

(c) In its capacity as trustee of the perpetual charitable trust, The DIA shall operate the Museum as an encyclopedic art museum in the City, in accordance with changing future demands in the operation of such a Museum. The DIA shall not deaccession from its collection or sell, lease, pledge, mortgage, or otherwise encumber art that is accessioned to its permanent collection except in accordance with the code of ethics or applicable standards for museums published by the AAM, as amended or modified by the AAM. If the AAM ceases to exist or ceases to be generally regarded by leading American art museums as the preeminent American art museum accreditation organization, then the code of ethics or applicable standards (as may be amended or modified) of AAM’s successor organization, or such other organization that is at that time generally regarded by leading American art museums as the preeminent American art museum accreditation organization, shall be substituted for such policies of the AAM.

**7.2. State-wide Services.** In addition to continuing to operate the Museum for the primary benefit of the residents of the City, the Tri-Counties and the citizens of the State, and continuing to provide the special services to the residents of the Tri-Counties during the balance of the ten (10) year millage period commencing in 2013 that are provided for in the agreements for the Millage, during the Payment Period The DIA will provide an array of art programs at no or discounted costs to the residents of the State. In determining which programs to offer, both the cost to The DIA of developing and operating these programs and The DIA’s other fundraising obligations, including its need to raise funds for general operations and its stated goal of building endowment funds, as well as any fundraising obligation under the Omnibus Transaction Agreement, will be taken into account. As appropriate, The DIA will collaborate with its Michigan museum colleagues in the development of these programs. Given the length of the Payment Period, it is expected that these programs would be developed and adjusted over time. Such programs could include at the outset:

(i) two exhibitions in each twelve-month period, with the first such period beginning six (6) months after the Closing, of objects from the Museum collection that will rotate through museums and art centers around the State on a schedule to be determined by The DIA and the recipient museums. Each exhibition will be developed and organized by The DIA and will include installation and de-installation of the objects, a marketing package (logo and advertising template) and, possibly, input on programming and education opportunities,

(ii) an annual professional development program coordinated with the Michigan Museums Association designed to strengthen museum professionals and introduce museum job opportunities to student audiences,

(iii) an expansion of the Museum's popular Inside/Out program (during the tenure of the program), which places high-quality art reproductions in Southeast Michigan communities, to include two additional outstate locations annually, supporting tourism, cultural awareness and life-long learning,

(iv) art object conservation services at a discounted rate to Michigan museums conducted in consultation with the Museum conservators and the curatorial staff of the requesting museum, and

(v) the development of an educational program based on the Museum collection that supports National Common Core Standards, to be offered in two Michigan communities annually and to include follow-up support for educators.

**7.3. Liquidation.** In the event of a dissolution of, and liquidation of the assets and affairs of, The DIA in accordance with the Michigan Nonprofit Corporation Act, the DIA Assets will be conveyed to another nonprofit entity determined by the board of directors of The DIA, subject to the reasonable approval of the City and the Supporting Organization, if then in existence, and otherwise by majority vote of the City and any Foundation Funders who have remaining commitments under their Funding Agreements. As a condition to receiving the conveyance, such successor entity must subject itself to the same conditions as set forth in this Agreement, including but not limited to, holding the DIA Assets in perpetual charitable trust for the primary benefit of the residents of the City and the Tri-Counties and the citizens of the State. For the purposes of determining the majority vote described above, and for the avoidance of doubt, the Parties agree that the City and each of the Foundation Funders who have remaining commitments under their Funding Agreements at the time of such dissolution or liquidation shall each have one vote with respect to any such approval.

**7.4. City Board Representative.** From and after the Effective Time, in perpetuity, the City shall have the right to appoint one director to the Board of The DIA (or its successor entity). Such representative shall be designated in writing to The DIA by the Mayor of the City with approval by the City Council. Such director shall be subject to removal by The DIA for cause. The City shall have the right in accordance with this Section 7.4 to appoint a successor representative to any vacancy created by the removal of the City's representative for cause or otherwise.

**7.5. Enforcement of Certain of The DIA's Obligations.** The Attorney General of the State and the Corporation Counsel of the City (on behalf of the City) (or their respective successors) shall have the exclusive rights to enforce the obligations of The DIA (x) to hold the DIA Assets in perpetual charitable trust and (y) under ARTICLE VII of this Agreement. If the Corporation Counsel of the City (on behalf of the City) exercises its rights to enforce the obligations of The DIA pursuant to this Section 7.5 by means of a legal action or proceeding, the unsuccessful party to such action or proceeding shall pay to the prevailing party all costs and expenses, including reasonable attorneys' fees and disbursements, incurred by such prevailing party in such action or proceeding and in any appeal in connection therewith. If such prevailing party recovers a judgment in any such action, proceeding or appeal, such costs, expenses and attorneys' fees and disbursements shall be included in and as a part of such judgment.

**ARTICLE VIII**  
**Incorporation by Reference; Entire Agreement**

**8.1. Incorporation by Reference.** The following provisions of the Omnibus Transaction Agreement are hereby incorporated by reference as if set forth in full herein *mutatis mutandis*: Article I (Definitions), Article VI (Indemnification) with respect to the indemnification of the City by The DIA pursuant to Section 6.1 of the Omnibus Transaction Agreement and the indemnification of The DIA by the City pursuant to Section 6.2 of the Omnibus Transaction Agreement, subject to the limitations and procedural requirements otherwise set forth in Article VI of the Omnibus Transaction Agreement, Section 7.4 (Specific Performance), Section 7.6 (Notices) (with respect to the Parties hereto), Section 7.7 (Binding Agreement; Assignment), Section 7.8 (Severability), Section 7.9 (No Strict Construction), Section 7.10 (Captions), and Section 7.12 (Counterparts).

**8.2. No Third Party Beneficiary.** Except for the Related Parties, each of whom is an express third-party beneficiary under this Agreement with respect to Section 4.3 of this Agreement, and the Attorney General of the State who is an express third party beneficiary under this Agreement with respect to Section 7.5 of this Agreement, the terms and provisions of this Agreement are intended solely for the benefit of the City and The DIA and their respective successors and permitted assigns, and nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity any third-party beneficiary rights or remedies.

**8.3. Choice of Law; Jurisdiction; Venue.** This Agreement shall be construed in accordance with the laws of the State of Michigan without regard to such state's choice of law provisions which would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties irrevocably and unconditionally agrees for itself that, subject to the exclusive rights of the Attorney General of the State and the Corporation Counsel of the City (on behalf of the City) as set forth in Section 7.5 of this Agreement, any legal action, suit or proceeding against it with respect to any matter arising under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, shall be brought in the Bankruptcy Court for so long as the Bankruptcy Court has jurisdiction, and thereafter in the United States District Court for the Eastern District of Michigan; provided that if the United States District Court for the Eastern District of Michigan does not have jurisdiction, then (i) if such legal action,

suit or proceeding relates to or seeks to enforce the obligations of The DIA to hold the DIA Assets in perpetual charitable trust or the obligations of The DIA under Article VII of this Agreement, then such legal action, suit or proceeding shall be brought only in Wayne County Probate Court, or (ii) if such legal action, suit or proceeding involves any other matter relating to this Agreement not referenced in subsection (i), then it may be brought only in such other court of competent jurisdiction located in Wayne County, Michigan. By execution and delivery of this Agreement, each of the City and The DIA irrevocably accepts and submits to the exclusive jurisdiction of such courts, generally and unconditionally, with respect to any such action, suit or proceeding and specifically consents to the jurisdiction and authority of the Bankruptcy Court to hear and determine all such actions, suits, and proceedings under 28 U.S.C. §157(b) or (c), whichever applies.

**8.4. Amendment and Waiver.** This Agreement may be amended and any provision of this Agreement may be waived; provided that any such amendment or waiver will be binding upon the Parties only if such amendment or waiver is set forth in a writing executed by both Parties. No course of dealing between The DIA and the City will be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of either Party under or by reason of this Agreement.

**8.5. Entire Agreement.** This Agreement, including the Exhibits, together with the Omnibus Transaction Agreement, constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all other prior negotiations, agreements and understandings, whether written or oral, among the Parties with respect to the subject matter of this Agreement.

*[signature page follows]*

IN WITNESS WHEREOF, the parties have executed this Settlement, Conveyance and Charitable Trust Agreement effective as of the Effective Time.

**THE CITY OF DETROIT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE DETROIT INSTITUTE OF ARTS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**Museum Assets**

1. The Museum building and grounds, and the employee parking lot located at 5200 Woodward Avenue, Detroit, Michigan, comprised of land and improvements bounded by Woodward Avenue as widened, existing John R Street, existing East Kirby Avenue and the South line of Farnsworth Avenue, depicted on the attached Exhibit A-1 AERIAL PHOTO MAP, and more particularly described in Commitment for Title Insurance No. 58743275 revision 5, with an effective date of December 16, 2013, and Commitment for Title Insurance No. 58781215, with an effective date of December 26, 2013, (collectively, the "Title Commitment") issued by Title Source Inc., as follows:

PARCEL 1: Block A; together with the Northerly half of vacated Frederick Douglass Avenue adjacent thereto, of Ferry's Subdivision of Park Lot 40 and of Lots 1 to 18 inclusive of Farnsworth's Subdivision of Park Lots 38 and 39, according to the recorded plat thereof, as recorded in Liber 18 of Plats, Page 71, Wayne County Records.

PARCEL 2: Lots 43 through 78, both inclusive, together with the Southerly half of vacated Frederick Douglass Avenue adjacent to Lots 43 through 58, and the Northerly half of vacated Farnsworth Avenue adjacent to Lots 63 through 78, and together with vacated alleys appurtenant to said lots.

PARCEL 3: Lots 103 through 120, both inclusive, together with the Southerly half of vacated Farnsworth Avenue adjacent to Lots 103 through 118, and vacated portions of Farnsworth Avenue adjacent to the South of Lots 103 through 117 and Lot 120, and vacated alleys appurtenant to said lots, of Farnsworth Subdivision of Park Lots 38 and 39, according to the recorded plat thereof, as recorded in Liber 1, Page 16, Wayne County Records.

PARCEL 4: Lots 31 to 37 of Farnsworth Subdivision of Park Lots 38 and 39, together with the southerly half of vacated Frederick Douglass Avenue adjacent to said lots and together with the vacated alley appurtenant to said lots, according to the recorded plat thereof, as recorded in Liber 1, Page 16, Wayne County Records.

PARCEL 5: Lots 79 and 80 of Farnsworth Subdivision of Park Lots 38 and 39, together with the Northerly half of vacated Farnsworth Avenue adjacent to said lots and together with the vacated alley appurtenant to said lots, as recorded in Liber 1, Page 16 of Plats, Wayne County Records.

PARCEL 6: The East 5 feet of Lot 85 and Lots 86 and 87 and the West 16 feet of Lot 88, together with the Northerly half of vacated Farnsworth Avenue adjacent to said lots and together with the vacated alley appurtenant to said lots of Farnsworth Subdivision of Park Lots 38 and 39, as recorded in Liber 1, Page 16 of Plats, Wayne County Records.

PARCEL 7: Lots 1 through 5, both inclusive, and Lots 10 through 14, both inclusive, Block 25, together with the Southerly half of vacated Frederick Douglass Avenue adjacent to Lots 1 through 5, Block 25, and the Northerly half of vacated Farnsworth Avenue adjacent to Lots 10 through 14, Block 25 and together with the vacated alley

appurtenant to said lots of Brush's Subdivision of that part of the Brush Farm lying between the North line of Farnsworth Street and South line of Harper Avenue, as recorded in Liber 17, Page 28 of Plats, Wayne County Records.

2. The cultural center underground garages *i.e.*, the parking garage with all appurtenant utilities, equipment, drives, pedestrian and vehicular entrances and easements therefor, on the south side of the Museum building located at 40 Farnsworth, Detroit, Michigan, depicted on the attached Exhibit A-1 AERIAL PHOTO MAP, and more particularly described in the Title Commitment as follows:

PARCEL 8: A parking structure in the City of Detroit occupying space under and on the following described parcel of land. Land in the City of Detroit, being a part of Lots 62 through 68 inclusive; parts of Lot 112 and 118 through 120 inclusive; all that part of Lots 113 through 117 inclusive not set aside as a part of Farnsworth Avenue, parts of public alleys and Farnsworth Avenue (60 feet wide) vacated by the Common Council on October 7, 1924 and January 11, 1927; all as platted in "Farnsworth's Subdivision of Park Lots 38 and 39, City of Detroit" recorded in Liber 1, Page 16 of Plats, Wayne County Records and also a portion of the Northerly 49 feet of Farnsworth Avenue (70 feet wide), which was opened as a public street by action of the Common Council on October 7, 1924. Being more particularly described as follows: Commencing at the intersection of the South line of Farnsworth Avenue 70 feet wide and the East line of Woodward Avenue as widened August 2, 1932, J.C.C. Page 1279, thence North 29 degrees 42 minutes 10 seconds West 22.17 feet, thence North 60 degrees 17 minutes 50 seconds East 6.00 feet to the point of beginning of this parcel, thence North 29 degrees 42 minutes 10 seconds West 248.16 feet; thence North 60 degrees 17 minutes 50 seconds East 268.00 feet; thence South 29 degrees 42 minutes 10 seconds East 15.79 feet; thence North 60 degrees 17 minutes 50 seconds East 1.00 feet to a point of curve; thence 11.77 feet along the arc of a curve concave to the Northeast with a Radius of 14.00 feet, a Delta of 48 degrees 11 minutes 23 seconds with a Long Chord of 11.43 feet which bears South 53 degrees 47 minutes 52 seconds East to a point of reverse curve; thence 26.07 feet along the arc of curve concave to the Southwest, with a Radius of 31 feet, a Delta 48 degrees 11 minutes 23 seconds with a Long Chord of

25.31 feet which bears South 53 degrees 47 minutes 52 seconds East; thence South 29 degrees 42 minutes 10 seconds East 140.50 feet; thence 78.54 feet along the arc of a curve concave to the Northwest, with a Radius of 50.00 feet, a Delta of 90 degrees with a Long Chord of 70.71 feet which bears South 15 degrees 17 minutes 50 seconds West; thence South 60 degrees 17 minutes 50 seconds West 0.50 feet; thence South 29 degrees 42 minutes 10 seconds East 4.00 feet; thence South 60 degrees 17 minutes 50 seconds West 4.00 feet; thence South 29 degrees 42 minutes 10 seconds East 6.00 feet; thence South 60 degrees 17 minutes 50 seconds West 39.50 feet; thence North 29 degrees 42 minutes 10 seconds West 1.67 feet; thence South 60 degrees 17 minutes 50 seconds West 190 feet to the point of beginning.

The bottom floor of this structure is at elevation 129.10 feet as related to the City of Detroit Datum Plane; the structure has two (2) floors of vehicle parking with the top of the roof at elevation 149.34 feet. The structure has three (3) pedestrian exit buildings, four (4) air exhaust shafts and a vehicular ramp all of which extend upwards from the garage roof to the ground surface at elevations varying from 150.6 to 153.7 feet.

Together with the Easements created in Liber 20846, Page 762, Wayne County Records.

3. The collection of works of art owned by the City and located primarily at the Museum, the Museum's off-site warehouse or the Josephine Ford Sculpture Garden located at or about 201 East Kirby Street, Detroit, Michigan (which included at the effective date of the Operating Agreement the items listed in Exhibit 2 to the Operating Agreement) or included in the Museum collection (whether or not accessioned), whether or not reflected on any inventory and irrespective of the manner in which acquired by the City.
4. All assets of any kind located on or within the real estate described in items 1-4 above and used in the operations of the Museum, as well as any easements or other property rights benefiting such real estate.
5. All intangible property solely to the extent used in connection with the Museum and its art collection, including trademarks, copyrights and intellectual property, whether or not related to collection pieces.
6. All City records, books, files, records, ledgers and other documents (whether on paper, computer, computer disk, tape or other storage media) presently existing to the extent relating to the Museum, its art collection or its operations or to The DIA (other than those documents which are confidential to the City and not The DIA).

All monies held by the City that are designated for The DIA or the Museum or that were raised for the benefit of, or express purpose of supporting, The DIA or the Museum, including the approximately \$900,000 balance of proceeds of bonds issued for the benefit of The DIA by the City in 2010.

**EXHIBIT B**

**Bill of Sale**

**EXHIBIT C**

**Intellectual Property Assignment**

**EXHIBIT D**

**Museum Quit Claim Deed**

**EXHIBIT E**

**Cultural Center Garage Quit Claim Deed**

**Form of Bill of Sale By the City of  
Detroit in Favor of the Detroit Institute of Arts**

**BILL OF SALE**  
**BY**  
**THE CITY OF DETROIT**  
**IN FAVOR OF**  
**THE DETROIT INSTITUTE OF ARTS**

## BILL OF SALE

This Bill of Sale (this “**Bill of Sale**”), is effective as of the Effective Time, in favor of The Detroit Institute of Arts, a Michigan nonprofit corporation f/k/a Founders Society Detroit Institute of Arts (“**The DIA**”), by the City of Detroit, Michigan (the “**City**”). Capitalized terms not otherwise defined in this Bill of Sale will have the meanings given to them in the Charitable Trust Agreement (defined below).

## RECITALS

WHEREAS, the City and The DIA are parties to that certain Settlement, Conveyance and Charitable Trust Agreement (the “**Charitable Trust Agreement**”) pursuant to which, as of the Effective Time, the City has irrevocably sold, transferred, conveyed, assigned and delivered to The DIA, to be held in perpetual charitable trust for the benefit of the citizens of the City and the State of Michigan (the “**State**”), all of the City’s right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) throughout the world in and to the Museum Assets free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors; and

WHEREAS, this Bill of Sale is being executed and delivered pursuant to the Charitable Trust Agreement to confirm and further effectuate the Transfer as of the Effective Time.

NOW, THEREFORE, for the consideration described in the Charitable Trust Agreement, the receipt and sufficiency of which are hereby acknowledged:

1. Conveyance. The City hereby irrevocably sells, transfers, conveys, assigns and delivers to The DIA, and The DIA hereby acquires, all of the City’s right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) throughout the world in and to the Museum Assets and not otherwise conveyed by a distinct instrument delivered pursuant to Section 3.2 of the Charitable Trust Agreement, including, without limitation, all rights to donations, gifts, bequests, grants and contributions, for the benefit of the Museum or The DIA, free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors. All Museum Assets being transferred pursuant to this Bill of Sale shall be transferred on an “AS-IS, WHERE-IS” basis, and the City makes no representations or warranties with respect to the Museum Assets. The DIA shall hold the Museum Assets in perpetual charitable trust for the benefit of the citizens of the City and the State in accordance with the terms of the Charitable Trust Agreement.

2. Construction. Nothing in this Bill of Sale, express or implied, is intended or will be construed to expand or defeat, impair or limit in any way the rights, obligations, claims or remedies of the Parties as set forth in the Charitable Trust Agreement. To the extent that any term or provision of this Bill of Sale is deemed to be inconsistent with the terms of the Charitable Trust Agreement, the terms of the Charitable Trust Agreement shall control.

3. Dispute Resolution. Any dispute arising under or arising out of this Bill of Sale shall be adjudicated in accordance with and otherwise subject to the provisions of Sections 8.1 and 8.3 of the Charitable Trust Agreement.

4. Binding Agreement. This Bill of Sale and all of the provisions hereof will be binding upon, and inure to the benefit of, The DIA and the City and their respective successors and permitted assigns.

5. Counterparts. This Assignment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same, instrument, and shall become effective when counterparts have been signed by each of the Parties and delivered to the other party; it being understood that both Parties need not sign the same counterpart. The exchange of copies of this Assignment or of any other document contemplated by this Assignment (including any amendment or any other change thereto) and of signature pages thereof by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether otherwise transmitted via electronic transmission), by electronic mail in “portable document format” (“.pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Assignment as to the Parties and may be used in lieu of an original Assignment or other document for all purposes. Signatures of the parties transmitted by facsimile, by electronic mail in .pdf form or by any other electronic means referenced in the preceding sentence, or by any combination thereof, shall be deemed to be original signatures for all purposes.

*[signature page follows]*

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale in favor of The DIA as of the Effective Time.

**THE CITY OF DETROIT**

By: \_\_\_\_\_  
Name:  
Its:

**THE DETROIT INSTITUTE OF ARTS**

By: \_\_\_\_\_  
Name:  
Its:

[SIGNATURE PAGE TO BILL OF SALE]

**Form of Intellectual Property Assignment By and  
Between the City of Detroit and the Detroit Institute of Arts**

**INTELLECTUAL PROPERTY ASSIGNMENT**

**BY AND BETWEEN**

**THE CITY OF DETROIT**

**AND**

**THE DETROIT INSTITUTE OF ARTS**

**INTELLECTUAL PROPERTY ASSIGNMENT**

THIS INTELLECTUAL PROPERTY ASSIGNMENT (“**Assignment**”), is effective as of the Effective Time, by and between the City of Detroit, Michigan (the “**City**”), and The Detroit Institute of Arts, a Michigan nonprofit corporation f/k/a Founders Society Detroit Institute of Arts (“**The DIA**”). The DIA and the City are referred to individually as a “**Party**” and collectively, as the “**Parties**.” Capitalized terms not otherwise defined in this Assignment will have the meaning given to them in the Charitable Trust Agreement (as defined below).

**RECITALS**

WHEREAS, the City and The DIA are parties to that certain Settlement, Conveyance and Charitable Trust Agreement (the “**Charitable Trust Agreement**”) pursuant to which, as of the Effective Time, the City has irrevocably sold, transferred, conveyed, assigned and delivered to The DIA, to be held in perpetual charitable trust for the benefit of the citizens of the City and the State of Michigan (the “**State**”), all of the City’s right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) throughout the world in and to the Museum Assets free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors;

WHEREAS, included among the Museum Assets are certain Assigned Intellectual Property (as defined below) relating to the City Art Collection (as defined below);

WHEREAS, the City desires to convey, transfer, assign and deliver to The DIA, to be held in perpetual charitable trust for the benefit of the citizens of the City and the State, and The DIA desires to accept from the City, all of the City’s right, title and interest in and to the Assigned Intellectual Property (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) throughout the world free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors; and

WHEREAS, this Assignment is being executed and delivered pursuant to the Charitable Trust Agreement to confirm and further effectuate the Transfer as of the Effective Time.

NOW, THEREFORE, for valuable consideration, including, without limitation, the consideration received by the City under the Charitable Trust Agreement, the receipt of which is hereby acknowledged, the City and The DIA hereby agree as follows:

1. **Definitions.** As used in this Agreement:

“**Assigned Intellectual Property**” shall mean the City’s entire right, title and interest throughout the world in and to the Copyrights, Trademark Rights, Patent Rights and Other Rights embodied in, related to, evidenced by or are or that were inherent in, associated with, or primarily used to develop, manage or exploit the City Art Collection or operation of the Museum, and specifically including, but not limited to, the rights: (a) to seek and obtain protection therefor (including, without limitation, the right to seek and obtain copyright registrations, trademark registrations, industrial design registrations, and design and utility

patents and the like) in the United States and all other countries in The DIA's name (or otherwise as The DIA may desire); (b) to sue for and collect damages and all other remedies for any current or past infringements, violations, or misappropriations of the same; and (c) to collect royalties, products and proceeds in connection with any of the foregoing.

**"City Art Collection"** shall mean the works of art owned by the City, and part of the collection of the Museum or otherwise under the auspices of the Museum (including, without limitation, any item that is still in the "City art collection" (as defined in the Operating Agreement but taking into account any additions to or subtractions from such collection over time) as of the Effective Time), the Museum's library, all related license rights and permissions in favor of the City and/or The DIA (to the full extent that they are subject to transfer), whether by (a) gift directly to The DIA or the City or to any third person or entity for the benefit of the Museum; (b) purchase; or (c) otherwise.

**"Copyrights"** shall mean the City's rights to all works of authorship under the copyright laws of the United States and all other countries and governmental divisions throughout the world for the full term or terms thereof (and including all copyright rights accruing by virtue of copyright treaties and conventions) including, but not limited to, all moral rights, all rights of attribution and integrity, any and all renewals, extensions, reversion or restoration of copyright now or hereafter provided by law and all rights to make applications for and receive copyright registrations therefor in the United States and all other countries.

**"Other Rights"** shall mean all intellectual property and proprietary rights in the United States and all other countries and governmental divisions throughout the world not otherwise included in the Copyrights, Trademark Rights and Patent Rights, and specifically including, but not limited to, worldwide rights in and to all trade secrets, trade dress, know-how, techniques, designs, concepts, confidential information and associated goodwill.

**"Patent Rights"** shall mean all patent applications and issued patents throughout the world in the United States and all foreign countries which have been or may be granted therefor and thereon, and any and all divisions, continuations, continuations-in-part, reexaminations, substitutions, reissues, extensions and renewals of such patents.

**"Trademark Rights"** shall mean all trademarks, service marks, trade names, trade dress, domain name registrations and other indicia of source, together with the goodwill associated with and symbolized by the same, including any applications, registrations, renewals and extensions thereof, and all other corresponding rights at common law or otherwise that are or may be secured under the laws of the United States or any foreign country, now or hereafter in effect.

2. **Assignment.** The City hereby irrevocably assigns, conveys, sells, grants and transfers to The DIA, and The DIA hereby acquires, the City's entire right, title and interest (including legal title it may hold as trustee and legal title and beneficial interest it otherwise holds) throughout the world in and to the Assigned Intellectual Property free and clear of all security interests, liens, encumbrances, claims and interests of the City and its creditors. All Assigned Intellectual Property being transferred pursuant to this Assignment shall be transferred on an "AS-IS, WHERE-IS" basis, and the City makes no representations or warranties with respect to the Assigned Intellectual Property. The DIA shall hold the Assigned Intellectual

Property in a perpetual charitable trust for the benefit of the citizens of the City and the State in accordance with the terms of the Charitable Trust Agreement.

3. Construction. Nothing in this Assignment, express or implied, is intended or will be construed to expand or defeat, impair or limit in any way the rights, obligations, claims or remedies of the Parties as set forth in the Charitable Trust Agreement. To the extent that any term or provision of this Assignment is deemed to be inconsistent with the terms of the Charitable Trust Agreement, the terms of the Charitable Trust Agreement shall control.

4. Dispute Resolution. Any dispute arising out of this Assignment shall be determined in accordance with the provisions of Sections 8.1 and 8.3 of the Charitable Trust Agreement

5. Binding Agreement. This Assignment and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

6. Counterparts. This Assignment may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, and shall become effective when counterparts have been signed by each of the Parties and delivered to the other party; it being understood that both Parties need not sign the same counterpart. The exchange of copies of this Assignment or of any other document contemplated by this Assignment (including any amendment or any other change thereto) and of signature pages thereof by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether otherwise transmitted via electronic transmission), by electronic mail in “portable document format” (“pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall constitute effective execution and delivery of this Assignment as to the Parties and may be used in lieu of an original Assignment or other document for all purposes. Signatures of the parties transmitted by facsimile, by electronic mail in .pdf form or by any other electronic means referenced in the preceding sentence, or by any combination thereof, shall be deemed to be original signatures for all purposes.

*[signature pages follow]*



**THE DETROIT INSTITUTE OF ARTS**

By: \_\_\_\_\_

Name:

Title:

CITY OF DETROIT )  
 ) SS  
STATE OF MICHIGAN )

I, a Notary Public, certify that on the \_\_\_\_\_ day of \_\_\_\_\_, 2014 before me personally appeared \_\_\_\_\_, to me known and known to me to be of legal capacity and acknowledged his/her signature appearing on the foregoing instrument and ratified the same.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

*[SIGNATURE PAGE TO INTELLECTUAL PROPERTY ASSIGNMENT]*

# Form of Foundation FDF Agreement

**08/06/2014**  
**[Form of Foundation FDF Agreement]**

**TERMS OF GRANT AGREEMENT**

I. Acceptance of Grant

The grant to your organization from the **[INSERT NAME OF FOUNDATION]** ("Foundation") is for the explicit purposes described below and is subject to your acceptance of the terms described herein.

To accept the grant, return a signed copy of this "Terms of Grant Agreement" to the Foundation. Keep the other copy for your files. Please refer to the grant number and title in all communications concerning the grant.

**Grantee:**

**Foundation for Detroit's Future**

**Grant Number:**

**#[Insert grant number]**

**Date Authorized:**

**[Insert Date], 2014**

**Amount Granted:**

**#[Insert Grant Amount]  
(Conditional, multi-year)**

II. Grant

The purpose of this grant of **#[INSERT GRANT AMOUNT]** to the Foundation for Detroit's Future ("Grantee"), a supporting organization of the Community Foundation for Southeast Michigan, is to provide the funding, in part, for the proposed DIA Settlement found in the Corrected Fifth Amended Plan for the Adjustment of the Debts of the City of Detroit, as it may be further amended and as modified, and in a term sheet found in Exhibit I.A.102 of same, provided DIA Settlement provisions and said term sheet remain substantially unchanged ("Plan of Adjustment"). The grant and the payment of the grant installments will be conditioned upon the City of Detroit and the City of Detroit General Retirement System and Police and Fire Retirement System ("Pension Funds") being in compliance with (i) the conditions precedent for closing found in the Plan of Adjustment, and (ii) certain material grant conditions, of both an initial and ongoing nature, that are memorialized in the Omnibus Transaction Agreement ("OTA") to be entered into between the City of Detroit, the Detroit Institute of Arts, and the Grantee substantially in the form attached to this Terms of Grant Agreement as Exhibit A and incorporated herein by this reference, a copy of which will be provided to Foundation promptly following its execution. Any capitalized defined terms not defined herein will have the definitions found in the OTA.

This Terms of Grant Agreement is also known as a "Foundation FDF Agreement" under the OTA.

Grant payments will be made in equal annual installments over a twenty-year period, subject to those conditions and any terms and conditions of this Terms of Grant Agreement. The schedule of grant payments will be made as follows and subject to the following conditions:

a. Initial Grant Payment

1. Payment amount and date. Foundation will make an initial grant payment to Grantee of \$[INSERT 1/20 OF TOTAL GRANT AWARD] upon the later of (i) the return of this signed Terms of Grant Agreement by Grantee, and (ii) August 30, 2014.

2. Payment Conditions.

Grantee acknowledges that this initial grant payment is being made by Foundation in order to facilitate the ability of Grantee to provide, in part, the initial payment to the City of Detroit by Grantee due at Closing in the event that the DIA Settlement found in the Plan of Adjustment is approved, and both (i) the City of Detroit and the City of Detroit Pension Funds are in compliance with their material grant conditions, of both an initial and ongoing nature, that are memorialized in Article IV(E) of the Plan of Adjustment and (ii) the conditions to the Foundation's and Grantee's grant obligations set forth in the OTA and the Plan of Adjustment have been satisfied in all material respects.

In the event that the Plan of Adjustment is not approved by the U.S. Bankruptcy Court, or the Closing is otherwise not consummated, by December 31, 2014, Grantee will return to Foundation all provided grant funds by January 31, 2015. The remaining grant installments under this Terms of Grant Agreement will likewise be cancelled and this Terms of Grant Agreement will terminate.

3. Report on City of Detroit Compliance with Initial Grant Conditions

Grantee will provide to Foundation a report within 45 days of the Closing Date documenting that the conditions precedent for Closing were met and that the initial grant payment contemplated by the OTA has been made by the Grantee to the City of Detroit. In the event the Closing does not occur by December 31, 2014, a first and final report will be provided by January 31, 2015.

b. Annual Grant Payments

1. Payment Amounts and Dates. Commencing in 2015 and continuing until 2033 (except as otherwise provided herein), Foundation will annually make a grant payment to Grantee of \$[INSERT 1/20 OF TOTAL GRANT AWARD] by September 15 of that year. Foundation intends Grantee to use these annual payments to fund, in part, the annual payments from Grantee to the City of Detroit, pursuant to and subject to the terms and conditions of the OTA, on a funding schedule commencing June 30, 2016, and each June 30 thereafter ending on June 30, 2034 (the payment dates to the City of Detroit being subject to possible extensions pursuant to the OTA).

Foundation acknowledges that it has the right to, but is not required to, rely on any finding by the board of trustees of the Grantee that the City is in compliance with the Conditions for Funding found in Section 2.4 of the OTA and that as a result of such a finding the Foundation is obligated to make timely payment to Grantee as provided in Section 2.7 of the OTA. Foundation will not unreasonably dispute any such finding by the board of the Grantee that the City is in compliance. If (i) Foundation has failed to make an annual grant installment

payment to Grantee when due hereunder and Grantee has provided the Foundation the 30-day notice contemplated by Section 2.8(b) of the OTA, and (ii) the Foundation has not made the required grant payment by the expiration of such 30-day period, then Grantee will assign its right to enforce collection of the payment from the Foundation to the City and the City will have the right to pursue collection of that payment as provided in the OTA. Foundation will be responsible for its own costs and attorney fees in defending any action by Grantee or City to enforce payment from Foundation, unless those costs and attorney fees are otherwise indemnified or set-off on behalf of Foundation by the provisions of the OTA or the Plan of Adjustment.

2. Annual Grant Payment Conditions

Grantee agrees that any annual grant payment it receives from the Foundation will be used for the sole purpose of making the annual payments to be made by Grantee to the City of Detroit pursuant to Section 2.3 of the OTA.

In the event the Foundation has provided (i) an annual grant payment to the Grantee prior to the date Grantee has determined that the City has complied with Section 2.4 of the OTA for the year in which the annual grant payment is to be used, or (ii) Foundation, in its sole discretion, advances any future annual grant payment to Grantee, Grantee will maintain such grant balances in conservatively invested reserves to ensure that the monies provided are available to make payment to the City when conditions have been met. Any earnings on such early grant payments will be used to offset operational costs of Grantee relating to the purposes of this grant. If on December 31, 2034, there remains any earnings after payment of those operational expenses, Grantee, in its discretion, may use those excess earnings (i) to make grants and/or establish endowments that will support the ongoing revitalization, or maintain and expand the quality of life of the residents, of the City of Detroit and/or (ii) return those excess earnings ratably to the Foundation Funders.

In the event the City fails to meet the conditions for release of an annual payment to it under Section 2.4 of the OTA and all applicable cure periods available to the City pursuant to Section 2.5 of the OTA (including any periods of time necessary for dispute resolution as provided in the OTA) have expired, the Foundation may either request that the Grantee return that annual grant payment to the Foundation, at which time the Foundation's obligation to make such annual grant payment is automatically terminated and cancelled, or request that the Grantee retain the annual grant payment for application to a future annual grant payment due to the Grantee from the Foundation. Foundation and Grantee also acknowledge and agree that consistent with Section 2.5(b) of the OTA, the Foundation may cancel its remaining grant installments to Grantee if the City fails to meet the conditions for release of an annual payment to it under the OTA, and all applicable cure periods available to the City pursuant to Section 2.5 of the OTA (including any periods of time necessary for dispute resolution as provided in the OTA) have expired. If Foundation elects to cancel its remaining grant payments, the Foundation may either request that the Grantee return any pre-paid annual grant amount provided to Grantee that has not yet been paid or is not obligated to be paid to the City by Grantee and/or allow Grantee to retain some or all of such pre-paid grant installments to offset operational costs of Grantee relating to the purposes of this grant.

3. Present Value Election

Consistent with the OTA, Foundation has the right to elect to make early payment of any or all of its grant payment obligations to the Grantee and have its obligation under this Terms of Grant Agreement reduced by a present value discount rate of 6.75% as provided in the OTA. Grantee will transfer such early payment to the City of Detroit and elect that present value discount provided the requirements of the next paragraph are met.

Foundation agrees that it will only make the above mentioned present value election if (i) the Grantee receives confirmation from the City, in a form reasonably acceptable to Grantee, that the Grantee's future grant payment obligations to the City under the OTA will be properly reduced as a result of such present value election by Foundation, and (ii) Foundation and Grantee agree to reasonable arrangements to prevent such early payment election from Foundation jeopardizing the fiscal stability and operations of Grantee and its abilities to perform its obligations under the OTA.

III. Indemnification and Other Provisions

Foundation and Grantee acknowledge that Foundation is a third-party beneficiary of certain provisions contained in the OTA and the contemplated order confirming the Plan of Adjustment. Foundation's rights as a third-party beneficiary include, but are not limited to, (i) indemnification by the City of Detroit as found in Section 6.2 of the OTA, (ii) set-offs on grant installments as a result of the City of Detroit failing to pay for defense and other costs (except that Foundation is not entitled to such set-off if the Grantee has, as a result of the City failing to pay all of the defense and other costs of the Foundation, incurred those costs on behalf of Foundation and Grantee), (iii) jurisdiction and choice of law provisions, and (iv) certain injunctive and other relief as found in the Plan of Adjustment as confirmed by court order. Foundation's obligation to make any installment payment under this Terms of Grant Agreement is expressly conditioned upon the existence of all such third-party benefits including, but not limited to, said indemnification provision, set-off provisions and injunctive relief.

This Terms of Grant Agreement, or any rights, obligations or funds awarded under this Terms of Grant Agreement, may not be assigned, unless otherwise expressly provided herein, without the prior written consent of the non-assigning party, and any purported assignment in violation of the foregoing will be void and of no effect. This Terms of Grant Agreement will be governed by and construed in accordance with the laws of the state of Michigan, with jurisdiction in the State and Federal Courts of Michigan (as more specifically provided in the OTA and the Plan of Adjustment).

IV. Review of Grant Activity

Grantee will provide written annual reports to the Foundation each July 30 showing the use of the grant funds provided under this grant. Grantee may extend the date for any annual report to no later than January 30 of the following calendar year if Grantee is unable to obtain information from the City of Detroit necessary for completing the report. Foundation and Grantee agree that the reports to be provided will be of a standard format and content to be provided to all Foundation Funders. The content of the annual reports will include, without limitation:

- Information on the Grantee's progress toward meeting the terms of this grant
- A statement of determination by the board of Grantee regarding the City's compliance with the Conditions for Funding found in Section 2.4 of the OTA
- A statement of facts regarding the accounting treatment of the remaining payments due to Grantee by the Foundation for consideration by the Foundation in preparing its statements of financial position
- Copies of any and all evaluation or similar reports, if any, provided to any other Foundation Funder or any party to the OTA
- An explanation of any significant changes in the organizational leadership of the Grantee, such information to be provided promptly to Foundation if it occurs between the filing of an annual report

A final report is due by June 30, 2035.

In addition, Grantee will furnish the Foundation with any additional information reasonably requested by the Foundation from time to time. Without limiting the generality of the foregoing, Grantee will provide the Foundation (or its designated representatives) with reasonable access to Grantee's files, records and personnel for the purpose of making financial audits, evaluations or verification, program evaluations, or other verifications concerning this grant as the Foundation reasonably deems necessary during the term of this grant and for five years thereafter. The fees and expenses of any such representative that is designated by the Foundation to undertake these tasks, and any reasonable out-of-pocket costs actually incurred by the Grantee in complying with this request, will be paid by the Foundation.

V. Standard Provisions

In accepting this grant, the Grantee agrees to the following and certifies the following statements:

- a. Grantee will use the funds granted solely for the purpose stated and Grantee will repay any portion of the amounts granted which is not used for the purpose of the grant or not expended by the due date for the final report.
- b. Grantee is and will at all times maintain its status as (i) a nonprofit corporation in good standing under the laws of the State of Michigan, and (ii) an organization described in Section 501(c)(3) and Section 509(a)(3) of the U.S. Internal Revenue Code ("Code") that is not a "private foundation" within the meaning of Section 509(a) of the Code because it is a Type-I supporting organization of the Community Foundation for Southeast Michigan.
- c. Grantee will notify the Foundation immediately of any change in its tax status.
- d. Grantee will return any unexpended funds if the Grantee loses its exemption from Federal income taxation as a 501(c)(3) nonprofit organization pursuant to Section 509(a)(1), 509(a)(2) or 509(a)(3) of the Code.
- e. Grantee will maintain books and records adequate to verify actions related to this grant during the term of this grant and for five years thereafter.
- f. Grant funds will only be expended for charitable, educational, literary or scientific purposes within the meaning of Section 501(c)(3) of the Code, and Grantee will comply with all applicable federal and state laws and regulations that govern the use

of funds received from private foundations. Grantee will in no event use grant funds or any income earned thereon to:

- i. Carry on propaganda or otherwise to attempt to influence legislation (within the meaning of Section 4945(d)(1) of the Code).
- ii. Influence the outcome of any specific public election or carry on, directly or indirectly, any voter registration drive (within the meaning of Section 4945(d)(2) of the Code).
- iii. Make grants to individuals or to other organizations for travel, study or similar purpose that do not comply with the requirements of Section 4945(d)(3) or (4) of the Code.
- iv. Undertake any activity other than for a charitable, educational, literary or scientific purpose specified in Section 170(c)(2)(B) of the Code.
- v. Inure a benefit to any private person or entity in violation of Section 501(c)(3) and 4941 of the Code, including but not limited to any Foundation trustee, officer, employee, or his/her spouse, children, grandchildren, and great grandchildren or their respective spouses for any purpose.
- vi. Support a use that is not in compliance with all applicable anti-terrorist financing and asset control laws, regulations, rules and executive orders, including but not limited to, the USA Patriot Act of 2001 and Executive Order No. 13224. Furthermore, Grantee agrees to ensure that no Foundation funds will be disbursed to any organization or individual listed on the United States Government's Terrorist Exclusion List or the Office of Foreign Assets Control (OFAC) Specially Designated Nationals & Blocked Persons List. In addition, Grantee takes reasonable steps to ensure that its board, staff and volunteers have no dealings whatsoever with known terrorist or terrorist organizations.
- g. Grantee acknowledges and agrees that this Terms of Grant Agreement does not imply a commitment by the Foundation to continued funding beyond the express terms of this Terms of Grant Agreement.
- h. Grantee represents that this grant will not result in the private benefit of any individual or entity, including, but not limited to, the discharge of any pledge or financial obligation of any individual or entity.

VI. Publicity

Communications regarding this grant, the OTA and the City's compliance with the ongoing conditions of the OTA will be coordinated and made by Grantee, in consultation with Foundation and other Foundation Funders. Foundation and Grantee will obtain the other's approval prior to making any public announcement about this grant. Foundation may include information on this grant in its period publications without the need for Grantee approval.

VII. Notices and Foundation Contact Information:

All notices, demands and other communications given or delivered under this Agreement will be given in writing to the address indicated below (or such other address as the recipient specifies in writing) and will be deemed to have been given when delivered personally, three (3) Business Days after mailing by certified or registered mail, return receipt requested and postage prepaid, or when delivery is guaranteed if sent via a nationally recognized overnight carrier, or when receipt is confirmed if sent via facsimile or other electronic transmission to the recipient.

If to Grantee: Robin D. Ferriby

Vice President, Philanthropic Services  
Foundation for Detroit's Future  
333 West Fort Street, Suite 2010  
Detroit, MI 48226-3134  
313-961-6675  
[rferriby@cfsem.org](mailto:rferriby@cfsem.org)

If to Foundation: [\[INSERT FOUNDATION CONTACT INFORMATION\]](#)

VIII. Power to Amend

Grantee will (i) promptly advise Foundation in writing if Grantee enters into any agreement or amendment with any other Foundation Funder that could reasonably be expected to provide such other Foundation Funder with benefits or terms that are more favorable than those provided to the Foundation hereunder, and (ii) upon the Foundation's request, promptly amend this Terms of Grant Agreement to provide Foundation with any or all of such more favorable benefits or terms. This Terms of Grant Agreement may be amended only by a written agreement signed by the parties.

For the [\[INSERT NAME OF FOUNDATION\]](#):

By: \_\_\_\_\_  
[\[INSERT OFFICER NAME AND TITLE\]](#):

\_\_\_\_\_ Date

For the Foundation for Detroit's Future:

By: \_\_\_\_\_  
Mariam C. Noland, President

\_\_\_\_\_ Date

S:\DEVELOP\Robin\Private\Art Trust\Grant terms\20140806 Foundation FDF Agreement (clean).docx

**EXHIBIT I.A.132**

DISMISSED FGIC/COP LITIGATION

### **Schedule of Dismissed FGIC/COP Litigation**

- All objections, replies, responses, briefs, memoranda, reservations of rights or other documents filed by FGIC in opposition to the Plan or any prior version of the Plan, including: (i) the Objection of Financial Guaranty Insurance Company to Plan for the Adjustment of Debts of the City of Detroit, filed on May 12, 2014 [Docket No. 4660]; (ii) the Supplemental Objection of Financial Guaranty Insurance Company to Plan for the Adjustment of Debts of the City of Detroit, filed on August 12, 2014 [Docket No. 6674]; (iii) the Supplemental Objection to Confirmation of the Sixth Amended Plan for the Adjustment of Debts of the City of Detroit, filed on August 25, 2014 [Docket No. 7046]; (iv) Financial Guaranty Insurance Company's Pretrial Brief in Support of Objection to Plan for the Adjustment of Debts of the City of Detroit [Docket No. 7102]; (v) the Joint Pretrial Brief in Support of Objection to DIA Settlement [Docket No. 7103]; and (vi) the Third Supplemental Objection of Financial Guaranty Insurance Company to Plan for the Adjustment of Debts of the City of Detroit [Docket No. 7611], and
- The adversary proceeding styled City of Detroit, Michigan v. Detroit General Retirement System Service Corporation, et al., Case No. 14-04112 (Bankr. E.D. Mich.), commenced by the City on January 31, 2014, including all counterclaims filed in connection therewith.

**EXHIBIT I.A.133**

DISMISSED SYNCORA LITIGATION

**APPEALS TO BE VOLUNTARILY DISMISSED, AND  
MOTIONS AND OBJECTIONS TO BE WITHDRAWN,  
WITH PREJUDICE BY SYNCORA AS A PRECONDITION  
TO CONSUMMATION OF THE PLAN COP SETTLEMENT**

**Appeals**

Syncora Guarantee Inc., et al. v. City of Detroit (In re City of Detroit),  
No. 2:13-CV-14305-BAF-PJK (E.D. Mich.), filed Oct. 10, 2013

Syncora Guarantee Inc., et al. v. City of Detroit, No. 14-1864 (6th Cir.),  
docketed July 14, 2014

Syncora Guarantee Inc., et al. v. City of Detroit (In re City of Detroit),  
No. 2:14-CV-10501-BAF-PJK (E.D. Mich.), filed Feb. 3, 2014

Syncora Guarantee Inc., et al. v. City of Detroit (In re City of Detroit),  
No. 2:13-CV-10509-BAF-PJK (E.D. Mich.), filed Feb. 4, 2014

Syncora Guarantee Inc., et al. v. City of Detroit (In re City of Detroit),  
No. 2:14-CV-11995-BAF-PJK (E.D. Mich.), filed May 19, 2014

Syncora Guarantee Inc., et al. v. City of Detroit (In re City of Detroit),  
No. 2:14-CV-12062-BAF-PJK (E.D. Mich.), filed May 22, 2014

In re Syncora Guarantee, et al., No. 14-109 (6th Cir.), docketed July 24, 2014

Syncora Guarantee Inc., et al. v. City of Detroit (In re City of Detroit),  
No. 2:14-CV-13044-BAF-PJK (E.D. Mich.), filed Aug. 6, 2014

Appeal of Order Denying Motion for Clarification of Post-Confirmation  
Procedures (Docket No. 7034) (see Notice of Appeal to the District Court,  
Docket No. 7080)

**Motions and Objections**

*Ex Parte* Emergency Motion to (I) Issue a Temporary Administrative Stay of the  
DIP Order and (II) Set a Briefing and Hearing Schedule (Docket No. 2500)

Emergency Motion of Syncora Guarantee Inc. and Syncora Capital Assurance Inc.  
for Stay Pending Appeal (Docket No. 2516)

Motion to Compel Responses to Interrogatories (Docket No. 4557)

Syncora Capital Assurance Inc. and Syncora Guarantee Inc.'s Objection to the Debtor's Plan of Adjustment (Docket No. 4679)

Syncora's First Supplemental Objection Regarding Certain Legal Issues Relating to Confirmation (Docket No. 5706)

Syncora Guarantee Inc. and Syncora Capital Assurance Inc.'s Motion to Exclude the Testimony of John W. Hill (Docket No. 6997)

Motion to Exclude Certain of the Expert Opinions of Martha Kopacz Under Federal Rule of Evidence 702 (Docket No. 6999)

Motion to Exclude the Testimony of the City's Forecasting Experts Under Federal Rule of Evidence 702 (Docket No. 7004)

Syncora Guarantee Inc. and Syncora Capital Assurance Inc. Limited Supplemental Objection and Reservation of Rights to Debtor's Sixth Amended Plan of Adjustment (Docket No. 7041)

Syncora Guarantee Inc. and Syncora Capital Assurance Inc.'s Amended Second Supplemental Objection to the Debtor's Plan of Adjustment (Docket No. 7213)

**EXHIBIT I.A.148**

SCHEDULE OF DWSD BOND DOCUMENTS & RELATED DWSD BONDS

**SCHEDULE OF (I) DWSD BOND DOCUMENTS, (II) RELATED DWSD BONDS,  
(III) CLASSES OF DWSD BOND CLAIMS AND (IV) ALLOWED AMOUNTS OF DWSD BOND CLAIMS**

| DWSD Bond Documents  | DWSD Bond Series | CUSIP     | Class      | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------|------------|---|
| Ordinance No. 01-05 adopted January 26, 2005 (" <u>Water Bond Ordinance</u> ") <sup>1</sup><br>Trust Indenture dated as of February 1, 2013 among the City of Detroit, Detroit Water and Sewerage Department and U.S. Bank National Association, as trustee (" <u>Water Indenture</u> ")<br>Bond Resolution adopted on October 14, 1993<br>Resolution adopted October 22, 1993<br>Final Report of the Finance Director delivered to City Council December 22, 1993 | Series 1993      | 251255TP0 | Class 1A-1 | \$24,725,000.00                             |
| Water Bond Ordinance<br>Water Indenture<br>Bond Resolution adopted July 9, 1997<br>Sale Order of the Finance Director of the City of Detroit dated August 6, 1997  | Series 1997-A    | 251255XM2 | Class 1A-2 | \$6,520,000.00                              |
|  |                  | 251255XN0 | Class 1A-3 | \$6,910,000.00                              |

<sup>1</sup> Ordinance No. 0-05 amends and restates Ordinance No. 30-02 adopted November 27, 2002, which amended and restated Ordinance No. 06-01 adopted October 18, 2001, which amended and restated Ordinance No. 32-85, as amended.

| DWSD Bond Documents  | DWSD Bond Series | CUSIP           | Class       | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------------|-------------|---|
| <p>Ordinance No. 01-05 adopted January 26, 2005 ("<u>Water Bond Ordinance</u>")<sup>2</sup></p> <p>Trust Indenture dated February 1, 2013 among City of Detroit, Detroit Water and Sewage Department and U.S. Bank National Association, as trustee ("<u>Water Indenture</u>")</p> <p>Bond Authorizing Resolution of City Council adopted January 31, 2001 and Resolution Amending Bond Authorizing Resolution, adopted April 25, 2001</p> <p>Sale Order of Finance Director of City of Detroit dated May 17, 2001</p> | Series 2001-A    | 251255A21       | Class 1A-4  | \$73,790,000.00                             |
| <p>Water Bond Ordinance</p> <p>Water Indenture</p> <p>Resolution of the City Council adopted April 25, 2001</p> <p>Sale Order of the Finance Director of the City of Detroit dated May 31, 2001 and Supplement to Prior Sale Orders of Finance Director dated May 6, 2008</p>  | Series 2001-C    | 2512556U4       | Class 1A-5  | \$350,000.00                                |
|  |                  | 2512556V2       | Class 1A-6  | \$365,000.00                                |
|  |                  | 2512556W0       | Class 1A-7  | \$380,000.00                                |
|  |                  | 2512556X8       | Class 1A-8  | \$390,000.00                                |
|  |                  | 2512556Y6       | Class 1A-9  | \$415,000.00                                |
|  |                  | 2512556Z3       | Class 1A-10 | \$12,510,000.00                             |
|  |                  | 2512557A7       | Class 1A-11 | \$13,235,000.00                             |
|  |                  | 2512557B5       | Class 1A-12 | \$14,025,000.00                             |
|  |                  | 2512557C3       | Class 1A-13 | \$14,865,000.00                             |
|  |                  | 2512557D1       | Class 1A-14 | \$15,750,000.00                             |
|  |                  | 2512557E9       | Class 1A-15 | \$16,690,000.00                             |
|  |                  | 2512557F6       | Class 1A-16 | \$17,690,000.00                             |
|  |                  | 2512557G4       | Class 1A-17 | \$18,735,000.00                             |
|  |                  | 2512557H2       | Class 1A-18 | \$19,945,000.00                             |
|  |                  | 2512557J8       | Class 1A-19 | \$4,000,000.00                              |
| 2512557L3  | Class 1A-20      | \$20,090,000.00 |             |   |
| 2512557K5  | Class 1A-21      | \$18,815,000.00 |             |   |

<sup>2</sup> Ordinance No. 0-05 amends and restates Ordinance No. 30-02 adopted November 27, 2002, which amended and restated Ordinance No. 06-01 adopted October 18, 2001, which amended and restated Ordinance No. 32-85, as amended.

| DWSD Bond Documents  | DWSD Bond Series | CUSIP           | Class       | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------------|-------------|---|
| Water Bond Ordinance<br>Water Indenture<br>Bond Authorizing Resolution of the City Council adopted Nov. 27, 2002 (" <u>2003 Water Resolution</u> ")<br>Sale Order of the Finance Director of the City of Detroit dated January 24, 2003 and Supplement to Sale Order of the Finance Director – 2003 Bonds, dated February 6, 2003 (collectively, " <u>2003 Sale Order</u> ") | Series 2003-A    | 251255D77       | Class 1A-22 | \$500,000.00                                |
|  |                  | 251255D93       | Class 1A-23 | \$250,000.00                                |
|  |                  | 251255E27       | Class 1A-24 | \$3,550,000.00                              |
|  |                  | 251255F8        | Class 1A-25 | \$9,970,000.00                              |
|  |                  | 251255K20       | Class 1A-26 | \$20,955,000.00                             |
|  |                  | 251255K38       | Class 1A-27 | \$21,900,000.00                             |
|  |                  | 251255E68       | Class 1A-28 | \$121,660,000.00                            |
| Water Bond Ordinance<br>Water Indenture<br>2003 Water Resolution<br>2003 Sale Order  | Series 2003-B    | 251255H4        | Class 1A-29 | \$41,770,000.00                             |
| Water Bond Ordinance<br>Water Indenture<br>2003 Water Resolution<br>2003 Sale Order  | Series 2003-C    | 251255J22       | Class 1A-30 | \$2,120,000.00                              |
|  |                  | 251255J30       | Class 1A-31 | \$2,620,000.00                              |
|  |                  | 251255J48       | Class 1A-32 | \$2,655,000.00                              |
|  |                  | 251255J55       | Class 1A-33 | \$2,930,000.00                              |
|  |                  | 251255J63       | Class 1A-34 | \$2,790,000.00                              |
|  |                  | 251255J71       | Class 1A-35 | \$2,965,000.00                              |
|  |                  | 251255J89       | Class 1A-36 | \$4,580,000.00                              |
|  |                  | 251255J97       | Class 1A-37 | \$4,665,000.00                              |
| Water Bond Ordinance<br>Water Indenture<br>Bond Authorizing Resolution of the City Council adopted November 27, 2002<br>Sale Order of Finance Director of the City of Detroit dated February 5, 2003   | Series 2003-D    | 2512552T1       | Class 1A-39 | \$325,000.00                                |
|  |                  | 2512552U8       | Class 1A-40 | \$335,000.00                                |
|  |                  | 2512552V6       | Class 1A-41 | \$350,000.00                                |
|  |                  | 2512552W4       | Class 1A-42 | \$360,000.00                                |
|  |                  | 2512552X2       | Class 1A-43 | \$370,000.00                                |
|  |                  | 2512552Y0       | Class 1A-44 | \$2,585,000.00                              |
|  |                  | 2512552Z7       | Class 1A-45 | \$29,410,000.00                             |
|  |                  | 2512553A1       | Class 1A-46 | \$23,920,000.00                             |
| 2512553B9  | Class 1A-47      | \$82,930,000.00 |             |   |

| DWSD Bond Documents  | DWSD Bond Series | CUSIP           | Class       | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------------|-------------|---|
| Water Bond Ordinance<br>Water Indenture<br>Bond Authorizing Resolution of the City Council adopted January 21, 2004 (" <u>2004 Bond Resolution</u> ")<br>Sale Order of Finance Director of the City of Detroit dated May 12, 2004 (" <u>2004 Sale Order</u> ") | Series 2004-A    | 2512553G8       | Class 1A-48 | \$4,250,000.00                              |
|  |                  | 2512553H6       | Class 1A-49 | \$4,475,000.00                              |
|  |                  | 2512553J2       | Class 1A-50 | \$4,710,000.00                              |
|  |                  | 2512553K9       | Class 1A-51 | \$4,955,000.00                              |
|  |                  | 2512553L7       | Class 1A-52 | \$5,215,000.00                              |
|  |                  | 2512553M5       | Class 1A-53 | \$5,490,000.00                              |
|  |                  | 2512553N3       | Class 1A-54 | \$5,780,000.00                              |
|  |                  | 2512553P8       | Class 1A-55 | \$6,085,000.00                              |
|  |                  | 2512553Q6       | Class 1A-56 | \$6,400,000.00                              |
|  |                  | 2512553R4       | Class 1A-57 | \$6,735,000.00                              |
| 2512553S2  | Class 1A-58      | \$14,505,000.00 |             |   |
| Water Bond Ordinance<br>Water Indenture<br>2004 Bond Resolution<br>2004 Sale Order   | Series 2004-B    | 2512554A0       | Class 1A-59 | \$85,000.00                                 |
|  |                  | 2512554B8       | Class 1A-60 | \$90,000.00                                 |
|  |                  | 2512554C6       | Class 1A-61 | \$10,000,000.00                             |
|  |                  | 2512554D4       | Class 1A-62 | \$3,545,000.00                              |
|  |                  | 2512554E2       | Class 1A-63 | \$13,925,000.00                             |
|  |                  | 2512554F9       | Class 1A-64 | \$350,000.00                                |
|  |                  | 2512554G7       | Class 1A-65 | \$14,940,000.00                             |
|  |                  | 2512554H5       | Class 1A-66 | \$15,810,000.00                             |
|  |                  | 2512554J1       | Class 1A-67 | \$16,665,000.00                             |
|  |                  | 2512554K8       | Class 1A-68 | \$16,085,000.00                             |
| 2512554L6  | Class 1A-69      | \$16,935,000.00 |             |   |
| 2512554M4  | Class 1A-70      | \$6,280,000.00  |             |   |
| Water Bond Ordinance<br>Water Indenture<br>Amended and Restated Resolution of the City Council adopted January 26, 2005 (" <u>2005-A/C Bond Resolution</u> ")<br>Sale Order of Finance Director of the City of Detroit dated March 3, 2005 (Series 2005-A)     | Series 2005-A    | 251255M85       | Class 1A-71 | \$50,000.00                                 |
|  |                  | 251255Q81       | Class 1A-72 | \$2,070,000.00                              |
|  |                  | 251255M93       | Class 1A-73 | \$85,000.00                                 |
|  |                  | 251255Q99       | Class 1A-74 | \$2,145,000.00                              |
|  |                  | 251255N27       | Class 1A-75 | \$95,000.00                                 |
|  |                  | 251255R23       | Class 1A-76 | \$2,265,000.00                              |
|  |                  | 251255N35       | Class 1A-77 | \$125,000.00                                |
|  |                  | 251255R31       | Class 1A-78 | \$2,370,000.00                              |
|  |                  | 251255N43       | Class 1A-79 | \$20,000.00                                 |
|  |                  | 251255R49       | Class 1A-80 | \$2,615,000.00                              |
|  |                  | 251255N50       | Class 1A-81 | \$2,790,000.00                              |
|  |                  | 251255N68       | Class 1A-82 | \$2,955,000.00                              |
|  |                  | 251255N76       | Class 1A-83 | \$3,030,000.00                              |
| 251255N84  | Class 1A-84      | \$3,225,000.00  |             |   |
| 251255N92  | Class 1A-85      | \$3,430,000.00  |             |   |
| 251255P25  | Class 1A-86      | \$3,650,000.00  |             |   |

| DWSD Bond Documents   | DWSD Bond Series | CUSIP          | Class        | Allowed Amount of DWSD Bond Claims in Class |
|---|------------------|----------------|--------------|---|
|   |                  | 251255P33      | Class 1A-87  | \$3,790,000.00                              |
|   |                  | 251255P41      | Class 1A-88  | \$4,080,000.00                              |
|   |                  | 251255P58      | Class 1A-89  | \$4,290,000.00                              |
|   |                  | 251255P66      | Class 1A-90  | \$4,615,000.00                              |
|   |                  | 251255P74      | Class 1A-91  | \$4,890,000.00                              |
|   |                  | 251255P82      | Class 1A-92  | \$5,145,000.00                              |
|   |                  | 251255P90      | Class 1A-93  | \$5,415,000.00                              |
|   |                  | 251255Q24      | Class 1A-94  | \$5,715,000.00                              |
|   |                  | 251255Q32      | Class 1A-95  | \$19,525,000.00                             |
| Water Bond Ordinance<br>Water Indenture<br>Amended and Restated Resolution of the City Council dated March 22, 2005 (Series 2005-B)<br>Sale Order of Finance Director of the City of Detroit dated March 22, 2005 (Series 2005-B), Amendment No. 1 to Sale Order of the Finance Director dated April 23, 2008 and Supplement to Prior Sale Orders of Finance Director dated May 6, 2008 | Series 2005-B    | 2512557R0      | Class 1A-96  | \$2,125,000.00                              |
|   |                  | 2512557S8      | Class 1A-97  | \$2,225,000.00                              |
|   |                  | 2512557T6      | Class 1A-98  | \$2,305,000.00                              |
|   |                  | 2512557U3      | Class 1A-99  | \$2,385,000.00                              |
|   |                  | 2512557V1      | Class 1A-100 | \$2,465,000.00                              |
|   |                  | 2512557W9      | Class 1A-101 | \$2,575,000.00                              |
|   |                  | 2512557X7      | Class 1A-102 | \$2,690,000.00                              |
|   |                  | 2512557Y5      | Class 1A-103 | \$2,905,000.00                              |
|   |                  | 2512557Z2      | Class 1A-104 | \$3,025,000.00                              |
|   |                  | 2512558A6      | Class 1A-105 | \$3,145,000.00                              |
|   |                  | 2512558B4      | Class 1A-106 | \$3,270,000.00                              |
|   |                  | 2512558C2      | Class 1A-107 | \$3,490,000.00                              |
|   |                  | 2512558D0      | Class 1A-108 | \$3,620,000.00                              |
|   |                  | 2512558E8      | Class 1A-109 | \$3,850,000.00                              |
|   |                  | 2512558F5      | Class 1A-110 | \$3,980,000.00                              |
| Water Bond Ordinance<br>Water Indenture<br>2005-A/C Bond Resolution<br>Sale Order of Finance Director of the City of Detroit dated March 3, 2005 (Series 2005-C)  | Series 2005-C    | 2512558G3      | Class 1A-111 | \$28,415,000.00                             |
|   |                  | 2512558H1      | Class 1A-112 | \$57,365,000.00                             |
|   |                  | 2512558J7      | Class 1A-113 | \$57,500,000.00                             |
|   |                  | 251255S63      | Class 1A-114 | \$9,270,000.00                              |
|   |                  | 251255S71      | Class 1A-115 | \$9,735,000.00                              |
|   |                  | 251255S89      | Class 1A-116 | \$17,545,000.00                             |
|   |                  | 251255S97      | Class 1A-117 | \$18,425,000.00                             |
|   |                  | 251255T21      | Class 1A-118 | \$18,700,000.00                             |
|   |                  | 251255T39      | Class 1A-119 | \$8,245,000.00                              |
| 251255T47   | Class 1A-120     | \$8,655,000.00 |              |   |
| Water Bond Ordinance<br>Water Indenture<br>Resolution of the City Council adopted November 18, 2005   | Series 2006-A    | 251255T54      | Class 1A-121 | \$9,090,000.00                              |
|   |                  | 251255T62      | Class 1A-122 | \$9,540,000.00                              |
|   |                  | 251255V36      | Class 1A-123 | \$7,285,000.00                              |
|   |                  | 251255V44      | Class 1A-124 | \$7,650,000.00                              |
|   |                  | 251255V51      | Class 1A-125 | \$8,030,000.00                              |
| 251255V69   | Class 1A-126     | \$8,430,000.00 |              |   |
| 251255V77   | Class 1A-127     | \$8,855,000.00 |              |   |

| DWSD Bond Documents  | DWSD Bond Series | CUSIP           | Class        | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------------|--------------|---|
| ("2006 Bond Resolution")<br>Sale Order of Finance Director of the City of Detroit dated July 19, 2006 (Series 2006-A)  |                  | 251255V85       | Class 1A-128 | \$9,295,000.00                              |
|  |                  | 251255V93       | Class 1A-129 | \$9,760,000.00                              |
|  |                  | 251255W27       | Class 1A-130 | \$10,250,000.00                             |
|  |                  | 251255W35       | Class 1A-131 | \$10,760,000.00                             |
|  |                  | 251255W43       | Class 1A-132 | \$11,300,000.00                             |
|  |                  | 251255W50       | Class 1A-133 | \$11,865,000.00                             |
|  |                  | 251255W68       | Class 1A-134 | \$12,460,000.00                             |
|  |                  | 251255W76       | Class 1A-135 | \$13,080,000.00                             |
|  |                  | 251255W84       | Class 1A-136 | \$131,150,000.00                            |
| Water Bond Ordinance<br>Water Indenture<br>2006 Bond Resolution<br>Sale Order of Finance Director of the City of Detroit dated August 15, 2006 (Series 2006-B) | Series 2006-B    | 251256AG8       | Class 1A-137 | \$100,000.00                                |
|  |                  | 251256AH6       | Class 1A-138 | \$100,000.00                                |
|  |                  | 251256AJ2       | Class 1A-139 | \$100,000.00                                |
|  |                  | 251256AK9       | Class 1A-140 | \$100,000.00                                |
|  |                  | 251256AL7       | Class 1A-141 | \$100,000.00                                |
|  |                  | 251256AM5       | Class 1A-142 | \$100,000.00                                |
|  |                  | 251256AN3       | Class 1A-143 | \$400,000.00                                |
|  |                  | 251256AP8       | Class 1A-144 | \$56,600,000.00                             |
| 251256AQ6  | Class 1A-145     | \$62,100,000.00 |              |   |
| Water Bond Ordinance<br>Water Indenture<br>2006 Bond Resolution<br>Sale Order of Finance Director of the City of Detroit dated July 19, 2006 (Series 2006-C)   | Series 2006-C    | 251255X83       | Class 1A-146 | \$1,100,000.00                              |
|  |                  | 251255X91       | Class 1A-147 | \$3,725,000.00                              |
|  |                  | 251255Y25       | Class 1A-148 | \$3,795,000.00                              |
|  |                  | 251255Y33       | Class 1A-149 | \$4,010,000.00                              |
|  |                  | 251255Y41       | Class 1A-150 | \$4,765,000.00                              |
|  |                  | 251255Y58       | Class 1A-151 | \$5,860,000.00                              |
|  |                  | 251255Y66       | Class 1A-152 | \$14,880,000.00                             |
|  |                  | 251255Y74       | Class 1A-153 | \$32,045,000.00                             |
| 251255Y82  | Class 1A-154     | 146,500,000     |              |   |
| Water Bond Ordinance<br>Water Indenture<br>2006 Bond Resolution<br>Sale Order of Finance Director of the City of Detroit dated July 19, 2006 (Series 2006-D)   | Series 2006-D    | 251255Z81       | Class 1A-155 | \$15,000.00                                 |
|  |                  | 251255Z99       | Class 1A-156 | \$15,000.00                                 |
|  |                  | 2512552A2       | Class 1A-157 | \$15,000.00                                 |
|  |                  | 2512552B0       | Class 1A-158 | \$20,000.00                                 |
|  |                  | 2512552C8       | Class 1A-159 | \$20,000.00                                 |
|  |                  | 2512552D6       | Class 1A-160 | \$2,650,000.00                              |
|  |                  | 2512552E4       | Class 1A-161 | \$3,200,000.00                              |
|  |                  | 2512552F1       | Class 1A-162 | \$20,135,000.00                             |
|  |                  | 2512552G9       | Class 1A-163 | \$27,425,000.00                             |
|  |                  | 2512552H7       | Class 1A-164 | \$9,955,000.00                              |
| 2512552J3  | Class 1A-165     | \$21,105,000.00 |              |   |

| DWSD Bond Documents  | DWSD Bond Series | CUSIP            | Class        | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|------------------|--------------|---|
|  |                  | 2512552K0        | Class 1A-166 | \$57,650,000.00                             |
| Water Bond Ordinance<br>Water Indenture<br>Resolution of the City Council adopted April 5, 2011 (" <u>2011 Bond Resolution</u> ")<br>Sale Order of the Finance Director dated as of December 15, 2011 (" <u>2011 Sale Order</u> ") | Series 2011-A    | 251256BA0        | Class 1A-167 | \$3,410,000.00                              |
|  |                  | 251256BB8        | Class 1A-168 | \$3,550,000.00                              |
|  |                  | 251256BC6        | Class 1A-169 | \$3,695,000.00                              |
|  |                  | 251256BD4        | Class 1A-170 | \$3,845,000.00                              |
|  |                  | 251256BE2        | Class 1A-171 | \$4,000,000.00                              |
|  |                  | 251256BF9        | Class 1A-172 | \$3,160,000.00                              |
|  |                  | 251256BG7        | Class 1A-173 | \$3,225,000.00                              |
|  |                  | 251256BH5        | Class 1A-174 | \$4,215,000.00                              |
|  |                  | 251256BJ1        | Class 1A-175 | \$4,195,000.00                              |
|  |                  | 251256BK8        | Class 1A-176 | \$4,170,000.00                              |
|  |                  | 251256BL6        | Class 1A-177 | \$4,140,000.00                              |
|  |                  | 251256BM4        | Class 1A-178 | \$4,085,000.00                              |
|  |                  | 251256BN2        | Class 1A-179 | \$4,020,000.00                              |
|  |                  | 251256BP7        | Class 1A-180 | \$3,930,000.00                              |
|  |                  | 251256BQ5        | Class 1A-181 | \$14,665,000.00                             |
| 251256BR3  | Class 1A-182     | \$28,890,000.00  |              |   |
| 251256BT9  | Class 1A-183     | \$49,315,000.00  |              |   |
| 251256BS1  | Class 1A-184     | \$224,300,000.00 |              |   |
| Water Bond Ordinance<br>Water Indenture<br>2011 Bond Resolution<br>2011 Sale Order   | Series 2011-B    | 251256AV5        | Class 1A-185 | \$1,970,000.00                              |
|  |                  | 251256AW3        | Class 1A-186 | \$3,760,000.00                              |
|  |                  | 251256AX1        | Class 1A-187 | \$9,740,000.00                              |
| Water Bond Ordinance<br>Water Indenture<br>2011 Bond Resolution<br>2011 Sale Order   | Series 2011-C    | 251256BV4        | Class 1A-188 | \$2,700,000.00                              |
|  |                  | 251256BW2        | Class 1A-189 | \$9,965,000.00                              |
|  |                  | 251256BX0        | Class 1A-190 | \$10,490,000.00                             |
|  |                  | 251256BY8        | Class 1A-191 | \$11,035,000.00                             |
|  |                  | 251256BZ5        | Class 1A-192 | \$11,615,000.00                             |
|  |                  | 251256CA9        | Class 1A-193 | \$5,000,000.00                              |
|  |                  | 251256CC5        | Class 1A-194 | \$7,230,000.00                              |
|  |                  | 251256CB7        | Class 1A-195 | \$44,630,000.00                             |

| DWSD Bond Documents   | DWSD Bond Series | CUSIP     | Class        | Allowed Amount of DWSD Bond Claims in Class |
|---|------------------|-----------|--------------|---|
| Ordinance No. 18-01 adopted October 18, 2001 (" <u>Sewage Bond Ordinance</u> ") <sup>3</sup><br>Trust Indenture dated as of June 1, 2012 among the City of Detroit, Detroit Water and Sewage Department and U.S. Bank National Association, as trustee (" <u>Sewage Indenture</u> ")<br>Resolution of the City Council adopted May 6, 1998 (" <u>1998 Bond Resolution</u> ")<br>Sale Order of the Finance Director of the City of Detroit dated December 9, 1998 (" <u>1998 Sale Order</u> ") | Series 1998-A    | 251237S87 | Class 1A-196 | \$3,110,000.00                              |
|   |                  | 251237S95 | Class 1A-197 | \$3,225,000.00                              |
|   |                  | 251237T29 | Class 1A-198 | \$3,540,000.00                              |
|   |                  | 251237T37 | Class 1A-199 | \$3,660,000.00                              |
|   |                  | 251237T45 | Class 1A-200 | \$3,885,000.00                              |
|   |                  | 251237T52 | Class 1A-201 | \$4,095,000.00                              |
|   |                  | 251237T60 | Class 1A-202 | \$7,415,000.00                              |
|   |                  | 251237T78 | Class 1A-203 | \$7,745,000.00                              |
|   |                  | 251237T86 | Class 1A-204 | \$12,585,000.00                             |
| Sewage Bond Ordinance<br>Sewage Indenture<br>1998 Bond Resolution<br>1998 Sale Order  | Series 1998-B    | 251237U92 | Class 1A-206 | \$3,125,000.00                              |
|   |                  | 251237V26 | Class 1A-207 | \$3,240,000.00                              |
|   |                  | 251237V34 | Class 1A-208 | \$3,455,000.00                              |
|   |                  | 251237V42 | Class 1A-209 | \$3,575,000.00                              |
|   |                  | 251237V59 | Class 1A-210 | \$3,895,000.00                              |
|   |                  | 251237V67 | Class 1A-211 | \$4,015,000.00                              |
|   |                  | 251237V75 | Class 1A-212 | \$7,330,000.00                              |
|   |                  | 251237V83 | Class 1A-213 | \$7,665,000.00                              |
|   |                  | 251237V91 | Class 1A-214 | \$12,600,000.00                             |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Resolution adopted on November 24, 1999<br>Sale Order of the Finance Director of the City of Detroit dated December 10, 1999  | Series 1999-A    | 251237VM2 | Class 1A-216 | \$7,924,628.15                              |
|   |                  | 251237VN0 | Class 1A-217 | \$7,759,578.75                              |
|   |                  | 251237VP5 | Class 1A-218 | 7,704,816.00                                |
|   |                  | 251237VQ3 | Class 1A-219 | \$7,157,798.95                              |
|   |                  | 251237VR1 | Class 1A-220 | \$6,738,459.00                              |
|   |                  | 251237VS9 | Class 1A-221 | \$6,365,288.40                              |
|   |                  | 251237VT7 | Class 1A-222 | \$5,690,933.60                              |
|   |                  | 251237VU4 | Class 1A-223 | \$6,235,125.30                              |

<sup>3</sup> Ordinance No. 18-01 amended and restated Ordinance No. 27-86 adopted on December 9, 1986, as amended.

| DWSD Bond Documents  | DWSD Bond Series | CUSIP     | Class        | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------|--------------|---|
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted on August 1, 2001 and Amendment dated October 10, 2001 (collectively, " <u>2001 Bond Resolution</u> ")<br>Composite Sale Order of the Finance Director of the City of Detroit dated August 1, 2001 (" <u>2001 Sale Order</u> ")   | Series 2001-B    | 251237WV1 | Class 1A-224 | \$110,550,000.00                            |
| Sewage Bond Ordinance<br>Sewage Indenture<br>2001 Bond Resolution<br>2001 Sale Order   | Series 2001-C(1) | 2512376G3 | Class 1A-225 | \$575,000.00                                |
|  |                  | 2512376H1 | Class 1A-226 | \$600,000.00                                |
|  |                  | 2512376J7 | Class 1A-227 | \$625,000.00                                |
|  |                  | 2512376K4 | Class 1A-228 | \$655,000.00                                |
|  |                  | 2512376L2 | Class 1A-229 | \$690,000.00                                |
|  |                  | 2512376M0 | Class 1A-230 | \$720,000.00                                |
|  |                  | 2512376P3 | Class 1A-231 | \$110,510,000.00                            |
|  |                  | 2512376N8 | Class 1A-232 | \$38,000,000.00                             |
| Sewage Bond Ordinance<br>Sewage Indenture<br>2001 Bond Resolution<br>2001 Sale Order and Amendment No. 1 to Sale Order of the Finance Director (2001(C-2) and (E)) dated April 23, 2008 (" <u>2001 Sale Order Amendment</u> ") and Supplement to Prior Sale Orders (2001(C-2), 2001(E) and 2006(A)) dated May 1, 2008 (" <u>2001/2006 Supplement to Sale Orders</u> ") | Series 2001-C(2) | 2512374G5 | Class 1A-233 | \$310,000.00                                |
|  |                  | 2512374H3 | Class 1A-234 | \$325,000.00                                |
|  |                  | 2512374J9 | Class 1A-235 | \$345,000.00                                |
|  |                  | 2512374K6 | Class 1A-236 | \$365,000.00                                |
|  |                  | 2512374L4 | Class 1A-237 | \$380,000.00                                |
|  |                  | 2512374M2 | Class 1A-238 | \$400,000.00                                |
|  |                  | 2512374N0 | Class 1A-239 | \$4,090,000.00                              |
|  |                  | 2512374P5 | Class 1A-240 | \$21,600,000.00                             |
|  |                  | 2512374Q3 | Class 1A-241 | \$93,540,000.00                             |

| DWSD Bond Documents  | DWSD Bond Series | CUSIP          | Class        | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|----------------|--------------|---|
| Ordinance No. 18-01 adopted October 18, 2001 (" <u>Sewage Bond Ordinance</u> ") <sup>4</sup><br><br>Trust Indenture dated as of June 1, 2012 among the City of Detroit, Detroit Water and Sewage Department and U.S. Bank National Association, as trustee (" <u>Sewage Indenture</u> ")<br><br>Bond Authorizing Resolution adopted August 1, 2001; Amendment October 10, 2001<br><br>Composite Sale Order of the Finance Director of the City of Detroit dated August 1, 2001 | Series 2001-D    | 251237WY5      | Class 1A-242 | \$21,300,000.00                             |
| Sewage Bond Ordinance<br><br>Sewage Indenture<br><br>2001 Bond Resolution<br><br>2001 Sale Order, 2001 Amendment and 2001/2006 Supplement to Sale Orders   | Series 2001-E    | 2512374R1      | Class 1A-243 | \$136,150,000.00                            |
| Sewage Bond Ordinance<br><br>Sewage Indenture<br><br>Bond Authorizing Resolution of the City Council adopted May 7, 2003 (" <u>2003 Bond Resolution</u> ")<br><br>Composite Sale Order of the Finance Director of the City of Detroit dated May 14, 2003   | Series 2003-A    | 251237YK3      | Class 1A-244 | \$3,815,000.00                              |
|  |                  | 251237Q89      | Class 1A-245 | \$10,000.00                                 |
|  |                  | 251237ZE6      | Class 1A-246 | \$25,000.00                                 |
|  |                  | 251237ZB2      | Class 1A-247 | \$50,000.00                                 |
|  |                  | 251237R21      | Class 1A-248 | \$180,000.00                                |
|  |                  | 251237YQ0      | Class 1A-249 | \$190,000.00                                |
|  |                  | 251237YT4      | Class 1A-250 | \$250,000.00                                |
|  |                  | 251237YM9      | Class 1A-251 | \$275,000.00                                |
|  |                  | 251237YZ0      | Class 1A-252 | \$300,000.00                                |
|  |                  | 251237YW7      | Class 1A-253 | \$535,000.00                                |
|  |                  | 251237ZG1      | Class 1A-254 | \$1,000,000.00                              |
|  |                  | 251237Q97      | Class 1A-255 | \$3,200,000.00                              |
|  |                  | 251237K77      | Class 1A-256 | \$3,225,000.00                              |
|  |                  | 251237K85      | Class 1A-257 | \$3,325,000.00                              |
| 251237ZD8  | Class 1A-258     | \$4,795,000.00 |              |   |
| 251237ZF3  | Class 1A-259     | \$5,440,000.00 |              |   |

<sup>4</sup> Ordinance No. 18-01 amended and restated Ordinance No. 27-86 adopted on December 9, 1986, as amended.

| DWSD Bond Documents  | DWSD Bond Series | CUSIP     | Class        | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------|--------------|---|
|  |                  | 251237ZH9 | Class 1A-260 | \$7,935,000.00                              |
|  |                  | 251237Y80 | Class 1A-261 | \$9,005,000.00                              |
|  |                  | 251237YN7 | Class 1A-262 | \$11,880,000.00                             |
|  |                  | 251237YR8 | Class 1A-263 | \$12,535,000.00                             |
|  |                  | 251237Y72 | Class 1A-264 | \$13,210,000.00                             |
|  |                  | 251237YU1 | Class 1A-265 | \$13,215,000.00                             |
|  |                  | 251237YX5 | Class 1A-266 | \$13,950,000.00                             |
|  |                  | 251237ZJ5 | Class 1A-267 | \$18,215,000.00                             |
|  |                  | 251237Y98 | Class 1A-268 | \$19,485,000.00                             |
|  |                  | 251237Z22 | Class 1A-269 | \$38,290,000.00                             |
| Sewage Bond Ordinance<br>Sewage Indenture<br>2003 Bond Resolution<br>Composite Sale Order of the<br>Finance Director of the City of<br>Detroit dated May 22, 2003  | Series 2003-B    | 2512376Q1 | Class 1A-270 | \$150,000,000.00                            |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution of<br>the City Council adopted May 7,<br>2003<br>Composite Sale Order of the<br>Finance Director dated January 9,<br>2004   | Series 2004-A    | 251237B69 | Class 1A-271 | \$7,310,000.00                              |
|  |                  | 251237B77 | Class 1A-272 | \$14,830,000.00                             |
|  |                  | 251237B85 | Class 1A-273 | \$15,605,000.00                             |
|  |                  | 251237B93 | Class 1A-274 | \$5,525,000.00                              |
|  |                  | 251237C27 | Class 1A-275 | \$5,545,000.00                              |
|  |                  | 251237C35 | Class 1A-276 | \$5,835,000.00                              |
|  |                  | 251237C43 | Class 1A-277 | \$6,145,000.00                              |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Resolution of the City Council<br>authorizing sale of the 2005<br>adopted November 17, 2004<br>("2005 Bond Resolution")<br>Sale Order of the Finance Director<br>of the City of Detroit, Series 2005-<br>A, dated March 9, 2005 | Series 2005-A    | 251237E41 | Class 1A-278 | \$625,000.00                                |
|  |                  | 251237E58 | Class 1A-279 | \$490,000.00                                |
|  |                  | 251237E66 | Class 1A-280 | \$510,000.00                                |
|  |                  | 251237E74 | Class 1A-281 | \$545,000.00                                |
|  |                  | 251237E82 | Class 1A-282 | \$555,000.00                                |
|  |                  | 251237E90 | Class 1A-283 | \$830,000.00                                |
|  |                  | 251237F24 | Class 1A-284 | \$860,000.00                                |
|  |                  | 251237F32 | Class 1A-285 | \$905,000.00                                |
|  |                  | 251237F40 | Class 1A-286 | \$925,000.00                                |
|  |                  | 251237F57 | Class 1A-287 | \$970,000.00                                |
|  |                  | 251237F65 | Class 1A-288 | \$490,000.00                                |
|  |                  | 251237Z55 | Class 1A-289 | \$19,415,000.00                             |
|  |                  | 251237Z63 | Class 1A-290 | \$24,820,000.00                             |
|  |                  | 251237F99 | Class 1A-291 | \$138,945,000.00                            |
|  |                  | 251237G23 | Class 1A-292 | \$47,000,000.00                             |
| Sewage Bond Ordinance<br>Sewage Indenture  | Series 2005-B    | 251237G64 | Class 1A-293 | \$7,775,000.00                              |
|  |                  | 251237G72 | Class 1A-294 | \$8,010,000.00                              |

| DWSD Bond Documents   | DWSD Bond Series | CUSIP            | Class        | Allowed Amount of DWSD Bond Claims in Class |
|---|------------------|------------------|--------------|---|
| 2005 Bond Resolution  |                  | 251237G80        | Class 1A-295 | \$10,420,000.00                             |
| Sale Order of the Finance Director of the City of Detroit, Series 2005-B, dated March 9, 2005   |                  | 251237G98        | Class 1A-296 | \$10,990,000.00                             |
| Sewage Bond Ordinance   | Series 2005-C    | 251237J20        | Class 1A-297 | \$4,140,000.00                              |
| Sewage Indenture  |                  | 251237J38        | Class 1A-298 | \$4,345,000.00                              |
| 2005 Bond Resolution  |                  | 251237J46        | Class 1A-299 | \$4,570,000.00                              |
| Sale Order of the Finance Director of the City of Detroit, Series 2005-C, dated March 9, 2005   |                  | 251237J53        | Class 1A-300 | \$4,795,000.00                              |
|   |                  | 251237J61        | Class 1A-301 | \$5,030,000.00                              |
|   |                  | 251237J79        | Class 1A-302 | \$5,280,000.00                              |
|   |                  | 251237J87        | Class 1A-303 | \$7,355,000.00                              |
|   |                  | 251237J95        | Class 1A-304 | \$7,720,000.00                              |
|   |                  | 251237K28        | Class 1A-305 | \$6,345,000.00                              |
| Sewage Bond Ordinance   | Series 2006-A    | 251237Z4         | Class 1A-306 | \$123,655,000.00                            |
| Sewage Indenture  |                  |                  |              |   |
| Resolution of the City Council adopted February 15, 2006 (" <u>2006 Bond Resolution</u> ")  |                  |                  |              |   |
| Sale Order of Finance Director of the City of Detroit, Series 2006(A), dated August 4, 2006, Amendment No. 1 to Sale Order dated April 23, 2008 and 2001/2006 Supplement to Sale Orders |                  |                  |              |   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>2006 Bond Resolution<br>Sale Order of Finance Director of the City of Detroit, Series 2006(B), dated July 27, 2006                         | Series 2006-B    | 251237M83        | Class 1A-307 | \$1,835,000.00                              |
|   |                  | 251237M91        | Class 1A-308 | \$1,825,000.00                              |
|   |                  | 251237N25        | Class 1A-309 | \$1,430,000.00                              |
|   |                  | 251237N33        | Class 1A-310 | \$1,505,000.00                              |
|   |                  | 251237N41        | Class 1A-311 | \$1,590,000.00                              |
|   |                  | 251237N58        | Class 1A-312 | \$7,515,000.00                              |
|   |                  | 251237N66        | Class 1A-313 | \$6,540,000.00                              |
|   |                  | 251237N74        | Class 1A-314 | \$24,400,000.00                             |
|   |                  | 251237N82        | Class 1A-315 | \$40,000,000.00                             |
| 251237N90   | Class 1A-316     | \$156,600,000.00 |              |   |
| Sewage Bond Ordinance   | Series 2006-C    | 251237P31        | Class 1A-317 | \$8,495,000.00                              |
| Sewage Indenture  |                  |                  |              |   |
| 2006 Bond Resolution  |                  | 251237P49        | Class 1A-318 | \$8,915,000.00                              |
| Sale Order of Finance Director of   |                  |                  |              |   |

| DWSD Bond Documents  | DWSD Bond Series | CUSIP           | Class        | Allowed Amount of DWSD Bond Claims in Class |
|--|------------------|-----------------|--------------|---|
| the City of Detroit, Series 2006(C), dated August 4, 2006  |                  | 251237P56       | Class 1A-319 | \$9,150,000.00                              |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Resolution of the City Council adopted February 15, 2006<br>Sale Order of Finance Director of the City of Detroit dated November 29, 2006 | Series 2006-D    | 251237W66       | Class 1A-320 | \$288,780,000.00                            |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Resolution of the City Council adopted July 19, 2011<br>Sale Order of the Finance Director of the City of Detroit dated June 20, 2012     | Series 2012-A    | 251250AC0       | Class 1A-321 | \$8,880,000.00                              |
|  |                  | 251250AE6       | Class 1A-322 | \$9,750,000.00                              |
|  |                  | 251250AS5       | Class 1A-323 | \$50,000,000.00                             |
|  |                  | 251250AA4       | Class 1A-324 | \$5,820,000.00                              |
|  |                  | 251250AB2       | Class 1A-325 | \$6,005,000.00                              |
|  |                  | 251250AD8       | Class 1A-326 | \$6,430,000.00                              |
|  |                  | 251250AF3       | Class 1A-327 | \$19,930,000.00                             |
|  |                  | 251250AG1       | Class 1A-328 | \$13,925,000.00                             |
|  |                  | 251250AH9       | Class 1A-329 | \$9,845,000.00                              |
|  |                  | 251250AJ5       | Class 1A-330 | \$14,860,000.00                             |
|  |                  | 251250AK2       | Class 1A-331 | \$22,275,000.00                             |
|  |                  | 251250AN6       | Class 1A-332 | \$13,170,000.00                             |
|  |                  | 251250AP1       | Class 1A-333 | \$9,890,000.00                              |
|  |                  | 251250AQ9       | Class 1A-334 | \$120,265,000.00                            |
|  |                  | 251250AR7       | Class 1A-335 | \$292,865,000.00                            |
|  |                  | 251250AL0       | Class 1A-336 | \$23,630,000.00                             |
| 251250AM8  | Class 1A-337     | \$32,240,000.00 |              |   |

**EXHIBIT I.A.156**

**SCHEDULE OF DWSO REVOLVING SEWER BOND DOCUMENTS  
& RELATED DWSO REVOLVING SEWER BONDS**

**SCHEDULE OF (I) DWSD REVOLVING SEWER BOND DOCUMENTS, (II) RELATED DWSD REVOLVING SEWER BONDS, (III) CLASSES OF DWSD REVOLVING SEWER BOND CLAIMS AND (IV) ALLOWED AMOUNTS OF DWSD REVOLVING SEWER BOND CLAIMS**

| DWSD Revolving Sewer Bonds Documents  | Series of DWSD Revolving Sewer Bonds | Class      | Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class |
|---|--------------------------------------|------------|--|
| <p>Ordinance No. 18-01 adopted October 18, 2001 ("<u>Sewage Bond Ordinance</u>")<sup>1</sup></p> <p>Trust Indenture dated as of June 1, 2012 among the City of Detroit ("<u>City</u>"), Detroit Water and Sewage Department and U.S. Bank National Association, as trustee ("<u>Sewage Indenture</u>")</p> <p>Bond Authorizing Resolution adopted September 9, 1992</p> <p>Supplemental Agreement dated September 24, 1992, among City, Michigan Bond Authority ("<u>Authority</u>") and the State of Michigan acting through the Department of Natural Resources</p> | Series 1992-B-SRF                    | Class 1B-1 | \$115,000.00   |
| <p>Sewage Bond Ordinance</p> <p>Sewage Indenture</p> <p>Bond Authorizing Resolution adopted September 30, 1993</p> <p>Supplemental Agreement regarding \$6,603,996 Sewage Disposal System Revenue Bond Series 1993-B -SRF, among the City, Authority and DEQ</p>  | Series 1993-B-SRF                    | Class 1B-2 | \$775,000.00   |
| <p>Sewage Bond Ordinance</p> <p>Sewage Indenture</p> <p>Bond Authorizing Resolution adopted July 30, 1997</p> <p>Supplemental Agreement dated September 30, 1997, among City, the Authority and the State of Michigan acting through the Department of Environmental Quality ("<u>DEQ</u>")</p>   | Series 1997-B-SRF                    | Class 1B-3 | \$1,870,000.00   |

<sup>1</sup> Ordinance No. 18-01 amended and restated Ordinance No. 27-86 adopted on December 9, 1986, as amended.

| DWSD Revolving Sewer Bonds Documents   | Series of DWSD Revolving Sewer Bonds | Class      | Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class |
|--|--------------------------------------|------------|--|
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted May 12, 1999<br>Supplemental Agreement regarding \$21,475,000 City Sewage Disposal System Revenue Bond, Series 1999-SRF1, dated June 24, 1999, among City, Authority and DEQ  | Series 1999-SRF-1                    | Class 1B-4 | \$8,750,000.00   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted August 4, 1999 (" <u>1999 SRF Resolution</u> ")<br>Supplemental Agreement regarding \$46,000,000 SRF-2, \$31,030,000 SRF-3, \$40,655,000 SRF-4 dated September 30, 1999 (" <u>1999 SRF Supplemental Agreement</u> "), among City, Authority and DEQ | Series 1999-SRF-2                    | Class 1B-5 | \$25,860,000.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>1999 SRF Resolution<br>1999 SRF Supplemental Agreement  | Series 1999-SRF-3                    | Class 1B-6 | \$14,295,000.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>1999 SRF Resolution<br>1999 SRF Supplemental Agreement  | Series 1999-SRF-4                    | Class 1B-7 | \$18,725,000.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted February 9, 2000<br>Supplemental Agreement regarding Sewage Disposal System Revenue Bond (SRF Junior Lien), Series 2000-SRF1, dated March 30, 2000, among City, Authority and DEQ   | Series 2000-SRF-1                    | Class 1B-8 | \$21,947,995.00  |

| DWSD Revolving Sewer Bonds Documents   | Series of DWSD Revolving Sewer Bonds | Class       | Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class |
|--|--------------------------------------|-------------|--|
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted July 19, 2000<br>Supplemental Agreement regarding Sewage Disposal System Revenue Bond (SRF Junior Lien) Series 2000-SRF2 dated September 28, 2000, among City, Authority and DEQ                    | Series 2000-SRF-2                    | Class 1B-9  | \$36,051,066.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted March 7, 2001<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System Revenue Bonds (SRF Junior Lien), Series 2001-SRF-1, dated June 28, 2001 among City, Authority and DEQ      | Series 2001-SRF-1                    | Class 1B-10 | \$54,145,000.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted November 21, 2001<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2001-SRF2, dated December 20, 2001 among City, Authority and DEQ | Series 2001-SRF-2                    | Class 1B-11 | \$39,430,000.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted June 5, 2002<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2002-SRF1, dated June 27, 2002 among City, Authority and DEQ          | Series 2002-SRF-1                    | Class 1B-12 | \$10,660,000.00  |

| DWSD Revolving Sewer Bonds Documents   | Series of DWSD Revolving Sewer Bonds | Class       | Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class |
|--|--------------------------------------|-------------|--|
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted June 5, 2002<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2002-SRF2, dated June 27, 2002 among City, Authority and DEQ                      | Series 2002-SRF-2                    | Class 1B-13 | \$865,369.00   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted November 13, 2002<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2002-SRF3, dated December 19, 2002 among City, Authority and DEQ             | Series 2002-SRF-3                    | Class 1B-14 | \$19,189,466.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted May 14, 2003<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2003-SRF1, dated June 26, 2003 among City, Authority and DEQ      | Series 2003-SRF-1                    | Class 1B-15 | \$34,215,000.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted July 9, 2003<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2003-SRF2, dated September 25, 2003 among City, Authority and DEQ | Series 2003-SRF-2                    | Class 1B-16 | \$16,390,370.00  |

| DWSD Revolving Sewer Bonds Documents   | Series of DWSD Revolving Sewer Bonds | Class       | Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class |
|--|--------------------------------------|-------------|--|
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted April 21, 2004 (" <u>2004 SRF Resolution</u> ")<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2004-SRF1, dated June 24, 2004 among City, Authority and DEQ | Series 2004-SRF-1                    | Class 1B-17 | \$1,890,000.00   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>2004 SRF Resolution<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2004-SRF2, dated June 24, 2004 among City, Authority and DEQ   | Series 2004-SRF-2                    | Class 1B-18 | \$11,888,459.00  |
| Sewage Bond Ordinance<br>Sewage Indenture<br>2004 SRF Resolution<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2004-SRF3, dated June 24, 2004 among City, Authority and DEQ   | Series 2004-SRF-3                    | Class 1B-19 | \$8,232,575.00   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted May 16, 2007<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2007-SRF1, dated September 20, 2007 among City, Authority and DEQ                               | Series 2007-SRF-1                    | Class 1B-20 | \$140,109,096.00   |

| DWSO Revolving Sewer Bonds Documents   | Series of DWSO Revolving Sewer Bonds | Class       | Allowed Amount of DWSO Revolving Sewer Bonds Claims in Class |
|--|--------------------------------------|-------------|--|
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted November 5, 2008<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2009-SRF1, dated April 17, 2009 among City, Authority and DEQ   | Series 2009-SRF-1                    | Class 1B-21 | \$9,806,301.00   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted September 29, 2009<br>Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2010-SRF1, dated January 22, 2010 among City, Authority and DEQ               | Series 2010-SRF-1                    | Class 1B-22 | \$3,358,917.00   |
| Sewage Bond Ordinance<br>Sewage Indenture<br>Bond Authorizing Resolution adopted December 13, 2011<br>Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2012-SRF1, dated August 30, 2012 among City, Authority and DEQ | Series 2012-SRF                      | Class 1B-23 | \$4,302,413.00   |

**EXHIBIT I.A.159**

**SCHEDULE OF DWSD REVOLVING WATER BOND DOCUMENTS  
& RELATED DWSD REVOLVING WATER BONDS**

**SCHEDULE OF (I) DWSD REVOLVING WATER BOND DOCUMENTS, (II) RELATED DWSD REVOLVING WATER BONDS, (III) CLASSES OF DWSD REVOLVING WATER BOND CLAIMS AND (IV) ALLOWED AMOUNTS OF DWSD REVOLVING WATER BOND CLAIMS**

| DWSD Revolving Water Bonds Documents  | Series of DWSD Revolving Water Bonds | Class      | Allowed Amount of DWSD Revolving Water Bonds Claims in Class |
|---|--------------------------------------|------------|--|
| <p>Ordinance No. 01-05 adopted January 26, 2005 ("<u>Water Bond Ordinance</u>")<sup>1</sup></p> <p>Trust Indenture dated as of February 1, 2013 among the City of Detroit ("<u>City</u>"), Detroit Water and Sewerage Department and U.S. Bank National Association, as trustee ("<u>Water Indenture</u>")</p> <p>Bond Authorizing Resolution adopted April 29, 2005 ("<u>2005 SRF Resolution</u>")</p> <p>Supplemental Agreement dated as of September 22, 2005 among City, Michigan Municipal Bond Authority ("<u>Authority</u>") and Michigan Department of Environmental Quality ("<u>DEQ</u>")</p> | Series 2005-SRF-1                    | Class 1C-1 | \$9,960,164.00   |
| <p>Water Bond Ordinance</p> <p>Water Indenture</p> <p>2005 SRF Resolution</p> <p>Supplemental Agreement regarding the Water Supply System SRF Junior Lien Revenue Bond, Series 2005-SRF2, dated September 22, 2005 among City, Authority and DEQ</p>  | Series 2005-SRF-2                    | Class 1C-2 | \$6,241,730.00   |
| <p>Water Bond Ordinance</p> <p>Water Indenture</p> <p>Bond Authorizing Resolution adopted February 15, 2006</p> <p>Supplemental Agreement regarding the Water Supply System SRF Junior Lien Revenue Bond, Series 2006-SRF1, dated September 21, 2006 among City, Authority and DEQ</p>  | Series 2006-SRF-1                    | Class 1C-3 | \$3,715,926.00   |

<sup>1</sup> Ordinance No. 0-05 amends and restates Ordinance No. 30-02 adopted November 27, 2002, which amended and restated Ordinance No. 06-01 adopted October 18, 2001, which amended and restated Ordinance No. 32-85, as amended.

| <b>DWSD Revolving Water Bonds Documents</b>  | <b>Series of DWSD Revolving Water Bonds</b> | <b>Class</b> | <b>Allowed Amount of DWSD Revolving Water Bonds Claims in Class</b> |
|--|---|--------------|---|
| Water Bond Ordinance<br>Water Indenture<br>Bond Authorizing Resolution and Bond Ordinance, adopted July 15, 2008<br>Supplemental Agreement regarding Water Supply System SRF Junior Lien Revenue Bonds, Series 2008-SRF1, dated September 29, 2008 among City, Authority and DEQ | Series 2008-SRF-1                           | Class 1C-4   | \$1,535,941.00  |

**EXHIBIT I.A.183**

PRINCIPAL TERMS OF EXIT FACILITY

**EXIT FACILITY  
SUMMARY OF PRINCIPAL TERMS<sup>1</sup>**

The definitive documentation governing the Exit Facility shall provide generally for the following terms:

|                              |  |
|------------------------------|--|
| Issuer                       | City of Detroit.   |
| Initial Bond Purchaser       | The bonds will initially be sold to the Michigan Finance Authority (the " <u>MFA</u> "). The MFA will issue bonds secured by the City's bonds.   |
| Amount and Type              | \$325 million, consisting of Financial Recovery Bonds issued pursuant to section 36a(7) of the Michigan Home Rule City Act, excluding any amounts raised to fund (if required) debt service reserve funds consistent with municipal markets practice.  |
| Taxation                     | An amount up to \$200 million is contemplated to be tax-exempt financing.  |
| Use of Proceeds              | As approved by the Local Emergency Financial Assistance Loan Board, proceeds of the exit facility will be used to fund: (i) the retirement of the City's \$120,000,000 post-petition financing, (ii) certain of the City's reinvestment and revitalization initiatives and (iii) the retirement of the City's obligations with respect to holders of Class 5 Claims (COP Swap Claims) and potentially holders of Class 7 Claims (Limited Tax General Obligation Bond Claims) under the City's Seventh Amended Plan of Adjustment.  |
| Pricing on Sale to Purchaser | Tax-Exempt Bonds: SIFMA Municipal Swap Index + 4.25%<br>Taxable Bonds: 1-month USD-LIBOR + 4.75%   |
| Pricing on Public Offering   | Tax-Exempt Bonds: The sum of (i) the yield on Thomson Reuters Municipal Market Data 15-year AAA Index, <u>plus</u> (ii) the Base Spread (as set forth in the Commitment Letter, dated September 17, 2014), <u>plus</u> (iii) the applicable Market Flex (as set forth in the Commitment Letter, dated September 17, 2014).<br>Taxable Bonds: The sum of (i) the yield on 7-year US Treasury Notes, <u>plus</u> (ii) the Base Spread (as set forth in the Commitment Letter, dated September 17, 2014), <u>plus</u> (iii) the applicable Market Flex (as set forth in the Commitment Letter, dated September 17, 2014). |
| Maturity                     | No longer than 15 years on Tax-Exempt Bonds; no longer than 8 years on Taxable Bonds.  |
| Security                     | The obligations owing by the City with respect to the Exit Facility will be secured by a first priority lien on certain income tax revenues of the City.   |

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings given to them in the Plan.

EXHIBIT I.A.197

FORM OF FGIC/COP SETTLEMENT DOCUMENTS

## Settlement Agreement

This Settlement Agreement (this “Agreement”) is entered into as of October \_\_, 2014, by and between the City of Detroit, Michigan (the “City”), and Financial Guaranty Insurance Company (“FGIC”). The City and FGIC are referred to herein each individually as a “Party” and collectively as the “Parties”.

**WHEREAS**, the Detroit General Retirement System Service Corporation, a Michigan nonprofit corporation (“DGRS”), and the Detroit Police and Fire Retirement System Service Corporation, a Michigan nonprofit corporation (“PFRS” and, together with DGRS, each a “Service Corporation” and collectively the “Service Corporations”) created each of (i) the Detroit Retirement Systems Funding Trust 2005 (the “2005 Pension Funding Trust”) pursuant to that certain Trust Agreement, dated June 2, 2005, among the Service Corporations and U.S. Bank National Association, as trustee, and (ii) the Detroit Retirement Systems Funding Trust 2006 (the “2006 Pension Funding Trust”) pursuant to that certain Trust Agreement, dated June 12, 2006, among the Service Corporations and U.S. Bank National Association, as trustee;

**WHEREAS**, the 2005 Pension Funding Trust issued certain Taxable Certificates of Participation Series 2005 (the “2005 Pension Funding Securities”) and the 2006 Pension Funding Trust issued certain Taxable Certificates of Participation Series 2006 (the “2006 Pension Funding Securities” and, collectively with the 2005 Pension Funding Securities, the “Certificates of Participation” or “COPs”);

**WHEREAS**, FGIC issued certain financial guaranty insurance policies guaranteeing the payment of the principal of and interest on certain of the Certificates of Participation;

**WHEREAS**, on January 31, 2014, the City commenced the Adversary Proceeding styled, *City of Detroit, Michigan v. Detroit General Retirement System Service Corporation, Detroit Police and Fire Retirement System Service Corporation, Detroit Retirement Systems Funding Trust 2005 and Detroit Retirement Systems Funding Trust 2006*, Case No. 14-04112 (Bankr. E.D. Mich.) (the “COP Litigation”);

**WHEREAS**, on March 17, 2014, Wilmington Trust, National Association, as Successor Trustee for the Detroit Retirement Systems Funding Trust 2005 and the Detroit Retirement Systems Funding Trust 2006 (collectively, the “Trustee”) filed that certain *Answer to Complaint with Affirmative Defenses and Counterclaims of Defendants Detroit Retirement Systems Funding Trust 2005 and Detroit Retirement Systems Funding Trust 2006 to Complaint for Declaratory and Injunctive Relief* (the “Funding Trusts’ Counterclaims”);

**WHEREAS**, on March 17, 2014, FGIC filed that certain *Financial Guaranty Insurance Company’s Motion to Intervene Pursuant to Rule 7024 of the Federal Rules of Bankruptcy Procedure and Section 1109(b) of the Bankruptcy Code* (the “FGIC Motion to Intervene”);

**WHEREAS**, on April 10, 2014, the City filed that certain *City of Detroit's Motion to Dismiss in Part the Funding Trusts' Counterclaims* (the "Motion to Dismiss the Funding Trusts' Counterclaims");

**WHEREAS**, on June 30, 2014, the Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") issued an Opinion and Order, among other things, granting the FGIC Motion to Intervene, subject to certain limitations;

**WHEREAS**, on July 18, 2014, FGIC filed that certain *Answer and Affirmative Defenses of Defendant Financial Guaranty Insurance Company*;

**WHEREAS**, on August 13, 2014, FGIC filed those certain *Counterclaims of Defendant Financial Guaranty Insurance Company* against the City (the "FGIC Counterclaims");

**WHEREAS**, on August 28, 2014, the City filed that certain *City of Detroit's Motion to Dismiss in Part FGIC's Counterclaims* (the "Motion to Dismiss the FGIC Counterclaims" and, together with the Motion to Dismiss the Funding Trusts' Counterclaims, the "Motions to Dismiss");

**WHEREAS**, the Motions to Dismiss have been fully briefed and argued; and

**WHEREAS**, the Parties and their representatives have engaged in good faith, arm's length settlement discussions regarding a consensual resolution of their disputes under or in respect of the COP Litigation, the Certificates of Participation and related issues.

**NOW, THEREFORE**, in consideration of the foregoing and the promises, mutual covenants, and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**Section 1**            **Definitions and Interpretations.**

**1.1 Additional Definitions.** The following terms have the respective meanings set forth below for all purposes of this Agreement.

"Approval Order" means an order confirming the Plan entered by the Bankruptcy Court, which contains provisions substantially in the form attached hereto as Schedule 1 approving this Agreement pursuant to Bankruptcy Rule 9019.

"COP Holders" means the holders of COPs originally insured by FGIC with a claim for principal or interest.

"Counterclaims" means the FGIC Counterclaims and the Funding Trusts' Counterclaims.

"Plan" means that certain Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (October \_\_, 2014), as the same may be amended consistent with the terms and conditions of the Stipulation.

“Settlement Effective Date” means the latest date to occur of (i) the City obtaining all governmental and other consents and approvals (including the Approval Order) set forth in Section 5.1(d), and (ii) FGIC obtaining the approval of the New York State Department of Financial Services, as set forth in Section 5.2(d).

“Stipulation” means that certain Stipulation Regarding FGIC Plan COP Settlement and FGIC COP Swap Settlement, dated October [\_\_], 2014.

**1.2 Plan Definitions.** Capitalized terms used herein, but not otherwise defined, shall have the meanings ascribed to such terms in the Plan.

**1.3 Other Definitional and Interpretive Provisions.** The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Sections and Schedules are to Sections and Schedules of this Agreement unless otherwise specified. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to “law”, “laws” or to a particular statute or law shall be deemed also to include any and all applicable law.

## **Section 2 Global Resolution of COP Litigation.**

**2.1 Dismissal of COP Litigation.** As soon as practicable after the occurrence of the Settlement Effective Date, the City shall dismiss the COP Litigation, with prejudice.

**2.2 Dismissal of Counterclaims.** As soon as practicable after the occurrence of the Settlement Effective Date, FGIC shall dismiss or cause to be dismissed all Counterclaims, with prejudice. For the avoidance of doubt, the dismissal of the COP Litigation and dismissal of all Counterclaims is intended and shall be deemed to take place contemporaneously.

**2.3 Waiver & Release of Claims.** Effective as of the Settlement Effective Date:

(a) FGIC shall, without further action, release unconditionally, and be deemed to forever and unconditionally release, waive and discharge all entities (including the City, the City’s Related Entities, the State and the State Related Entities), of and from any and all claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action and liabilities of any nature whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, existing or hereafter arising, in law, equity, or otherwise, that are or may be based in whole or in part upon any act, omission, transaction, event or other occurrence taking place or existing on or prior to the Effective Date of the Plan related to the COP Litigation (the “Released Claims”), including any claims against the Retirement Systems arising in connection with the COPs, provided, however that the Released Claims shall not include (i) any claims with respect to enforcement of this Agreement, the Stipulation or the FGIC Development Agreement, (ii) any claims with respect to the New B Notes, the New C Notes or

the Class 9 Settlement Credits, (iii) any claims held by FGIC against the COP Swap Counterparties or Related Entities thereof or (iv) any claims asserted against the City in the proofs of claim filed by FGIC and the Trustee; provided that, with respect to the claims described in clause (iv), for the avoidance of doubt, the Parties intend that such claims shall be subject to the treatment, discharge and injunction provisions set forth in the Plan.

(b) The City shall provide the exculpations to FGIC, the COP Holders and the Trustee as provided under the Plan and shall have no further claims on account of the COP Litigation as set forth in Section 2.1 above.

### **Section 3 Consideration.**

**3.1 Development Agreement.** The City shall enter into the FGIC Development Agreement in the form attached hereto as Schedule 2.

**3.2 Sole Benefit.** The consideration provided herein is solely for the benefit of FGIC and the COPs Holders, and such consideration shall be administered and distributed to FGIC and the COP Holders in a manner consistent herewith.

### **Section 4 Approvals; Trustee Steps.**

**4.1 Time is of the Essence.** The Parties hereto acknowledge and agree that time is of the essence. The City and FGIC shall each use commercially reasonable efforts to obtain all governmental and other consents and approvals (including, in the case of the City, the Approval Order) set forth in Section 5.1(d) and Section 5.2(d), respectively. FGIC shall use commercially reasonable efforts to support the City's efforts to obtain the Approval Order.

**4.2 Trustee.** FGIC shall take all necessary and appropriate steps to direct the Trustee to effectuate this Agreement, including directing the Trustee to withdraw the Funding Trusts' Counterclaims.

### **Section 5 Representations and Warranties.**

**5.1 Representations and Warranties of the City.** The City represents to FGIC that:

- (a) It is a municipal corporation of the State of Michigan.
- (b) It has the power to execute and deliver this Agreement and to perform its obligations hereunder and it has taken all necessary action to authorize such execution, delivery and performance.
- (c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets.
- (d) Other than (i) approvals by (x) the City Council, (y) the Local Emergency Financial Assistance Loan Board created under the Emergency Municipal Loan Act, Michigan Compiled Laws §§ 141.931-141.942 and (z) the Treasurer of the State, (ii) any other approvals

required by Section 19 of PA 436, (iii) execution of an order by the Emergency Manager approving this Agreement and (iv) the approval of the Bankruptcy Court, all governmental and Emergency Manager consents and approvals that are required to have been obtained by it as of the date of execution of this Agreement with respect to the execution, delivery and performance of this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

**5.2 Representations and Warranties of FGIC.** FGIC represents to the City that:

(a) It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and in good standing.

(b) It has the power to execute this Agreement, to deliver this Agreement and to perform its obligations under this Agreement and it has taken all necessary action to authorize such execution, delivery and performance.

(c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets.

(d) Other than the approval or the waiver of required minimum notice of the New York State Department of Financial Services , all governmental consents and approvals that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

(e) That certain *Stipulation By and Between the City of Detroit, Michigan and the COPs Creditors Regarding Certain Facts and the Admission of Certain Exhibits for the Confirmation Trial*, dated July 13, 2014 and approved by the Bankruptcy Court on July 14, 2014, remains in effect.

**Section 6 No Admission.**

This Agreement is a proposed settlement of claims and disputes between the Parties and is the product of good faith, arm's length negotiations between the Parties hereto. If this Agreement is terminated, this Agreement will not be an admission of any kind. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement and all negotiations relating hereto will not be admissible into evidence in any proceeding. However, this Agreement will be admissible into evidence in any proceeding to obtain Bankruptcy Court approval of this Agreement or to enforce or interpret the terms of this Agreement, and, subject to any otherwise applicable rules in the Federal Rules of Evidence (other than Federal Rule of Evidence 408), this Agreement may be admitted into evidence in any proceeding arising as a result of or in connection with a Party's breach of this Agreement or in which breach of this Agreement is alleged as a relevant fact. The admissibility of all negotiations related to this Agreement shall be governed by the *Mediation Order* [Docket No. 322] entered by the Bankruptcy Court, as the same has been amended and supplemented, including with respect to that *Limited Order Modifying the Mediation Order* [Docket No. 7968]. Notwithstanding the foregoing, nothing herein shall limit the scope or effect of the Mediation Order.

**Section 7            Termination.**

Any Party may terminate this Agreement upon one Business Day’s prior written notice to the other Party if: (a) the Bankruptcy Court denies approval of (x) this Agreement, (y) the Stipulation or (z) the Plan, (b) the Bankruptcy Court approves this Agreement pursuant to an order that does not constitute an Approval Order, (c) the Approval Order is vacated, reversed or modified on appeal, (d) the Effective Date of the Plan does not occur within six (6) months of the entry of the Approval Order, (e) any approval or consent sought pursuant to Section 5.1(d) or 5.2(d) of this Agreement is denied or (f) the other Party is in material breach of any provision of this Agreement, and such breach is continuing and has not been cured within 5 Business Days after written notice thereof is provided to such Party. Absent the prior written consent of the City, this Agreement shall immediately automatically terminate if all approvals or consents sought pursuant to Section 5.2(d) of this Agreement are not obtained by November 4, 2014 at 5:00 p.m. (ET).

Notwithstanding anything herein to the contrary , in the event that this Agreement is terminated as set forth herein, then neither this Agreement, nor any document filed with the Bankruptcy Court with respect to the approval of this Agreement, will have any res judicata or collateral estoppel effect or be of any force or effect, and each of the Parties’ respective interests, rights, remedies and defenses will be restored without prejudice as if this Agreement had never been executed and the Parties will be automatically relieved of any further obligations under this Agreement. For the avoidance of doubt, in the event this Agreement is terminated, the City shall retain the right to pursue the COP Litigation and related claims and FGIC shall retain the right to make any arguments, objections, or other assertions (other than res judicata or collateral estoppel as set forth in the preceding sentence), pursue any Released Claims, Counterclaims, defenses, litigation, appeals, or disputes related to the COP Litigation or any other matter otherwise resolved by this Agreement.

**Section 8            Miscellaneous.**

**8.1 Execution of this Agreement.** This Agreement may be executed and delivered (by facsimile, PDF, or otherwise) in any number of counterparts, each of which, when executed and delivered, will be deemed an original, and all of which together will constitute the same agreement. Each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

**8.2 Binding Obligation; Successors and Assigns.** This Agreement is a legally valid and binding obligation of the Parties, enforceable in accordance with its terms, and will inure to the benefit of the Parties and their respective successors, assigns and transferees. This Agreement grants no rights to any third party, including any COP Holder or Trustee.

**8.3 Complete Agreement; Interpretation.** This Agreement, the Plan and the Stipulation constitute the complete agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, among the Parties with respect thereto. This Agreement is the product of negotiation by and among the Parties. Any Party enforcing or interpreting this Agreement will interpret it in a neutral manner. There will be no presumption concerning whether to interpret this Agreement for or against any Party by reason

of that Party having drafted this Agreement, or any portion thereof, or caused it or any portion thereof to be drafted.

**8.4 Amendment, Modification and Waiver.** This Agreement may be modified, altered, amended, or supplemented only by an agreement in writing signed by each Party. No waiver of any provision of this Agreement will be effective unless made in a writing signed by the Party making the waiver, nor will the waiver be extended to any other right, claim or remedy.

**8.5 Notices.** All notices and other communications required under this Agreement will be given in writing and delivered, if sent by telecopy, electronic mail, courier, or by registered or certified mail (return receipt requested) to the following addresses and telecopier numbers (or at such other addresses or telecopier numbers as will be specified by like notice):

If to the City:

City of Detroit, Michigan  
1200 Coleman A. Young Municipal Center  
2 Woodward Avenue  
Detroit, Michigan 48226  
Attention: CFO  
Fax:  
Email:

with copies (which shall not constitute notice) to:

City of Detroit Law Department  
First National Building, Suite 1650  
660 Woodward Avenue  
Detroit, Michigan 48226  
Attention: Corporation Counsel  
Fax:  
Email:

and

Jones Day  
222 East 41st Street  
New York, NY 10017-6702  
Attn: Corinne Ball & Benjamin Rosenblum  
Fax: (212) 755-7306  
Email: cball@JonesDay.com  
brosenblum@JonesDay.com

If to FGIC:

Financial Guaranty Insurance Company

521 Fifth Avenue  
New York, NY 10175  
Attention: General Counsel  
Fax: (212) 312-2231  
Email: GeneralCounsel@fgic.com

with copies (which shall not constitute notice) to:

Weil, Gotshal & Manges LLP  
700 Louisiana, Suite 1700  
Houston, TX 77002  
Attention: Alfredo R. Pérez  
Fax: (212) 310-8007  
Email: alfredo.perez@weil.com

Any notice given by delivery, mail, or courier will be effective when received. Any notice given by telecopier will be effective upon oral or machine confirmation of transmission. Any notice given by electronic mail will be effective upon oral or machine confirmation of receipt.

**8.6 Headings.** The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

**8.7 Governing Law and Jurisdiction.** THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN, WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICTS OF LAW THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. By its execution and delivery of this Agreement, each of the Parties hereby irrevocably and unconditionally agrees that any dispute with respect to this Agreement will be resolved by the Bankruptcy Court to the extent that the Bankruptcy Court then has jurisdiction and power to enforce the terms of this Agreement and, to the extent that the Bankruptcy Court does not then have jurisdiction, to the exclusive jurisdiction of the courts of the State of Michigan and the United States District Court for the Eastern District of Michigan. Each of the Parties irrevocably consents to service of process by mail at the addresses listed for such Party in Section 8.5 hereof. Each of the Parties agrees that its submission to jurisdiction and consent to service of process by mail is made for the sole and express benefit of the other Party.

**8.8 Waiver of Jury Trial.** TO THE EXTENT PERMITTED BY LAW, THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT.

[Signature Pages Follow]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

CITY:

City of Detroit, Michigan

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: October \_\_, 2014

FGIC:

Financial Guaranty Insurance Company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: October \_\_, 2014

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

-----X  
 :  
 In re : Chapter 9  
 :  
 CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
 :  
 Debtor. : Hon. Steven W. Rhodes  
 :  
 -----X

**STIPULATION REGARDING FGIC PLAN COP SETTLEMENT AND  
FGIC COP SWAP SETTLEMENT**

WHEREAS, the Detroit General Retirement System Service Corporation, a Michigan nonprofit corporation (“DGRS”), and the Detroit Police and Fire Retirement System Service Corporation, a Michigan nonprofit corporation (“PFRS” and, together with DGRS, each a “Service Corporation” and collectively the “Service Corporations”) created each of (i) the Detroit Retirement Systems Funding Trust 2005 (the “2005 Pension Funding Trust”) pursuant to that certain Trust Agreement, dated June 2, 2005, among the Service Corporations and U.S. Bank National Association, as trustee, and (ii) the Detroit Retirement Systems Funding Trust 2006 (the “2006 Pension Funding Trust”) pursuant to that certain Trust Agreement, dated June 12, 2006, among the Service Corporations and U.S. Bank National Association, as trustee;

WHEREAS, the 2005 Pension Funding Trust issued certain Taxable Certificates of Participation Series 2005 (the “2005 Pension Funding Securities”) and the 2006 Pension Funding Trust issued certain Taxable Certificates of Participation Series 2006 (the “2006 Pension Funding Securities” and collectively with the 2005 Pension Funding Securities, the “Certificates of Participation” or “COPs”);

WHEREAS, Financial Guaranty Insurance Company (“FGIC”) issued certain financial guaranty insurance policies guaranteeing the payment of the principal of and interest on certain of the Certificates of Participation (“FGIC COPs Policies”);

WHEREAS, in connection with the issuance of the COPs, the Service Corporations entered into certain swap transactions under certain 1992 ISDA Master Agreements (Local Currency Single Jurisdiction) (together with all ancillary and related instruments and agreements, as the same may have been subsequently amended, restated, supplemented or otherwise modified, the “COP Swap Agreements”);

WHEREAS, FGIC issued certain financial guaranty insurance policies guaranteeing the payment of certain amounts owed by the Service Corporations under the COP Swap Agreements;

WHEREAS, the City of Detroit, Michigan (the “City”) has proposed a Plan for the Adjustment of Debts, as amended (the “Plan”),<sup>1</sup> and FGIC has opposed and objected to such Plan; and

WHEREAS, the City and FGIC (collectively, the “Parties”) and their representatives have engaged in good faith, arm’s length settlement discussions regarding a consensual resolution of their disputes under or in respect of the Plan, the Certificates of Participation and the COP Swap Agreements.

NOW, THEREFORE, in consideration of the foregoing and the promises, mutual covenants, and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, by and through their respective undersigned counsel, agree and stipulate as follows:

1. The City shall (a) modify the Plan as set forth on Exhibit 1, (b) not amend the Plan in a way that would have a materially adverse effect on the class of claims (“Class 9”) associated with COPs as set forth in the Plan, without the consent of FGIC, and (c) exclude the Joe Louis Arena Parking Garage from any requests for qualifications, quotations or proposals in connection with the Parking Garages.

---

<sup>1</sup> Capitalized terms not defined herein have the meanings given to them in the Plan.

2. All votes cast by FGIC to accept or reject the Plan, including any votes cast on behalf of any COP Holder, shall be deemed to have been cast as accepting the Plan.

3. All objections by FGIC to the Plan shall be withdrawn, without prejudice to FGIC refileing such objections in the event that (i) the Plan is not confirmed, (ii) this Stipulation is not approved, or (iii) that certain Settlement Agreement, entered into as of October [\_\_\_], 2014, by and between the City and FGIC in connection with the COP Litigation (the "Settlement Agreement") is not approved or is otherwise terminated in accordance with the provisions thereof (each event described in clause (i), (ii) or (iii), a "Termination Event"). Pending approval of this Stipulation, FGIC shall take no action in furtherance of any objection, joinder, reservation of rights, or opposition to the Plan. For the avoidance of doubt, while approval for this Stipulation is pending, FGIC shall refrain from calling or examining any witnesses, introducing other evidence or advancing legal argument in connection with the confirmation trial on the Plan.

4. FGIC, on behalf of itself and the COP Holders, shall opt into the Plan COP Settlement with respect to the COPs originally insured by FGIC (the "FGIC-Insured COPs"), without impairing the COP Holders' insurance claims against FGIC.

5. The consideration provided under this Stipulation and the Plan COP Settlement is solely for the benefit of FGIC and the COP Holders, and such consideration shall be administered and distributed in a manner consistent with the Plan.

6. Subject to FGIC having obtained the consents of any and all reinsurers providing reinsurance with respect to all or a portion of the FGIC COPs Policies, FGIC may, in its sole discretion, require the insertion of the following provision in the proposed Confirmation Order:

FGIC (irrespective of the terms of the FGIC COPs Policies, including, without limitation the definition of Due for Payment) may treat all of the outstanding principal owing on all series of the FGIC-Insured COPs as having been accelerated and currently “Due for Payment” (as such term is defined in the applicable FGIC COPs Policy for purposes of such policy) as of the Effective Date, in which case, with respect to each FGIC COPs Policy there shall be deemed a Permitted Policy Claim (as defined in the First Amended Plan of Rehabilitation for Financial Guaranty Insurance Company, dated June 4, 2013) in the amount of (i) the outstanding principal amount of the FGIC-Insured COPs in each CUSIP, as of the Effective Date, insured by such policy and (ii) interest accrued and unpaid on such principal amount of such FGIC-Insured COPs through the Effective Date, in which case no interest shall accrue on or after the Effective Date.

7. In full satisfaction and discharge of FGIC’s swap insurance and related claims against the City, FGIC shall receive: (a) an Allowed Class 14 claim

in the amount of \$6.11 million, and (b) the Downtown Development Authority shall assign to FGIC all of the Downtown Development Authority's right, title and interest to its distribution of New B Notes under the plan on account of its \$33.6 million Class 13 claim. For the avoidance of doubt, this consideration is solely for FGIC's benefit.

8. This Stipulation shall automatically terminate upon the occurrence of a Termination Event.

9. This Stipulation, including Exhibit 1 hereto, and the Settlement Agreement contain the entire understanding of the Parties hereto concerning the subject matter hereof and supersedes all prior understandings and agreements, whether written or oral, between the Parties hereto on such subject matter. The Parties acknowledge that they are not relying on any promises or representations not contained in this Stipulation.

10. This Stipulation may be executed in counterparts by facsimile, email, or other similar electronic transmission, each of which shall be deemed an original and all of which when taken together shall constitute one document.

Dated: October [\_\_\_], 2014

**EXHIBIT I.A.198**

FORM OF FGIC DEVELOPMENT AGREEMENT

**DEVELOPMENT AGREEMENT**  
**OPTION TO ACQUIRE AND DEVELOP LAND**  
**BY AND AMONG**  
**CITY OF DETROIT,**  
**THE STATE OF MICHIGAN**  
**AND**  
**FINANCIAL GUARANTY INSURANCE COMPANY**

**THIS AGREEMENT** (referred to herein as this “Agreement”) is entered into as of the \_\_\_\_ day of October, 2014 (the “Effective Date”), by and between the City of Detroit, a Michigan public body corporate (the “City”), acting through its Planning & Development Department (“PDD”), whose address is 2300 Cadillac Tower, Detroit, Michigan 48226, the State of Michigan (the “State”), whose address is P.O. Box 30013, Lansing, Michigan 48909, and Financial Guaranty Insurance Company, a New York stock insurance company (“Developer”), whose address is 521 Fifth Avenue – 15th Floor, New York, New York 10175. The City and Developer are sometimes referred to in this Agreement as a “Party” and, collectively, as the “Parties.”

**Recitals:**

A. In consideration of the Parties’ various contractual arrangements and settlements entered into contemporaneously herewith between the City and Developer, and the mutual desire of the Parties to promote economic growth in the City (the “Arrangement”), the City has agreed to grant an option to Developer to acquire that certain real property upon which is presently situated the improvements commonly referred to as the Joe Louis Arena, inclusive of 5.3 acres of real property located at 19 Steve Yzerman Drive, Detroit, Michigan, and the Joe Louis Arena Garage, inclusive of 3.3 acres of real property located at 900 W. Jefferson Avenue, Detroit, Michigan (collectively, the “Property”). As used herein, the term “Property” shall be deemed to

include: (i) the land described on Exhibit \_\_\_<sup>1</sup> together with all air, mineral, subsurface and riparian rights appertaining thereto, if any; (ii) the City's interest, if any, in those certain above ground pedestrian walkways and all necessary related easements located on the Property or appurtenant thereto, whether now existing or hereafter granted prior to the Closing (as hereinafter defined), allowing access from the property to COBO Center (the "COBO Interests"); (iii) the City's interest, if any, in any land lying in the bed of any street, road, alley, right-of-way or avenue, at the foot of, adjoining or dividing the Property, only to the extent such street, road, alley, right-of-way or avenue is not open for the general benefit of the public; (iv) the City's interest, if any, in the use and benefit of all easements appurtenant to the Property whether or not of record; (v) the City's interest in and development rights under all authorizations, permits and approvals with respect to the use and development of the Property; and (vi) such other rights, interests and properties as may be specified in this Agreement to be sold, transferred, assigned or conveyed by the City to Developer.

B. The State has agreed to grant to the Developer or assist the Developer in obtaining certain economic development incentives for purposes of developing the Property upon the terms and conditions set forth herein.

C. If Developer exercises its option with respect to the Property as set forth herein, Developer shall develop such Property in accordance with the terms and provisions of this Agreement.

Accordingly, the Parties agree as follows:

## **Section 1. DEVELOPMENT AND OPTION**

### **(A) Development Proposal.**

(1) On or before a date which is thirty-six (36) months following full and complete execution of this Agreement (as the same may be extended in accordance with the terms hereof, the "Development Proposal Deadline"), the Developer shall (i) identify a developer partner that shall serve as development manager for the Development, or a development manager to be hired on a fee for service basis by Developer to manage construction of the Development (as hereinafter defined), either of which shall have significant experience in the development of large, complex mixed-use urban projects, and (ii) prepare a comprehensive development plan for the Development, and shall submit such information along with such plan (in form and substance reasonably acceptable to the City) to the City for its review and approval in the manner set forth in this Section 1(A) (the "Development Proposal"), which approval shall not be unreasonably withheld, conditioned or delayed, including, without limitation, any condition in such approval that would interfere with the eligibility of the Development for TIF Incentives (as defined in Section 5(I)(a) below) as contemplated hereby. For purposes of this Agreement, "Development" shall mean that certain mixed use project consisting of (i) a first-class hotel and related facilities including not less than 300 hotel

---

<sup>1</sup> The Parties should agree upon a legal description for the Property and associated easements upon receipt of Title and Survey.

rooms, and (ii) such other office, retail, commercial, recreational, residential and/or condominium units as shall be determined by the Developer (industrial, adult entertainment and other noxious uses excepted) given prevailing market conditions, with a height above ground not to exceed 30 floors, to be constructed upon the Property by the Developer, together with all onsite improvements, site preparation, onsite infrastructure (including, without limitation, sanitary sewer, water, storm sewer, sidewalks, street lighting, driveways, storm water detention or retention facilities), related parking facilities and landscaping, necessary or appurtenant thereto; in all instances as approved by the City in accordance herewith, which approval shall not be unreasonably withheld, conditioned or delayed to the extent consistent with the City's urban planning policies and the City's comprehensive development plan as existing on the date any applicable Required Approvals (as defined below) are obtained by the Developer. For purposes of this Agreement, and without limiting the Developer's ability to identify and receive approval of a different development partner, the Detroit Regional Convention Facility Authority is deemed by the City an approved development partner. The Development Proposal shall include an application for the brownfield plan necessary for the application for TIF Incentives, and it shall also identify which components of the Development Proposal are eligible for the TIF Incentives, disbursement of which shall be governed by the Economic Incentive Agreements (as defined in Section 5(I)(a) below), and the City shall use its commercially reasonable efforts to cause the State or applicable State related entity to grant any approvals necessary for those TIF Incentives no later than one hundred twenty (120) days after the date of approval of the Development Proposal, subject to the terms hereof. The Development Proposal shall include the terms of the Guaranty (as defined in Section 5(B) below), including the identity of any guarantor thereunder, and also include the terms of any proposed equity investment and financing for the Development; provided, however, (i) the Development Proposal does not need to disclose any additional equity partners, provided that the Developer will not partner with any third party that is prohibited from doing business with the City, (ii) the Development proposal does not need to disclose the holder(s) of the COPs or holders of the beneficial interests in the COPs, and (iii) the Development Proposal does not need to identify a development partner if the rights under the Agreement have been transferred to a developer prior to the date of the Development Proposal Deadline, which transferee has previously been approved by the City, which approval shall not be unreasonably withheld, conditioned or delayed.

(2) The City shall review any Development Proposal submitted to the City by the Developer and within ninety (90) days of receipt by the City of such Development Proposal (the "Development Proposal Review Period") the City shall either (i) approve the Development Proposal or (ii) provide the Developer with the specific reasons why the Development Proposal is not acceptable, which may include unacceptability of the proposed development partner (if required). If the City does not approve the Development Proposal, the Developer may provide a revised Development Proposal(s) to the City for its approval pursuant to the process herein, which shall continue until the earlier of (i) the date on which a Development Proposal is approved, and (ii) the Development Proposal Deadline which shall be automatically extended by the aggregate of all Development Proposal Review Periods. The City and, to the extent applicable related to the TIF Incentives, the State, shall reasonably cooperate with the Developer in

preparation of the Development Proposal, at no incremental cost to the City or, as applicable, the State. The Development Proposal, as approved by the City pursuant to this Section 1(A) shall be hereinafter referred to as the “Approved Development Proposal.”

(3) Upon request of the Developer, the City may approve an extension of the Development Proposal Deadline by up to twenty-four (24) additional months, which approval shall not be unreasonably withheld, delayed or conditioned. The City agrees that it would be unreasonable to withhold its approval of such extension if (i) the Developer requested the extension because development in the immediate vicinity of the Property has materially decreased or the general economic condition of the City has deteriorated to such a level that it would not be economically feasible for the Developer to pursue development of the Property or (ii) it is reasonable given the complexity of the development contemplated by the Developer for the Property.

(B) Option and Diligence Procedure.

(1) The Developer shall have until a date which is one hundred eighty (180) days prior to the Development Proposal Deadline (as may be extended) to give the City written notice of its intent to conduct the Diligence Activities (as hereinafter defined) on the Property (the “Diligence Notice”). Following receipt of the Diligence Notice, the City shall use its commercially reasonable efforts during the Diligence Period (as defined below) to provide the Developer and its contractors, consultants and their respective agents with such access to the Property as may be reasonably requested by the Developer from time to time, subject to any access limitation of that certain Sublease of Riverfront Arena between the City, Olympia Entertainment, Inc. and the Detroit Red Wings, Inc., dated June 15, 2014, and the related Parking Agreement (as may be amended, restated or modified, the “JLA Lease”). For purposes of this Agreement, “Diligence Activities” include but are not limited to the following:

(a) such physical inspections, surveys, soil borings and bearing tests and possible relocation of utilities, all as Developer deems necessary in its sole discretion, all of which shall be completed at Developer’s expense;

(b) subject to the terms and provisions of Section 2 below, including giving of such Investigation Notices and obtaining City approval as may be required thereunder, investigations, environmental studies, environmental site assessments (including Phase I and Phase II site assessments, and/or sampling and invasive testing of soil, groundwater, surface water, soil vapors, indoor air, and building materials (such as Asbestos and lead-based paint)), and such other investigations and assessments as Developer may deem necessary in its sole discretion to determine the condition of the Property and the Property’s compliance with Environmental Laws (as defined below) and any other federal, state and local laws, rules, regulations and orders relating in any way to protection of human health, the environment and natural resources, all of which shall be completed at Developer’s expense; and

(c) a review of available public and private utilities and public accesses necessary for the proposed development of the Property.

(2) Title and Survey. The City shall deliver to Developer a title commitment and ALTA survey for the Property (the "Title Commitment and Survey") promptly following execution of this Agreement. Within twenty (20) business days after the Developer's receipt of the Title Commitment and Survey (in form reasonably acceptable to the Developer) and copies of each of the title exceptions referenced in the Title Commitment and Survey, the Developer shall examine the Title Commitment and Survey and shall make any objections to any items therein that would cause title to the Property not to be good and marketable, free and clear of any items that, in Developer's reasonable discretion, would unreasonably interfere with the construction, use or operation of the Development for its intended purposes or impair the value of the Development to such an extent as to make such Development not commercially feasible (any of the foregoing a "Title Defect") by written notice to the City (the "Title Objection Notice"). For avoidance of doubt, the City shall not be obligated to cure, remove or bond over any objection to the Title Commitment and Survey that fails to qualify as a Title Defect hereunder. The Title Objection Notice shall state with specificity the reasons for Developer's objection(s) and the curative steps requested by the Developer which would remove the basis for the Developer's objection(s). The City shall cure, remove or bond over any Title Defects prior to the Closing Date. If the Developer orders an update to the Title Commitment and Survey prior to Closing (as defined in Section 3(A) below), and such update shows any additional Title Defect not caused by the Developer or its agents, consultants or contractors, the City shall cause each such Title Defect to be cured, removed or bonded over prior to Closing.

(3) City Information. To the extent within the possession of the City and the City Parties (as defined below), as reasonably determined by the City's corporation counsel upon due inquiry, the City shall, promptly upon the written request of the Developer, provide, and shall cause all City Parties to provide, to the Developer (i) copies of all environmental studies, asbestos reports or other environmental reports on the Property, and all material documents, records or non-privileged communications related to the presence, use or release of Hazardous Materials at the Property subject to a pending claim or matter or present at concentrations exceeding those allowed by law, (ii) copies of all title reports and the underlying documents referenced therein, (iii) copies of all surveys of the Property, (iv) copies of any other records, documents, instruments, agreements or files with respect to the use or ownership of the Property, to the extent materially relevant after Closing, (v) to the extent not included in the above, copies of the correspondence to or from the City or any City Parties related to the use or ownership of the Property, to the extent materially relevant after Closing and (vi) such other documentation as is reasonably requested by Developer with respect to the Property. For purposes of this Agreement, "City Parties" shall mean any department, subdivision or agency of the City and/or any governmental authority within the direct or indirect control or supervision of the City.

(4) Insurance. Prior to entering onto the Property for any Diligence Activities, Developer or its contractors shall maintain the insurance coverage and comply

with the insurance requirements specified in the City's Right-of-Entry, a form of which is attached as **Exhibit A** (the "Right-of-Entry").

(5) Indemnity. Developer shall defend, indemnify and hold harmless the City from and against any loss, liability, cost or expense incurred by the City to the extent resulting from Developer's (including its duly authorized employees, agents, engineers or other representatives) negligence or willful acts occurring in connection with the Diligence Activities; provided, however, that the Developer shall not be responsible for any loss, liability, cost, or expense resulting from the City's (or any City Parties') negligence or misconduct.

(6) The Developer shall notify the City in writing, no less than one hundred twenty (120) days following the Diligence Notice (the "Diligence Period"), that either (i) the Developer intends to proceed to Closing on the Property (the "Notice of Option Exercise"), or (ii) the condition of the Property is such that, in Developer's reasonable judgment, the condition adversely affects Developer's ability to timely complete the Development or adversely affects the use, value or marketability of the Property (the "Objection Notice"), which Objection Notice shall state with reasonable specificity the particular diligence matter(s) unacceptable to the Developer, including any Title Defects ("Objections"). The City, in its sole discretion, shall have the option (but not the obligation) to cure, remove or bond over such Objections within sixty (60) days following receipt of the Objection Notice (the "Cure Period"), provided, that the City must cure, remove or bond over such Objections that (a) are encumbrances for the benefit of the City, the City Parties, their lenders or vendors, (b) are Title Defects, or (c) may reasonably be deemed to directly cause a delay in the Developer's ability to complete the Development in accordance with the terms and conditions of this Agreement more than two (2) years after the Completion Deadline; provided, however, in the event any such Objection may reasonably be deemed to directly cause a delay in the Developer's ability complete the Development in accordance with the terms and conditions of this Agreement of two (2) years or less after the Completion Deadline (a "Minor Delay Defect"), then the City shall not be obligated to cure, remove or bond over such Minor Delay Defect; however, the number of days of delay reasonably determined to be caused by such Minor Delay Defect shall be deemed Force Majeure Delay (as hereinafter defined) for the equivalent number of days. Without limiting the generality of the foregoing, the City shall be obligated to cause to be cured, removed or bonded over prior to expiration of the Cure Period: (i) mechanics' liens; (ii) judgment liens against the City or any City Parties; (iii) mortgages, similar loan documents and voluntary liens with respect to indebtedness of the City or any City Party; (iv) delinquent taxes, charges, impositions or assessments; (v) fines issued by any governmental or quasi-governmental authority or other liens encumbering the Property or any portion thereof which are in liquidated amount; and (vi) any other monetary liens against the property. To the extent the Developer desires to proceed to Closing on the Property following delivery of an Objection Notice, the Developer must deliver to the City a Notice of Option Exercise prior to fifteen (15) days following expiration of the Cure Period. Failure of the Developer to timely deliver a Notice of Option Exercise as provided for herein shall result in automatic termination of the Developer's rights under this Agreement and the

Developer shall thereafter have no further interest in the Property. Following delivery by the Developer of a Notice of Option Exercise, the City shall be bound to convey the Property, upon the terms and conditions set forth herein, and the City and the Developer shall proceed to closing on the Property on a mutually agreed upon date which is the later of (i) two (2) years following approval by the City of the Development Proposal, and (ii) six (6) months following completion of Demolition (as defined in Section 5(H)(b) below) by the City (the “Closing Date”).

(7) As Is Condition of Property; City Cooperation. The City makes no implied or express representations or warranties of any kind as to any condition that may adversely affect the development, or its fitness for absolutely any purpose whatsoever, other than with respect to the Sufficient Environmental Remediation (as defined in Section 5(H)(b) below). Upon delivery to the City of the Notice of Option Exercise, Developer will be deemed to have acknowledged that it is satisfied with the condition of the applicable Property, subject to the completion of the Sufficient Environmental Remediation, and shall be deemed to have waived any right to object to the status of title or to the condition of the Property, regardless of the result of any Diligence Activities, except as expressly provided for in this Agreement.

(8) Release of City from Liability. Upon Closing and subject to the City’s obligation hereunder to perform Sufficient Environmental Remediation, Developer shall release the City and its officials, employees, and agents (but not any third party) from any and all claims or causes of action the Developer may have against the City for any liability, injury or loss as a result of any physical defects in or physical conditions of the Property, including but not limited to any surface, subsurface, latent or patent conditions whether naturally occurring or by action of any party.

(C) Brokerage and Finder’s Fees and Commission. Developer will defend and indemnify the City and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind that the City or Developer may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents claiming by, through or under Developer incident to this Agreement and the transaction contemplated hereby or any litigation or similar proceeding arising therefrom unless the City has a written agreement with a broker, finder or agent providing for such payment in which case the City shall be responsible for such broker, finder or agents’ commissions, fees, judgments or expenses. To the maximum extent permitted by applicable law, the City will defend and indemnify the Developer and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind that the City or Developer may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents claiming by, through or under the City incident to this Agreement and the transaction contemplated hereby or any litigation or similar proceeding arising therefrom unless the Developer has a written agreement with a broker, finder or agent providing for such payment in which case the Developer shall be responsible for such broker, finder or agents’ commissions, fees, judgments or expenses. Developer represents and warrants to the City that it has not engaged or otherwise dealt with any brokers entitled to any commissions, fees, judgments, or expenses in connection with this Agreement.

(D) Taxes And Assessments. All taxes and assessments which (i) have become a lien

upon the Property or part thereof prior to the date of Closing, and (ii) have been discovered and specifically identified by Developer prior to the Closing, shall be paid by the City on or prior to the Closing Date; provided, further that all current property taxes shall be paid by the City through the date of Closing. From and after Closing, and subject to any abatement or other tax limitation described in this Agreement, Developer shall be solely responsible for all taxes, liens, and assessments that become due and payable for the period after the Closing against the Property it acquires hereunder or any part thereof, whenever assessed, levied, or due.

## Section 2. ENVIRONMENTAL MATTERS

(A) Definitions. The following words and expressions shall, wherever they appear in this Agreement, be construed as follows:

(1) “Asbestos” shall have the meanings provided under the Environmental Laws and shall include, but not be limited to, asbestos fibers, friable asbestos or asbestos-containing materials or presumed asbestos-containing materials, as such terms are defined under the Environmental Laws.

(2) “Environmental Claims” shall mean all claims, demands, suits, proceedings, actions, whether pending or threatened, contingent or non-contingent, known or unknown, including but not limited to investigations and notices by any governmental authority or other person, brought under common law and/or under any of the Environmental Laws which can or do relate to the Property or the operations conducted thereon.

(3) “Environmental Laws” shall mean all applicable federal, state, and local laws, rules, regulations, orders, judicial determinations and decisions or determinations by any judicial, legislative or executive body of any governmental or quasi-governmental entity, or any other legally binding requirement, whether in the past, present or future, with respect to or otherwise related to the environment, natural resources, pollution or contamination and human health and safety, including, but not limited to:

(a) the installation, existence, or removal of, or exposure to, Asbestos at, on or in the Property;

(b) the existence on, discharge from, release of, exposure to, or removal from the Property of Hazardous Materials; and

(c) the effects on the environment of the Property or any activity conducted now, or previously or hereafter conducted, on the Property.

Without limiting the foregoing, Environmental Laws shall include, but not be limited to, the following: (i) the Michigan Natural Resources and Environmental Protection Act, 1994 Public Act 451, as amended (“NREPA”); the Comprehensive Environmental Response, Compensation, and Liability Act, 42 USC Sections 9601, et seq. (“CERCLA”); the Superfund Amendments and

Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Resource Conservation and Recovery Act, 42 USC Sections 6901, et seq.; the National Environmental Policy Act, 42 USC Section 4321; the Toxic Substances Control Act, 15 USC Section 2601; the Hazardous Materials Transportation Act, 49 USC Section 1801; the Clean Air Act, 42 USC Sections 7401, et seq.; the Occupational Safety and Health Act, 29 USC Sections 651, et seq., as each have been amended and the regulations promulgated in connection therewith; (ii) Environmental Protection Agency regulations pertaining to Asbestos (including 40 CFR Part 61, Subpart M); Occupational Safety and Health Administration Regulations pertaining to Asbestos (including CFR Sections 1901.1001 and 1926.58) as each may now or hereafter be amended; and (iii) any Michigan state and local laws and regulations pertaining to any Hazardous Materials.

(4) “Hazardous Materials” shall include any material, substance or waste classified, regulated, or otherwise characterized as “hazardous,” “toxic,” “radioactive,” a “pollutant,” “contaminant,” or words of similar meaning or is otherwise regulated by Environmental Laws, including, without limitation, polychlorinated biphenyls (PCBs), paint containing lead and urea formaldehyde foam insulation, and sewage.

(B) The City and Developer acknowledge and agree that some of the parcels to be transferred may be “facilities” pursuant to Part 201 of NREPA, whether or not as yet discovered to be such and that the obligations to perform Sufficient Environmental Remediation is the City’s obligation and shall be done at its cost and expense.

(C) The City shall authorize the Developer, through a fully executed Right-of-Entry (in the form attached), to enter upon the Property during the Diligence Period to, subject to the reasonable conditions set forth herein, make soil boring and bearing tests, undertake such surveying and environmental due diligence activities as Developer deems appropriate, including without limitation sampling and testing of soil, soil vapor, surface water, groundwater, indoor air, and the installation of groundwater wells, provided such do not materially and unreasonably interfere with demolition or site improvement activities of the City or the rightful use of the Property by a tenant in possession or other third party, if any, provided the City shall use its commercially reasonable efforts to facilitate such access to tenant spaces. All such testing and remediation shall be done at Developer’s expense; provided, if sampling occurs, the City shall have the right, at its cost and expense, to obtain split samples of any environmental media to the extent reasonably practicable. During the Diligence Period, Developer shall comply with the terms and provisions of the Right-of-Entry. Developer’s right to enter upon the applicable Property is subject to execution of such Right-of-Entry and subject to the prior written authorization by the tenant under the JLA Lease, which the City shall use commercially reasonable efforts to procure promptly upon receipt of the Diligence Notice from the Developer. Upon request from the City, Developer shall promptly provide the City with a copy of each final survey or environmental testing report generated as a result of such activities. Developer shall give prior written notice to the City of Developer’s plan to inspect and/or investigate the environmental condition of the Property during the Diligence Period (each such notice referred to herein as an “Investigation Notice”). The Investigation Notice shall identify any agents or

contractors that the Developer intends to use in conducting the activities covered by the Investigation Notice and the general scope of such activities; provided, the scope of any such investigations, site assessments or testing activities shall be subject to the City's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed; provided, further, Developer shall have sole discretion to determine what analysis any samples will be subjected to. Developer shall use all commercially reasonable efforts to minimize damage to the Property in connection with such entry and shall restore the Property to the condition existing prior to such entry. Developer shall indemnify, defend and hold the City harmless from and against any and all out-of-pocket loss, cost, liability and expense, including reasonable attorney fees and litigation costs, suffered or incurred by the City as a result of the Developer's (including any of its duly authorized employees, agents, engineers or other representatives) negligent acts or omissions or willful misconduct occurring in connection with the activities conducted in accordance with the Right-of-Entry.

(D) In the event Developer elects to proceed to take title to the Property, upon the Closing and subject to the Sufficient Environmental Remediation, Developer takes such Property as it finds it, "AS IS", and the City makes no express or implied representations or warranties as to its fitness for absolutely any purpose whatsoever, including but not limited to any warranty that the Property is fit for the Developer's purpose or regarding the presence or absence of Hazardous Materials at, on, in, under, at, or from the Property and compliance with the Property with Environmental Laws, other than with respect to Sufficient Environmental Remediation. Except with respect to Sufficient Environmental Remediation, Developer acknowledges that neither the City nor any agent or employee of the City has made any representation, warranty or agreement, either express or implied, and Developer has not relied on any representation, warranty or agreement of any kind made by the City or any agent or employee of the City, concerning (a) the physical or environmental condition of the Property, or (b) the presence or absence of any condition, substance or material, including but not limited to any waste material, equipment or device at, on, in, under, about, or from the Property. Developer agrees that the disclosures of the City concerning the Property and its condition are intended to satisfy any duties the City may have under the law, including but not limited to the statutes, Environmental Laws, and common law. By executing this Agreement, Developer acknowledges that it is entitled to receive from the City Sufficient Environmental Remediation and is entitled to conduct its Diligence Activities, including but not limited to inspection of the Property, review of title, and the results of the tests, investigations and surveys permitted under this Agreement. If, prior to Closing, Developer fails to undertake such investigations and/or obtain such test results and surveys, or fails to object to the condition of the Property based on the results of its Diligence Activities, and Developer thereafter elects to proceed to Closing, Developer shall thereupon be deemed to have waived any right to object to the condition of the Property and shall be deemed to have declared its full satisfaction therewith, subject to Sufficient Environmental Remediation.

(E) Upon Closing, Developer, for itself and its successors and assigns, expressly waives and releases all Environmental Claims (whether for personal injury, property damage or otherwise) that Developer may have against the City and its officials, employees and agents in connection with or related to such Property or any aspect thereof, except with respect to Sufficient Environmental Remediation.

(F) After the Closing, the City shall have no obligation or liability to Developer whatsoever to undertake any cleanup or other remedial action that may be required in connection with the Property under any Environmental Law, or to comply with any other federal, state or local requirement to attend to the physical condition of the Property, subject to the City's obligations hereunder related to Sufficient Environmental Remediation.

(G) At its sole cost and expense, with respect to the Property for the period commencing on the Closing and ending on Commencement of Construction (as defined in Section 5(C) below), Developer shall: (a) comply with all Environmental Laws; (b) pay when due the cost of Developer's compliance with the Environmental Laws resulting out of environmental conditions caused or permitted by Developer during its period of ownership, use, possession or development of the Property; and (c) keep the Property free of any lien imposed pursuant to the Environmental Laws resulting out of Developer's ownership, use, possession, or development of the Property.

(H) Notwithstanding anything to the contrary which may be contained in this Agreement, Developer represents and warrants and covenants to the City for the period after Developer's commencement of ownership, use, possession or development of the Property through and including Commencement of Construction, as follows:

(a) Developer shall not use or allow the use of the Property for the purpose of storing any Hazardous Materials Developer brings into the Property, nor shall Developer use the Property in a manner which will cause or increase the likelihood of causing the release of such Hazardous Materials onto or from the Property, in each case other than those Hazardous Materials which are necessary and commercially reasonable for the conduct of Developer's development activities or the business operated on the Property and which Hazardous Materials shall be handled and disposed of in compliance with all Environmental Laws and industry standards and in a commercially reasonable manner.

(b) Developer shall promptly notify the City of any claims or litigation against the Developer by any person (including any governmental authority), concerning the presence or possible presence of Hazardous Materials contamination at the Property or concerning any violation or alleged violation of the Environmental Laws by the Developer respecting the Property, and shall furnish the City with a copy of any such communication received by Developer.

(c) Developer shall notify the City promptly and in reasonable detail in the event that Developer becomes aware of or suspects the presence of Hazardous Materials at levels exceeding those allowed by the Environmental Laws or contamination or a material violation of the Environmental Laws at the Property.

(d) If Developer's operations at the Property violate the Environmental Laws so as to subject Developer or the City to a formal notice of violation by a governmental agency alleging a violation of the Environmental Laws, Developer shall promptly notify the City of the Developer's receipt of such formal notice of

violation and shall promptly investigate the underlying circumstances and notify the City within five (5) days after the completion of its investigation of the results of its investigation. If Developer determines that an ongoing material violation by Developer is occurring or did occur, Developer shall, to the extent required by Environmental Laws, cease or cause a cessation of or take other actions to address those aspects of the use or operations causing the violation and shall remedy and cure in compliance with the Environmental Laws any conditions arising therefrom to the extent required by Environmental Laws at its own cost and expense. If Developer disputes that its activities are violating Environmental Laws, it shall expeditiously appeal and prosecute an appeal of the notice of violation or take other commercially reasonable actions to dispute such notice.

### **Section 3. CLOSING**

(A) On the Closing Date, the City shall, subject to Developer's satisfaction of the conditions precedent set forth in Section 3(B) below, convey the Property to the Developer (the "Closing") by quit-claim deed substantially in the form of the deed set forth in **Exhibit B** (the "Deed") using legal descriptions approved by Developer and the City. The Parties agree and acknowledge that the sole and exclusive consideration for conveyance of the Property hereunder is deemed to be the Arrangement, the sufficiency of which is hereby acknowledged.

(B) Conditions to Closing. The City's obligation to proceed with a Closing is conditioned on the fulfillment by Developer of each of the following conditions precedent:

a. Resolution of Developer's Authority. Developer shall furnish to the City a certified copy of a resolution in form and substance reasonably acceptable to the City and the title company insuring title to the Property, duly authorizing the execution, delivery and performance of this Agreement and all other documents and actions contemplated hereunder.

b. Payment of Closing Costs. Developer shall have tendered payment of the closing costs payable by Developer, which shall include all title charges, escrow, closing and recording fees associated with any conveyance hereunder except those costs expressly allocated to the City hereunder. The City shall pay all closing costs in connection with transfer of the Property at Closing to the extent such costs are expressly allocated to sellers of real property in Detroit, Michigan pursuant to applicable law. Each Party shall bear the cost of its own legal fees and expenses in connection with this Agreement.

(C) Delivery of Deeds and Possession. The City will deliver to Developer at Closing the Deed with respect to the Property and possession thereof.

(D) Recording. Provided that Developer has complied with all conditions precedent as specified in Section 3(B) above, the Deed shall be delivered at the Closing for prompt recordation with the Register of Deeds of Wayne County, Michigan. Developer shall pay at Closing all costs for recording the Deed. Possession of the Property shall be delivered to Developer at the Closing.

### **Section 4: NOTICES**

All notices, demands, requests, consents, approvals or other communications (any of the foregoing, a "Notice") required, permitted, or desired to be given hereunder to any Party shall be in writing and either (a) hand delivered, (b) sent by registered or certified mail, postage prepaid, return receipt requested, (c) sent by facsimile transmission (with confirmation), or (d) sent by reputable overnight prepaid courier, addressed to the Party to be so notified at its address set forth below, or to such other address as such Party may hereafter specify in accordance with the provisions of this Section. Any Notice shall be deemed to have been effectively given and received: (i) in the case of hand delivery, at the time of delivery if delivered prior to 5:00 P.M. New York time on a Business Day (or if delivered after 5:00 P.M. or on a day other than a Business Day, then the next succeeding Business Day); (ii) in the case of registered or certified mail, three (3) Business Days from transmittal; (iii) in the case of reputable overnight prepaid courier, one (1) Business Day subsequent to transmittal; or (iv) in the case of facsimile transmission, upon confirmation that receipt of such transmission was received, provided receipt of such transmission is confirmed prior to 5:00 P.M. New York time on the Business Day on which such confirmation is received (or if confirmed after 5:00 P.M. or on a day other than a Business Day, then the succeeding next Business Day), in each case addressed to the respective Party as follows:

If to Developer: Financial Guaranty Insurance Company  
521 Fifth Avenue – 15th Floor  
New York, New York 10175  
Attention: General Counsel  
Fax: 212-312-3221

If to the City: Director  
Planning & Development Department  
65 Cadillac Square, Suite 2300  
Detroit, Michigan 48226  
Fax: \_\_\_\_\_

With a copy to (which copy shall not constitute notice):

Corporation Counsel  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
Fax: \_\_\_\_\_

If to the State: State of Michigan  
P.O. Box 30013  
Lansing, Michigan 48909  
Attention: \_\_\_\_\_  
Fax: \_\_\_\_\_

Any Party may notify any other Party of any changes to the address or any of the other details for Notice to such Party specified above; provided, however, that no such change shall be effective

earlier than the date such Notice is received or deemed to have been received in accordance with this Section.

## Section 5: COVENANTS

(A) Developer covenants for itself and its successors and assigns and every successor in interest to the Property, that from and after Closing on the Property, Developer and its successors and assigns shall develop such Property only to and in accordance with the Approved Development Proposal and otherwise pursuant to the terms and conditions of this Agreement, unless otherwise agreed in writing by the City. Subject to Force Majeure Delays (as defined below), within twelve (12) months following the Closing Date (the “Commencement Deadline”), the Developer shall achieve Commencement of Construction with respect to such Property. Following Commencement of Construction, the Developer shall diligently prosecute the Development on the Property to substantial completion in material conformance with the Approved Development Proposal (which shall mean substantial completion of the Development and all improvements related thereto, exclusive of landscaping, punch list items and any tenant work for commercial or other space for which there are no tenants or for which the work is to be done by a tenant and any onsite or offsite work that is not commercially necessary for occupancy in material conformance with the Approved Development Proposal) (the date upon which such substantial completion occurs referred to herein as the “Completion Date”). Subject to Force Majeure Delays, the Completion Date shall occur within thirty-six (36) months following the Closing Date (the “Completion Deadline”). For purposes of this Agreement, “Force Majeure Delays” shall mean an event, casualty, occurrence, condition, or circumstance of any kind or nature reasonably beyond the control of the applicable party hereto which renders such party unable to perform any of its obligations contemplated hereunder, in full or in part, including, without limitation, (i) acts of declared or undeclared war by a foreign enemy; (ii) civil commotion, insurrection or riots; (iii) fire or casualty or condemnation; (iv) floods, hurricanes or other materially adverse weather conditions; (v) earthquakes; (vi) acts of God; (vii) governmental preemption in the case of emergency; (viii) unavailability of materials to the extent not within the reasonable control of the applicable party (other than shortage of funds); (ix) strikes, lockouts or other labor trouble; (x) inability to secure labor or access to the Property including, without limitation, holdover of the tenant under the JLA Lease (as defined below) beyond any stated expiration date (inclusive of all renewal options thereunder); (xi) acts of terrorism; (xii) the suspension of government operations; (xiii) any act, omission, rule, order or regulation of any governmental authority or any department or subdivision thereof (other than, with respect to the City, the City, any department, subdivision or agency of the City or any governmental authority within the direct or indirect control or supervision of the City and other than, with respect to the Developer, the failure of the Developer to secure the Required Approvals if the Developer does not apply for and diligently prosecute the applications for such Required Approvals); (ix) the presence of hazardous materials on the Property and any related remedial action; and (x) any other cause, event or circumstance not within the reasonable control of the applicable party (other than shortage of funds).

(B) The Commencement Deadline and Completion Deadline shall be extended for a period of time equal to the number of days during which Developer is prevented from proceeding with the construction of the development at the Property by reason of Force Majeure

Delays, provided that (i) Developer is otherwise in compliance with the terms and provisions of this Agreement, and (ii) Developer notifies the City of the events constituting such Force Majeure Delays no later than sixty (60) days after Developer has actual knowledge of their occurrence. At Closing, Developer shall cause the City to be provided with a commercially reasonable completion guarantee, or other assurance of completion (which other assurance of completion shall be reasonably acceptable to the City), given by an entity reasonably acceptable to the City, which guarantees for the benefit of the City substantial completion of the Development on or before the Completion Deadline (the “Guaranty”).

(C) For purposes of this Agreement, “Commencement of Construction” on the Property shall be deemed to have occurred when the Developer shall have commenced site preparation work on the Property, which site preparation work may include renovation or demolition of existing structures located on the Property by the Developer, as applicable.

(D) Developer covenants and agrees that from and after Closing, through and including the Commencement of Construction, it will: (i) comply with all applicable zoning requirements, and all other applicable state and federal statutes and regulations and local laws and ordinances applicable to the ownership, use and/or occupancy of the Property; and (ii) except as abated in accordance with the terms hereof, pay and discharge when due without penalty, and in all events before penalty for nonpayment attaches thereto, all taxes, assessments and governmental charges, including but not limited to real estate taxes or assessments on the Property or any part thereof, except where the same may be contested in good faith.

(E) Developer covenants and agrees to permit the City or its designee to encumber that portion of the Property depicted in the attached **Exhibit C** with an easement upon terms and conditions determined by the City in its reasonable discretion, for the purpose of constructing certain riverwalk improvements. In the event the easement contemplated above is not placed of record prior to Closing, the Developer (including any successors or assigns thereof) shall permit such easement to be placed of record following Closing free of charge. Notwithstanding any provision hereof to the contrary, no such easement described in this paragraph, to the extent recorded prior to Closing, shall form the basis for a Title Defect or any Objection hereunder, and the City shall not be required for any reason to cure, remove or bond over such encumbrance.

(F) Developer covenants and agrees to permit the City or its designee to maintain on the Property those certain public transportation assets of the City commonly referred to as the “people mover” and all ancillary assets related thereto free of charge (the “People Mover”). Developer further covenants and agrees to permit the City or its designee to encumber the Property with an easement upon terms and conditions determined by the City in its reasonable discretion, for the purpose of maintaining, renewing and replacing, as necessary in the City’s sole discretion, the People Mover in the location on the Property in which the People Mover is situated as of the date of this Agreement. In the event the easement contemplated above is not placed of record prior to Closing, the Developer (including any successors or assigns thereof) shall permit such easement to be placed of record following Closing free of charge. Notwithstanding any provision hereof to the contrary, no such easement described in this paragraph, to the extent recorded prior to Closing, shall form the basis for a Title Defect or any

Objection hereunder, and the City shall not be required for any reason to cure, remove or bond over such encumbrance.

(G) Estate Conveyed. Notwithstanding anything contained in this Agreement to the contrary, the estate conveyed hereby shall be deemed to be a determinable fee and only upon Commencement of Construction hereunder will the possibility of reverter retained by the City automatically expire as to that part of the applicable Property.

(H) City Covenants.

(a) Prior to Closing, the City shall (1) subject to Demolition, maintain the Property in at least the same condition and repair (except for environmental condition and repair thereof, which is addressed in sub-clause (2) below) as such exists on the Effective Date, (2) not, through its own action, alter the environmental condition of the Property, as such exists on the Effective Date, in a material and adverse manner, (3) not take zoning or land use action on the Property without Developer's prior written consent, and (4) not execute or grant any lease, contract, agreement, lien, security interest, encumbrance, easement, or restriction with respect to such Property, or amend, modify, renew or extend any of the foregoing, without prior written consent of the Developer, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, without the consent of the Developer, the City shall be permitted to (i) enter into, amend, modify or renew any contract, agreement or lease with respect to the Property to the extent that such instrument is terminable at will by the City and is terminated by the City prior to the Closing or the term of such instrument does not extend beyond Closing, and (ii) amend or modify the JLA Lease in any manner which would not materially, adversely alter the rights of the Developer hereunder (for avoidance of doubt, the City shall be permitted to terminate the JLA Lease without the Developer's prior consent); provided, however, in no event shall the City renew or otherwise extend the JLA Lease, subject to the right of the existing tenant thereunder to so extend the JLA Lease. The City shall pass no charter, ordinance or other provision that solely affects or primarily targets the Developer or its rights under this Agreement which charter, ordinance or other provision has a material adverse impact on the Developer or its rights under this Agreement (it being understood that a "material adverse impact" shall include any adverse financial impact on or any contradiction, or adverse impact on the enforceability of, the terms of this Agreement or the Economic Incentive Agreements). To the extent any COBO Interests are intended to benefit the owner of the Property, but are not otherwise in the name of, or held by, the City, upon written request of the Developer given to the City not less than ninety (90) days prior to Closing, the City shall use reasonable efforts to cause such COBO Interests to be conveyed to the Developer at Closing.

(b) Promptly upon expiration of the JLA Lease, but in no event more than ninety (90) days after expiration of the JLA Lease (the "Demolition Commencement Date"), the City shall commence or cause to be commenced the demolition of all improvements on the Property (except for those certain improvements commonly referred to as the Joe Louis Arena Garage) (the "Demolition Property"), which demolition shall include (i) removal and disposal of all building improvements and materials located thereon and (ii) certain excavation work to be completed at the Demolition Property, which excavation work shall include, without limitation, clearing and grubbing, soil erosion and control, and site excavation and embankment on the

Demolition Property, all in accordance with plans and specifications reasonably acceptable to the Developer and all applicable laws, including, but not limited to Environmental Laws (“Demolition”). For the avoidance of doubt, if the City commences staging for the Demolition by the Demolition Commencement Date, the City will be deemed to have timely commenced Demolition. Notwithstanding the foregoing, Demolition shall also include (i) remediation or removal of Hazardous Materials (including, but not limited to, asbestos-containing materials, PCB-containing light fixtures, mercury-containing switches) related to the removal and disposal of materials from the Demolition Property to the extent required by or necessary to comply with applicable laws or as is customary for demolition projects of a similar scope and nature and (ii) the investigation, control or removal of any Hazardous Materials at, on or below the surface of the Property that is sufficient under and otherwise causes the Property to comply with applicable law for Developer to develop and use the Property consistent with the Development Proposal for its intended purposes as a multiuse hotel, residential condominium, office or retail development (“Sufficient Environmental Remediation”). Sufficient Environmental Remediation may, at the City’s election, include controls that do not unreasonably interfere with the Development Proposal; provided such are acceptable to the governmental authorities with jurisdiction over the Property. Developer agrees that, in conjunction with Developer, the City may have prepared and submitted to the Michigan Department of Environmental Quality a Baseline Environmental Assessment (Phase II) and associated Due Care Plans approved by and for the benefit of Developer, which approval shall not be unreasonably withheld, delayed or conditioned; however, the submission of such shall not alleviate the City’s obligation to undertake such other actions necessary to perform Sufficient Environmental Remediation to allow for the implementation of the Development Proposal. The Developer agrees that in conducting Sufficient Environmental Remediation, the City may rely on protective barriers to prevent contact with affected soil and deed restrictions to limit groundwater use and other due care requirements approved by the governmental authorities and reasonably acceptable to Developer. Sufficient Environmental Remediation shall not include the construction of measures adopted as controls to the extent that they are otherwise specifically part of the Development Proposal, in which case Developer shall construct them as part of the Development; however, if the costs to do so are increased as a result of government approved controls, the City shall reimburse Developer for the increased costs to satisfy any government imposed controls. Developer or any future owner will be responsible for maintaining any reasonable controls or due care measures adopted as part of the Sufficient Environmental Remediation. The Demolition Commencement Date is expected to occur on or before September 15, 2017. Demolition shall be completed within one (1) year following the Demolition Commencement Date. The State shall make available to the City and/or the City Parties certain CRP Incentives set forth below, of which up to \$6,000,000 will be for the purpose of reimbursing the City for the costs and expenses incurred in connection with the Demolition (the “Demolition CRP Incentives”). For purposes of this Agreement, “CRP Incentives” shall mean incentives available from the Michigan Strategic Fund, in cooperation with the Michigan Economic Development Corporation (“MEDC”), through the Community Revitalization Program under Public Act 252 of 2011. If there are any remaining Demolition CRP Incentives following the Demolition and the Sufficient Environmental Remediation, such funds shall be made available to reimburse the Developer for other eligible costs for the Development, to the extent the Developer otherwise meets the eligibility requirements for CRP Incentives and enters into the Economic Incentive Agreements applicable to such CRP Incentives.

(c) Until the earlier of Closing or termination of the Developer's rights under this Agreement, the City shall fund or cause to be funded all costs and expenses for the repairs specified on page 15 "Opinion of Expected Construction Costs – July 2014" in the Physical Conditions Due Diligence Review and Evaluation dated September 2014 prepared by Desman Associates, except for Item #3 identified therein.

(d) The City represents to Developer that, as of the Closing Date, the City or an instrumentality of the City will have the right, power and authority to convey the Property in the manner provided for in this Agreement.

(I) Economic Incentive Covenants.

(a) In order to facilitate construction of the Development pursuant to the Approved Development Proposal on the Property, the State has agreed to reimburse the Developer for certain eligible project costs through TIF Incentives, as more particularly set forth herein. To the extent that the Approved Development Proposal meets the eligibility requirements for TIF Incentives, the Developer shall be provided up to \$18,000,000 in TIF Incentives, which TIF Incentives will accrue interest at three percent (3%) per annum on any outstanding balance thereof, pursuant to one or more subsequent final written grants or loans (forgivable or otherwise), as applicable, and a development agreement or other economic assistance agreements, as applicable, which shall be entered into by the Developer and the State no later than one hundred twenty (120) following the City's approval of the Approved Development Proposal (which date may be extended by up to sixty (60) days in the event that the TIF Incentives require review by the Michigan Department of Environmental Quality) (the "Economic Incentive Agreements"). The Economic Incentive Agreements shall include (i) a schedule of performance- based project milestones for construction of the Development, and (ii) a pro-forma budget for the Development, as agreed upon by the City, the State and the Developer. The Economic Incentive Agreements will be executed in accordance with the standard process, including the filing of any necessary applications. The Economic Incentive Agreements shall govern disbursement of the TIF Incentives, including those project costs related to the Development that are eligible for TIF Incentives, as well as conditions precedent, milestones and timing for such disbursement, and shall include customary periodic reporting requirements of the Developer for data related to the Development both during and after construction. For purposes of this Agreement, "TIF Incentives" shall mean certain redevelopment incentives awarded by the Michigan Strategic Fund (MSF) under the Brownfield Tax Increment Financing Program (Act 381 of 1996), as administered by MEDC.

(b) To the extent the Development includes residential uses, the Economic Incentive Agreements shall also provide for designation of the Development as a Neighborhood Enterprise Zone ("NEZ"), and the City and each of the City Parties shall cooperate with and assist the Developer in applying for the NEZ certificate. The City and each of the City Parties shall establish either a Commercial Redevelopment Zone (as defined in the Commercial Redevelopment Act, defined below) or a Commercial Rehabilitation Zone (as defined in the Commercial Rehabilitation Act, defined below), as requested by the Developer, such that the Property will be eligible for the property tax abatements available for properties in the applicable zone. The City and each of the City Parties shall cooperate with and assist the Developer in

applying for and obtaining the tax abatements for which the Property and any development thereon is eligible under the Commercial Rehabilitation Act or the Commercial Redevelopment Act. For purposes hereof, “Commercial Redevelopment Act” means the Public Act 255 of 1978, MCL § 207.651 *et seq.*, and “Commercial Rehabilitation Act” means the Public Act 210 of 2005, MCL § 207.841 *et seq.*

(c) The City shall use its commercially reasonable efforts to assist the Developer in obtaining any additional sources of developer financings and grants not already expressly provided for in this Agreement that are identified in writing to the City by the Developer.

(J) Land Use Covenants.

(a) The City shall change the zoning requirement for the Property to be designated “B-5”, which will permit the Developer to develop the Property as a mixed-use development, provided that the City administratively approves the site plans, which approval will not be unreasonably withheld, delayed or conditioned. Approval by the City of the Development Proposal shall not be deemed approval with respect to any site plan, elevation, special land use, environmental, conditional use or other municipal approvals or permits, or variances therefrom, required for the Development (the “Required Approvals”); provided, however, upon approval by the City of the Development Proposal and prior to Closing, the Developer may proceed with securing the Required Approvals at its sole cost and expense.

(b) With respect to any formal requests made by Developer or its designee to the City or State for any Required Approvals, the City or State, as applicable: (a) agrees to process such requests promptly and to use commercially reasonable efforts to process them within thirty (30) days of submission by the Developer, (b) shall not unreasonably withhold, condition or delay approvals of the applicable requests, provided that the City or State have the legal authority to grant such approval and that such approval does not violate any applicable law, rule or regulation of general application, (c) shall not unreasonably impede or interfere with the Development, (d) shall not discriminate against Developer in the consideration or approval of such Required Approvals on account of the circumstances surrounding the Arrangement and this Agreement and the events leading up thereto, and (e) shall use reasonable efforts to facilitate such requests, taking into consideration other similar requests for approvals or inducements, as applicable, of third parties granted thereby for similarly situated developments and uses as those contemplated for the Development; provided, however, the City or State, as applicable, shall process such requests for all Required Approvals pursuant to all then applicable rules, regulations, statutes and similar requirements.

**Section 6: REMEDIES**

(A) City’s Remedies Prior to Conveyance. In the event that, prior to the Closing on the Property, Developer assigns or otherwise transfers this Agreement or any right therein or in the Property to any entity prohibited from doing business with the City, this Agreement and any rights of Developer in this Agreement, may, at the option of the City, be terminated by the City after thirty (30) days written notice and opportunity to cure provided by the City to Developer. In any case, the Developer shall provide written notice to the City of such assignment.

(B) City's Remedies Subsequent to Conveyance.

(1) Event of Default. If, prior to the Developer achieving substantial completion of the Development, the Developer breaches any covenant set forth in this Agreement and fails to cure such breach within thirty (30) days after written demand by the City, such an event shall be deemed to constitute an "Event of Default", provided, however, that if the nature of Developer's default is such that more than the cure period provided is reasonably required for its cure, then Developer shall not be deemed to be in default if Developer commences such cure within said period and thereafter diligently pursues such cure to completion within one hundred eighty (180) days of City's initial written demand hereunder. Notwithstanding the foregoing, Developer shall have the right to dispute that an Event of Default has occurred or that an Event of Default has not been timely cured by written notice of dispute sent to the City ("Notice of Dispute"). In the event a Notice of Dispute is sent, such Parties shall meet and in good faith work to resolve their differences. In the event the City and Developer cannot resolve their differences as to whether an Event of Default has occurred or has been cured, then the City shall not take any action with respect to such uncured and disputed Event of Default as described in Sections 6(B)(2) or 6(B)(3) below without first bringing an action in a court of competent jurisdiction for a final judicial determination that an Event of Default occurred and was uncured. Notwithstanding the foregoing, the Developer shall not be entitled to give a Notice of Dispute and the City shall not be required to first meet in good faith with the Developer as provided for above, and may proceed directly to seek judicial relief in a court of competent jurisdiction to the extent such Event of Default arises from or relates to the imminent risk of harm to property or persons. The City may, in its sole discretion, waive in writing any default or Event of Default by Developer.

(2) City's Remedies. Upon the occurrence of an Event of Default by the Developer, then after a judicial determination as required by Section 6(B)(1) above, the City shall have the right (as its sole remedy except as set forth in Section 6(B)(3) below with respect to the failure of the Developer to achieve Commencement of Construction prior to the Commencement Deadline as the same may be extended as provided herein), to seek injunctive relief, specific performance or other equitable remedies (other than the forfeiture of Developer's title to or interest in the Property) for the Developer's breach of this Agreement,. In no event shall the City be entitled to monetary damages as a result of the Developer's breach of this Agreement.

(3) Right of Reverter. It is expressly understood and agreed between the Parties hereto that until Commencement of Construction, the conveyance of such Property to Developer shall be construed and interpreted as the conveyance of a fee simple determinable, and that in the event of an uncured and undisputed Event of Default caused solely by the failure of the Developer to achieve Commencement of Construction prior to the Commencement Deadline as the same may be extended as provided herein, then after a judicial determination as required by Section 6(B)(1) above, title to the Property shall automatically revert in the City. Upon such reversion of title, the City shall have the right to re-enter and take immediate possession of the Property. While the right of reversion as to the Property automatically terminates upon Commencement of Construction, the City agrees to provide Developer with a written acknowledgement, in recordable form, that Commencement of Construction has occurred

and the City's right of reversion has terminated hereunder and to take such further action as may reasonably be requested by the Developer, at no incremental cost to the City, to extinguish the right of reversion of record.

(C) Rights and Remedies Cumulative. The rights and remedies of the City and the Developer, whether provided by law or by this Agreement, shall be cumulative, and the exercise by the City or the Developer of any one or more remedies shall not preclude the exercise by it, at the same or different times, of any other remedy for the same default or breach or any other default or breach by the Developer or the City. No waiver made by any Party shall apply to obligations beyond those expressly waived in writing.

(D) Developer's Remedies. If the City breaches its obligations under this Agreement after reasonable notice and opportunity to cure, Developer shall have the right to seek injunctive relief, specific performance or other equitable remedies for the City's breach of this Agreement. In no event shall the Developer be entitled to monetary damages as a result of the City's breach of this Agreement.

(E) Representatives Not Individually Liable. No official or employee of the City shall be personally liable to Developer or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligations under the terms of this Agreement. No director, officer or employee of the Developer or any successor in interest shall be personally liable to the City, in the event of any default or breach by the Developer or any successor in interest for any amount which may become due to the City or on any obligations under the terms of this Agreement.

**Section 7: PROVISIONS NOT MERGED WITH DEEDS**

No provision of this Agreement is intended to or shall be merged into the Deed transferring title to the Property from the City to Developer or any successor in interest, and any such Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

**Section 8: ENTIRE AGREEMENT; AMENDMENT**

This Agreement (including all exhibits, schedules or other attachments hereto) constitutes the complete and exclusive statement of the terms of the agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, promises, and arrangements, oral or written, between or among the Parties with respect to the subject matter hereof. This Agreement may be amended or modified only by an instrument in writing signed by all of the Parties.

**Section 9: GOVERNING LAW; JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without regard to conflicts-of-law principles that would require the application of any other law. Any dispute between the Parties under this Agreement which cannot be resolved by informal dispute resolution by the Parties within sixty (60) days of notice to the other

Party shall be brought in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") for so long as it has jurisdiction, and thereafter in the United States District Court for the Eastern District of Michigan (the "District Court"); provided, that if the District Court does not have jurisdiction, then such legal action, suit or proceeding shall be brought in such other court of competent jurisdiction located in Wayne County, Michigan; provided, further, by execution and delivery of this Agreement, each of the Parties irrevocably accepts and submits to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding and specifically consents to the jurisdiction and authority of the Bankruptcy Court to hear and determine all such actions, suits, and proceedings under 28 U.S.C. §157(b) or (c), whichever applies.

**Section 10: COUNTERPARTS**

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but together such counterparts shall constitute one and the same instrument.

**Section 11: AUTHORITY OF CITY.**

**Notwithstanding anything in this Agreement, in law or in equity, or otherwise to the contrary, this Agreement shall be of no force or effect and may not in any way be enforced against the City unless or until this Agreement and the transaction contemplated hereby have been: (i) approved in writing by the Emergency Manager for the City of Detroit, in accordance with Emergency Manager Order No. 5 (as modified by Order No. 42), (ii) either included in the Emergency Manager's financial and operating plan or approved in writing by the Governor of the State of Michigan or his or her designee, in accordance with Section 12(1)(k) of Public Act 436 of 2012; and (iii) either included in the Emergency Manager's financial and operating plan or approved in writing by the State Treasurer, in accordance with Section 15(1) of Public Act 436 of 2012. The City shall provide written notice to Developer of the satisfaction of the foregoing conditions, within five (5) business days after satisfaction thereof.**

**Section 12: CITY AGENCIES AND DEPARTMENTS.** Whenever this Agreement requires an action or creates an obligation on behalf of the City, the City shall also be required, as applicable, to cause all of the City Parties to take such actions and perform such obligations.

**Section 13: TRANSFERABILITY.**

(A) Developer shall be entitled to freely transfer or assign its rights and obligations hereunder at any time, as long as it provides the City written notice thereof and it does not transfer its rights hereunder to a party that is prohibited from doing business with the City, and upon such assignment and an assumption of the obligations and liabilities of the Developer by any such transferee, the Developer shall be automatically released from any of its obligations or liabilities hereunder.

(B) Notwithstanding anything to the contrary contained herein, the COPs and any beneficial interests in COPs shall be freely transferable without restriction of any kind or notice to the City or any City Parties.

(signatures on following pages)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

WITNESSES:

DEVELOPER

FINANCIAL GUARANTY INSURANCE COMPANY, a New York stock insurance corporation

\_\_\_\_\_  
Print: \_\_\_\_\_

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF NEW YORK    )  
  ) ss.  
COUNTY OF NEW YORK )

The foregoing instrument was acknowledged before me on October \_\_, 2014 by \_\_\_\_\_ the \_\_\_\_\_ of Financial Guaranty Insurance Company, a New York stock insurance company, on behalf of said company.

\_\_\_\_\_  
Notary Public, New York County, New York  
Acting in New York County, New York  
My commission expires:

*[signatures continue on following page]*

WITNESSES:

STATE OF MICHIGAN

Print: \_\_\_\_\_

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF MICHIGAN     )  
  ) ss.  
COUNTY OF WAYNE     )

The foregoing instrument was acknowledged before me on October \_\_\_ 20\_\_ by \_\_\_\_\_, the \_\_\_\_\_ of the State of Michigan, on behalf of the State.

\_\_\_\_\_  
Notary Public, Wayne County, Michigan  
Acting in Wayne County, Michigan  
My commission expires:

*[signatures continue on following page]*



**EXHIBIT A**  
**RIGHT OF ENTRY**

[See attached]

**EXHIBIT B**

**QUIT CLAIM DEED**

The City of Detroit, a Michigan public body corporate whose address is 2 Woodward Avenue, Detroit, MI 48226 (“Grantor”), quit claims to \_\_\_\_\_, a Michigan \_\_\_\_\_ (“Grantee”), whose address is \_\_\_\_\_, the premises located in the City of Detroit, Wayne County, Michigan, described as:

A/K/A \_\_\_\_\_ Ward: \_\_\_\_\_ Item(s):

(the “Property”), for the sum of \_\_\_\_\_ (\$\_\_\_\_\_), subject to and reserving to the City of Detroit its rights under public easements and rights of way, easements of record, applicable zoning ordinances, development plans pursuant to Act 344 of 1945 as amended (if any), and restrictions of record.

This Deed is given subject to the terms, covenants and conditions of a Development Agreement - Option to Purchase and Develop Land dated \_\_\_\_\_, 20\_\_ entered into by the parties hereto and which is incorporated herein by reference and a memorandum of which was recorded on \_\_\_\_\_, 20\_\_ in the Office of the Register of Deeds for the County of Wayne in Liber \_\_\_\_\_ on Pages \_\_\_\_\_ through \_\_\_\_\_ inclusive, none of the terms, covenants and conditions of which shall be deemed merged in this Deed. The covenants therein recited to be covenants running with the land are hereby declared to be covenants running with the land enforceable by the City as therein set forth until Commencement of Construction as defined therein.

The Grantor grants to the Grantee the right to make all divisions under Section 108 of the land division act, Act No. 288 of the Public Acts of 1967, as amended. This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan right to farm act.

This deed is dated as of \_\_\_\_\_.

CITY OF DETROIT,  
a Michigan public body corporate

By: \_\_\_\_\_

Print: \_\_\_\_\_

Its: \_\_\_\_\_

[acknowledgement on following page]

STATE OF MICHIGAN     )  
  ) ss.  
COUNTY OF WAYNE     )

The foregoing instrument was acknowledged before me on \_\_\_\_\_  
20\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of  
the City of Detroit, a Michigan public body corporate, on behalf of the City.

\_\_\_\_\_  
Print: \_\_\_\_\_  
Notary Public, Wayne County, Michigan  
Acting in Wayne County, Michigan  
My commission expires:

Pursuant to § 18-5-12 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this contract.

Approved by the City Council on.  
JCC pp \_\_\_\_\_ or Detroit Legal News,  
\_\_\_\_\_, on file in my office.

Finance Director

Approved by the City Law Department pursuant to Sec. 7.5-206 of the Charter of the City of Detroit.

Approved by Mayor on

Corporation Counsel

City Clerk

**This Instrument Drafted by:**

**When recorded, return to:**

Bruce N. Goldman  
Senior Assistant Corporation Counsel  
City of Detroit Law Department  
2 Woodward Avenue, Suite 500  
Detroit, MI 48226

Grantee

Exempt from transfer taxes pursuant to MCL § 207.505(h)(i) and MCL § 207.526(h)(i).

**EXHIBIT C**  
**RIVERWALK EASEMENT AREA**

[See attached]

**EXHIBIT I.A.216**

SCHEDULE OF HUD INSTALLMENT NOTE DOCUMENTS  
& RELATED HUD INSTALLMENT NOTES

| <b>HUD Installment Note Documents</b><br>(Identified by note number. Ancillary instruments and agreements related thereto are not separately identified) | <b>HUD Installment Notes</b>                | <b>Estimated Allowed Amount</b><br>(The estimated allowed amount is the sum of all advances and conversion date advances under the HUD Installment Notes identified in this schedule, less principal amounts paid, plus interest due on principal amounts outstanding. The estimated aggregate allowed amount is the sum of the estimated allowed amount for all the HUD Installment Notes identified in this schedule) |
|--|---|---|
| City Note No. B-94-MC-26-0006-A  | Garfield Project Note *                     | \$549,142.50  |
| City Note No. B-94-MC-26-0006-D  | Stuberstone Project Note*                   | \$95,929.50   |
| City Note No. B-97-MC-26-0006  | Ferry Street Project Note*                  | \$1,837,217.00  |
| City Note No. B-98-MC-26-0006-A  | New Amsterdam Project Note*                 | \$10,371,138.25   |
| City Note No. B-98-MC-26-0006-B  | Vernor Lawndale Project Note*               | \$1,923,209.50  |
| City Note No. B-02-MC-26-0006  | Mexicantown Welcome Center Project Note*    | \$4,255,498.00  |
| City Note No. B-03-MC-26-0006  | Garfield II Note 1*                         | \$8,935,901.00  |
| City Note No. B-03-MC-26-0006  | Garfield II Note 2*                         | \$3,071,773.50  |
| City Note No. B-03-MC-26-0006  | Garfield II Note 3 <sup>o</sup>             | \$7,262,461.03  |
| City Note No. B-03-MC-26-0006  | Garfield II Note 4 <sup>o</sup>             | \$1,554,180.43  |
| City Note No. B-05-MC-26-0006  | Woodward Garden Project 1 Note*             | \$8,532,290.00  |
| City Note No. B-05-MC-26-0006  | Woodward Garden Project 2 Note*             | \$9,324,475.35  |
| City Note No. B-05-MC-26-0006  | Woodward Garden Project 3 Note <sup>o</sup> | \$6,177,291.95  |
| City Note No. B-05-MC-26-0006-A  | Book Cadillac Project Note*                 | \$10,457,437.75   |
| City Note No. B-05-MC-26-0006-A  | Book Cadillac Project Note II*              | \$13,547,692.80   |
| City Note No. B-05-MC-26-0006-B  | Fort Shelby Project Note*                   | \$24,447,587.50   |

\* HUD Installment Note has a fixed interest rate. Estimated allowed amount represents the aggregate of outstanding principal and fixed interest payments set forth in the amortization schedule for the HUD Installment Note.

<sup>o</sup> HUD Installment Note has a variable interest rate. Estimated allowed amount represents the aggregate of outstanding principal and an estimate of the variable interest payments at the rate set forth in the HUD Installment Note.

**EXHIBIT I.A.230**

**SCHEDULE OF LIMITED TAX GENERAL OBLIGATION BOND DOCUMENTS  
& RELATED LIMITED TAX GENERAL OBLIGATION BONDS**

**SCHEDULE OF LIMITED TAX GENERAL OBLIGATION BOND  
DOCUMENTS & RELATED LIMITED TAX GENERAL OBLIGATION BONDS**

| Limited Tax General<br>Obligation Bond Documents  | Series of Limited Tax<br>General Obligation Bonds | Balance as of Petition Date |
|---|---|-----------------------------|
| Bond Authorizing Resolution adopted May 26, 2004<br><br>Finance Director's Order approving sale of General Obligation Self-Insurance Bonds (Limited Tax) Series 2004, dated August 27, 2004 | Self Insurance - Series 2004                      | \$13,186,559                |
| Bond Authorizing Resolution adopted May 6, 2005 (" <u>2005 LTGO Resolution</u> ")<br><br>Finance Director's Order dated June 24, 2005 (" <u>2005 Sale Order</u> ")                          | Series 2005-A(1)                                  | \$60,776,168                |
| 2005 LTGO Resolution<br><br>2005 Sale Order   | Series 2005-A(2)                                  | \$11,080,060                |
| 2005 LTGO Resolution<br><br>2005 Sale Order   | Series 2005-B                                     | \$9,003,535                 |
| Resolution of the City Council adopted November 17, 2006 (" <u>2006 LTGO Resolution</u> ")<br><br>Finance Director's Order dated May 30, 2008 (" <u>2008 LTGO Sale Order</u> ")             | Series 2008-A(1)                                  | \$43,905,085                |
| 2006 LTGO Resolution<br><br>2008 LTGO Sale Order  | Series 2008-A(2)                                  | \$25,591,781                |

EXHIBIT I.A.237

FORM OF LTGO SETTLEMENT AGREEMENT

**SETTLEMENT AGREEMENT**  
**(LTGO)**

This Settlement Agreement (“**Agreement**”) is entered into as of July 24, 2014, among the City of Detroit (the “**City**”), Ambac Assurance Corporation (“**Ambac**”), and BlackRock Financial Management, on behalf of certain managed funds and accounts listed on Exhibit B (“**Uninsured Bondholder**,” and together with Ambac, the “**LTGO Parties**”). In this Agreement, the City and the LTGO Parties are referred to collectively as the “**Parties**.”

**RECITALS**

**WHEREAS**, as of the close of Fiscal Year 2013 (*i.e.*, June 30, 2013), the City had \$160,970,000 in outstanding principal amount of limited tax general obligation bonds, excluding any limited tax general obligation bonds secured by distributable state aid and sold to the Michigan Finance Authority (the “**Prior LTGO Bonds**”);

**WHEREAS**, more than two thirds in amount of the Prior LTGO Bonds are either insured by Ambac under financial guaranty insurance policies (the “**Bond Insurance Policies**”) that were issued contemporaneously with certain Prior LTGO Bonds (the “**Insured Prior LTGO Bonds**”) or held by the Uninsured Bondholder;

**WHEREAS**, the Governor of the State of Michigan determined on March 1, 2013 that a financial emergency existed in the City, and the Emergency Manager (together with any successors, the “**Emergency Manager**”) was appointed for the City on March 14, 2013;

**WHEREAS**, on July 18, 2013 (the “**Petition Date**”), the City filed a voluntary petition for relief under chapter 9 of title 11 of the United States Code (the “**Bankruptcy Code**”), thereby commencing Bankruptcy Case No. 13-53846 (the “**Bankruptcy Case**”) before the United States Bankruptcy Court for the Eastern District of Michigan (the “**Bankruptcy Court**”);

**WHEREAS**, as of the Petition Date, the balance due on the Prior LTGO Bonds, including prepetition interest accrued as of that date, was \$163,554,770;

**WHEREAS**, on October 1, 2013, the City defaulted on its obligation to make interest payments on the Prior LTGO Bonds in the amount of \$4,348,211 and Ambac paid claims in the amount of \$2,266,586 on account of the Insured Prior LTGO Bonds and was subrogated to the rights of the owners for such payments, and the insurance documents contemplate the assignment of the Insured Prior LTGO Bonds to Ambac upon payment of a claim;

**WHEREAS**, on April 1, 2014, the City defaulted on its obligation to make interest payments in the amount of \$4,348,211 and principal payments in the amount of \$43,420,000 on the Prior LTGO Bonds, and Ambac paid claims in the amount of \$20,686,586 on account of the Insured Prior LTGO Bonds insured by it and was subrogated to the rights of the owners for such payments, and the insurance documents

contemplate the assignment of the Insured Prior LTGO Bonds to Ambac upon payment of a claim;

**WHEREAS**, on November 8, 2013, Ambac filed an adversary proceeding against the City seeking declaratory relief with regard to its rights in respect of, *inter alia*, the Prior LTGO Bonds that is pending before the Bankruptcy Court (Adv. Proc. No. 13-05310) (the “**Ambac Action**”);

**WHEREAS**, on or before February 21, 2014, each of the LTGO Parties and other owners of Prior LTGO Bonds filed proofs of claim in the Bankruptcy Case (the “**LTGO Claims**”) asserting claims against the City for the full amount of principal and interest due under the documents pursuant to which the Prior LTGO Bonds were issued (including post-petition interest), and Ambac filed a proof of claim for amounts due Ambac for payments pursuant to the Bond Insurance Policies, and contractual reimbursements due for charges, fees, costs, losses, liabilities and expenses incurred by Ambac in connection with the Bond Insurance Policies; and

**WHEREAS**, the Parties have engaged in good faith and arms’ length negotiations regarding a consensual resolution of their disputes under or in respect of the Prior LTGO Bonds, the Ambac Action as it pertains to the Prior LTGO Bonds, and the LTGO Claims.

**NOW, THEREFORE**, in consideration of the foregoing and the promises, mutual covenants, and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **ARTICLE I DEFINITIONS**

Section 1.1 **Recitals.** The recitals set forth above are incorporated by reference and are explicitly made a part of this Agreement.

Section 1.2 **Definitions.** In addition to the capitalized terms defined in the preamble and recitals, the following definitions shall apply to and constitute part of this Agreement and all schedules, exhibits and annexes hereto:

“**Allowed Claim**” has the meaning ascribed to it in the Plan.

“**Ambac Action**” has the meaning ascribed to it in the recitals hereof.

“**Approval Motion**” shall mean a motion filed by the City with the Bankruptcy Court seeking entry of the Approval Order pursuant to Federal Rule of Bankruptcy Procedure 9019, which motion shall be in form and substance reasonably satisfactory to the Parties.

“**Approval Order**” shall mean an order of the Bankruptcy Court (other than the Plan Confirmation Order) approving the compromise and settlement set forth in

this Agreement authorizing and directing the consummation of the transactions contemplated herein, which order shall be in a form and substance reasonably satisfactory to the Parties.

“**Bankruptcy Case**” has the meaning ascribed to it in the recitals hereof.

“**Bankruptcy Code**” has the meaning ascribed to it in the recitals hereof.

“**Bankruptcy Court**” has the meaning ascribed to it in the recitals hereof.

“**Beneficiaries**” has the meaning ascribed to it in Section 2.2.

“**Bond Insurance Policies**” has the meaning ascribed to it in the recitals hereof.

“**City Representative**” shall mean a representative chosen by the City to be on the fee committee described in Section 2.2(b).

“**Claim**” shall mean a “claim” as defined in Section 101(5) of the Bankruptcy Code.

“**Class**” means each class of Claims established under the Plan.

“**COP Claims**” shall have the meaning ascribed to it in the Plan.

“**COP Litigation**” shall have the meaning ascribed to it in the Plan.

“**Disputed COP Claims Reserve**” shall have the meaning ascribed to it in the Plan.

“**Distribution Agent**” shall mean U.S. Bank National Association, Detroit, Michigan.

“**Distribution Agreement**” shall mean the Insured Prior LTGO Bonds Distribution Agreement among the Distribution Agent the City, Ambac and the paying agent for the Insured Prior LTGO Bonds, in form and substance satisfactory to the City and Ambac, relating to the distribution of payments of principal and interest on the Insured Prior LTGO Bonds.

“**DTC**” shall mean the Depository Trust Company or any successor provider of a book entry and securities depository system for the Prior LTGO Bonds.

“**DTC System**” shall mean the system maintained by the Depository Trust Company used for trading municipal securities.

“**Effective Date**” shall mean the effective date of any Plan.

“**Emergency Manager**” has the meaning ascribed to it in the recitals hereof.

“**Emergency Manager Order**” shall mean an order of the Emergency Manager in substantially the form attached hereto as Exhibit A.

“**Event of Default**” has the meaning ascribed to it in Section 4.1.

“**Final Order**” shall mean an order or judgment (including any associated findings of fact and conclusions of law) of the Bankruptcy Court or other court of competent jurisdiction with respect to the applicable subject matter which has not been reversed, stayed, modified or amended and as to which (a) any right to appeal or seek certiorari, review, reargument, stay or rehearing has expired and no appeal or petition for certiorari, review, reargument, stay or rehearing is pending, or (b) an appeal has been taken or petition for certiorari, review, reargument, stay or rehearing has been filed and (i) such appeal or petition for certiorari, review, reargument, stay or rehearing has been resolved by the highest court to which the order or judgment was appealed or from which certiorari, review, reargument, stay or rehearing was sought or (ii) the time to appeal further or seek certiorari, review, reargument, stay or rehearing has expired and no such further appeal or petition for certiorari, review, reargument, stay or rehearing is pending; provided, however, that the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Federal Rule of Bankruptcy Procedure 9024 may be filed relating to such order shall not cause such order to not be a Final Order.

“**Financial Terms**” has the meaning ascribed to it in Section 2.2.

“**Holder**” shall mean the holder of a Claim.

“**Independent Party**” shall mean a party agreed to by the Retiree Committee, LTGO Representative and the City.

“**Insured Prior LTGO Bonds**” has the meaning ascribed to it in the recitals hereof.

“**LTGO Exculpated Parties**” means Ambac solely in its capacity as insurer of the Insured Prior LTGO Bonds, and the Uninsured Bondholder, solely in its capacity as an owner of a portion of the Prior LTGO Bonds, and their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents, attorneys, advisors, accountants, consultants, financial advisors and investment bankers, solely in their capacity as such.

“**LTGO Claims**” has the meaning ascribed to it in the recitals hereof.

“**LTGO Claim Holders**” shall mean holders of Allowed Claims on account of Prior LTGO Bonds who are (i) the record owner of any Prior LTGO Bonds that are not Insured Prior LTGO Bonds and (ii) Ambac as to any Insured Prior LTGO Bond.

“**LTGO Parties**” has the meaning ascribed to it in the recitals hereof.

“**LTGO Representative**” shall mean Ambac.

“**New B Notes**” shall have the meaning ascribed to it in the Plan.

“**New LTGO Bonds**” has the meaning ascribed to it in Section 2.2.

“**OPEB Claim**” has the meaning ascribed to it in the Plan.

“**Petition Date**” has the meaning ascribed to it in the recitals hereof.

“**Plan**” shall mean the chapter 9 plan of adjustment filed by the City and incorporating the terms and conditions set forth in this Agreement, in substantially the form of the draft thereof dated May 5, 2014, as such plan may be amended, modified or supplemented from time to time, which plan, solely as it relates to this Settlement Agreement, shall be in form and substance reasonably satisfactory to the LTGO Parties.

“**Plan Confirmation Order**” shall mean findings of fact and an order of the Bankruptcy Court confirming the Plan and meeting the requirements of Section 2.3 of this Agreement.

“**Plan Documents**” shall mean the Plan, the Plan Confirmation Order and any Plan-related documents effectuating this Agreement.

“**Prior LTGO Bonds**” has the meaning ascribed to it in the recitals hereof.

“**Pro Rata**” shall mean the proportion that a claim of one LTGO Claims Holder bears to the aggregate amount of all claims of all of the LTGO Claims Holders.

“**Reserve B Notes**” shall have the meaning ascribed to it in Section 2.2.

“**Resolved COP Claims**” has the meaning ascribed to it in Section 2.2.

“**Retiree Committee**” shall have the meaning ascribed to it in the Plan.

“**Settlement-Related Documents**” shall mean this Agreement, the Plan Documents, the Approval Order (if applicable), the New LTGO Bonds, and all documents related to the New LTGO Bonds.

“**State**” shall mean the State of Michigan.

“**State Treasurer**” shall mean the State Treasurer of the State.

“**VEBA Trust Representatives**” shall mean the chair of the Board as defined by and created by the City of Detroit Retiree Health Care Trust and the chair of the Board as defined by and created by the City of Detroit Police and Fire Retiree Health Care Trust.

Section 1.3 Interpretation. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties

hereto and no presumption or burden of proof will arise favoring or disfavoring any Party hereto because of the authorship of any provision of this Agreement.

Section 1.4 General Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.
- (b) All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to “generally accepted accounting principles” refer to such principles as they exist at the date of application.
- (c) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.
- (d) The terms “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.
- (e) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.
- (f) The term “person” shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or agency or political subdivision thereof.

## ARTICLE II SETTLEMENT TERMS

Section 2.1 (a) Claim Allowance and Treatment; Other Plan Terms. The City hereby agrees that the total Allowed Claim relating to the Prior LTGO Bonds will be \$163,544,770.

(b) Holders of Allowed Claims for Prior LTGO Bonds will be treated in the Plan as follows:

(i) all uninsured Prior LTGO Bonds will be cancelled and discharged, and LTGO Claim Holders will receive their Pro Rata share of New LTGO Bonds and Reserve B Notes in accordance with Section 2.2(e) of this Agreement;

(ii) all Insured Prior LTGO Bonds will be cancelled and discharged as to the City but deemed outstanding solely for recourse to the Bond Insurance Policies, i.e., the City will have no liability relating to the Prior LTGO Bonds, and any liability of the City in respect of Prior LTGO Bonds and Class 7 Claims in the Plan shall be cancelled and discharged; and

(iii) a Pro Rata share of New LTGO Bonds and Reserve B Notes attributable to the Insured Prior LTGO Bonds will be delivered to a Distribution Agent in accordance with Section 2.1(d) and, for the Reserve B Notes, Section 2.2(e) of this Agreement.

(c) The Distribution Agent shall be the beneficial owner of the Pro Rata share of the New LTGO Bonds and the Reserve B Notes attributable to the Insured Prior LTGO Bonds pursuant to the Distribution Agreement. The Distribution Agreement shall provide that, unless the Distribution Agent receives, no later than noon on a principal or interest payment date for the Prior LTGO Bonds, written notice from Cede & Co., as the registered owner of the outstanding Insured Prior LTGO Bonds, or any subsequent registered owner (the “Registered Owner”) that Ambac has failed to timely pay a properly submitted claim for principal and/or interest which was due and payable on the Insured Prior LTGO Bonds on that date, the Distribution Agent shall remit each payment of principal and/or interest received by it from the paying agent for the New LTGO Bonds or the paying agent for the New B Notes to Ambac. In the event that the Distribution Agent receives, no later than noon on a principal or interest payment date for the Prior LTGO Bonds, written notice from the Registered Owner that Ambac has failed to timely pay a properly submitted claim for principal and/or interest which was due and payable on that date, the Distribution Agent shall remit the payment of principal and/or interest received by it from the paying agent for the New LTGO Bonds or the paying agent for the New B Notes to the paying agent for the Insured Prior LTGO Bonds for payment to the Holders of the Insured Prior LTGO Bonds, and shall provide notice thereof to Ambac, the paying agent for the Insured Prior LTGO Bonds and the Holders of the Insured Prior LTGO Bonds. The Distribution Agreement will provide that, once Ambac has paid the Holders of Insured Prior LTGO Bonds in full, the Distribution Agent will assign its beneficial ownership interest in the New LTGO Bonds and Reserve B Bonds to Ambac.

Section 2.2 Issuance of New LTGO Bonds, Delivery of New LTGO Bonds, and Delivery of Reserve B Notes.

(a) (i) On or before the Effective Date, by execution of the Emergency Manager Order the City will authorize the issuance and delivery of its Financial Recovery Bonds (Limited Tax General Obligation) under Section 36a of the Home Rule Act (“**New LTGO Bonds**”) in accordance with applicable law, which New LTGO Bonds shall be distributed Pro Rata to the LTGO Claim Holders pursuant to the Plan. The New LTGO Bonds will have the principal amount, interest rate, amortization schedule and other financial terms as set forth in Schedule 1 (the “**Financial Terms**”) and the Emergency Manager Order. The New LTGO Bonds will be limited tax general obligations of the City issued in accordance with applicable law. The New LTGO Bonds

shall be taxable. The New LTGO Bonds will be callable prior to maturity at the option of the City on any date at a price of par plus accrued interest to the date of redemption and without premium or penalty. If the City intends to redeem the New LTGO Bonds during any time that the Insured Prior LTGO Bonds are outstanding as set forth in Section 2.1(b)(ii) then:

(v) at least 35 days prior to such intended redemption, the City will direct the paying agent for the New LTGO Bonds to send a redemption notice to the New LTGO Bondholders;

(w) at least 34 days prior to the redemption date the Distribution Agent will direct the paying agent for the Insured Prior LTGO Bonds to send a redemption notice to Insured Prior LTGO Bondholders providing for a pro rata redemption of Insured Prior LTGO Bonds in an aggregate principal amount equal to the proportion that the principal amount of the New LTGO Bonds then outstanding of which the Distribution Agent is the beneficial owner bears to the total principal amount of New LTGO Bonds then outstanding, in accordance with the procedures for redemption in the Prior LTGO Bonds documents;

(x) no later than noon, Eastern Time, on the business day prior to the redemption date the City will pay the redemption price of the New LTGO Bonds to the paying agent for the New LTGO Bonds, and upon receipt of the redemption price of the portion of the New LTGO Bonds of which it is the beneficial owner, but no later than 10:00 a.m. Eastern Time, on the redemption date, the Distribution Agent shall promptly transfer the redemption price for the portion of the Insured Prior LTGO Bonds to be redeemed to the paying agent for the Insured Prior LTGO Bonds to effectuate the redemption of the Insured Prior LTGO Bonds on the same day;

(y) if Ambac issues endorsements to its Bond Insurance Policies decreasing such Policies by the redemption principal amount, the holders of Insured Prior LTGO Bonds will be deemed to consent to such endorsements and such Bond Insurance Policies will be so reduced; and

(z) the City understands that the paying agent for the Insured Prior LTGO Bonds will apply the amount received to reduce the principal amount, pro rata, of the Insured Prior LTGO Bonds which then remain outstanding as provided in Section 2.1(b) above and such reduction in principal shall be deemed a redemption, in part, of such the Insured Prior LTGO Bonds.

(ii) Any redemption of the New LTGO Bonds will be in whole and not in part.

(iii) In the event the City decides not to issue the New LTGO Bonds by the Effective Date but instead to pay cash to the LTGO Claim Holders, the Holders of Insured Prior LTGO Bonds which then remain outstanding as provided in Section 2.1(b) above will receive pro rata, cash equal to the Insured Prior LTGO Bonds' Pro Rata shares of such cash. The City understands that the paying agent for the Insured Prior LTGO

Bonds will apply such cash, pro rata, to reduce the principal of Insured Prior LTGO Bonds which then remain outstanding as provided in Section 2.1(b) and such reduction in principal shall be deemed a redemption, in part, of such Insured Prior LTGO Bonds.

(iv) All Settlement-Related Documents will be in form and substance reasonably satisfactory to the LTGO Parties (and in the case of the Plan Documents, solely as they relate to this Agreement).

(v) Each of the New LTGO Bonds will be freely transferable through the DTC System under a unique CUSIP identification number or, if the DTC System is discontinued with respect to the New LTGO Bonds, in such other manner as is permitted in accordance with their terms.

(vi) The City will not optionally redeem Insured Prior LTGO Bonds except as set forth in this Agreement.

(b) In addition to issuing and delivering the New LTGO Notes to the LTGO Claims Holders, the City shall also deliver and distribute to the LTGO Claim Holders the Pro Rata share of the Reserve B Notes in accordance with Section 2.2(e) of this Agreement. The Plan will provide in the event the City intends to redeem all or a portion of principal amount of New B Notes during any time that the Insured Prior LTGO Bonds are outstanding pursuant to Section 2.1(b)(ii) then:

(i) at least 35 days prior to the redemption date, the Distribution Agent will direct the paying agent for the Reserve B Notes to send a redemption notice to the New B Note Holders

(ii) at least 34 days prior to the redemption date, the Distribution Agent will direct the paying agent for the Insured Prior LTGO Bonds to send a redemption notice to Insured Prior LTGO Bondholders providing for a pro rata redemption of Insured Prior LTGO Bonds in an aggregate principal amount equal to the proportion that the principal amount of the New B Notes held by the Distribution Agent which are to be redeemed bears to the total principal amount of Insured Prior LTGO Bonds then outstanding pursuant to Section 2.1(b)(ii), in accordance with the procedures for redemption in the Prior LTGO Bonds documents;

(iii) no later than noon, Eastern Time, on the business day prior to the redemption date the City will pay the redemption price of the New B Notes to the paying agent for the New B Notes, and upon receipt of the redemption price of the portion of the New B Notes of which it is the beneficial owner, but no later than 10:00 a.m. Eastern Time, on the redemption date the Distribution Agent shall promptly transfer the redemption price for the portion of the Insured Prior LTGO Bonds to be redeemed to the paying agent for the Insured Prior LTGO Bonds to effectuate the redemption of the Insured Prior LTGO Bonds on the same day;

(iv) if Ambac issues endorsements to its bond Insurance Policies decreasing such Policies by the redemption principal amount, the holders of Insured Prior LTGO Bonds will be deemed to consent to such endorsements and such

Bond Insurance Policies will be so reduced; and

(v) the City understands that the paying agent for the Insured Prior LTGO Bonds will apply the amount received to reduce the principal amount, pro rata, of the Insured Prior LTGO Bonds which then remain outstanding as provided in Section 2.1(b) and such reduction in principal shall be deemed a redemption in part, of such Insured Prior LTGO Bonds.

(c) The Plan will provide that, from and after the Effective Date:

(i) The City will remain a named plaintiff and defendant in the COP Litigation but will transfer all of its rights and interests in the COP Litigation to a Litigation Trust whose beneficiaries, for the purpose of the COP Litigation, shall be the Litigation Parties and the Holders of Allowed Class 14 Claims. The Litigation Trustee will be selected by the LTGO Representative and the Retiree Committee and must be acceptable to the City. The document creating the Litigation Trust shall include indemnification of the Litigation Trustee by the City and will contain such other terms satisfactory to the Retiree Committee, the LTGO Representative and the City.

(ii) The Litigation Trustee will follow the day to day direction of the VEBA Trust Representatives in prosecuting and defending the COP Litigation, including defending any counterclaims and third-party claims therein. The Litigation Trustee and VEBA Trust Representatives will meet, in person or by phone at reasonable times and with reasonable advance notice, with all or any of the LTGO Representative, the VEBA Trust Representatives and the City (the "**Litigation Parties**") as requested to discuss the status, progress and prosecution of the COP Litigation. The Litigation Trustee will provide copies of all court filings by any party in the COP Litigation and such other documents relating to the COP Litigation as may be reasonably requested by the Litigation Parties. Upon request from a Litigation Party, the Litigation Trustee will provide to such Litigation Party drafts of court papers that will be filed by the Litigation Trustee as early as practicable under the circumstances to allow for comments, which may be accepted or rejected.

(iii) The cost of all fees and expenses incurred in connection with the COP Litigation will be borne by the Disputed COP Claims Reserve, subject to the funding of the Disputed COP Claims Reserve pursuant to Section II.B.3.p.iii of the Plan. The City will advance payment of all such fees and expenses within 30 days of receipt of the statements for the same pending reimbursement from the Disputed COP Claims Reserve. Reimbursement of the City will be effected by an offset in the amount of fees and expenses paid to the date of such reimbursement against the amount to be paid by the City to the Disputed COP Claims Reserve on that date. In the event that the COP Litigation is unsuccessful and a final, nonappealable judgment is entered against the City or the Litigation Trust as successor in interest to the City, such that the notes in the Disputed COP Claims Reserve are subject to release and distribution in full to the holders of Allowed Class 9 Claims in accordance with the Plan, the City will reimburse the

Disputed COP Claims Reserve for any amounts withdrawn prior to the date of such adverse judgment.

(iv) The Litigation Trustee will submit invoices for the fees and expenses incurred in connection with the COP Litigation, including for the Litigation Trustee's professional fees to the City on a monthly basis, and the City will pay such invoice within 30 days after receipt, subject to reimbursement as provided in paragraph (c)(iii) above. The Litigation Trustee fees will be fixed and consented to by the LTGO Representative and the VEBA Trustee Representatives.

(v) The Litigation Trustee will consult with the Litigation Parties in connection with any potential settlement of the COP Litigation. The Litigation Trustee will provide the Litigation Parties advance notice as early as practicable under the circumstances of any settlement negotiations, and the Litigation Parties and their counsel will have the right to participate in such negotiations. Any potential settlement must resolve the settled claims in their entirety, including the release by the settling party of all counterclaims and third party claims relating to the settled claims that it made or could have made against anyone. The Litigation Trustee will not take action on the matters set forth below unless all of the Litigation Parties agree with the decision relating to (B), (C) and (D) below, and the LTGO Representative agrees with the settlement described in (A) below:

(A) Any settlement that releases from the Disputed COP Claims Reserve to any of the COP Holders a pro rata share of the B Notes (or equivalent currency) based on 40% or more of the face amount of their claim.

(B) Any change of COP Litigation counsel.

(C) Any decision not to appeal an adverse decision on any claim or defense related to the COP Litigation.

(D) Any decision to voluntarily dismiss a substantive claim or counterclaim or to end the COP Litigation

To the extent the Litigation Parties are unable to reach agreement on the above matters, the Litigation Trustee or any Litigation Party may refer the matter to the Independent Party for mediation. Subject to such mediation, the Litigation Trustee shall have the authority to take whatever action may be required to avoid potentially adverse or prejudicial consequences of inaction. If a consensual resolution cannot be reached, the Independent Party will decide a substantive resolution of the issue or issues based upon the Independent Party's assessment of the merits of the legal claims, counterclaims and legal liabilities in the COP Litigation, which decision will be binding on the Litigation Parties and Litigation Trustee.

The City, the COP Litigation counsel, the VEBA Trust Representatives and the LTGO Representative will take any steps that may be required to preserve applicable privileges of the City and the COP Litigation counsel.

(d) In the event any Holder of a Disputed COP Claim enters into a settlement of such claim with the City prior to the Effective Date, including pursuant to the Plan, the portion of the New B Notes allocable to such Disputed COP Claim if such Disputed COP Claim had been allowed in full that is not used to satisfy the Disputed COP Claim pursuant to the terms of such settlement shall be deposited into the Disputed COP Claims Reserve and then distributed from the Disputed COP Claims Reserve pursuant to Section 2.2(e).

(e) Following the occurrence of the Effective Date, upon a settlement, or the entry of an order by the trial court having jurisdiction over the objections to the Disputed COP Claims, resolving any objection to any disputed COP Claim (“**Resolved COP Claims**”) and after all distributions on account of Allowed Claims respecting such Resolved COP Claim have been made or provided for, any and all New B Notes and distributions thereon remaining in the Disputed COP Claims Reserve with respect to such Resolved COP Claim shall be distributed as follows, and valued at face value for the purposes of the distribution: (I) an amount of New B Notes and/or distributions thereon in an amount equal to the costs, fees and expenses related to the COP Litigation incurred from and after the Effective Date shall be distributed to the City to reimburse it for attorneys’ fees relating to the COP Litigation, subject to and in accordance with the provisions of Section 2.2(c)(iii) above; (II) following such distribution, the balance of the New B Notes and any distributions thereon remaining in the Disputed COP Claims Reserve allocated to or with respect to such Resolved COP Claim shall be distributed as follows: (i) 65% to the Detroit General VEBA and the Detroit Police and Fire VEBA in proportion with the New B Notes allocated to each pursuant to Sections II.B.3.s.ii.A and II.B.3.s.ii.B of the Plan; and (ii) 20% to the LTGO Claim Holders (the “**Reserve B Notes**”) to be allocated Pro Rata; and (iii) 15% is to be allocated as determined by the City.

Section 2.3 Confirmation Order and Findings. The Plan Confirmation Order shall (i) approve the terms and conditions of this Agreement, (ii) direct that each month monies for the payment of one-sixth of the next semi-annual debt service payable on the New LTGO Bonds must be segregated and deposited into a debt service fund and not be used for any purpose other than paying debt service on the New LTGO Bonds so long as any New LTGO Bonds remain outstanding, (iii) provide that Plan treatment of the Prior LTGO Bonds is part of a settlement of the Ambac Action as it relates to the Prior LTGO Bonds, (iv) provide that the Bankruptcy Court will have exclusive post-confirmation authority and power to enforce this Agreement and all Settlement-Related Documents and (v) be in form and substance reasonably satisfactory to the LTGO Parties.

Section 2.4 Conditions to Plan Effectiveness. The Plan shall provide that the effectiveness of the Plan is subject to the City having obtained all governmental and Emergency Manager consents and approvals required to carry out the terms of this Agreement.

Section 2.5 Stay of Litigation, Proofs of Claim.

(a) The Ambac Action, as it pertains to the Prior LTGO Bonds, shall be stayed pending the issuance of an Approval Order or Plan Confirmation Order and the occurrence of the Effective Date, whereupon Ambac and the City shall ask the Bankruptcy Court to dismiss the Ambac Action as it pertains to the Prior LTGO Bonds without prejudice until the Approval Order or the Plan Confirmation Order, as applicable, is a Final Order, when such dismissal shall be deemed to be with prejudice. If the Ambac Action is dismissed without prejudice and subsequently refiled pursuant to this Agreement, then the statute of limitations for the causes of action asserted in the Ambac Action, and all other defenses based on the passage of time, shall be tolled for 60 days after the date of the event that would permit a refile.

(b) As soon as practicable subsequent to the execution and delivery of this Agreement by each of the Parties, but in no event later than five (5) business days subsequent thereto, Ambac and the City shall take any and all action as is appropriate to (i) stay the Ambac Action as provided in subsection (a) above, (ii) maintain the status quo in the Ambac Action as it pertains to the Prior LTGO Bonds as of the execution of this Agreement, and (iii) ensure that no action (including separate litigation and any objection to proofs of claim filed by the LTGO Parties relating to the Prior LTGO Bonds) is undertaken or commenced inconsistent with seeking a stay of and maintaining the status quo of the Ambac Action as it pertains to the Prior LTGO Bonds; provided, however, that any such stay shall terminate on the first (1st) business day following termination of this Agreement.

(c) In the event (i) an Approval Motion is made by the City and denied by the Bankruptcy Court, (ii) an Approval Order is issued but is not consistent with this Agreement in any material respect or is overturned on appeal, (iii) a Plan consistent with this Agreement in all material respects is not confirmed by the Bankruptcy Court, or (iv) a Plan Confirmation Order is entered by the Bankruptcy Court but is not consistent in all material respects with this Agreement, or is overturned on appeal, then Ambac may resume the Ambac Action and terminate this Agreement by written notice to the other Parties.

(d) The LTGO Parties agree that all proofs of claims filed by any of them with respect to Prior LTGO Bonds shall be deemed resolved and fully satisfied by approval of this Agreement in the Confirmation Order or an Approval Order, as applicable, which is a Final Order.

Section 2.6 Additional Covenants

(a) Paying Agent and Distribution Agent. The City shall pay the reasonable and customary fees and expenses (including reasonable attorneys' fees) of (i) the paying agent with respect to the Prior LTGO Bonds, (ii) the paying agent in respect of all transactions contemplated by this Agreement, and (iii) the Distribution Agent pursuant to the Distribution Agreement.

(b) Further Action. To the extent that the City has not taken all necessary action to authorize the execution, delivery and performance of this Agreement, it will do so.

### **ARTICLE III PLAN OF ADJUSTMENT AND PLAN SUPPORT**

Section 3.1 Plan Commitment Regarding Voting and Abstention From Objection. From and after the date hereof, and so long as the City has complied, and is complying, with its covenants and obligations under this Agreement, each LTGO Party shall withdraw its objections to the Plan regarding the treatment of the Prior LTGO Bonds no later than August 1, 2014. The Plan shall provide that such treatment, consistent with this Agreement, is the treatment for all LTGO Claim Holders. The Uninsured Bondholder will vote its Prior LTGO Bonds and Ambac will vote its Prior LTGO Bonds and reimbursement claims in support of such Plan treatment promptly following the execution of this Agreement or as otherwise agreed by the City. Upon the finalization of the terms of this Agreement, the Parties will file a stipulation and proposed order with the Bankruptcy Court that will permit each LTGO Party to modify its previous vote(s) and submit a vote in support of the Plan, pursuant to Federal Rule of Bankruptcy Procedure 3018. For the absence of doubt, nothing contained in this Agreement shall require any LTGO Party to vote for the treatment of any class of claims under the Plan other than the LTGO Bonds, or refrain from objecting to the Plan with respect to issues other than the treatment of the LTGO Bonds.

Section 3.2 Solicitation Required in Connection with Plan. Notwithstanding anything contained in this Article III or elsewhere in this Agreement to the contrary, this Agreement is not, and shall not be deemed to be, a solicitation of acceptances of the Plan.

Section 3.3 Plan Document Provisions. All Plan Documents, as they relate to the settlement embodied in this Agreement must (i) be in form and substance reasonably satisfactory to the LTGO Parties and to the City and be consistent with this Agreement, (ii) provide that the Plan treatment for Prior LTGO Bonds is part of a settlement of the pending Ambac Action as it pertains to the Prior LTGO Bonds.

### **ARTICLE IV DEFAULTS AND REMEDIES**

Section 4.1 Events of Default. The breach by any Party of any material agreement or covenant set forth in this Agreement will be an event of default (“**Event of Default**”) under this Agreement.

Section 4.2 Remedies. The Parties acknowledge and agree that a breach of the provisions of this Agreement by any Party would cause irreparable damage to the other Parties and that such other Parties would not have an adequate remedy at law for such damage. Therefore, the obligations of the Parties set forth in this Agreement shall be enforceable by an order compelling specific performance issued by the

Bankruptcy Court, and appropriate injunctive relief may be applied for and granted in connection therewith. Such remedies shall be cumulative and not exclusive and shall be in addition to any other remedies that the Parties may have under this Agreement or otherwise. Any LTGO Party may exercise its rights hereunder on its own. Consistent with Section 904 of the Bankruptcy Code, the City hereby consents to the Bankruptcy Court enforcing the terms of this Agreement.

Section 4.3 Termination.

(a) This Agreement may be terminated by the mutual agreement of all of the LTGO Parties upon an Event of Default caused by the City. This Agreement may be terminated by less than all of the LTGO Parties as to such LTGO Party or LTGO Parties upon an Event of Default caused by the City if (i) an action or proceeding seeking to enforce the material agreement or covenant purported to be breached is brought by one or more LTGO Parties before the Bankruptcy Court, (ii) the Bankruptcy Court, after notice and a hearing, finds that an Event of Default caused by the City has occurred and (iii) either (A) the Bankruptcy Court declines to issue an order compelling specific performance by the City of the applicable agreement or covenant purported to be breached or (B) the Bankruptcy Court issues such an order compelling specific performance but the City fails to comply with the order.

(b) This Agreement may be terminated by the City if (i) any of the LTGO Parties fails to withdraw its objections to the Plan regarding the treatment of the Prior LTGO Bonds on or before August 1, 2014, or (ii) any of the LTGO Parties fails to submit a ballot to vote its Class 7 Claims to accept the Plan promptly following the execution of this Agreement or as otherwise agreed by the City. This Agreement may be terminated by the City upon an Event of Default caused by the LTGO Parties, or any of them, if (i) an action or proceeding seeking to enforce the material agreement or covenant purported to be breached is brought by the City before the Bankruptcy Court, (ii) the Bankruptcy Court finds, after notice and a hearing, that an Event of Default caused by the applicable LTGO Party has occurred and (iii) either (A) the Bankruptcy Court declines to issue an order compelling specific performance by the applicable LTGO Party of this Agreement or the applicable covenant purported to be breached or (B) the Bankruptcy Court issues such an order compelling specific performance but the applicable LTGO Party fails to comply with the order.

(c) Upon any such termination, Ambac may resume the Ambac Action unless it has been previously dismissed with prejudice or has been previously deemed dismissed with prejudice.

**ARTICLE V  
REPRESENTATIONS AND WARRANTIES**

Section 5.1 Representations and Warranties of the City. The City represents and warrants to the LTGO Parties that:

(a) It is a municipal corporation of the State of Michigan.

(b) It has the power to execute and deliver this Agreement and to perform its obligations hereunder and it has taken or will take all necessary action to authorize such execution, delivery and performance.

(c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any order or judgment of any court or other agency of government applicable to it, or any material agreements specifically applicable to it or any of its assets.

(d) Other than (i) approvals of the State Treasurer, the Emergency Loan Board and the City Council to be obtained prior to delivery of the New LTGO Bonds, which the City reasonably expects to be obtained prior to the Effective Date, and (ii) the approval of the Bankruptcy Court, all governmental and Emergency Manager consents and approvals that are required to have been obtained by it as of the date of execution of this Agreement with respect to the execution, delivery and performance of this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

Section 5.2 Representations and Warranties of the LTGO Parties. Each of the LTGO Parties represents to the City that:

(a) It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation.

(b) It has the power to execute and deliver this Agreement and to perform its obligations under this Agreement and it has taken all necessary corporate action to authorize such execution, delivery and performance.

(c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it, or any agreements specifically applicable to it or any of its assets.

(d) All corporate or governmental consents and approvals that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

Section 5.3 Representations and Warranties of Ambac. Ambac had and has standing to bring and resolve the Ambac Action as it pertains to the Prior LTGO Bonds that it insures.

Section 5.4 Mutual Representations and Warranties. Unless otherwise noted, each Party makes the following representations, warranties and covenants (on a several basis, with respect to such Party only) to each of the other Parties:

(a) Each person signing this Agreement warrants that he or she is legally competent and authorized to execute this Agreement on behalf of the Party whose name is subscribed at or above such person's signature.

(b) The Parties have not made any statement or representation to each other regarding any facts relied upon by them in entering into this Agreement, and each of them specifically does not rely upon any statement, representation or promise of the other Parties hereto or any other person in entering into this Agreement, except as expressly stated herein or in the exhibits hereto. Each party has relied upon its own investigation and analysis of the facts and not on any statement or representation made by any other party in choosing to enter into this Agreement and the transactions contemplated herein.

(c) The Parties and their respective attorneys have made such investigation of the facts pertaining to this Agreement and all of the matters pertaining thereto as they deem necessary.

## **ARTICLE VI EXCULPATION**

Section 6.1 Exculpation. The Plan will include the LTGO Exculpated Parties as exculpated parties for acts and omissions (other than those constituting gross negligence or willful misconduct) in connection with the Plan as it relates to this Agreement and this Agreement.

Section 6.2 Releases. Upon the dismissal with prejudice or deemed dismissal with prejudice of the Ambac Action as it pertains to the Prior LTGO Bonds, Ambac and the City shall be deemed to have released each other, and each of their respective officials, officers, directors, employees and representatives, of and from any and all claims and causes of action related to the Prior LTGO Bonds and the Ambac Action.

## **ARTICLE VII DISMISSAL OF CASE AND TERMINATION**

Section 7.1 Effect of Dismissal of the Bankruptcy Case. In the event the Bankruptcy Case is dismissed, any Party may at any time within 60 days after such dismissal immediately terminate this Agreement by written notice to the other Parties.

Section 7.2 Effect of Termination. In the event of the termination of this Agreement by any Party pursuant to any provisions of this Agreement, this Agreement shall become null and void and be deemed of no force and effect, with no liability on the part of any Party hereto (or of any of its elected or appointed officials, directors, officers, employees, consultants, contractors, agents, legal and financial advisors or other representatives) arising from such termination, and no Party shall have any obligations to any other Party arising out of this Agreement. Upon termination, neither this Agreement nor any terms or provisions set forth herein shall be admissible in any dispute, litigation, proceeding or controversy among the Parties and nothing

contained herein shall constitute or be deemed to be an admission by any Party as to any matter, it being understood that the statements and resolutions reached herein were as a result of negotiations and compromises of the respective positions of the Parties. If the Ambac Action is reinstated, and this Agreement is terminated, then no Party hereto may (i) use this Agreement, any of its terms or any discussions or negotiations conducted in respect of this Agreement, or any part of the foregoing, in the Ambac Action; (ii) seek discovery with respect to any of the matters described in subsection (i) in the Ambac Action; or (iii) seek to admit any of the matters described in subsection (i) into evidence in the Ambac Action.

## ARTICLE VIII MISCELLANEOUS

Section 8.1 Amendments. This Agreement may not be modified, amended or supplemented except by a written agreement executed by each Party to be affected by such modification, amendment or supplement.

Section 8.2 No Admission of Liability.

(a) The execution of this Agreement is not intended to be, nor shall it be construed as, an admission or evidence in any pending or subsequent suit, action, proceeding or dispute of any liability, wrongdoing, or obligation whatsoever (including as to the merits of any claim or defense) by any Party to any other Party or any other person with respect to any of the matters addressed in this Agreement.

(b) None of this Agreement (including, without limitation, the recitals and exhibits hereto), the settlement or any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement: (i) is or may be deemed to be or may be used as an admission or evidence of the validity of any claim or of any wrongdoing or liability of any Party; or (ii) is or may be deemed to be or may be used as an admission or evidence of any liability, fault or omission of any Party in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. None of this Agreement, the settlement, or any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purposes, except to enforce the terms of the Agreement, and except that any Party may file this Agreement in any action for any purpose, including, but not limited to, in order to support a defense or counterclaim based on the principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense of counterclaim.

Section 8.3 Good Faith Negotiations. The Parties recognize and acknowledge that each of the Parties hereto is represented by counsel, and such Party received independent legal advice with respect to the advisability of entering into this Agreement. Each of the Parties acknowledges that the negotiations leading up to this Agreement were conducted regularly and at arm's length; this Agreement is made and executed by and of each Party's own free will; that each knows all of the relevant facts

and his or its rights in connection therewith, and that it has not been improperly influenced or induced to make this settlement as a result of any act or action on the part of any party or employee, agent, attorney or representative of any party to this Agreement. The Parties further acknowledge that they entered into this Agreement because of their desire to avoid the further expense and inconvenience of litigation and other disputes, and to compromise permanently and settle the claims between the Parties settled by the execution of this Agreement.

Section 8.4 Rights and Remedies. Nothing in this Agreement is intended to augment, impair any rights, remedies and interests, including without limitation, liens, of any of the Parties hereto other than with respect to the Prior LTGO Bonds.

Section 8.5 Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon, or to give to, any Person other than the Parties hereto and their respective successors and assigns, any right, remedy or claim under or by reason of this Agreement or any covenant, condition or stipulation thereof; and the covenants, stipulations and agreements contained in this Agreement are and shall be for the sole and exclusive benefit of the Parties hereto and their respective successors and assigns.

Section 8.6 Governing Law; Retention of Jurisdiction; Service of Process. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Michigan, without giving effect to any principles of conflicts of law and applicable federal law. By its execution and delivery of this Agreement, each of the Parties hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding between any or all of the foregoing with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, shall be brought in the Bankruptcy Court for that purpose only, and, by execution and delivery of this Agreement, each hereby irrevocably accepts and submits itself to the jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding. In the event any such action, suit or proceeding is commenced, the Parties hereby agree and consent that service of process may be made, and personal jurisdiction over any Party hereto in any such action, suit or proceeding may be obtained, by service of a copy of the summons, complaint and other pleadings required to commence such action, suit or proceeding upon the Party at the address of such Party set forth in Section 8.11 hereof, unless another address has been designated by such Party in a notice given to the other Parties in accordance with Section 8.11 hereof. The City agrees that the Bankruptcy Court will have exclusive post-confirmation authority and power to enforce this Agreement and all Settlement-Related Documents and to hear and adjudicate any challenge, action, suit or proceeding brought by any third party challenging the validity or enforceability of any provision of this Agreement, until all New LTGO Bonds have been paid in full and all Plan Instruments are no longer outstanding. Pursuant to Section 904 of the Bankruptcy Code, the City hereby consents to the Bankruptcy Court enforcing the terms of this Agreement.

Section 8.7 Headings. The headings of the Articles and Sections of this Agreement are inserted for convenience only and are not part of this Agreement and do not in any way limit or modify the terms or provisions of this Agreement and shall not affect the interpretation hereof.

Section 8.8 Binding Agreement Successors and Assigns; Joint and Several Obligations. This Agreement shall be binding upon the execution and delivery of this Agreement by the Parties listed on the signature pages hereto. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors, assigns, administrators, constituents and representatives. The agreements, representations, covenants and obligations of the Parties under this Agreement are several only and not joint in any respect and none shall be responsible for the performance or breach of this Agreement by another.

Section 8.9 Entire Agreement. This Agreement shall constitute the full and entire agreement among the Parties with regard to the subject matter hereof, and supersedes all prior negotiations, representations, promises or warranties (oral or otherwise) made by any Party with respect to the subject matter hereof. No Party has entered into this Agreement in reliance on any other Party's prior representation, promise or warranty (oral or otherwise) except for those that may be expressly set forth in this Agreement.

Section 8.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original copy of this Agreement and all of which, when taken together, shall constitute one and the same Agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts, provided receipt of copies of such counterparts is confirmed.

Section 8.11 Notices. All demands, notices, requests, consents, and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when personally delivered by courier service or messenger, (b) upon actual receipt (as established by confirmation of receipt or otherwise) during normal business hours, otherwise on the first business day thereafter if transmitted electronically (by e-mail transmission), by facsimile or telecopier, with confirmation of receipt, or (c) three (3) business days after being duly deposited in the mail, by certified or registered mail, postage prepaid-return receipt requested, to the following addresses, or such other addresses as may be furnished hereafter by notice in writing, to the following Parties:

If to the City, to:

Chief Financial Officer  
City of Detroit  
1126 Coleman A. Young Municipal Center  
Two Woodward Avenue  
Detroit MI 48226

Phone: (313) 224-3382  
Fax: (313) 224-2827

with a copy given in like manner to:

Corporation Counsel  
City of Detroit Law Department  
Coleman A. Young Municipal Center  
2 Woodward Avenue  
Detroit MI 48226  
Phone: (313) 237-3018  
Fax: (313) 224-5505

Miller, Canfield, Paddock and Stone, PLC  
150 West Jefferson, Suite 2500  
Detroit, MI 48226  
Attention: Jonathan Green  
Email: green@millercanfield.com  
Attention: Amanda Van Dusen  
Email: vandusen@millercanfield.com

If to the LTGO Parties, to:

Ambac Assurance Corporation  
One State Street Plaza  
New York, New York 10004  
Attention: Surveillance Department and General Counsel's Office  
Fax: (212) 208-3384

with a copy given in like manner to:

Arent Fox LLP  
1675 Broadway  
New York, New York 10019  
Attention: David L. Dubrow, Esq.  
Telecopy: (212) 484-3990  
Email: david.dubrow@arentfox.com

-and

BlackRock Financial Management  
1 University Square Drive  
Princeton, New Jersey 08540  
Attn: Jim Schwartz  
Phone: (609) 282-1784  
Email: jim.schwartz@blackrock.com

with a copy given in like manner to:

Kramer Levin Naftalis & Frankel LLP  
1177 Avenue of the Americas  
New York, NY 10036  
Attn: Amy Caton  
Phone: (212) 713-7772  
Email: acaton@kramerlevin.com

Section 8.12 Further Assurances. Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as the other Parties may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

Section 8.13 Non-Severability of Agreement. This Agreement is to be construed as a whole, and all provisions of it are to be read and construed together. Notwithstanding anything in this Agreement, the Approval Order (if applicable) or the Plan Confirmation Order to the contrary, and in light of the integrated nature of the settlements and compromises embodied in this Agreement, in the event that (i) a court of competent jurisdiction enters a Final Order ruling that any of the transactions contemplated in this Agreement, are void, invalid, illegal or unenforceable in any material respect, (ii) any of the transactions contemplated by this Agreement are reversed, vacated, overturned, voided or unwound in any material respect, or (iii) the Approval Order or Plan Confirmation Order as it relates to the transactions contemplated in this Agreement is reversed, vacated, overturned or amended in any material respect, then in each case, the entirety of this Agreement (other than this Section 8.13) shall be void ab initio and of no force and effect and, during any subsequent proceeding, the Parties shall not assert claim preclusion, issue preclusion, estoppel or any similar defense in respect of rights and claims of the Parties that were the subject of this Agreement prior to this Agreement being of no force or effect.

(Signature page follows)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date set forth above.

THE CITY OF DETROIT, as Debtor

By: \_\_\_\_\_  
Name:  
Title:

AMBAC ASSURANCE CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

BLACKROCK FINANCIAL MANAGEMENT, on behalf of its managed funds and accounts as reflected in Exhibit B

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_

**Schedule 1**

**Financial Terms of New LTGO Bonds**

Principal: \$55 million

Interest Rate: 5.65% per annum (first 10 years, 5.00% payable in cash and 0.65% capital appreciation added to principal)

Final Maturity: 23 years

Amortization: Interest payable semi-annually

On each anniversary from the sixth through tenth anniversary—\$2 million principal due per year

On each anniversary from the eleventh through twenty-third anniversary—principal payment equal to one-thirteenth (1/13) of the principal outstanding immediately prior to the eleventh anniversary (approximately \$3,735,115 per year)

Debt Service on Notes for LTGOs

| \$ in MMs | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024  | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  | 2031  | 2032  | 2033  | 2034  | 2035  | 2036  | 2037  |
|-----------|------|------|------|------|------|------|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|           | Yr 1 | Yr 2 | Yr 3 | Yr 4 | Yr 5 | Yr 6 | Yr 7 | Yr 8 | Yr 9 | Yr 10 | Yr 11 | Yr 12 | Yr 13 | Yr 14 | Yr 15 | Yr 16 | Yr 17 | Yr 18 | Yr 19 | Yr 20 | Yr 21 | Yr 22 | Yr 23 |

Debt Service and Amortization

|                 |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |     |     |
|-----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----|-----|
| Opening Balance | 55.0 | 55.4 | 55.7 | 56.1 | 56.4 | 56.8 | 55.2 | 53.5 | 51.9 | 50.2 | 48.6 | 44.8 | 41.1 | 37.3 | 33.6 | 29.9 | 26.1 | 22.4 | 18.7 | 14.9 | 11.2 | 7.5 | 3.7 |
| Principal       | -    | -    | -    | -    | -    | 2.0  | 2.0  | 2.0  | 2.0  | 2.0  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7  | 3.7 | 3.7 |
| Cash Interest   | 2.8  | 2.8  | 2.8  | 2.8  | 2.8  | 2.8  | 2.8  | 2.7  | 2.6  | 2.5  | 2.7  | 2.5  | 2.3  | 2.1  | 1.9  | 1.7  | 1.5  | 1.3  | 1.1  | 0.8  | 0.6  | 0.4 | 0.2 |
| Total Cash Int  | 2.8  | 2.8  | 2.8  | 2.8  | 2.8  | 4.8  | 4.8  | 4.7  | 4.6  | 4.5  | 6.5  | 6.3  | 6.1  | 5.8  | 5.6  | 5.4  | 5.2  | 5.0  | 4.8  | 4.6  | 4.4  | 4.2 | 3.9 |
| PIK Interest    | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.4  | 0.3  | 0.3  | 0.3  | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -    | -   | -   |

Interest Rate

|      |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Cash | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| PIK  | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% | 0.65% |

Exhibit A

EMERGENCY MANAGER ORDER

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$55,000,000 FINANCIAL RECOVERY BONDS (LIMITED TAX GENERAL OBLIGATION) IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN CLAIMS OF THE HOLDERS AND INSURER OF CERTAIN LIMITED TAX GENERAL OBLIGATION BONDS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE DELIVERY AND EXCHANGE OF SAID BONDS TO THE HOLDERS OF SAID CLAIMS IN FULL SATISFACTION OF SAID CLAIMS.

## TABLE OF CONTENTS

|   | Page |
|---|------|
| ARTICLE I DEFINITIONS AND INTERPRETATION .....  | 3    |
| Section 101. Definitions.....   | 3    |
| Section 102. Interpretation.....  | 8    |
| ARTICLE II DETERMINATIONS.....  | 8    |
| Section 201. Finding, and Declaration of Need to Issue Bonds .....  | 8    |
| ARTICLE III AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE<br>BONDS .....                                      | 9    |
| Section 301. Authorization of Bonds to Satisfy the Claims and Pledge.....                                       | 9    |
| Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds<br>to Satisfy the Claims ..... | 9    |
| Section 303. Execution, Authentication and Delivery of Bonds .....  | 10   |
| Section 304. Authentication of the Bonds .....  | 10   |
| Section 305. Transfer of Registration and Exchanges on the Bonds .....  | 11   |
| Section 306. Regulations with Respect to Exchanges and Transfers .....  | 11   |
| Section 307. Form of the Bonds .....  | 12   |
| Section 308. Registration .....   | 19   |
| Section 309. Mutilated, Destroyed, Stolen or Lost Bonds.....  | 19   |
| Section 310. Book-Entry-Only System Permitted .....   | 19   |
| ARTICLE IV FUNDS AND ACCOUNTS .....   | 20   |
| Section 401. Establishment of Accounts and Funds.....   | 20   |
| Section 402. Debt Retirement Fund.....  | 20   |
| Section 403. Investment of Monies in the Funds and Accounts.....  | 20   |
| ARTICLE V THE PAYING AGENT .....  | 21   |
| Section 501. Paying Agent.....  | 21   |
| ARTICLE VI SUPPLEMENTAL ORDERS AND RESOLUTIONS.....   | 22   |
| Section 601. Supplemental Orders and Resolutions Not Requiring Consent of<br>Holders of the Bonds .....         | 22   |
| Section 602. Bond Counsel Opinion.....  | 22   |
| ARTICLE VII DEFEASANCE .....  | 22   |
| Section 701. Defeasance .....   | 22   |
| ARTICLE VIII OTHER PROVISIONS OF GENERAL APPLICATION.....   | 23   |
| [Section 801. RESERVED] .....   | 23   |
| Section 802. Approval of Other Documents and Actions.....   | 23   |
| Section 803. Delegation of City to, and Authorization of Actions of Authorized<br>Officers .....                | 23   |
| Section 804. Approving Legal Opinions with Respect to the Bonds .....   | 24   |
| Section 805. Appointment of Bond Counsel; Engagement of Other Parties.....                                      | 24   |
| Section 806. Preservation of Records .....  | 24   |
| Section 807. Parties in Interest.....   | 24   |
| Section 808. No Recourse Under Order .....  | 24   |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Section 809. Severability .....  | 24          |
| Section 810. Cover Page, Table of Contents and Article and Section Headings..... | 24          |
| Section 811. Conflict .....  | 25          |
| Section 812. Governing Law and Jurisdiction.....                                 | 25          |
| Section 813. Order and Supplemental Order are a Contract.....                    | 25          |
| Section 814. Effective Date .....  | 25          |
| Section 815. Notices .....   | 25          |

ORDER NO. \_\_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$55,000,000 FINANCIAL RECOVERY BONDS (LIMITED TAX GENERAL OBLIGATION) IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN CLAIMS OF THE HOLDERS AND INSURER OF CERTAIN LIMITED TAX GENERAL OBLIGATION BONDS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE DELIVERY AND EXCHANGE OF SAID BONDS TO THE HOLDERS OF SAID CLAIMS IN FULL SATISFACTION OF SAID CLAIMS.

WHEREAS, on March 1, 2013, the Governor (the “Governor”) of the State of Michigan (the “State”) determined that a financial emergency existed within the City of Detroit, County of Wayne, State of Michigan (the “City”) pursuant to the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended (“Act 72”); and

WHEREAS, on March 14, 2013, the Governor confirmed that a financial emergency existed within the City and, pursuant to Act 72, assigned to the Local Emergency Financial Assistance Loan Board established pursuant to the Emergency Municipal Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (the “Board”) the responsibility for managing the financial emergency; and

WHEREAS, on March 14, 2013, pursuant to Act 72, the Board appointed Kevyn D. Orr as Emergency Financial Manager for the City; and

WHEREAS, by operation of law the financial emergency continues to exist within the City pursuant to the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012 (“Act 436”) and the Emergency Financial Manager continues in the capacity of the Emergency Manager for the City (the “Emergency Manager”); and

WHEREAS, as of the close of Fiscal Year 2013 (*i.e.*, June 30, 2013), the City had \$160.97 million in outstanding principal amount of limited tax general obligation bonds, excluding any limited general obligation bonds secured by distributable state aid and sold to the Michigan Finance Authority (the “Prior LTGO Bonds”); and

**WHEREAS**, more than two thirds in amount of the Prior LTGO Bonds are either held by BlackRock Financial Management (the “Uninsured Bondholder”) or insured by Ambac Assurance Corporation (“Ambac”) under financial guaranty insurance policies (the “Bond Insurance Policies”) that were issued contemporaneously with certain Prior LTGO Bonds (the “Insured Prior LTGO Bonds”); and

WHEREAS, on July 18, 2013 (the "Petition Date"), in accordance with Act 436 and the approval of the Governor, the Emergency Manager filed on behalf of the City a petition for relief pursuant to Chapter 9 of title 11 of the United States Code, 11 U.S.C. Sections 101-1532 (as amended, the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"); and

WHEREAS, as of the Petition Date, the balance due on the Prior LTGO Bonds, including prepetition interest accrued as of that date, was \$163,554,770; and

WHEREAS, on October 1, 2013, the City defaulted on its obligation to make interest payments on the Prior LTGO Bonds in the amount of \$4,348,211, and Ambac paid claims in the amount of \$2,266,586 on account of the Insured Prior LTGO Bonds and was subrogated to the rights of the owners for such payments, and the insurance documents contemplate for the assignment of the Insured Prior LTGO Bonds to Ambac upon payment of a claim; and

WHEREAS, on April 1, 2014, the City defaulted on its obligation to make interest payments in the amount of \$4,348,211 and principal payments in the amount of \$43,420,000 on the Prior LTGO Bonds, and Ambac paid claims in the amount of \$20,686,586 on account of the Insured Prior LTGO Bonds insured by it and was subrogated to the rights of the owners for such payments, and the insurance documents contemplate for the assignment of the Insured Prior LTGO Bonds to Ambac upon payment of a claim; and

WHEREAS, on May 5, 2014, the Emergency Manager filed on behalf of the City a Fourth Amended Plan for the Adjustment of the Debts of the City of Detroit (now and as subsequently amended, the "Plan of Adjustment") in the Bankruptcy Court to provide for the adjustment of the debts of the City pursuant to and in accordance with Chapter 9 of the Bankruptcy Code; and

WHEREAS, on \_\_\_\_\_, 2014, the City, Ambac and the Uninsured Bondholder (together the "LTGO Parties") entered into a Settlement Agreement (LTGO) (the "Settlement Agreement") regarding a consensual resolution of their disputes under or in respect of the Prior LTGO Bonds, the Ambac Action (as defined in the Settlement Agreement) and the claims of the LTGO Parties (the "LTGO Claims"); and

WHEREAS, the Plan of Adjustment and the Settlement Agreement provide, among other things, for the satisfaction of the claims of the holders of Allowed Claims on account of Prior LTGO Bonds who are (i) record owners of any Prior LTGO Bonds and (ii) Ambac as to any Insured Prior LTGO Bond (each, a "LTGO Claims Holder") in exchange for the receipt of unsecured pro rata shares ( each a "Pro Rata Share") of New LTGO Notes, in the form of the Bonds authorized herein, in the form of Financial Recovery Bonds authorized for settlement of unsecured claims under the Plan of Adjustment and a portion of the New B Notes, referred to as "Reserve B Notes" in the Settlement Agreement, to be authorized by separate order of the Emergency Manager; and

WHEREAS, upon satisfaction of all of the terms and conditions required of the City related to the confirmation of the Plan of Adjustment, the City shall establish the Business Day upon which the Plan of Adjustment shall become effective (the "Effective Date"); and

WHEREAS, on or before the Effective Date, the City shall issue Financial Recovery Bonds (Limited Tax General Obligation) (the “Bonds”) under Section 36a of the Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended (“Act 279”) and this Order, and distribute Pro Rata Shares of the Bonds, to the LTGO Claim Holders as provided in the Plan of Adjustment; and

WHEREAS, the Emergency Manager of the City deems it necessary to authorize the issuance of the Bonds in one or more series, in the aggregate principal amount of not to exceed Fifty Five Million Dollars (\$55,000,000) pursuant to Section 36a of Act 279; and

WHEREAS, the Bonds will be secured by a pledge of the City’s limited tax full faith and credit; and

WHEREAS, Section 36a of Act 279 authorizes a city, for which a financial emergency has been determined to exist, such as the City, to borrow money and issue Financial Recovery Bonds subject to the terms and conditions approved by the Board; and

WHEREAS, the City must receive prior approval of the terms and conditions for the issuance of the Bonds from the Board in accordance with Section 36a of Act 279; and

WHEREAS, the Emergency Manager desires to submit this Order to the Board proposing the issuance by the City of the Bonds, in one or more series, under Section 36a of Act 279, to provide for a portion of the financing of the City under the Plan of Adjustment, solely to satisfy the claims of the LTGO Claim Holders; and

WHEREAS, prior to submission of this Order to the Board, pursuant to Sections 12(1)(u) and 19(i) of Act 436, the Emergency Manager must obtain approval of the issuance of the Bonds by the City Council of the City (the “City Council”), and if the City Council disapproves the issuance of the Bonds, the issuance of the Bonds must be approved by the Board.

NOW, THEREFORE, BE IT ORDERED AS FOLLOWS:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The words and terms defined in the preambles and recitals hereof and the following words and terms as used in this Order shall have the meanings ascribed therein, herein or in the Plan of Adjustment to them unless a different meaning clearly appears from the context:

“Accretion Date” means April 1 and October 1 of each year after the Date of Original Issue and the Conversion Date.

“Accretion Rate” means a rate of accretion in principal borne by the Bonds of 0.65% per annum compounded semiannually on each Accretion Date from the Date of Original Issue until the Conversion Date.

“Accretion Value” means as of any particular date of calculation, the original principal amount of the Bond, plus all accretion in principal accrued and compounded to the particular date of calculation. A table setting forth the Accreted Values per \$5,000 original principal amount of the Bonds at each Accretion Date shall be set forth in the Bonds and as an exhibit to the Supplemental Order.

“Act 243” means Act No. 243, Public Acts of Michigan, 1980, as amended.

“Act 279” means Act No. 279, Public Acts of Michigan, 1909, as amended.

“Act 436” means Act No. 436, Public Acts of Michigan, 2012.

“Allowed Claims” has the meaning set forth in the Plan of Adjustment.

“Authorized Denominations” shall mean denominations of Bonds equal to multiples of \$1,000 or integral multiples of \$1.00 in excess thereof.

“Authorized Officer” means (i) the Emergency Manager or his designee or successor, or if the City is no longer operating under a financial emergency pursuant to Act 436, the chief administrative officer of the City, the Finance Director or his or her designee, or (ii) any other person authorized by a Certificate of an Authorized Officer to act on behalf of or otherwise represent the City in any legal capacity, which such certificate shall be delivered, if at all, in the City’s sole discretion.

“Bankruptcy Case” means the City’s Bankruptcy Case No. 13-53846 in the U.S. Bankruptcy Court for the Eastern District of Michigan.

“Bankruptcy Code” has the meaning ascribed to it in the recitals hereof.

“Board” has the meaning set forth in recitals hereto.

“Bond Counsel” means Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, or such other nationally recognized firm of attorneys experienced in matters pertaining to municipal bonds and appointed to serve in such capacity by the City with respect to the Bonds.

“Bond” or “Bonds” means the Financial Recovery Bonds (Limited Tax General Obligation), Series 2014 of the City authorized to be issued by the Order in the aggregate principal amount not to exceed \$55,000,000, in one or more series, and bearing such other designations as determined by the Authorized Officer in the Supplemental Order.

“Bond Insurance Policies” has the meaning ascribed to it in the recitals hereof.

“Bond Registry” means the books for the registration of Bonds maintained by the Paying Agent.

“Bondowner”, “Owner” or “Registered Owner” means, with respect to any Bond, the person in whose name such Bond is registered in the Bond Registry.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday, (ii) a day on which the Paying Agent or banks and trust companies in New York, New York are authorized or required to remain closed, (iii) a day on which the New York Stock Exchange is closed, or (iv) a day on which the Federal Reserve is closed.

“Certificate” means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to the Indenture or (ii) the report of an Authorized Officer as to audits or other procedures called by the Indenture, as the case may be.

“Charter” means the Charter of the City, as amended from time to time.

“City” means the City of Detroit, County of Wayne, State of Michigan.

“Claim” shall mean a “claim” as defined in Section 101(5) of the Bankruptcy Code.

“Class” means each class of Claims established under the Plan.

“Closing Date” means the Date of Original Issue.

“Code” means the Internal Revenue Code of 1986, as amended.

“Confirmation Order” has the meaning set forth in recitals hereto.

“Constitution” means the Constitution of the State of Michigan of 1963, as amended.

“Conversion Date” means the last Accretion Date on the tenth anniversary of the Date of Original Issue of the Bonds, after which the Bonds shall no longer accrete in value.

“Date of Original Issue” means the date upon which all conditions precedent set forth in the Bond Purchase Agreement to the transactions contemplated therein and herein have been satisfied and the Bonds have been issued to the Purchaser.

“Debt Retirement Fund” means the Debt Retirement Fund established under Section 501 hereof, and any subaccounts thereof established hereunder for the payment of principal of and premium and interest on the Bonds.

“Distribution Agent” shall mean U.S. Bank National Association, Detroit, Michigan.

“Distribution Agreement” shall mean the Insured Prior LTGO Bonds Distribution Agreement among the Distribution Agent the City, Ambac and the paying agent for the Insured Prior LTGO Bonds, in form and substance satisfactory to the City and Ambac, relating to the distribution of payments of principal and interest on the Insured Prior LTGO Bonds.

“DTC System” shall mean the system maintained by The Depository Trust Company used for trading municipal securities.

“Emergency Manager” has the meaning set forth in the recitals hereto.

“Final Order” has the meaning set forth in the Plan of Adjustment.

“Fiscal Year” means the period from July 1 to and including June 30 of the immediately succeeding calendar year or such other fiscal year of the City as in effect from time to time.

“Holder” shall mean the holder of a Claim under or evidenced by the Prior LTGO Bonds.

“Insured Prior LTGO Bonds” has the meaning ascribed to it in the recitals hereof.

“Interest Payment Date” means April 1 and October 1 of each year commencing with the April 1 or October 1 specified in the Supplemental Order.

“Interest Rate” means a rate of interest borne by the Bonds, payable currently on each Interest Payment Date, of 5% per annum from the Date of Original Issue until the Conversion Date, and thereafter at a rate of interest of 5.65% per annum payable currently until the Maturity Date.

“LTGO Claims” has the meaning ascribed to it in the recitals hereof.

“LTGO Claims Holder” shall mean holders of Allowed Claims on account of Prior LTGO Bonds who are (i) the record owners of any Prior LTGO Bonds and (ii) Ambac as to any Insured Prior LTGO Bond.

“LTGO Parties” has the meaning set forth in the recitals hereof.

“Maturity Date” means the twenty-third (23<sup>rd</sup>) anniversary of the Date of Original Issue or such other final date of maturity of each series of the Bonds as specified in the Supplemental Order.

“Maximum Aggregate Principal Amount” has the meaning given such term in Section 201.

“New LTGO Bonds” means the Bonds.

“Order” means this Order of the Emergency Manager as supplemented by the Supplemental Order, and as amended from time to time pursuant to Article VI.

“Outstanding” when used with respect to:

- (1) the Bonds, means, as of the date of determination, the Bonds theretofore authenticated and delivered under this Order, except:
  - (A) Bonds theretofore canceled by the Paying Agent or delivered to such Paying Agent for cancellation;

- (B) Bonds for whose payment money in the necessary amount has been theretofore deposited with the Paying Agent in trust for the registered owners of such Bonds;
- (C) Bonds delivered to the Paying Agent for cancellation in connection with (x) the exchange of such Bonds for other Bonds or (y) the transfer of the registration of such Bonds;
- (D) Bonds alleged to have been destroyed, lost or stolen which have been paid or replaced pursuant to this Order or otherwise pursuant to law; and
- (E) Bonds deemed paid as provided in Section 701.

“Paying Agent” means the bond registrar, transfer agent and paying agent for the Bonds.

“Petition Date” has the meaning set forth in the recitals hereto.

“Plan of Adjustment” has the meaning set forth in the recitals hereto.

“Prior LTGO Bonds” has the meaning ascribed to it in the recitals hereof.

“Pro Rata” shall mean the proportion that a claim of one LTGO Claims Holder bears to the aggregate amount of all claims of all of the LTGO Claims Holders.

“Registered Owner” means the registered owner of a Bond as the registered owner’s name appears on the Bond Registry under Section 305.

“Regular Record Date” has the meaning given such term in Section 302.

“Reserve New B Notes” shall have the meaning set forth in the recitals hereto.

“Security Depository” has the meaning given such term in Section 310.

“State” has the meaning set forth in the recitals hereto.

“State Treasurer” means the Treasurer of the State of Michigan.

“Supplemental Order” means the order or orders of the Authorized Officer making certain determinations and confirming the final details on the Bonds upon issuance, in accordance with the parameters of this Order.

Section 102. Interpretation. (a) Words of the feminine or masculine genders include the correlative words of the other gender or the neuter gender.

(b) Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons.

(c) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Order.

(d) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Order, refer to this Order as a whole unless otherwise expressly stated.

## ARTICLE II

### DETERMINATIONS

Section 201. Finding, and Declaration of Need to Issue Bonds. The Emergency Manager hereby finds and declares that it is necessary for the City to issue the Bonds hereunder in such sum as shall be determined and approved by the Emergency Manager, not in excess of \$55,000,000 as of the Date of Original Issue (the “Maximum Aggregate Principal Amount”), and to evidence such debt by the issuance of the Bonds in one or more series not in excess of the Maximum Aggregate Principal Amount, in Authorized Denominations, pursuant to and in accordance with the provisions of Section 36a of Act 279, for the purpose of satisfying a portion of the LTGO Claims. The Maximum Aggregate Principal Amount shall not include the accretion of principal at the Accretion Rate as provided in this Order.

## ARTICLE III

### AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE BONDS

Section 301. Authorization of Bonds to Satisfy the Claims and Pledge. The City hereby authorizes the issuance of the Bonds as hereinafter defined in such principal amount as shall be confirmed in the Supplemental Order to satisfy the LTGO Claims. The principal of and interest on the Bonds shall hereby be secured by the limited tax full faith and credit pledge of the City. The City pledges to pay the principal of and interest on the Bonds as a first budget obligation from its general funds and in case of insufficiency thereof, from the proceeds of an annual levy of ad valorem taxes on all taxable property of the City, subject to applicable constitutional, statutory and charter tax rate limitations.

Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds to Satisfy the Claims. (a) The Bonds shall be designated “FINANCIAL RECOVERY BONDS (LIMITED TAX GENERAL OBLIGATION), SERIES 2014” and may bear such later or earlier dates and additional or alternative designations, series or subseries as the Authorized Officer may determine in the Supplemental Order, shall be issued in fully registered form and shall be consecutively numbered from “R-1” upwards, unless otherwise provided by the Authorized Officer in the Supplemental Order. The Bonds shall be dated and issued in such denominations all as determined by the Authorized Officer and confirmed by the Authorized Officer in the Supplemental Order.

(b) The Bonds of each series shall mature on the April 1, 2037 or such other April 1 which is not in excess of 23 years from the Date of Original Issue and shall accrete in principal amount, bear interest at the Interest Rate on a taxable or tax exempt basis, payable on the Interest

Payment Dates, all as shall be determined and confirmed by the Authorized Officer in the Supplemental Order. The Bonds shall be subject to mandatory sinking fund redemption on April 1 in the years and in the Accretion Values set forth in the form of Bond provided in Section 307 hereof. Unless otherwise provided by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be calculated on the basis of the actual number of days elapsed in a 360 day year. The Bonds shall be payable, as to principal and interest, in lawful money of the United States of America.

(c) The Bonds shall also accrete in principal amount at the Accretion Rate starting from the Date of Original Issue and compounded semiannually on each Accretion Date until the Conversion Date. Thereafter, the Bonds at their Accretion Value shall bear interest at the Interest Rate on a taxable or tax exempt basis, payable on a current basis on the Interest Payment Dates, all as shall be determined and confirmed by the Authorized Officer in the Supplemental Order.

(d) Except as may be otherwise determined by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be payable to the Registered Owner as of the 15th day of the month, whether or not a Business Day (a "Regular Record Date"), prior to each Interest Payment Date. Interest on the Bonds shall be payable to such Registered Owners by check or draft drawn on the Paying Agent on each Interest Payment Date and mailed by first class mail or, upon the written request of the Owner of \$1,000,000 or more in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Owner. Such a request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent.

(e) Interest on Bonds not punctually paid or duly provided for on an Interest Payment Date shall forthwith cease to be payable to the Registered Owners on the Regular Record Date established for such Interest Payment Date, and may be paid to the Registered Owners as of the close of business on a date fixed by the Paying Agent (a "Special Record Date") with respect to the payment of such defaulted interest to be fixed by the Paying Agent, or may be paid at any time in any other lawful manner. The Paying Agent shall give notice to the Registered Owners at least seven days before any such Special Record Date.

(f) The principal of the Bonds shall be payable to the Registered Owners of the Bonds upon the presentation of the Bonds to the Paying Agent at the principal corporate trust office of the Paying Agent.

(g) The Bonds shall be subject to redemption prior to maturity or shall not be subject thereto, upon such terms and conditions as shall be determined by the Authorized Officer and confirmed in the Supplemental Order, provided, however, that redemption at the option of the City prior to maturity may occur on any Interest Payment Date for which notice is given as provided herein and such redemption shall be in whole.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Paying Agent on behalf of the City. Such notice shall be dated

and shall contain at a minimum the following information: original issue date; maturity dates; interest rates, CUSIP numbers, if any; certificate numbers, and in the case of partial redemption, the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Paying Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

Section 303. Execution, Authentication and Delivery of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Emergency Manager and the Finance Director of the City and authenticated by the manual signature of the Finance Director or an authorized representative of the Paying Agent, as the case may be, and a facsimile of the seal of the City shall be imprinted on the Bonds. Additional Bonds bearing the manual or facsimile signatures of the Emergency Manager or Mayor of the City and the Finance Director, and upon which the facsimile of the seal of the City is imprinted may be delivered to the Paying Agent for authentication and delivery in connection with the exchange or transfer of Bonds. The Paying Agent shall indicate on each Bond the date of its authentication.

Section 304. Authentication of the Bonds. (a) No Bond shall be entitled to any benefit under this Order or be valid or obligatory for any purpose unless there appears on such Bond a Certificate of Authentication substantially in the form provided for in Section 307 of this Order, executed by the manual or facsimile signature of the Finance Director or by an authorized signatory of the Paying Agent by manual signature, and such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered hereunder.

(b) The Paying Agent shall manually execute the Certificate of Authentication on each Bond upon receipt of a written direction of the Authorized Officer of the City to authenticate such Bond.

Section 305. Transfer of Registration and Exchanges on the Bonds. (a) The registration of each Bond is transferable only upon the Bond Registry by the Registered Owner thereof, or by his attorney duly authorized in writing, upon the presentation and surrender thereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor.

(b) Each Bond may be exchanged for one or more Bonds in equal aggregate principal amount of like maturity and tenor in one or more authorized denominations, upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent

together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing.

Section 306. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging Bonds or transferring the registration of Bonds is exercised, the City shall execute and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Order. All Bonds surrendered in any such exchanges or transfers shall be forthwith canceled by the Paying Agent.

(b) For every exchange or transfer of Bonds, the City or the Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and, except as otherwise provided in this Order, may charge a sum sufficient to pay the costs of preparing each new Bond issued upon such exchange or transfer, which shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Paying Agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 307 of this Order and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The City shall give the Paying Agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

Section 307. Form of the Bonds. The Bonds shall be in substantially the following form with such insertions, omissions, substitutions and other variations as shall not be inconsistent with this Order or as approved by an Authorized Officer in the Supplemental Order:

[Forms of Bonds]

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the City (as hereinafter defined), or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF WAYNE

CITY OF DETROIT

FINANCIAL RECOVERY BOND

(LIMITED TAX GENERAL OBLIGATION), SERIES 2014

|                      |                               |              |
|----------------------|-------------------------------|--------------|
| <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
| April 1, 20__        | _____, 2014                   |              |

Registered Owner:

Original Principal Amount: \_\_\_\_\_ Dollars

The City of Detroit, County of Wayne, State of Michigan (the “City”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Accretion Value specified below, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon at the Interest Rate of 5.0% per annum from the Date of Original Issue specified above until the tenth (10<sup>th</sup>) anniversary of the Date of Original Issue (the “Conversion Date”), and thereafter at an Interest Rate of 5.65% per annum on Accretion Value prior to the next Accretion Date, until the Maturity Date specified above or until the Accretion Value is paid in full. Interest is payable semiannually on April 1 and October 1 in each year commencing on \_\_\_\_\_ (each an “Interest Payment Date”). The interest so payable, and punctually paid or duly provided for, will be paid, as provided in the hereinafter defined Order, to the person in whose name this Bond is registered on the books maintained for such purpose by the hereinafter defined Paying Agent (the “Bond Registry”), on the close of business on the Regular Record Date for such interest payment, which shall be the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall herewith cease to be payable to the Registered Owner on such Regular Record Date, and may be paid to

the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice of which shall be given to Registered Owners at least seven days before such Special Record Date, or may be paid at any time in any other lawful manner. The bonds of this series shall also accrete in value at an Accretion Rate of 0.65% per annum, compounded semiannually on each April 1 and October 1 to the Accreted Value as of any date of calculation (as hereinafter set forth), until the Conversion Date. Thereafter, the Bonds at their Accreted Value in principal amount shall pay current interest at the Interest Rate of 5.65% per annum, payable semiannually on each Interest Payment Date. Capitalized terms used herein but not defined herein, shall have the meanings ascribed to them in the Order.

THE BELOW CHART OF ACCRETION VALUES OF THIS BOND PER \$5,000 ORIGINAL PRINCIPAL AMOUNT WILL REQUIRE MODIFICATION IF THE BONDS ARE ISSUED ON A DATE OTHER THAN 10/01/14 BASED ON INTEREST CALCULATIONS AT 0.65% ANNUALLY.

### Chart of Accretion Values

| Accretion Date | Accretion Amount |
|----------------|------------------|
| 04/01/2015     | \$5,016.25       |
| 10/01/2015     | 5,032.55         |
| 04/01/2016     | 5,048.91         |
| 10/01/2016     | 5,065.32         |
| 04/01/2017     | 5,081.78         |
| 10/01/2017     | 5,098.30         |
| 04/01/2018     | 5,114.87         |
| 10/01/2018     | 5,131.49         |
| 04/01/2019     | 5,148.17         |
| 10/01/2019     | 5,164.90         |
| 04/01/2020     | 5,181.68         |
| 10/01/2020     | 5,198.52         |
| 04/01/2021     | 5,215.42         |
| 10/01/2021     | 5,232.37         |
| 04/01/2022     | 5,249.37         |
| 10/01/2022     | 5,266.43         |
| 04/01/2023     | 5,283.55         |
| 10/01/2023     | 5,300.72         |
| 04/01/2024     | 5,317.95         |
| 10/01/2024     | 5,335.23         |
| Thereafter     | 5,335.23         |

The Accretion Value of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as registrar, transfer agent and paying agent under the Order (such bank and any successor as paying agent, the “Paying Agent”). Interest on this Bond is payable in like money by check or draft drawn on the Paying

Agent and mailed to the Registered Owner entitled thereto, as provided above, by first class mail or, upon the written request of a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Registered Owner, and such request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent. Interest shall be computed on the basis of a 360-day year consisting of twelve 30 day months. For prompt payment of this Bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

This bond is one of a series of bonds aggregating the principal sum of \$\_\_\_\_\_, issued under and in full compliance with the Constitution and statutes of the State of Michigan, and particularly Section 36a of Act No. 279, Public Acts of Michigan, 1909, as amended (“Act 279”), for the purpose of satisfying certain LTGO Claims, as defined in the Order. Pursuant to the Order, the bonds of this series (the “Bonds”) are limited tax general obligations of the City, and the City is obligated to levy annually ad valorem taxes on all taxable property in the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

The “Order” is an Order of the Emergency Manager issued on \_\_\_\_\_, 2014, supplemented by a Supplemental Order of an Authorized Officer of the City issued on \_\_\_\_\_, 2014, authorizing the issuance of the Bonds.

The bonds of this series shall be subject to redemption prior to maturity as follows:

(a) *Optional Redemption.* The Bonds are subject to redemption prior to maturity, in whole, at the option of the Issuer, on any Interest Payment Date after the Date of Original Issue, at a redemption price equal to the Accretion Value as of the date of redemption plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.*

The Bonds shall be subject to mandatory redemption, in part, by lot, on the redemption dates and in the Accretion Values set forth below, and at a redemption price equal to the Accretion Value thereof as of the date of redemption, without premium, plus accrued interest to the date fixed for redemption.

| Redemption Date<br>October 1 | Principal<br>Amount |
|------------------------------|---------------------|
| 2020                         | \$2,000,000         |
| 2021                         | 2,000,000           |
| 2022                         | 2,000,000           |
| 2023                         | 2,000,000           |
| 2024                         | 2,000,000           |
| 2025                         | 3,735,115           |
| 2026                         | 3,735,115           |
| 2027                         | 3,735,115           |
| 2028                         | 3,735,115           |
| 2029                         | 3,735,115           |
| 2030                         | 3,735,115           |
| 2031                         | 3,735,115           |
| 2032                         | 3,735,115           |
| 2033                         | 3,735,115           |
| 2034                         | 3,735,115           |
| 2035                         | 3,735,115           |
| 2036                         | 3,735,115           |
| 2037*                        | 3,735,115           |

**\*Final Maturity**

The Accretion Value of the Bonds to be redeemed on the dates set forth above shall be reduced by the Accretion Value of Term Bonds that has been redeemed (other than by mandatory sinking fund redemption) or otherwise acquired by the City and delivered to the Paying Agent prior to giving the notice of redemption described below. The City may satisfy any mandatory redemption requirement by the purchase and surrender of Term Bonds of the same maturity and interest rate in lieu of calling such Term Bonds for mandatory redemption.

*General Redemption Provisions.* In case less than the full amount of an outstanding bond is called for redemption, the Paying Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owners of Bonds or portions thereof called for redemption by mailing of such notice not less than thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to the registered address of the registered owner of record. Bonds or portions thereof so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Paying Agent to redeem such Bonds.

Reference is hereby made to the Order for the provisions with respect to the nature and extent of the security for the Bonds, the manner and enforcement of such security, the rights,

duties and obligations of the City, and the rights of the Paying Agent and the Registered Owners of the Bonds. As therein provided, the Order may be amended in certain respects without the consent of the Registered Owners of the Bonds. A copy of the Order is on file and available for inspection at the office of the Finance Director and at the principal corporate trust office of the Paying Agent.

The City and the Paying Agent may treat and consider the person in whose name this Bond is registered on the Bond Registry as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal hereof and interest hereon and for all other purposes whatsoever, and all such payments so made to such person or upon his order shall be valid and effectual to satisfy and discharge the liability hereon to the extent of the sum or sums so paid.

The registration of this Bond is transferable only upon the Bond Registry by the Registered Owner hereof or by his attorney duly authorized in writing upon the presentation and surrender hereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Order upon the payment of the charges, if any, therein prescribed.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and to be performed, precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the City, including the Bonds does not exceed any constitutional, statutory or charter limitation.

This Bond is not valid or obligatory for any purpose until the Paying Agent's Certificate of Authentication on this Bond has been executed by the Paying Agent.

IN WITNESS WHEREOF, the City of Detroit, by its Emergency Manager, has caused this bond to be signed in the name of the City by the facsimile signatures of its Emergency Manager and Finance Director of the City, and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF DETROIT

By: \_\_\_\_\_  
Emergency Manager

By: \_\_\_\_\_  
Finance Director

(SEAL)

(Form of Paying Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Order.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address of transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

\_\_\_\_\_

\_\_\_\_\_

Signature Guaranteed:

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of such person's authority to act must accompany the bond.

Signature(s) must be guaranteed by a commercial bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges. The transfer agent will not effect transfer of this bond unless the information concerning the transferee requested below is provided.

PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF TRANSFEREE.

[Empty box for social security number]

(Insert number for first named transferee if held by joint account.)

Name and Address: \_\_\_\_\_

\_\_\_\_\_

(Include information for all joint owners if the bond is held by joint account.)

Section 308. Registration. The City and the Paying Agent may treat and consider the Registered Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal (and premium, if any) thereof and interest thereon and for all other purposes whatsoever, and all such payments so made to such Bondowner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 309. Mutilated, Destroyed, Stolen or Lost Bonds. (a) Subject to the provisions of Act 354, Public Acts of Michigan, 1972, as amended and any other applicable law, if (i) any mutilated Bond is surrendered to the Paying Agent or the City and the Paying Agent and the City receive evidence to their satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(c) Any new Bond issued pursuant to this Section in substitution for a Bond alleged to be mutilated, destroyed, stolen or lost shall constitute an original additional contractual obligation on the part of the City, and shall be equally secured by and entitled to equal proportionate benefits with all other Bonds issued under this Order.

Section 310. Book-Entry-Only System Permitted. (a) If determined by the Authorized Officer in the Supplemental Order, the Bonds or portions of the Bonds shall be issued to a securities depository selected by the Authorized Officer (the "Security Depository") to be held pursuant to the book-entry-only system maintained by the Security Depository and registered in the name of the Security Depository or its nominee. Ownership interests in Bonds held under such book-entry-only system shall be determined pursuant to the procedures of the Security Depository and Article 8 of the applicable Uniform Commercial Code (such persons having such interests, "Beneficial Owners").

(b) If (i) the City and the Paying Agent receive written notice from the Security Depository to the effect that the Security Depository is unable or unwilling to discharge its responsibilities with respect to the Bonds under the book-entry-only system maintained by it or (ii) the Authorized Officer determines that it is in the best interests of the Beneficial Owners that they be able to obtain Bonds in certificated form, then the City may so notify the Security Depository and the Paying Agent, and, in either event, the City and the Paying Agent shall take appropriate steps to provide the Beneficial Owners with Bonds in certificated form to evidence their respective ownership interests in the Bonds. Whenever the Security Depository requests the City and the Paying Agent to do so, the Authorized Officer on behalf of the City and the Paying Agent will cooperate with the Security Depository in taking appropriate action after

reasonable notice to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging Bonds shall designate.

(c) Notwithstanding any other provision of the Order to the contrary, so long as the Bonds are held pursuant to the book-entry-only system maintained by the Security Depository:

(i) all payments with respect to the principal and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Security Depository as provided in the representation letter from the City and the Paying Agent to the Security Depository with respect to such Bonds; and

(ii) all payments with respect to principal of the Bonds and interest on the Bonds shall be made in such manner as shall be prescribed by the Security Depository.

## ARTICLE IV

### FUNDS AND ACCOUNTS

Section 401. Establishment of Accounts and Funds. (a) The City hereby establishes and creates the Debt Retirement Fund as a special, separate and segregated account and fund which shall be held for and on behalf of the City by the Paying Agent.

(b) The Finance Director is hereby authorized to establish such additional accounts, subaccounts or funds as shall be required for the Bonds, to accommodate the requirements of such series of Bonds.

Section 402. Debt Retirement Fund. General funds of the City, proceeds of all taxes levied pursuant to Section 301 hereof shall be used to pay the principal of and interest on the Bonds when due. The City shall set aside in the Debt Retirement Fund each month, (i) beginning the first day of the first month following the date of delivery of the Bonds, an amount equal to 1/6 of the interest coming due on the Bonds on the next Interest Payment Date and, (ii) beginning on the first day of the first month which is 11 months prior to the date on which the first mandatory sinking fund redemption occurs, an amount equal to 1/12 of the principal or Accretion Value coming due on the next mandatory sinking fund redemption date for the Bonds. The foregoing amounts shall be placed in the Debt Retirement Fund and held in trust by the Paying Agent, and so long as the principal or Accretion Value of or interest on the Bonds shall remain unpaid, no moneys shall be withdrawn from the Debt Retirement Fund except to pay such principal or Accretion Value and interest. Any amounts remaining in the Debt Retirement Fund after payment in full of the Bonds and the fees and expenses of the Paying Agent shall be retained by the City to be used for any lawful purpose.

Section 403. Investment of Monies in the Funds and Accounts. (a) The Finance Director shall direct the investment of monies on deposit in the Funds and Accounts established hereunder, and the Paying Agent, upon written direction or upon oral direction promptly confirmed in writing by the Finance Director, shall use its best efforts to invest monies on deposit in the Funds and Accounts in accordance with such direction.

(b) Monies on deposit in the Funds and Accounts may be invested in such investments and to the extent permitted by applicable law.

## ARTICLE V

### THE PAYING AGENT

Section 501. Paying Agent. The Paying Agent for the Bonds shall act as bond registrar, transfer agent and paying agent for the Bonds and shall be initially \_\_\_\_\_, Detroit, Michigan, or such other bank or trust company located in the State which is qualified to act in such capacity under the laws of the United States of America or the State. The Paying Agent means and includes any company into which the Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided, that such company shall be a trust company or bank which is qualified to be a successor to the Paying Agent as determined by an Authorized Officer, shall be authorized by law to perform all the duties imposed upon it by this Order, and shall be the successor to the Paying Agent without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding. An Authorized Officer is authorized to enter into an agreement with such a bank or trust company, and from time to time as required, may designate a similarly qualified successor Paying Agent and enter into an agreement therewith for such services.

## ARTICLE VI

### SUPPLEMENTAL ORDERS AND RESOLUTIONS

Section 601. Supplemental Orders and Resolutions Not Requiring Consent of Holders of the Bonds. The City may without the consent of any Bondowner adopt orders or resolutions supplemental to this Order for any one or more of the following purposes:

- (i) to confirm or further assure the security hereof or to grant or pledge to the holders of the Bonds any additional security;
- (ii) to add additional covenants and agreements of the City for the purposes of further securing the payment of the Bonds;
- (iii) to cure any ambiguity or formal defect or omission in this Order; and
- (iv) such other action not materially, adversely and directly affecting the security of the Bonds.

provided that (A) no supplemental order or resolution amending or modifying the rights or obligations of the Paying Agent shall become effective without the consent of the Paying Agent and (B) the effectiveness of any supplemental resolution is subject to Section 702 to the extent applicable.

Section 602. Bond Counsel Opinion. Before any supplemental order or resolution under this Article shall become effective, a copy thereof shall be filed with the Paying Agent, together with an opinion of Bond Counsel that such supplemental order or resolution is authorized or permitted by this Article; provided that, Bond Counsel in rendering any such opinion shall be entitled to rely upon certificates of an Authorized Officer or other City official, and opinions or reports of consultants, experts and other professionals retained by the City to advise it, with respect to the presence or absence of facts relative to such opinion and the consequences of such facts.

## ARTICLE VII

### DEFEASANCE

Section 701. Defeasance. Bonds shall be deemed to be paid in full upon the deposit in trust of cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment thereof, will come due at such times and in such amounts, as to be fully sufficient to pay when due, the principal of such Bonds and interest to accrue thereon, as confirmed by a verification report prepared by an independent certified public accountant; provided, that if any of such Bonds are to be called for redemption prior to maturity, irrevocable instructions to call such Bonds for redemption shall be given to the Paying Agent. Such cash and securities representing such obligations shall be deposited with a bank or trust company and held for the exclusive benefit of the Owners of such Bonds. After such deposit, such Bonds shall no longer be entitled to the benefits of this Order (except for any rights of transfer or exchange of Bonds as therein or herein provided for) and shall be payable solely from the funds deposited for such purpose and investment earnings, if any, thereon, and the lien of this Order for the benefit of such Bonds shall be discharged.

## ARTICLE VIII

### OTHER PROVISIONS OF GENERAL APPLICATION

[Section 801. Reserved]

Section 802. Approval of Other Documents and Actions. The Mayor, the Finance Director, the Treasurer, the City Clerk and any written designee of the Emergency Manager are each hereby authorized and directed on behalf of the City to take any and all other actions, perform any and all acts and execute any and all documents that shall be required, necessary or desirable to implement this Order.

Section 803. Delegation of City to, and Authorization of Actions of Authorized Officers.  
(a) Each Authorized Officer is hereby authorized and directed to do and perform any and all acts and things with respect to the Bonds which are necessary and appropriate to carry into effect, consistent with this Order, the authorizations therein and herein contained, including without limitation, the securing of ratings by bond rating agencies, if cost effective, the negotiation for and acquisition of bond insurance and/or other credit enhancement, if any, to further secure the

Bonds or any portions thereof, the acquisition of an irrevocable surety bond to fulfill the City's obligation to fund any reserve account, the printing of the Bonds and the incurring and paying of reasonable fees, costs and expenses incidental to the foregoing and other costs of issuance of the Bonds including, but not limited to fees and expenses of bond counsel, financial advisors, accountants and others, from available funds, for and on behalf of the City.

(b) Except as otherwise provided herein, all determinations and decisions of the Authorized Officer with respect to the issuance and sale of the Bonds or the negotiation, execution or delivery of agreements as permitted or required by this Order shall be confirmed by this Authorized Officer in a Supplemental Order or Supplemental Orders, and such confirmations shall constitute determinations that any conditions precedent to such determinations and decisions of the Authorized Officer have been fulfilled.

Section 804. Approving Legal Opinions with Respect to the Bonds. Delivery of the Bonds shall be conditioned upon receiving, at the time of delivery of the Bonds; the approving opinion of Bond Counsel, approving legality of the Bonds.

Section 805. Appointment of Bond Counsel; Engagement of Other Parties. The appointment by the Emergency Manager of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel and other accumulated bond related fees and expenses shall be payable from available funds in accordance with the agreement of such firm on file with the Finance Director.

Section 806. Preservation of Records. So long as any Bond remains Outstanding, all documents received by the Paying Agent under the provisions of this Order shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City, and the Bondowners, and their agents and representatives, any of whom may make copies thereof.

Section 807. Parties in Interest. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Paying Agent and the Owners of the Bonds, any right, remedy or claim under or by reason of this Order or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Order contained by and on behalf of the City or Paying Agent shall be for the sole and exclusive benefit of the City, the Paying Agent and the Bondowners.

Section 808. No Recourse Under Order. All covenants, agreements and obligations of the City contained in this Order shall be deemed to be the covenants, agreements and obligations of the City and not of any councilperson, member, officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Order against any councilperson, member, officer or employee of the City or any person executing the Bonds in his or her official individual capacity.

Section 809. Severability. If any one or more sections, clauses or provisions of this Order shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions hereof.

Section 810. Cover Page, Table of Contents and Article and Section Headings. The cover page, table of contents and Article and Section headings hereof are solely for convenience of reference and do not constitute a part of this Order, and none of them shall affect its meaning, construction or effect.

Section 811. Conflict. All orders or resolutions or parts of orders or resolutions or other proceedings of the City in conflict herewith shall be and the same hereby are repealed insofar as such conflict exists.

Section 812. Governing Law and Jurisdiction. This Order shall be governed by and construed in accordance with the laws of the State.

Section 813. Order and Supplemental Order are a Contract. The provisions of this Order and the Supplemental Order shall constitute a contract between the City, the Paying Agent, and the Bondowners.

Section 814. Effective Date. This Order shall take effect immediately upon its adoption by the Council.

Section 815. Notices. All notices and other communications hereunder shall be in writing and given by United States certified or registered mail, expedited courier overnight delivery service or by other means (including facsimile transmission) that provides a written record of such notice and its receipt. Notices hereunder shall be effective when received and shall be addressed to the address set forth below or to such other address as any of the below persons shall specify to the other persons:

If to the City, to:

City of Detroit  
Finance Department  
1200 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Attention: Finance Director

If to the Paying Agent, to:

U.S. Bank National Association  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

SO ORDERED this \_\_\_\_ day of \_\_\_\_\_, 2014.

---

Kevyn D. Orr  
Emergency Manager  
City of Detroit, Michigan

22545852.5\022765-00202

**EXHIBIT I.A.246**

PRINCIPAL TERMS OF NEW B NOTES

**NEW B NOTES**  
**SUMMARY OF PRINCIPAL TERMS**<sup>1</sup>

On the Effective Date, the City shall issue the New B Notes and distribute them as set forth in the Plan. The definitive documentation governing the New B Notes shall provide generally for the following terms:

|                          |  |
|--------------------------|--|
| Obligation               | The City's obligations with respect to the New B Notes shall be a general and unsecured obligation of the City.  |
| Initial Principal Amount | \$632.0 million.   |
| Interest Rate            | 4.0% for the first 20 years; 6.0% for years 21 through 30.   |
| Maturity                 | 30 years.  |
| Amortization             | Interest only for 10 years; amortization in 20 equal annual installments beginning on the interest payment date nearest to the 11th anniversary from issuance. |
| Disclosure               | The City will provide a continuing disclosure undertaking under 17 C.F.R. § 240.15c2-12 in connection with the delivery of the New B Notes.                    |

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning given to them in the Plan.

EXHIBIT I.A.247

FORM OF NEW B NOTES DOCUMENTS

ORDER NO. \_\_\_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$632,000,000 FINANCIAL RECOVERY BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN UNSECURED CLAIMS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE DELIVERY AND EXCHANGE OF SAID BONDS TO THE HOLDERS OF SAID CLAIMS.

## TABLE OF CONTENTS

|   | Page |
|---|------|
| ARTICLE I DEFINITIONS AND INTERPRETATION.....   | 3    |
| Section 101. Definitions.....   | 3    |
| Section 102. Interpretation.....  | 6    |
| ARTICLE II DETERMINATIONS.....  | 7    |
| Section 201. Finding, and Declaration of Need to Issue Bonds .....  | 7    |
| ARTICLE III AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE<br>BONDS .....                                      | 7    |
| Section 301. Authorization of Bonds to Satisfy the Claims and Pledge.....                                       | 7    |
| Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds<br>to Satisfy the Claims ..... | 7    |
| Section 303. Execution, Authentication and Delivery of Bonds .....  | 9    |
| Section 304. Authentication of the Bonds .....  | 9    |
| Section 305. Transfer of Registration and Exchanges on the Bonds.....   | 9    |
| Section 306. Regulations with Respect to Exchanges and Transfers .....  | 9    |
| Section 307. Form of the Bonds .....  | 10   |
| Section 308. Registration.....  | 17   |
| Section 309. Mutilated, Destroyed, Stolen or Lost Bonds.....  | 17   |
| Section 310. Book-Entry-Only System Permitted.....  | 17   |
| ARTICLE IV FUNDS AND ACCOUNTS .....   | 18   |
| Section 401. Establishment of Accounts and Funds.....   | 18   |
| Section 402. Debt Retirement Fund.....  | 18   |
| Section 403. Investment of Monies in the Funds and Accounts.....  | 19   |
| Section 404. Satisfaction of Claims .....   | 19   |
| ARTICLE V THE PAYING AGENT .....  | 20   |
| Section 501. Paying Agent.....  | 20   |
| ARTICLE VI SUPPLEMENTAL ORDERS AND RESOLUTIONS.....   | 21   |
| Section 601. Supplemental Orders and Resolutions Not Requiring Consent of<br>Holders of the Bonds .....         | 21   |
| Section 602. Bond Counsel Opinion.....  | 21   |
| ARTICLE VII DEFEASANCE .....  | 21   |
| Section 701. Defeasance .....   | 21   |
| ARTICLE VIII OTHER PROVISIONS OF GENERAL APPLICATION.....   | 22   |
| [Section 801. Credit Enhancement .....  | 22   |
| Section 802. Approval of Other Documents and Actions.....   | 22   |
| Section 803. Delegation of City to, and Authorization of Actions of Authorized<br>Officers .....                | 22   |
| Section 804. Approving Legal Opinions with Respect to the Bonds .....   | 23   |
| Section 805. Appointment of Bond Counsel; Engagement of Other Parties.....                                      | 23   |
| Section 806. Preservation of Records .....  | 23   |
| Section 807. Parties in Interest.....   | 23   |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Section 808. No Recourse Under Resolution .....                                  | 23          |
| Section 809. Severability .....  | 23          |
| Section 810. Cover Page, Table of Contents and Article and Section Headings..... | 23          |
| Section 811. Conflict .....  | 24          |
| Section 812. Governing Law and Jurisdiction.....                                 | 24          |
| Section 813. Order and Supplemental Order are a Contract.....                    | 24          |
| Section 814. Effective Date .....  | 24          |
| Section 815. Notices .....   | 24          |
| EXHIBIT A THE UNSECURED CLAIMS.....  | A-1         |

ORDER NO. \_\_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$632,000,000 FINANCIAL RECOVERY BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN UNSECURED CLAIMS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE DELIVERY AND EXCHANGE OF SAID BONDS TO THE HOLDERS OF SAID CLAIMS.

WHEREAS, on March 1, 2013, the Governor (the “Governor”) of the State of Michigan (the “State”) determined that a financial emergency existed within the City of Detroit, County of Wayne, State of Michigan (the “City”) pursuant to the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended (“Act 72”); and

WHEREAS, on March 14, 2013, the Governor confirmed that a financial emergency existed within the City and, pursuant to Act 72, assigned to the Local Emergency Financial Assistance Loan Board established pursuant to the Emergency Municipal Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (the “Board”) the responsibility for managing the financial emergency; and

WHEREAS, on March 14, 2013, pursuant to Act 72, the Board appointed Kevyn D. Orr as Emergency Financial Manager for the City; And

WHEREAS, by operation of law the financial emergency continues to exist within the City pursuant to the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012 (“Act 436”) and the Emergency Financial Manager continues in the capacity of the Emergency Manager for the City (the “Emergency Manager”); and

WHEREAS, on July 18, 2013 (the “Petition Date”), in accordance with Act 436 and the approval of the Governor, the Emergency Manager filed on behalf of the City a petition for relief pursuant to Chapter 9 of title 11 of the United States Code, 11 U.S.C. Sections 101-1532 (as amended, the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of Michigan (the “Bankruptcy Court”); and

WHEREAS, on \_\_\_\_\_, 2014, the Emergency Manager filed on behalf of the City a \_\_\_\_\_ Amended Plan for the Adjustment of the Debts of the City of Detroit (now and as subsequently amended, the “Plan of Adjustment”) in the Bankruptcy Court to provide for the adjustment of the debts of the City pursuant to and in accordance with Chapter 9 of the Bankruptcy Code; and

WHEREAS, the Plan of Adjustment provides, among other things, for the satisfaction of certain claims of unsecured creditors as set out in the Plan of Adjustment in exchange for the

receipt of unsecured pro rata shares ( each a “Pro Rata Share”) of New B Notes (the “New B Notes”); and

WHEREAS, upon satisfaction of all of the terms and conditions required of the City related to the confirmation of the Plan of Adjustment, the City shall establish the Business Day upon which the Plan of Adjustment shall become effective (the “Effective Date”); and

WHEREAS, on or as reasonably practicable after the Effective Date, the City shall execute New B Notes Documents and issue New B Notes in the form of Financial Recovery Bonds authorized under Section 36a of the Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended (“Act 279”) and this Order, and distribute the New B Notes, in the form of the Financial Recovery Bonds, to the holders of the particular unsecured claims, as provided in the Plan of Adjustment and described on Exhibit A hereto (collectively, the “Claims”); and

WHEREAS, the Emergency Manager of the City deems it necessary to authorize the issuance of Financial Recovery Bonds in one or more series (the “Bonds”), in the aggregate principal amount of not to exceed Six Hundred Thirty Two Million Dollars (\$632,000,000) pursuant to Section 36a of Act 279; and

WHEREAS, the Bonds will be secured by a pledge of the City’s limited tax full faith and credit; and

WHEREAS, Section 36a of Act 279 authorizes a city, for which a financial emergency has been determined to exist, such as the City, to borrow money and issue Financial Recovery Bonds subject to the terms and conditions approved by the Board; and

WHEREAS, the City must receive prior approval of the terms and conditions for the issuance of the Bonds from the Board in accordance with Section 36a of Act 279; and

WHEREAS, the Emergency Manager desires to submit this Order to the Board proposing the issuance by the City of Financial Recovery Bonds, in one or more series, under Section 36a of Act 279, to provide for a portion of the financing of the City under the Plan of Adjustment, solely to satisfy the Claims [and to pay certain administrative and other costs related to the issuance of the bonds, upon the terms and conditions and parameters approved by the Board; and]

WHEREAS, prior to submission of this Order to the Board, pursuant to Sections 12(1)(u) and 19(i) of Act 436, the Emergency Manager must obtain approval of the issuance of the Bonds by the City Council of the City (the “City Council”), and if the City Council disapproves the issuance of the Bonds, the issuance of the Bonds must be approved by the Board.

NOW, THEREFORE, BE IT ORDERED AS FOLLOWS:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The words and terms defined in the preambles and recitals hereof and the following words and terms as used in this Order shall have the meanings ascribed therein, herein or in the Plan of Adjustment to them unless a different meaning clearly appears from the context:

“Act 243” means Act No. 243, Public Acts of Michigan, 1980, as amended.

“Act 279” means Act No. 279, Public Acts of Michigan, 1909, as amended.

“Act 436” means Act No. 436, Public Acts of Michigan, 2012.

“Allowed Claims” has the meaning set forth in the Plan of Adjustment.

“Allowed Limited Tax General Obligation Bond Claims” shall mean such claims under Class 7 of the Plan of Adjustment.

“Allowed Other Unsecured Claims” has the meaning set forth in the Plan of Adjustment.

“Authorized Denominations” shall mean denominations of Bonds equal to multiples of \$1,000 or integral multiples of \$1.00 in excess thereof.

“Authorized Officer” means (i) the Emergency Manager or his designee or successor, or if the City is no longer operating under a financial emergency pursuant to Act 436, the chief administrative officer of the City, the Finance Director or his or her designee, or (ii) any other person authorized by a Certificate of an Authorized Officer to act on behalf of or otherwise represent the City in any legal capacity, which such certificate shall be delivered, if at all, in the City’s sole discretion.

“Bankruptcy Case” means the City’s Bankruptcy Case No. 13-53846 in the U.S. Bankruptcy Court for the Eastern District of Michigan.

“Bankruptcy Court” has the meaning set forth in the Plan of Adjustment.

“Board” has the meaning set forth in recitals hereto.

“Bond Counsel” means Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, or such other nationally recognized firm of attorneys experienced in matters pertaining to municipal bonds and appointed to serve in such capacity by the City with respect to the Bonds.

“Bond” or “Bonds” means the Financial Recovery Bonds, Series 2014B of the City authorized to be issued by the Order in the aggregate principal amount not to exceed \$632,000,000, in one or more series, and bearing such other designations as determined by the Authorized Officer in the Supplemental Order.

“Bond Registry” means the books for the registration of Bonds maintained by the Paying Agent.

“Bondowner”, “Owner” or “Registered Owner” means, with respect to any Bond, the person in whose name such Bond is registered in the Bond Registry.

“Bonds” means the City’s Financial Recovery Bonds, Series 2014B, with such series designations as may be determined by the Authorized Officer in the Supplemental Order.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday, (ii) a day on which the Paying Agent or banks and trust companies in New York, New York are authorized or required to remain closed, (iii) a day on which the New York Stock Exchange is closed, or (iv) a day on which the Federal Reserve is closed.

“Certificate” means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Order.

“Charter” means the Charter of the City, as amended from time to time.

“City” means the City of Detroit, County of Wayne, State of Michigan.

“Claimants” means the beneficial owners of the Claims.

“Claims” has the meaning set forth recitals hereto.

“Closing Date” means the Date of Original Issue.

“Code” means the Internal Revenue Code of 1986, as amended.

“Constitution” means the Constitution of the State of Michigan of 1963, as amended.

“Confirmation Order” has the meaning set forth in recitals hereto.

“Contingent General VEBA Claims” has the meaning set forth in the recitals and Exhibit A hereto.

“Contingent Police and Fire VEBA Claims” has the meaning set forth in the recitals and Exhibit A hereto.

“COP Litigation” has the meaning set forth in the Plan of Adjustment.

“COPs Claims” has the meaning set forth in the recitals and Exhibit A hereto.

“Date of Original Issue” means the date upon which all conditions precedent set forth in the Bond Purchase Agreement to the transactions contemplated therein and herein have been satisfied and the Bonds have been issued to the Purchaser.

“DDA Claims” has the meaning set forth in the recitals and Exhibit A hereto.

“Debt Retirement Fund” means the Debt Retirement Fund established under Section 501 hereof, and any subaccounts thereof established hereunder for the payment of principal of and premium and interest on the Bonds.

“Disbursing Agent” means the Registered Owner of the Bonds issued on behalf of the Claimants entitled to distributions of Bonds and/or cash from the Disputed COPs Claims Reserve.

“Disbursing Agent Agreement” means the agreement between the City and the Disbursing Agent to provide for the distributions of Bonds and/or cash to Claimants from the Disputed COPs Claims Reserve.

“Disputed COPs Claims” has the meaning set forth in the Plan of Adjustment.

“Disputed COPs Claims Reserve” means the Disputed COP Claims Reserve established under Section 401(b).

“Emergency Manager” has the meaning set forth in the recitals hereto.

“Final Order” has the meaning set forth in the Plan of Adjustment.

“Fiscal Year” means the period from July 1 to and including June 30 of the immediately succeeding calendar year or such other fiscal year of the City as in effect from time to time.

“Interest Payment Date” means April 1 and October 1 of each year commencing with the April 1 or October 1 specified in the Supplemental Order.

“Interest Rate” means 4% per annum from the Date of Original Issue until the twentieth (20<sup>th</sup>) anniversary of the Date of Original Issue, and thereafter 6% per annum until the Maturity Date, or such other interest rates as confirmed in the Supplemental Order.

“Litigation Trust” has the meaning set forth in the Plan of Adjustment.

“Maturity Date” means the thirtieth (30<sup>th</sup>) anniversary of the Date of Original Issue or such other final date of maturity of each series of the Bonds as specified in the Supplemental Order.

“Maximum Aggregate Principal Amount” has the meaning given such term in Section 201.

“Order” means this Order of the Emergency Manager as supplemented by the Supplemental Order, and as amended from time to time pursuant to Article VII.

“Other Unsecured Claims” has the meaning set forth in the recitals hereto.

“Outstanding” when used with respect to:

- (1) the Bonds, means, as of the date of determination, the Bonds theretofore authenticated and delivered under this Order, except:
  - (A) Bonds theretofore canceled by the Paying Agent or delivered to such Paying Agent for cancellation;
  - (B) Bonds for whose payment money in the necessary amount has been theretofore deposited with the Paying Agent in trust for the registered owners of such Bonds;
  - (C) Bonds delivered to the Paying Agent for cancellation in connection with (x) the exchange of such Bonds for other Bonds or (y) the transfer of the registration of such Bonds;
  - (D) Bonds alleged to have been destroyed, lost or stolen which have been paid or replaced pursuant to this Order or otherwise pursuant to law; and
  - (E) Bonds deemed paid as provided in Section 701.

“Paying Agent” means the bond registrar, transfer agent and paying agent for the Bonds.

“Petition Date” has the meaning set forth in the recitals hereto.

“Plan of Adjustment” has the meaning set forth in the recitals hereto.

“Police and Fire VEBA Claims” has the meaning set forth in the recitals and Exhibit A hereto.

“Registered Owner” means the registered owner of a Bond as the registered owner’s name appears on the Bond Registry under Section 305.

“Regular Record Date” has the meaning given such term in Section 302.

“Security Depository” has the meaning given such term in Section 310.

“Settled COP Claims” has the meaning set forth in the Plan of Adjustment.

“State” has the meaning set forth in the recitals hereto.

“State Treasurer” means the Treasurer of the State of Michigan.

“Supplemental Order” means the order or orders of the Authorized Officer making certain determinations and confirming the final details on the Bonds upon issuance, in accordance with the parameters of this Order.

“Unsecured Pro Rata Share” has the meaning set forth in the Plan of Adjustment.

Section 102. Interpretation. (a) Words of the feminine or masculine genders include the correlative words of the other gender or the neuter gender.

(b) Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons.

(c) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Order.

(d) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Order, refer to this Order as a whole unless otherwise expressly stated.

## ARTICLE II

### DETERMINATIONS

Section 201. Finding, and Declaration of Need to Issue Bonds. The Emergency Manager hereby finds and declares that it is necessary for the City to issue the Bonds hereunder in such sum as shall be determined and approved by the Emergency Manager, not in excess of \$632,000,000 (the “Maximum Aggregate Principal Amount”), and to evidence such debt by the issuance of the Bonds in one or more series not in excess of the Maximum Aggregate Principal Amount, in Authorized Denominations, pursuant to and in accordance with the provisions of Section 36a of Act 279, for the purpose of satisfying the Claims.

## ARTICLE III

### AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE BONDS

Section 301. Authorization of Bonds to Satisfy the Claims and Pledge. The City hereby authorizes the issuance of the Bonds as hereinafter defined in such principal amount as shall be confirmed in the Supplemental Order to satisfy the Claims as determined by the Authorized Officer in the Supplemental Order or subsequently confirmed by the Authorized Officer to Bond Counsel. The principal of and interest on the Bonds shall hereby be secured by the limited tax full faith and credit pledge of the City.

The City pledges to pay the principal of and interest on the Bonds as a first budget obligation from its general funds and in case of insufficiency thereof, from the proceeds of an annual levy of ad valorem taxes on all taxable property of the City, subject to applicable constitutional, statutory and charter tax rate limitations.

Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds to Satisfy the Claims. (a) The Bonds shall be designated “FINANCIAL RECOVERY BONDS,

SERIES 2014B” and may bear such later or earlier dates and additional or alternative designations, series or subseries as the Authorized Officer may determine in the Supplemental Order, shall be issued in fully registered form and shall be consecutively numbered from “R-1” upwards, unless otherwise provided by the Authorized Officer in the Supplemental Order. The Bonds shall be dated and issued in such denominations all as determined by the Authorized Officer and confirmed by the Authorized Officer in the Supplemental Order.

(b) The Bonds of each series shall mature on such Maturity Dates not in excess of 30 years from the Date of Original Issue and shall bear interest at the Interest Rate on a taxable basis, payable on the Interest Payment Dates, all as shall be determined and confirmed by the Authorized Officer in the Supplemental Order. Unless otherwise provided by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be calculated on the basis of the actual number of days elapsed in a 360 day year. The Bonds shall be payable, as to principal and interest, in lawful money of the United States of America.

(c) Except as may be otherwise determined by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be payable to the Registered Owner as of the 15th day of the month, whether or not a Business Day (a “Regular Record Date”), prior to each Interest Payment Date. Interest on the Bonds shall be payable to such Registered Owners by check or draft drawn on the Paying Agent on each Interest Payment Date and mailed by first class mail or, upon the written request of the Owner of \$1,000,000 or more in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Owner. Such a request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent.

(d) Interest on Bonds not punctually paid or duly provided for on an Interest Payment Date shall forthwith cease to be payable to the Registered Owners on the Regular Record Date established for such Interest Payment Date, and may be paid to the Registered Owners as of the close of business on a date fixed by the Paying Agent (a “Special Record Date”) with respect to the payment of such defaulted interest to be fixed by the Paying Agent, or may be paid at any time in any other lawful manner. The Paying Agent shall give notice to the Registered Owners at least seven days before any such Special Record Date.

(e) The principal of the Bonds shall be payable to the Registered Owners of the Bonds upon the presentation of the Bonds to the Paying Agent at the principal corporate trust office of the Paying Agent.

(f) The Bonds shall be subject to redemption and/or tender for purchase prior to maturity or shall not be subject thereto, upon such terms and conditions as shall be determined by the Authorized Officer and confirmed in the Supplemental Order.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Paying Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates, CUSIP numbers, if any; certificate numbers, and in the case of partial redemption,

the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Paying Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

Section 303. Execution, Authentication and Delivery of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Emergency Manager and the Finance Director of the City and authenticated by the manual signature of the Finance Director or an authorized representative of the Paying Agent, as the case may be, and a facsimile of the seal of the City shall be imprinted on the Bonds. Additional Bonds bearing the manual or facsimile signatures of the Emergency Manager or Mayor of the City and the Finance Director, and upon which the facsimile of the seal of the City is imprinted may be delivered to the Paying Agent for authentication and delivery in connection with the exchange or transfer of Bonds. The Paying Agent shall indicate on each Bond the date of its authentication.

Section 304. Authentication of the Bonds. (a) No Bond shall be entitled to any benefit under this Order or be valid or obligatory for any purpose unless there appears on such Bond a Certificate of Authentication substantially in the form provided for in Section 307 of this Order, executed by the manual or facsimile signature of the Finance Director or by an authorized signatory of the Paying Agent by manual signature, and such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered hereunder.

(b) The Paying Agent shall manually execute the Certificate of Authentication on each Bond upon receipt of a written direction of the Authorized Officer of the City to authenticate such Bond.

Section 305. Transfer of Registration and Exchanges on the Bonds. (a) The registration of each Bond is transferable only upon the Bond Registry by the Registered Owner thereof, or by his attorney duly authorized in writing, upon the presentation and surrender thereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor.

(b) Each Bond may be exchanged for one or more Bonds in equal aggregate principal amount of like maturity and tenor in one or more authorized denominations, upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing.

Section 306. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging Bonds or transferring the registration of Bonds is exercised, the City shall execute and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Order. All Bonds surrendered in any such exchanges or transfers shall be forthwith canceled by the Paying Agent.

(b) For every exchange or transfer of Bonds, the City or the Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and, except as otherwise provided in this Order, may charge a sum sufficient to pay the costs of preparing each new Bond issued upon such exchange or transfer, which shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Paying Agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 307 of this Order and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The City shall give the Paying Agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

Section 307. Form of the Bonds. The Bonds shall be in substantially the following form with such insertions, omissions, substitutions and other variations as shall not be inconsistent with this Order or as approved by an Authorized Officer in the Supplemental Order:

[Forms of Bonds]

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the City (as hereinafter defined), or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF WAYNE

CITY OF DETROIT

FINANCIAL RECOVERY BOND, SERIES 2014B

|                      |                      |                               |              |
|----------------------|----------------------|-------------------------------|--------------|
| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|                      |                      | _____, 2014                   |              |

Registered Owner:

Principal Amount: Dollars

The City of Detroit, County of Wayne, State of Michigan (the “City”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon at the Interest Rate of 4.0% per annum from the Date of Original Issue specified above until the twentieth (20<sup>th</sup>) anniversary of the Date of Original Issue, and thereafter at 6.0% per annum, until the Maturity Date specified above or until the Principal Amount specified above is paid in full. Interest is payable semiannually on April 1 and October 1 in each year commencing on \_\_\_\_\_ (each an “Interest Payment Date”). The interest so payable, and punctually paid or duly provided for, will be paid, as provided in the hereinafter defined Order, to the person in whose name this Bond is registered on the books maintained for such purpose by the hereinafter defined Paying Agent (the “Bond Registry”), on the close of business on the Regular Record Date for such interest payment, which shall be the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall herewith cease to be payable to the Registered Owner on such Regular Record Date, and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice of which shall be given to Registered Owners at least seven days before such Special Record Date,

or may be paid at any time in any other lawful manner. Capitalized terms used herein but not defined herein, shall have the meanings ascribed to them in the Order.

The principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as registrar, transfer agent and paying agent under the Order (such bank and any successor as paying agent, the “Paying Agent”). Interest on this Bond is payable in like money by check or draft drawn on the Paying Agent and mailed to the Registered Owner entitled thereto, as provided above, by first class mail or, upon the written request of a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Registered Owner, and such request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent. Interest shall be computed on the basis of a 360-day year consisting of twelve 30 day months. For prompt payment of this Bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

This bond is one of a series of bonds aggregating the principal sum of \$\_\_\_\_\_, issued under and in full compliance with the Constitution and statutes of the State of Michigan, and particularly Section 36a of Act No. 279, Public Acts of Michigan, 1909, as amended (“Act 279”), for the purpose of satisfying certain Claims, as defined in the Order. Pursuant to the Order, the bonds of this series (the “Bonds”) are limited tax general obligations of the City, and the City is obligated to levy annually ad valorem taxes on all taxable property in the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

The “Order” is an Order of the Emergency Manager issued on \_\_\_\_\_, 2014, supplemented by a Supplemental Order of an Authorized Officer of the City issued on \_\_\_\_\_, 2014, authorizing the issuance of the Bonds.

The bonds of this series shall be subject to redemption prior to maturity as follows:

(a) *Optional Redemption.* Bonds or portions of bonds in Authorized Denominations of multiples of \$1,000 or integral multiples of \$1.00 in excess thereof are subject to redemption prior to maturity, at the option of the Issuer, in such order as the Issuer may determine, and by lot within a maturity on any date after the Date of Original Issue, at a redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* [TO BE DETERMINED]

*General Redemption Provisions.* In case less than the full amount of an outstanding bond is called for redemption, the Paying Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owners of Bonds or portions thereof called for redemption by mailing of such notice not less than thirty (30) days but not more than

sixty (60) days prior to the date fixed for redemption to the registered address of the registered owner of record. Bonds or portions thereof so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Paying Agent to redeem such Bonds.

Reference is hereby made to the Order for the provisions with respect to the nature and extent of the security for the Bonds, the manner and enforcement of such security, the rights, duties and obligations of the City, and the rights of the Paying Agent and the Registered Owners of the Bonds. As therein provided, the Order may be amended in certain respects without the consent of the Registered Owners of the Bonds. A copy of the Order is on file and available for inspection at the office of the Finance Director and at the principal corporate trust office of the Paying Agent.

The City and the Paying Agent may treat and consider the person in whose name this Bond is registered on the Bond Registry as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal hereof and interest hereon and for all other purposes whatsoever, and all such payments so made to such person or upon his order shall be valid and effectual to satisfy and discharge the liability hereon to the extent of the sum or sums so paid.

The registration of this Bond is transferable only upon the Bond Registry by the Registered Owner hereof or by his attorney duly authorized in writing upon the presentation and surrender hereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution upon the payment of the charges, if any, therein prescribed.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and to be performed, precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the City, including the Bonds does not exceed any constitutional, statutory or charter limitation.

This Bond is not valid or obligatory for any purpose until the Paying Agent's Certificate of Authentication on this Bond has been executed by the Paying Agent.

IN WITNESS WHEREOF, the City of Detroit, by its Emergency Manager, has caused this bond to be signed in the name of the City by the facsimile signatures of its Emergency Manager and Finance Director of the City, and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF DETROIT

By: \_\_\_\_\_  
Emergency Manager

By: \_\_\_\_\_  
Finance Director

(SEAL)

(Form of Paying Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Order.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Please print or typewrite name and address of transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of such person's authority to act must accompany the bond.

Signature(s) must be guaranteed by a commercial bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges. The transfer agent will not effect transfer of this bond unless the information concerning the transferee requested below is provided.

PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF TRANSFEREE.

[Empty rectangular box for social security number]

(Insert number for first named transferee if held by joint account.)

Name and Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Include information for all joint owners if the bond is held by joint account.)

Section 308. Registration. The City and the Paying Agent may treat and consider the Registered Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal (and premium, if any) thereof and interest thereon and for all other purposes whatsoever, and all such payments so made to such Bondowner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 309. Mutilated, Destroyed, Stolen or Lost Bonds. (a) Subject to the provisions of Act 354, Public Acts of Michigan, 1972, as amended and any other applicable law, if (i) any mutilated Bond is surrendered to the Paying Agent or the City and the Paying Agent and the City receive evidence to their satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(c) Any new Bond issued pursuant to this Section in substitution for a Bond alleged to be mutilated, destroyed, stolen or lost shall constitute an original additional contractual obligation on the part of the City, and shall be equally secured by and entitled to equal proportionate benefits with all other Bonds issued under this Order.

Section 310. Book-Entry-Only System Permitted. (a) If determined by the Authorized Officer in the Supplemental Order, the Bonds or portions of the Bonds shall be issued to a securities depository selected by the Authorized Officer (the "Security Depository") to be held pursuant to the book-entry-only system maintained by the Security Depository and registered in the name of the Security Depository or its nominee. Ownership interests in Bonds held under such book-entry-only system shall be determined pursuant to the procedures of the Security Depository and Article 8 of the applicable Uniform Commercial Code (such persons having such interests, "Beneficial Owners").

(b) If (i) the City and the Paying Agent receive written notice from the Security Depository to the effect that the Security Depository is unable or unwilling to discharge its responsibilities with respect to the Bonds under the book-entry-only system maintained by it or (ii) the Authorized Officer determines that it is in the best interests of the Beneficial Owners that they be able to obtain Bonds in certificated form, then the City may so notify the Security Depository and the Paying Agent, and, in either event, the City and the Paying Agent shall take appropriate steps to provide the Beneficial Owners with Bonds in certificated form to evidence their respective ownership interests in the Bonds. Whenever the Security Depository requests the City and the Paying Agent to do so, the Authorized Officer on behalf of the City and the Paying Agent will cooperate with the Security Depository in taking appropriate action after

reasonable notice to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging Bonds shall designate.

(c) Notwithstanding any other provision of the Order to the contrary, so long as the Bonds are held pursuant to the book-entry-only system maintained by the Security Depository:

(i) all payments with respect to the principal and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Security Depository as provided in the representation letter from the City and the Paying Agent to the Security Depository with respect to such Bonds; and

(ii) all payments with respect to principal of the Bonds and interest on the Bonds shall be made in such manner as shall be prescribed by the Security Depository.

## ARTICLE IV

### FUNDS AND ACCOUNTS

Section 401. Establishment of Accounts and Funds. (a) The City hereby establishes and creates the Debt Retirement Fund as a special, separate and segregated account and fund which shall be held for and on behalf of the City by the Paying Agent.

(b) On the Effective Date, the City shall establish and create the Disputed COPs Claims Reserve (the “Disputed COPs Claims Reserve”) which shall be held for and on behalf of the City by the Disbursing Agent under the Disbursing Agent Agreement pursuant to Section 401(d).

(c) The Disputed COP Claims Reserve shall contain no less than (i) an Unsecured Pro Rata Share of Bonds, calculated as if such Disputed COP Claims were Allowed in an amount equal to the sum of (A) aggregate unpaid principal amount as of the Petition Date for the COPs other than those giving rise to the Settled COP Claims (or such other amount as may be required by an order of the Bankruptcy Court), and (B) with respect to the Settled COPs Claims, the aggregate unpaid principal amount as of the Petition Date for the COPs giving rise to the Settled COPs claims less the amounts expended in settlement of such Settled COP Claims; and (ii) any distributions made on account of Bonds held in the Disputed COP Claims Reserve.

(d) An Authorized Officer is authorized and directed to designate a Disbursing Agent and negotiate and enter into a Disbursing Agent Agreement (the “Disbursing Agent Agreement”) between the City and the Disbursing Agent, setting forth the duties and obligations of the Disbursing Agent with respect to the distribution of Bonds and/or cash from the Disputed COPs Claims Reserve to the Claimants thereof pursuant to Section 404(h).

(e) The Finance Director is hereby authorized to establish such additional accounts, subaccounts or funds as shall be required for the Bonds, and the Dispute COPS Claims Reserve to accommodate the requirements of such series of Bonds and the Disputed COPS Claims Reserve.

Section 402. Debt Retirement Fund. General funds of the City, proceeds of all taxes levied pursuant to Section 301 hereof [and any amounts transferred from the debt retirement funds related to the COPs, if any,] shall be used to pay the principal of and interest on the Bonds when due. The foregoing amounts shall be placed in the Debt Retirement Fund and held in trust by the Paying Agent, and so long as the principal of or interest on the Bonds shall remain unpaid, no moneys shall be withdrawn from the Debt Retirement Fund except to pay such principal and interest. Any amounts remaining in the Debt Retirement Fund after payment in full of the Bonds and the fees and expenses of the Paying Agent shall be retained by the City to be used for any lawful purpose.

Section 403. Investment of Monies in the Funds and Accounts. (a) The Finance Director shall direct the investment of monies on deposit in the Funds and Accounts established hereunder, and the Paying Agent, upon written direction or upon oral direction promptly confirmed in writing by the Finance Director, shall use its best efforts to invest monies on deposit in the Funds and Accounts in accordance with such direction.

(b) Monies on deposit in the Funds and Accounts may be invested in such investments and to the extent permitted by applicable law.

Section 404. Satisfaction of Claims. (a) On the Effective Date, the City shall issue the Bonds in an amount sufficient to satisfy the Claims. An Authorized Officer shall arrange for delivery of the Bonds to the Claimants and the Disbursing Agent to satisfy the Claims on behalf of the Claimants of each class of creditors entitled to New B Notes and/or cash as provided in the Plan of Adjustment and as set forth in this Section 404 in subsections (b) through (g), inclusive. Upon delivery of the Bonds to the Disbursing Agent and the Claimants, an Authorized Officer shall take all necessary steps to extinguish any related existing debt, including the cancellation of any related bonds or notes of the City representing portions of the Claims.

(b) On the Effective Date, the City shall distribute to the Detroit General VEBA, Bonds in the aggregate principal amount of \$218,000,000, in satisfaction of the Allowed OPEB Claims held by the Detroit General VEBA Beneficiaries. The Detroit General VEBA shall also be paid any contingent additional distributions from the Disputed COPs Claims Reserve as set forth in Section 404(g).

(c) On the Effective Date, the City shall distribute to the Detroit Police and Fire VEBA, Bonds in the aggregate principal amount of \$232,000,000, in satisfaction of the Allowed OPEB Claims held by the Detroit Police and Fire VEBA Beneficiaries. The Detroit Police and Fire VEBA shall also be paid any contingent additional distributions from the Disputed COPs Claims Reserve as set forth in Section 404(g).

(d) On the Effective Date, the Downtown Development Authority Claims shall be allowed in the amount of \$33,600,000. Unless the Holder agrees to a different treatment of its Claim, each Holder of an Allowed Downtown Development Authority Claim, in full satisfaction of such Allowed Claim, shall receive from the City, on or as soon as reasonably practicable after the Effective Date, an Unsecured Pro Rata Share of the Bonds.

(e) Unless such Holder agrees to a different treatment of such claim, each Holder of an Allowed Other Unsecured Claim, in full satisfaction of such Allowed Claim, shall receive from the Disbursing Agent, on or as soon as reasonably practicable after the Effective Date, an Unsecured Pro Rata Share of Bonds.

(f) If and to the extent that Disputed COP Claims become Allowed Claims, the Holders of such Allowed Claims shall be sent a Distribution from the Disputed COP Claims Reserve by the Disbursing Agent of no less than (i) the portion of New B Notes held in the Disputed COP Claims Reserve initially allocated to the Disputed COP Claims that became Allowed Claims; and (ii) any distributions received by the Disputed COP Claims Reserve on account of such portion of Bonds.

(g) Upon the entry of a Final Order resolving any objection to any Disputed COP Claim and after all Distributions on account of Allowed COP Claims respecting such resolved Disputed COP Claims have been made or provided for (i) an amount of Bonds or distributions thereon in an amount equal to the costs, fees and expenses related to the COP Litigation incurred by the Litigation Trust from and after the Effective Date shall be distributed by the Disbursing Agent to the City subject to the terms of the Plan of Adjustment; (ii) following such distribution, the Bonds and any distributions thereon remaining in the Disputed COP Claims Reserve shall be distributed as follows: (A) 65% to the Detroit General VEBA and the Detroit Police and Fire VEBA in proportion with the Bonds allocated to each pursuant to Sections 404(b) and 404(c); (B) 20% to be distributed Pro Rata among holders of Allowed Limited Tax General Obligation Bond Claims in Class 7 under the Plan of Adjustment; and (C) 15% to holders of Allowed Other Unsecured Claims in Class 14 under the Plan of Adjustment.

## ARTICLE V

### THE PAYING AGENT

Section 501. Paying Agent. The Paying Agent for the Bonds shall act as bond registrar, transfer agent and paying agent for the Bonds and shall be initially \_\_\_\_\_, Detroit, Michigan, or such other bank or trust company located in the State which is qualified to act in such capacity under the laws of the United States of America or the State. The Paying Agent means and includes any company into which the Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided, that such company shall be a trust company or bank which is qualified to be a successor to the Paying Agent as determined by an Authorized Officer, shall be authorized by law to perform all the duties imposed upon it by this Order, and shall be the successor to the Paying Agent without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding. An Authorized Officer is authorized to enter into an agreement with such a bank or trust company, and from time to time as required, may designate a similarly qualified successor Paying Agent and enter into an agreement therewith for such services.

## ARTICLE VI

### SUPPLEMENTAL ORDERS AND RESOLUTIONS

Section 601. Supplemental Orders and Resolutions Not Requiring Consent of Holders of the Bonds. The City may without the consent of any Bondowner adopt orders or resolutions supplemental to this Order for any one or more of the following purposes:

- (i) to confirm or further assure the security hereof or to grant or pledge to the holders of the Bonds any additional security;
- (ii) to add additional covenants and agreements of the City for the purposes of further securing the payment of the Bonds;
- (iii) to cure any ambiguity or formal defect or omission in this Order; and
- (iv) such other action not materially, adversely and directly affecting the security of the Bonds.

provided that (A) no supplemental order or resolution amending or modifying the rights or obligations of the Paying Agent shall become effective without the consent of the Paying Agent and (B) the effectiveness of any supplemental resolution is subject to Section 702 to the extent applicable.

Section 602. Bond Counsel Opinion. Before any supplemental order or resolution under this Article shall become effective, a copy thereof shall be filed with the Paying Agent, together with an opinion of Bond Counsel that such supplemental order or resolution is authorized or permitted by this Article; provided that, Bond Counsel in rendering any such opinion shall be entitled to rely upon certificates of an Authorized Officer or other City official, and opinions or reports of consultants, experts and other professionals retained by the City to advise it, with respect to the presence or absence of facts relative to such opinion and the consequences of such facts.

## ARTICLE VII

### DEFEASANCE

Section 701. Defeasance. Bonds shall be deemed to be paid in full upon the deposit in trust of cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment thereof, will come due at such times and in such amounts, as to be fully sufficient to pay when due, the principal of such Bonds and interest to accrue thereon, as confirmed by a verification report prepared by an independent certified public accountant; provided, that if any of such Bonds are to be called for redemption prior to maturity, irrevocable instructions to call such Bonds for redemption shall be given to the Paying Agent. Such cash and securities representing such obligations shall be deposited with a bank or trust company and held

for the exclusive benefit of the Owners of such Bonds. After such deposit, such Bonds shall no longer be entitled to the benefits of this Order (except for any rights of transfer or exchange of Bonds as therein or herein provided for) and shall be payable solely from the funds deposited for such purpose and investment earnings, if any, thereon, and the lien of this Order for the benefit of such Bonds shall be discharged.

## ARTICLE VIII

### OTHER PROVISIONS OF GENERAL APPLICATION

[Section 801. Credit Enhancement. (a) There is hereby authorized to be obtained municipal bond insurance or other credit enhancement or a combination thereof to secure the payment of all or part of the Bonds, if, and provided that, it shall be determined by an Authorized Officer that obtaining such Municipal Bond Insurance Policy or other credit enhancement or a combination thereof is in the best interest of the City. Such municipal bond insurance or other credit enhancement providers may be afforded certain rights and remedies to direct the proceedings with respect to the enforcement of payment of the Bonds as shall be provided in the documents relating thereto. In the event a commitment for a Municipal Bond Insurance Policy is obtained or a commitment for other credit enhancement is obtained, an Authorized Officer is hereby authorized, to approve the terms, perform such acts and execute such instruments that shall be required, necessary or desirable to effectuate the terms of such commitment and the transactions described therein and in this Order and the Supplemental Order provided that such terms are not materially adverse to the City.

(b) In connection with the execution of any of the agreements authorized by this Section, an Authorized Officer is authorized to include therein such covenants as shall be appropriate.]

Section 802. Approval of Other Documents and Actions. The Mayor, the Finance Director, the Treasurer, the City Clerk and any written designee of the Emergency Manager are each hereby authorized and directed on behalf of the City to take any and all other actions, perform any and all acts and execute any and all documents that shall be required, necessary or desirable to implement this Order.

Section 803. Delegation of City to, and Authorization of Actions of Authorized Officers.  
(a) Each Authorized Officer is hereby authorized and directed to do and perform any and all acts and things with respect to the Bonds which are necessary and appropriate to carry into effect, consistent with this Order, the authorizations therein and herein contained, including without limitation, the securing of ratings by bond rating agencies, if cost effective, the negotiation for and acquisition of bond insurance and/or other credit enhancement, if any, to further secure the Bonds or any portions thereof, the acquisition of an irrevocable surety bond to fulfill the City's obligation to fund any reserve account, the printing of the Bonds and the incurring and paying of reasonable fees, costs and expenses incidental to the foregoing and other costs of issuance of the Bonds including, but not limited to fees and expenses of bond counsel, financial advisors, accountants and others, from Bond proceeds or other available funds, for and on behalf of the City.

(b) Except as otherwise provided herein, all determinations and decisions of the Authorized Officer with respect to the issuance and sale of the Bonds or the negotiation, execution or delivery of agreements as permitted or required by this Order shall be confirmed by this Authorized Officer in a Supplemental Order or Supplemental Orders, and such confirmations shall constitute determinations that any conditions precedent to such determinations and decisions of the Authorized Officer have been fulfilled.

Section 804. Approving Legal Opinions with Respect to the Bonds. Delivery of the Bonds shall be conditioned upon receiving, at the time of delivery of the Bonds; the approving opinion of Bond Counsel, approving legality of the Bonds.

Section 805. Appointment of Bond Counsel; Engagement of Other Parties. The appointment by the Emergency Manager of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel and other accumulated bond related fees and expenses shall be payable from available funds in accordance with the agreement of such firm on file with the Finance Director.

Section 806. Preservation of Records. So long as any Bond remains Outstanding, all documents received by the Paying Agent under the provisions of this Order shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City, and the Bondowners, and their agents and representatives, any of whom may make copies thereof.

Section 807. Parties in Interest. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Paying Agent and the Owners of the Bonds, any right, remedy or claim under or by reason of this Order or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Order contained by and on behalf of the City or Paying Agent shall be for the sole and exclusive benefit of the City, the Paying Agent and the Bondowners.

Section 808. No Recourse Under Resolution. All covenants, agreements and obligations of the City contained in this Order shall be deemed to be the covenants, agreements and obligations of the City and not of any councilperson, member, officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal or interest on the Bonds or for any claim based thereon or on this Order against any councilperson, member, officer or employee of the City or any person executing the Bonds in his or her official individual capacity.

Section 809. Severability. If any one or more sections, clauses or provisions of this Order shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions hereof.

Section 810. Cover Page, Table of Contents and Article and Section Headings. The cover page, table of contents and Article and Section headings hereof are solely for convenience

of reference and do not constitute a part of this Order, and none of them shall affect its meaning, construction or effect.

Section 811. Conflict. All resolutions or parts of resolutions or other proceedings of the City in conflict herewith shall be and the same hereby are repealed insofar as such conflict exists.

Section 812. Governing Law and Jurisdiction. This Order shall be governed by and construed in accordance with the laws of the State.

Section 813. Order and Supplemental Order are a Contract. The provisions of this Order and the Supplemental Order shall constitute a contract between the City, the Paying Agent, the Bond Insurer and the Bondowners.

Section 814. Effective Date. This Order shall take effect immediately upon its adoption by the Council.

Section 815. Notices. All notices and other communications hereunder shall be in writing and given by United States certified or registered mail, expedited courier overnight delivery service or by other means (including facsimile transmission) that provides a written record of such notice and its receipt. Notices hereunder shall be effective when received and shall be addressed to the address set forth below or to such other address as any of the below persons shall specify to the other persons:

If to the City, to:

City of Detroit  
Finance Department  
1200 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Attention: Finance Director

If to the Paying Agent, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

SO ORDERED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Kevyn D. Orr  
Emergency Manager  
City of Detroit, Michigan

**EXHIBIT A**

**THE UNSECURED CLAIMS**

1. Class 7 Allowed Limited Tax General Obligation Bond Claims.
2. Class 9 Disputed COPS Claims which become Allowed Claims.
3. Class 12 OPEB Claims - Detroit General VEBA Claims (“General VEBA Claims”) in the amount of \$218,000,000, plus contingent additional distributions from the Disputed COP Claims Reserve (“Contingent General VEBA Claims”);
4. Class 12 OPEB Claims - Detroit Police and Fire VEBA Claims (“Police and Fire VEBA Claims”) in the amount of \$232,000,000, plus contingent additional distributions from the Disputed COP Claims Reserve (“Contingent Police and Fire VEBA Claims”);
5. Class 13 Allowed Downtown Development Authority Claims (“DDA Claims”) in the amount of \$33,600,000; and
6. Class 14 Allowed Other Unsecured Claims (“Other Unsecured Claims”).

22096296.5\022765-00202

**EXHIBIT I.A.248**

PRINCIPAL TERMS OF NEW C NOTES

**NEW C NOTES  
SUMMARY OF PRINCIPAL TERMS<sup>1</sup>**

On the Effective Date, the City shall issue the New C Notes and distribute them as set forth in the Plan. The definitive documentation governing the New C Notes shall provide generally for the following terms:

|                           |   |
|---------------------------|---|
| Obligation                | Unsecured financial recovery bonds due 2026.  |
| Parking Revenues Lockbox  | The City shall direct Parking Revenues into a lockbox account. Once amounts sufficient to pay the principal of or interest due on the New C Notes for the then current fiscal year (the “Annual Set Aside Requirement”) have been set aside, any excess may be transferred to the City’s general fund and used for other purposes.  |
| Parking Violation Revenue | “Parking Revenues” shall mean (a) in the event the New C Notes are issued in a principal amount equal to or less than the \$21,271,804, revenues collected from fines received by the City related to tickets issued for parking violations, other than such revenues that would otherwise be paid to the 36 <sup>th</sup> District Court (“Violations Revenue”), and (b) in the event the New C Notes are issued in a principal amount in excess of \$21,271,804, Violations Revenue, meter collections and revenue from garage (other than Grand Circus) and boot and tow operations. |
| Principal Amount          | Not to exceed \$88,430,021  |
| Interest Rate             | 5%.<br>In addition, in the event the City fails to make an interest and principal amortization payment when due (a “Payment Default”), the City shall have thirty days, following written notice of such default (the “Cure Period”), to cure such Payment Default. Failure to cure a Payment Default within the Cure Period will result in application of additional default rate interest of 2% until such Payment Default is cured.  |
| Maturity                  | 12 years, callable at any time for par plus accrued interest.   |
| Payment Date              | The City shall make interest and principal amortization payments annually on June 30.   |

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning given to them in the Plan.

|   |   |
|---|---|
| Amortization                              | Principal amortization in accordance with the schedule hereto such that the total annual principal and interest cash payment on the bonds is \$9,977,153.00 (or \$2,400,000 with respect to Syncora).   |
| City Parking Facilities Disposition       | In the event the City disposes of some or all of the City Parking Facilities subsequent to distribution of the New C Notes, the City shall use the net proceeds from such transaction to prepay the amount owed on account of the New C Notes.  |
| Effectuation of Provisions of New C Notes | The City, to the extent required to effectuate the provisions of the New C Notes, shall (i) cause the Detroit Building Authority to convey the City Parking Facilities to the City, and (ii) treat accounting of the Parking Revenues such that all Parking Revenues are deposited into a general governmental account. |

EXHIBIT I.A.249

FORM OF NEW C NOTES DOCUMENTS

ORDER NO. \_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$88,430,021 FINANCIAL RECOVERY BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN COP CLAIMS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE DELIVERY IN PARTIAL SATISFACTION THEREOF AND EXCHANGE OF SAID BONDS TO THE HOLDERS OF SAID CLAIMS.

## TABLE OF CONTENTS

|   | Page |
|---|------|
| ARTICLE I DEFINITIONS AND INTERPRETATION.....   | 3    |
| Section 101. Definitions.....   | 3    |
| Section 102. Interpretation.....  | 6    |
| ARTICLE II DETERMINATIONS.....  | 7    |
| Section 201. Finding, and Declaration of Need to Issue Bonds .....  | 7    |
| ARTICLE III AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE<br>BONDS .....                                      | 7    |
| Section 301. Authorization of Bonds to Satisfy the Claims and Pledge.....                                       | 7    |
| Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds<br>to Satisfy the Claims ..... | 7    |
| Section 303. Execution, Authentication and Delivery of Bonds .....  | 9    |
| Section 304. Authentication of the Bonds .....  | 9    |
| Section 305. Transfer of Registration and Exchanges on the Bonds.....   | 9    |
| Section 306. Regulations with Respect to Exchanges and Transfers .....  | 9    |
| Section 307. Form of the Bonds .....  | 10   |
| Section 308. Registration.....  | 17   |
| Section 309. Mutilated, Destroyed, Stolen or Lost Bonds.....  | 17   |
| Section 310. Book-Entry-Only System Permitted.....  | 17   |
| ARTICLE IV FUNDS AND ACCOUNTS .....   | 18   |
| Section 401. Establishment of Accounts and Funds.....   | 18   |
| Section 402. Debt Retirement Fund.....  | 18   |
| Section 403. Investment of Monies in the Funds and Accounts.....  | 19   |
| Section 404. Satisfaction of Claims .....   | 19   |
| ARTICLE V THE PAYING AGENT .....  | 20   |
| Section 501. Paying Agent.....  | 20   |
| ARTICLE VI SUPPLEMENTAL ORDERS AND RESOLUTIONS.....   | 21   |
| Section 601. Supplemental Orders and Resolutions Not Requiring Consent of<br>Holders of the Bonds .....         | 21   |
| Section 602. Bond Counsel Opinion.....  | 21   |
| ARTICLE VII DEFEASANCE .....  | 21   |
| Section 701. Defeasance .....   | 21   |
| ARTICLE VIII OTHER PROVISIONS OF GENERAL APPLICATION.....   | 22   |
| Section 801. Account Control Agreement.....   | 22   |
| Section 802. Approval of Other Documents and Actions.....   | 22   |
| Section 803. Delegation of City to, and Authorization of Actions of Authorized<br>Officers .....                | 22   |
| Section 804. Approving Legal Opinions with Respect to the Bonds .....   | 23   |
| Section 805. Appointment of Bond Counsel; Engagement of Other Parties.....                                      | 23   |
| Section 806. Preservation of Records .....  | 23   |
| Section 807. Parties in Interest.....   | 23   |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Section 808. No Recourse Under Resolution .....                                  | 23          |
| Section 809. Severability .....  | 23          |
| Section 810. Cover Page, Table of Contents and Article and Section Headings..... | 23          |
| Section 811. Conflict .....  | 24          |
| Section 812. Governing Law and Jurisdiction.....                                 | 24          |
| Section 813. Order and Supplemental Order are a Contract.....                    | 24          |
| Section 814. Effective Date .....  | 24          |
| Section 815. Notices .....   | 24          |

ORDER NO. \_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$88,430,021 FINANCIAL RECOVERY BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN COP CLAIMS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE DELIVERY IN PARTIAL SATISFACTION THEREOF AND EXCHANGE OF SAID BONDS TO THE HOLDERS OF SAID CLAIMS.

WHEREAS, on March 1, 2013, the Governor (the “Governor”) of the State of Michigan (the “State”) determined that a financial emergency existed within the City of Detroit, County of Wayne, State of Michigan (the “City”) pursuant to the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended (“Act 72”); and

WHEREAS, on March 14, 2013, the Governor confirmed that a financial emergency existed within the City and, pursuant to Act 72, assigned to the Local Emergency Financial Assistance Loan Board established pursuant to the Emergency Municipal Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (the “Board”) the responsibility for managing the financial emergency; and

WHEREAS, on March 14, 2013, pursuant to Act 72, the Board appointed Kevyn D. Orr as Emergency Financial Manager for the City; And

WHEREAS, by operation of law the financial emergency continues to exist within the City pursuant to the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012 (“Act 436”) and the Emergency Financial Manager continues in the capacity of the Emergency Manager for the City (the “Emergency Manager”); and

WHEREAS, on July 18, 2013 (the “Petition Date”), in accordance with Act 436 and the approval of the Governor, the Emergency Manager filed on behalf of the City a petition for relief pursuant to Chapter 9 of title 11 of the United States Code, 11 U.S.C. Sections 101-1532 (as amended, the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of Michigan (the “Bankruptcy Court”); and

WHEREAS, on August 20, 2014, the Emergency Manager filed on behalf of the City a Sixth Amended Plan of Adjustment of the Debts of the City of Detroit (now and as subsequently amended, the “Plan of Adjustment”) in the Bankruptcy Court to provide for the adjustment of the debts of the City pursuant to and in accordance with Chapter 9 of the Bankruptcy Code; and

WHEREAS, the Plan of Adjustment provides, among other things, for the satisfaction of certain claims of unsecured creditors as set out in the Plan of Adjustment in exchange for the

receipt of unsecured pro rata shares ( each a “Pro Rata Share”) of New C Notes (the “New C Notes”); and

WHEREAS, upon satisfaction of all of the terms and conditions required of the City related to the confirmation of the Plan of Adjustment, the City shall establish the Business Day upon which the Plan of Adjustment shall become effective (the “Effective Date”); and

WHEREAS, on or as reasonably practicable after the Effective Date, the City shall execute New C Notes Documents and issue New C Notes in the form of Financial Recovery Bonds authorized under Section 36a of the Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended (“Act 279”) and this Order, and distribute the New C Notes, in the form of the Financial Recovery Bonds, through the Litigation Trust, as defined in the Plan of Adjustment, to Settling COP Claimants as provided in the Plan of Adjustment (the “Settling COP Claimants”); and

WHEREAS, the Emergency Manager of the City deems it necessary to authorize the issuance of Financial Recovery Bonds in one or more series (the “Bonds”), in the aggregate principal amount of not to exceed Eighty Eight Million Four Hundred Thirty Thousand Twenty One Dollars (\$88,430,021) pursuant to Section 36a of Act 279; and

WHEREAS, the Bonds will be payable from City Parking Revenues or a portion thereof and secured by a pledge of the City’s limited tax full faith and credit; and

WHEREAS, Section 36a of Act 279 authorizes a city, for which a financial emergency has been determined to exist, such as the City, to borrow money and issue Financial Recovery Bonds subject to the terms and conditions approved by the Board; and

WHEREAS, the City must receive prior approval of the terms and conditions for the issuance of the Bonds from the Board in accordance with Section 36a of Act 279; and

WHEREAS, the Emergency Manager desires to submit this Order to the Board proposing the issuance by the City of Financial Recovery Bonds, in one or more series, under Section 36a of Act 279, to provide for a portion of the financing of the City under the Plan of Adjustment, solely to satisfy the Settling COP Claimants’ COP Claims; and

WHEREAS, prior to submission of this Order to the Board, pursuant to Sections 12(1)(u) and 19(i) of Act 436, the Emergency Manager must obtain approval of the issuance of the Bonds by the City Council of the City (the “City Council”), and if the City Council disapproves the issuance of the Bonds, the issuance of the Bonds must be approved by the Board.

NOW, THEREFORE, BE IT ORDERED AS FOLLOWS:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The words and terms defined in the preambles and recitals hereof and the following words and terms as used in this Order shall have the meanings ascribed therein, herein or in the Plan of Adjustment to them unless a different meaning clearly appears from the context:

“Account Control Agreement” means that certain Account Control Agreement by and among the City, the Paying Agent and the Depository Bank in favor of the Paying Agent with respect to the bank account that holds the City Parking Revenues.

“Act 243” means Act No. 243, Public Acts of Michigan, 1980, as amended.

“Act 279” means Act No. 279, Public Acts of Michigan, 1909, as amended.

“Act 436” means Act No. 436, Public Acts of Michigan, 2012.

“Authorized Denominations” shall mean denominations of Bonds equal to multiples of \$1.00.

“Authorized Officer” means (i) the Emergency Manager or his designee or successor, or if the City is no longer operating under a financial emergency pursuant to Act 436, the chief administrative officer of the City, the Finance Director or his or her designee, or (ii) any other person authorized by a Certificate of an Authorized Officer to act on behalf of or otherwise represent the City in any legal capacity, which such certificate shall be delivered, if at all, in the City’s sole discretion.

“Bankruptcy Case” means the City’s Bankruptcy Case No. 13-53846 in the U.S. Bankruptcy Court for the Eastern District of Michigan.

“Bankruptcy Court” has the meaning set forth in the Plan of Adjustment.

“Board” has the meaning set forth in recitals hereto.

“Bond Counsel” means Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, or such other nationally recognized firm of attorneys experienced in matters pertaining to municipal bonds and appointed to serve in such capacity by the City with respect to the Bonds.

“Bond” or “Bonds” means the Financial Recovery Bonds, Series 2014C of the City authorized to be issued by the Order in the aggregate principal amount not to exceed \$88,430,021, in one or more series, and bearing such other designations as determined by the Authorized Officer in the Supplemental Order.

“Bond Registry” means the books for the registration of Bonds maintained by the Paying Agent.

“Bondowner”, “Owner” or “Registered Owner” means, with respect to any Bond, the person in whose name such Bond is registered in the Bond Registry.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday, (ii) a day on which the Paying Agent or banks and trust companies in New York, New York are authorized or required to remain closed, (iii) a day on which the New York Stock Exchange is closed, or (iv) a day on which the Federal Reserve is closed.

“Certificate” means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Order.

“Charter” means the Charter of the City, as amended from time to time.

“City” means the City of Detroit, County of Wayne, State of Michigan.

[“City Parking Facilities” means \_\_\_\_\_.]

“City Parking Revenues” means revenues collected by the City related to (i) tickets issued for parking violations, including, but not limited to, meter collections, towing, storage fees and booting fees, other than revenues that would otherwise be paid to the 36th District Court, and (ii) if the Bonds are issued in a principal amount greater than \$21,271,804, garage operations at City Parking Facilities, other than the Grand Circus Park facility.

“Closing Date” means the Date of Original Issue.

“Code” means the Internal Revenue Code of 1986, as amended.

“Constitution” means the Constitution of the State of Michigan of 1963, as amended.

“Confirmation Order” has the meaning set forth in recitals hereto.

“COP Claims” has the meaning set forth in the Plan of Adjustment.

“Date of Original Issue” means the date upon which all conditions precedent set forth in the Bond Purchase Agreement to the transactions contemplated therein and herein have been satisfied and the Bonds have been issued to the Purchaser.

“Debt Retirement Fund” means the Debt Retirement Fund established under Section 501 hereof, and any subaccounts thereof established hereunder for the payment of principal of and premium and interest on the Bonds.

“Depository Bank” means a bank or banks or other financial institution which the Emergency Manager of the City designates as depository of the City.

“Emergency Manager” has the meaning set forth in the recitals hereto.

“Final Order” has the meaning set forth in the Plan of Adjustment.

“Fiscal Year” means the period from July 1 to and including June 30 of the immediately succeeding calendar year or such other fiscal year of the City as in effect from time to time.

“Interest Payment Date” means June 30 of each year commencing with the June 30 specified in the Supplemental Order.

“Interest Rate” means 5% per annum from the Date of Original Issue until the Maturity Date, or such other interest rates as confirmed in the Supplemental Order.

“Litigation Trust” has the meaning set forth in the Plan of Adjustment.

“Maturity Date” means June 30, 20\_\_ or such other final date of maturity of each series of the Bonds as specified in the Supplemental Order.

“Maximum Aggregate Principal Amount” has the meaning given such term in Section 201.

“Order” means this Order of the Emergency Manager as supplemented by the Supplemental Order, and as amended from time to time pursuant to Article VII.

“Outstanding” when used with respect to:

- (1) the Bonds, means, as of the date of determination, the Bonds theretofore authenticated and delivered under this Order, except:
  - (A) Bonds theretofore canceled by the Paying Agent or delivered to such Paying Agent for cancellation;
  - (B) Bonds for whose payment money in the necessary amount has been theretofore deposited with the Paying Agent in trust for the registered owners of such Bonds;
  - (C) Bonds delivered to the Paying Agent for cancellation in connection with (x) the exchange of such Bonds for other Bonds or (y) the transfer of the registration of such Bonds;
  - (D) Bonds alleged to have been destroyed, lost or stolen which have been paid or replaced pursuant to this Order or otherwise pursuant to law; and
  - (E) Bonds deemed paid as provided in Section 701.

“Paying Agent” means the bond registrar, transfer agent and paying agent for the Bonds.

“Petition Date” has the meaning set forth in the recitals hereto.

“Plan of Adjustment” has the meaning set forth in the recitals hereto.

“Registered Owner” means the registered owner of a Bond as the registered owner’s name appears on the Bond Registry under Section 305.

“Regular Record Date” has the meaning given such term in Section 302.

“Security Depository” has the meaning given such term in Section 310.

“Settling COP Claimant” has the meaning set forth in the Plan of Adjustment.

“State” has the meaning set forth in the recitals hereto.

“State Treasurer” means the Treasurer of the State of Michigan.

“Supplemental Order” means the order or orders of the Authorized Officer making certain determinations and confirming the final details on the Bonds upon issuance, in accordance with the parameters of this Order.

“Unsecured Pro Rata Share” has the meaning set forth in the Plan of Adjustment.

Section 102. Interpretation. (a) Words of the feminine or masculine genders include the correlative words of the other gender or the neuter gender.

(b) Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons.

(c) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Order.

(d) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Order, refer to this Order as a whole unless otherwise expressly stated.

## ARTICLE II

### DETERMINATIONS

Section 201. Finding, and Declaration of Need to Issue Bonds. The Emergency Manager hereby finds and declares that it is necessary for the City to issue the Bonds hereunder in such sum as shall be determined and approved by the Emergency Manager, not in excess of \$88,430,021 (the “Maximum Aggregate Principal Amount”), and to evidence such debt by the issuance of the Bonds in one or more series not in excess of the Maximum Aggregate Principal Amount, in Authorized Denominations, pursuant to and in accordance with the provisions of Section 36a of Act 279, for the purpose of satisfying the Claims.

### ARTICLE III

#### AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE BONDS

Section 301. Authorization of Bonds to Satisfy the Claims and Pledge. The City hereby authorizes the issuance of the Bonds as hereinafter defined in such principal amount as shall be confirmed in the Supplemental Order to satisfy a portion of the COP Claims as determined by the Authorized Officer in the Supplemental Order or subsequently confirmed by the Authorized Officer to Bond Counsel. The principal of and interest on the Bonds shall hereby be payable from (i) the City Parking Revenues and (ii) secured by the limited tax full faith and credit pledge of the City.

In the event of insufficient City Parking Revenues, the City pledges to pay the principal of and interest on the Bonds as a first budget obligation from its general funds and in case of insufficiency thereof, from the proceeds of an annual levy of ad valorem taxes on all taxable property of the City, subject to applicable constitutional, statutory and charter tax rate limitations.

Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds to Satisfy the Claims. (a) The Bonds shall be designated “FINANCIAL RECOVERY BONDS, SERIES 2014C” and may bear such later or earlier dates and additional or alternative designations, series or subseries as the Authorized Officer may determine in the Supplemental Order, shall be issued in fully registered form and shall be consecutively numbered from “R-1” upwards, unless otherwise provided by the Authorized Officer in the Supplemental Order. The Bonds shall be dated and issued in Authorized Denominations all as determined by the Authorized Officer and confirmed by the Authorized Officer in the Supplemental Order.

(b) The Bonds of each series shall mature on the Maturity Date not more than 13 years from the Date of Original Issue and shall bear interest at the Interest Rate on a taxable basis, payable on the Interest Payment Dates, all as shall be determined and confirmed by the Authorized Officer in the Supplemental Order. Unless otherwise provided by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. The Bonds shall be payable, as to principal and interest, in lawful money of the United States of America.

(c) Except as may be otherwise determined by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be payable to the Registered Owner as of the 15th day of the month, whether or not a Business Day (a “Regular Record Date”), prior to each Interest Payment Date. Interest on the Bonds shall be payable to such Registered Owners by check or draft drawn on the Paying Agent on each Interest Payment Date and mailed by first class mail or, upon the written request of the Owner of \$1,000,000 or more in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Owner. Such a request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent.

(d) Interest on Bonds not punctually paid or duly provided for on an Interest Payment Date shall forthwith cease to be payable to the Registered Owners on the Regular Record Date established for such Interest Payment Date, and may be paid to the Registered Owners as of the close of business on a date fixed by the Paying Agent (a "Special Record Date") with respect to the payment of such defaulted interest to be fixed by the Paying Agent, or may be paid at any time in any other lawful manner. The Paying Agent shall give notice to the Registered Owners at least seven days before any such Special Record Date.

(e) The principal of the Bonds shall be payable to the Registered Owners of the Bonds upon the presentation of the Bonds to the Paying Agent at the principal corporate trust office of the Paying Agent.

(f) The Bonds shall be subject to optional, mandatory sinking fund and mandatory redemption prior to maturity or shall not be subject thereto, upon such terms and conditions as shall be determined by the Authorized Officer and confirmed in the Supplemental Order.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Paying Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates, CUSIP numbers, if any; certificate numbers, and in the case of partial redemption, the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Paying Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

Section 303. Execution, Authentication and Delivery of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Mayor and the Finance Director of the City and authenticated by the manual signature of the Finance Director or an authorized representative of the Paying Agent, as the case may be, and a facsimile of the seal of the City shall be imprinted on the Bonds. The Bonds shall be delivered to the Litigation Trust for the Benefit of the Settling COP Claimants as described in the Plan of Adjustment. Additional Bonds bearing the manual or facsimile signatures of the Mayor of the City and the Finance Director, and upon which the facsimile of the seal of the City is imprinted may be delivered to the Paying Agent for authentication and delivery in connection with the exchange or transfer of Bonds. The Paying Agent shall indicate on each Bond the date of its authentication.

Section 304. Authentication of the Bonds. (a) No Bond shall be entitled to any benefit under this Order or be valid or obligatory for any purpose unless there appears on such Bond a Certificate of Authentication substantially in the form provided for in Section 307 of this Order, executed by the manual or facsimile signature of the Finance Director or by an authorized signatory of the Paying Agent by manual signature, and such certificate upon any Bond shall be

conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered hereunder.

(b) The Paying Agent shall manually execute the Certificate of Authentication on each Bond upon receipt of a written direction of the Authorized Officer of the City to authenticate such Bond.

Section 305. Transfer of Registration and Exchanges on the Bonds. (a) The registration of each Bond is transferable only upon the Bond Registry by the Registered Owner thereof, or by his attorney duly authorized in writing, upon the presentation and surrender thereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor.

(b) Each Bond may be exchanged for one or more Bonds in equal aggregate principal amount of like maturity and tenor in one or more authorized denominations, upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing.

Section 306. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging Bonds or transferring the registration of Bonds is exercised, the City shall execute and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Order. All Bonds surrendered in any such exchanges or transfers shall be forthwith canceled by the Paying Agent.

(b) For every exchange or transfer of Bonds, the City or the Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and, except as otherwise provided in this Order, may charge a sum sufficient to pay the costs of preparing each new Bond issued upon such exchange or transfer, which shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Paying Agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 307 of this Order and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The City shall give the Paying Agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

Section 307. Form of the Bonds. The Bonds shall be in substantially the following form with such insertions, omissions, substitutions and other variations as shall not be inconsistent with this Order or as approved by an Authorized Officer in the Supplemental Order:

[Form of Bonds]

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to the City (as hereinafter defined), or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF WAYNE

CITY OF DETROIT

FINANCIAL RECOVERY BOND, SERIES 2014C

|                      |                      |                               |              |
|----------------------|----------------------|-------------------------------|--------------|
| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|                      |                      | _____, 2014                   |              |

Registered Owner:

Principal Amount: Dollars

The City of Detroit, County of Wayne, State of Michigan (the “City”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon at the Interest Rate specified above per annum from the Date of Original Issue specified above until the Maturity Date specified above or until the Principal Amount specified above is paid in full. Interest is payable annually on June 30 in each year commencing on June 30, 20\_\_ (each an “Interest Payment Date”). The interest so payable, and punctually paid or duly provided for, will be paid, as provided in the hereinafter defined Order, to the person in whose name this Bond is registered on the books maintained for such purpose by the hereinafter defined Paying Agent (the “Bond Registry”), on the close of business on the Regular Record Date for such interest payment, which shall be the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall herewith cease to be payable to the Registered Owner on such Regular Record Date, and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice of which shall be given to Registered Owners at least seven days before such Special Record Date, or may be paid at any time in any other lawful manner.

Capitalized terms used herein but not defined herein, shall have the meanings ascribed to them in the Order.

The principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as registrar, transfer agent and paying agent under the Order (such bank and any successor as paying agent, the “Paying Agent”). Interest on this Bond is payable in like money by check or draft drawn on the Paying Agent and mailed to the Registered Owner entitled thereto, as provided above, by first class mail or, upon the written request of a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Registered Owner, and such request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent. Interest shall be computed on the basis of a 360-day year consisting of twelve 30 day months. For prompt payment of this Bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

In the event that the City fails to make a principal and interest payment when due (a “Payment Default”), the City shall have 30 days, following written notice of such default (the “Cure Period”), to cure such Payment Default. Failure to cure a Payment Default within the Cure Period will result in application of additional default rate interest at the rate of 2% per annum until such Payment Default is cured.

This bond is one of a series of bonds aggregating the principal sum of \$\_\_\_\_\_, issued under and in full compliance with the Constitution and statutes of the State of Michigan, and particularly Section 36a of Act No. 279, Public Acts of Michigan, 1909, as amended (“Act 279”), for the purpose of satisfying certain Claims, as defined in the Order. The Bonds are limited tax general obligations of the City, and the City is obligated to levy annually ad valorem taxes on all taxable property in the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations. Pursuant to the Authorizing Orders, the bonds of this series (the “Bonds”) are payable in the first instance from the City Parking Revenues.

The “Order” is an Order of the Emergency Manager issued on \_\_\_\_\_, 2014, supplemented by a Supplemental Order of an Authorized Officer of the City issued on \_\_\_\_\_, 2014, authorizing the issuance of the Bonds.

The bonds of this series shall be subject to redemption prior to maturity as follows:

(a) *Optional Redemption.* Bonds or portions of bonds in Authorized Denominations of integral multiples of \$1.00 are subject to redemption prior to maturity, at the option of the Issuer, in such order as the Issuer may determine, and by lot within a maturity on any date after the Date of Original Issue, at a redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Sinking Fund Redemption.* This bond is subject to mandatory sinking fund redemption in part prior to maturity, by lot in such manner as the Paying Agent may determine, at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption, on the dates and in the principal amounts as follows:

| <u>Date (June 30)</u> | <u>Principal Amount</u> |
|-----------------------|-------------------------|
| 20__                  | \$                      |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__                  |                         |
| 20__†                 |                         |

†Final Maturity

The amounts to be so redeemed may be reduced by the principal amounts of this bond theretofore redeemed (otherwise than through operation of the Mandatory Sinking Fund Redemption described above), or otherwise acquired and delivered to the Paying Agent, at least 45 days prior to the payment date for credit against the Mandatory Sinking Fund Redemption requirement described above and shall be applied in direct order of date of redemption.

(c) *Mandatory Redemption from Proceeds of Sale of City Parking Facilities.* In the event the City sells any City Parking Facilities, this bond is subject to redemption in part at a price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption from the net proceeds of such disposition.

*General Redemption Provisions.* In case less than the full amount of an outstanding bond is called for redemption, the Paying Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owners of Bonds or portions thereof called for redemption by mailing of such notice not less than thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to the registered address of the registered owner of record. Bonds or portions thereof so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Paying Agent to redeem such Bonds.

*Event of Default Provisions.* The Bonds and the Bonds are subject to, Events of Default and acceleration in the manner, at the times and subject to the conditions specified in the Indenture and incorporated herein and made a part hereof by reference.

Reference is hereby made to the Order for the provisions with respect to the nature and extent of the security for the Bonds, the manner and enforcement of such security, the rights, duties and obligations of the City, and the rights of the Paying Agent and the Registered Owners

of the Bonds. As therein provided, the Order may be amended in certain respects without the consent of the Registered Owners of the Bonds. A copy of the Order is on file and available for inspection at the office of the Finance Director and at the principal corporate trust office of the Paying Agent.

The City and the Paying Agent may treat and consider the person in whose name this Bond is registered on the Bond Registry as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal hereof and interest hereon and for all other purposes whatsoever, and all such payments so made to such person or upon his order shall be valid and effectual to satisfy and discharge the liability hereon to the extent of the sum or sums so paid.

The registration of this Bond is transferable only upon the Bond Registry by the Registered Owner hereof or by his attorney duly authorized in writing upon the presentation and surrender hereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution upon the payment of the charges, if any, therein prescribed.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and to be performed, precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the City, including the Bonds does not exceed any constitutional, statutory or charter limitation.

This Bond is not valid or obligatory for any purpose until the Paying Agent's Certificate of Authentication on this Bond has been executed by the Paying Agent.

IN WITNESS WHEREOF, the City of Detroit, by its Mayor, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and Finance Director of the City, and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF DETROIT

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Finance Director

(SEAL)

(Form of Paying Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Order.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Please print or typewrite name and address of transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of such person's authority to act must accompany the bond.

Signature(s) must be guaranteed by a commercial bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges. The transfer agent will not effect transfer of this bond unless the information concerning the transferee requested below is provided.

PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF TRANSFEREE.

[Empty rectangular box for social security number]

(Insert number for first named transferee if held by joint account.)

Name and Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Include information for all joint owners if the bond is held by joint account.)

Section 308. Registration. The City and the Paying Agent may treat and consider the Registered Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal (and premium, if any) thereof and interest thereon and for all other purposes whatsoever, and all such payments so made to such Bondowner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 309. Mutilated, Destroyed, Stolen or Lost Bonds. (a) Subject to the provisions of Act 354, Public Acts of Michigan, 1972, as amended and any other applicable law, if (i) any mutilated Bond is surrendered to the Paying Agent or the City and the Paying Agent and the City receive evidence to their satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(c) Any new Bond issued pursuant to this Section in substitution for a Bond alleged to be mutilated, destroyed, stolen or lost shall constitute an original additional contractual obligation on the part of the City, and shall be equally secured by and entitled to equal proportionate benefits with all other Bonds issued under this Order.

Section 310. Book-Entry-Only System Permitted. (a) If determined by the Authorized Officer in the Supplemental Order, the Bonds or portions of the Bonds shall be issued to a securities depository selected by the Authorized Officer (the "Security Depository") to be held pursuant to the book-entry-only system maintained by the Security Depository and registered in the name of the Security Depository or its nominee. Ownership interests in Bonds held under such book-entry-only system shall be determined pursuant to the procedures of the Security Depository and Article 8 of the applicable Uniform Commercial Code (such persons having such interests, "Beneficial Owners").

(b) If (i) the City and the Paying Agent receive written notice from the Security Depository to the effect that the Security Depository is unable or unwilling to discharge its responsibilities with respect to the Bonds under the book-entry-only system maintained by it or (ii) the Authorized Officer determines that it is in the best interests of the Beneficial Owners that they be able to obtain Bonds in certificated form, then the City may so notify the Security Depository and the Paying Agent, and, in either event, the City and the Paying Agent shall take appropriate steps to provide the Beneficial Owners with Bonds in certificated form to evidence their respective ownership interests in the Bonds. Whenever the Security Depository requests the City and the Paying Agent to do so, the Authorized Officer on behalf of the City and the Paying Agent will cooperate with the Security Depository in taking appropriate action after

reasonable notice to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging Bonds shall designate.

(c) Notwithstanding any other provision of the Order to the contrary, so long as the Bonds are held pursuant to the book-entry-only system maintained by the Security Depository:

(i) all payments with respect to the principal and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Security Depository as provided in the representation letter from the City and the Paying Agent to the Security Depository with respect to such Bonds; and

(ii) all payments with respect to principal of the Bonds and interest on the Bonds shall be made in such manner as shall be prescribed by the Security Depository.

## ARTICLE IV

### FUNDS AND ACCOUNTS

Section 401. Establishment of Accounts and Funds. The City hereby establishes and creates the following special, separate and segregated accounts and funds:

(a) City Parking Revenue Fund. There is hereby established at the Depository Bank the City Parking Revenue Fund. City Parking Revenues shall be directly remitted to and deposited by the Depository Bank into the City Parking Revenue Fund as provided in Section 801.

(b) Debt Retirement Fund. The City hereby establishes and creates the Debt Retirement Fund as a special, separate and segregated account and fund which shall be held for and on behalf of the City by the Paying Agent.

(c) The Finance Director is hereby authorized to establish such additional accounts, subaccounts or funds as shall be required for the Bonds to accommodate the requirements of such series of Bonds.

Section 402. Debt Retirement Fund. General funds of the City, proceeds of all City Parking Revenues transferred by the Depository Bank pursuant to Section 801 and taxes levied pursuant to Section 301 hereof shall be used to pay the principal of and interest on the Bonds when due. The foregoing amounts shall be placed in the Debt Retirement Fund and held in trust by the Paying Agent, and so long as the principal of or interest on the Bonds shall remain unpaid, no moneys shall be withdrawn from the Debt Retirement Fund except to pay such principal and interest. Any amounts remaining in the Debt Retirement Fund after payment in full of the Bonds and the fees and expenses of the Paying Agent shall be retained by the City to be used for any lawful purpose.

Section 403. Investment of Monies in the Funds and Accounts. (a) The Finance Director shall direct the investment of monies on deposit in the Funds and Accounts established hereunder, and the Paying Agent, upon written direction or upon oral direction promptly

confirmed in writing by the Finance Director, shall use its best efforts to invest monies on deposit in the Funds and Accounts in accordance with such direction.

(b) Monies on deposit in the Funds and Accounts may be invested in such investments and to the extent permitted by applicable law.

Section 404. Satisfaction of COP Claims. On the Effective Date, the City shall issue the Bonds in an amount sufficient to satisfy the portion of the COP Claims to be satisfied thereby. An Authorized Officer shall arrange for delivery of the Bonds to the Litigation Trust to be distributed to satisfy the portion of the COP Claims on behalf of the Settling COP Claimants as provided in the Plan of Adjustment. Upon delivery of the Bonds to the Litigation Trustee, an Authorized Officer shall take all necessary steps to extinguish any related existing debt, including the cancellation of any obligation of the City representing portions of the COP Claims settled thereby.

## ARTICLE V

### THE PAYING AGENT

Section 501. Paying Agent. The Paying Agent for the Bonds shall act as bond registrar, transfer agent and paying agent for the Bonds and shall be initially \_\_\_\_\_, or such other bank or trust company located in the State which is qualified to act in such capacity under the laws of the United States of America or the State. The Paying Agent means and includes any company into which the Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided, that such company shall be a trust company or bank which is qualified to be a successor to the Paying Agent as determined by an Authorized Officer, shall be authorized by law to perform all the duties imposed upon it by this Order, and shall be the successor to the Paying Agent without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding. An Authorized Officer is authorized to enter into an agreement with such a bank or trust company, and from time to time as required, may designate a similarly qualified successor Paying Agent and enter into an agreement therewith for such services.

## ARTICLE VI

### SUPPLEMENTAL ORDERS AND RESOLUTIONS

Section 601. Supplemental Orders and Resolutions Not Requiring Consent of Holders of the Bonds. The City may without the consent of any Bondowner adopt orders or resolutions supplemental to this Order for any one or more of the following purposes:

- (i) to confirm or further assure the security hereof or to grant or pledge to the holders of the Bonds any additional security;

- (ii) to add additional covenants and agreements of the City for the purposes of further securing the payment of the Bonds;
- (iii) to cure any ambiguity or formal defect or omission in this Order; and
- (iv) such other action not materially, adversely and directly affecting the security of the Bonds.

provided that (A) no supplemental order or resolution amending or modifying the rights or obligations of the Paying Agent shall become effective without the consent of the Paying Agent and (B) the effectiveness of any supplemental resolution is subject to Section 702 to the extent applicable.

Section 602. Bond Counsel Opinion. Before any supplemental order or resolution under this Article shall become effective, a copy thereof shall be filed with the Paying Agent, together with an opinion of Bond Counsel that such supplemental order or resolution is authorized or permitted by this Article; provided that, Bond Counsel in rendering any such opinion shall be entitled to rely upon certificates of an Authorized Officer or other City official, and opinions or reports of consultants, experts and other professionals retained by the City to advise it, with respect to the presence or absence of facts relative to such opinion and the consequences of such facts.

## ARTICLE VII

### DEFEASANCE

Section 701. Defeasance. Bonds shall be deemed to be paid in full upon the deposit in trust of cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment thereof, will come due at such times and in such amounts, as to be fully sufficient to pay when due, the principal of such Bonds and interest to accrue thereon, as confirmed by a verification report prepared by an independent certified public accountant; provided, that if any of such Bonds are to be called for redemption prior to maturity, irrevocable instructions to call such Bonds for redemption shall be given to the Paying Agent. Such cash and securities representing such obligations shall be deposited with a bank or trust company and held for the exclusive benefit of the Owners of such Bonds. After such deposit, such Bonds shall no longer be entitled to the benefits of this Order (except for any rights of transfer or exchange of Bonds as therein or herein provided for) and shall be payable solely from the funds deposited for such purpose and investment earnings, if any, thereon, and the lien of this Order for the benefit of such Bonds shall be discharged.

## ARTICLE VIII

### OTHER PROVISIONS OF GENERAL APPLICATION

Section 801. Account Control Agreement. (a) The City shall enter into the Account Control Agreement with the Depository Bank and the Paying Agent, pursuant to which the bank account described in Section 401(a) shall be established at the Depository Bank. Daily, City Parking Revenues deposited in the City Parking Revenue Fund shall be remitted by the Depository Bank to the Debt Retirement Fund held by the Paying Agent until sufficient funds are on deposit therein to pay the principal and interest payable on the Bonds during that fiscal year (the "Annual Deposit Requirement"). Once the Annual Deposit Requirement is satisfied, any additional City Parking Revenues shall be remitted to the City for deposit into its general fund and used for any other purposes permitted by law.

(b) In connection with the execution of any of the agreements authorized by this Section, an Authorized Officer is authorized to include therein such covenants as shall be appropriate.

Section 802. Agreements with Third Parties Related to Deposit of City Parking Revenues; Approval of Third Parties. The Emergency Manager is hereby authorized and directed on behalf of the City to take any and all other actions and perform any and all acts that shall be required, necessary or desirable, including, but not limited to, negotiate the terms and enter into the Account Control Agreement in such form and with such terms as shall be subsequently approved by the Emergency Manager (such subsequent approval to be conclusively evidenced by his execution and delivery of the Account Control Agreement) as security for the Bonds.

Section 803. Approval of Other Documents and Actions. The Mayor, the Finance Director, the Treasurer, the City Clerk and any written designee of the Emergency Manager are each hereby authorized and directed on behalf of the City to take any and all other actions, perform any and all acts and execute any and all documents that shall be required, necessary or desirable to implement this Order.

Section 804. Delegation of City to, and Authorization of Actions of Authorized Officers.  
(a) Each Authorized Officer is hereby authorized and directed to do and perform any and all acts and things with respect to the Bonds which are necessary and appropriate to carry into effect, consistent with this Order, the authorizations therein and herein contained, including without limitation, the securing of ratings by bond rating agencies, if cost effective, the negotiation for and acquisition of bond insurance and/or other credit enhancement, if any, to further secure the Bonds or any portions thereof, the acquisition of an irrevocable surety bond to fulfill the City's obligation to fund any reserve account, the printing of the Bonds and the incurring and paying of reasonable fees, costs and expenses incidental to the foregoing and other costs of issuance of the Bonds including, but not limited to fees and expenses of bond counsel, financial advisors, accountants and others, from Bond proceeds or other available funds, for and on behalf of the City.

(b) Except as otherwise provided herein, all determinations and decisions of the Authorized Officer with respect to the issuance and sale of the Bonds or the negotiation, execution or delivery of agreements as permitted or required by this Order shall be confirmed by this Authorized Officer in a Supplemental Order or Supplemental Orders, and such confirmations shall constitute determinations that any conditions precedent to such determinations and decisions of the Authorized Officer have been fulfilled.

Section 805. Approving Legal Opinions with Respect to the Bonds. Delivery of the Bonds shall be conditioned upon receiving, at the time of delivery of the Bonds; the approving opinion of Bond Counsel, approving legality of the Bonds.

Section 806. Appointment of Bond Counsel; Engagement of Other Parties. The appointment by the Emergency Manager of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel and other accumulated bond related fees and expenses shall be payable from available funds in accordance with the agreement of such firm on file with the Finance Director.

Section 807. Preservation of Records. So long as any Bond remains Outstanding, all documents received by the Paying Agent under the provisions of this Order shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City, and the Bondowners, and their agents and representatives, any of whom may make copies thereof.

Section 808. Parties in Interest. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Paying Agent and the Owners of the Bonds, any right, remedy or claim under or by reason of this Order or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Order contained by and on behalf of the City or Paying Agent shall be for the sole and exclusive benefit of the City, the Paying Agent and the Bondowners.

Section 809. No Recourse Under Resolution. All covenants, agreements and obligations of the City contained in this Order shall be deemed to be the covenants, agreements and obligations of the City and not of any councilperson, member, officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal or interest on the Bonds or for any claim based thereon or on this Order against any councilperson, member, officer or employee of the City or any person executing the Bonds in his or her official individual capacity.

Section 810. Severability. If any one or more sections, clauses or provisions of this Order shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions hereof.

Section 811 Cover Page, Table of Contents and Article and Section Headings. The cover page, table of contents and Article and Section headings hereof are solely for convenience of

reference and do not constitute a part of this Order, and none of them shall affect its meaning, construction or effect.

Section 812 Conflict. All resolutions or parts of resolutions or other proceedings of the City in conflict herewith shall be and the same hereby are repealed insofar as such conflict exists.

Section 813 Governing Law and Jurisdiction. This Order shall be governed by and construed in accordance with the laws of the State.

Section 814 Order and Supplemental Order are a Contract. The provisions of this Order and the Supplemental Order shall constitute a contract between the City, the Paying Agent and the Bondowners.

Section 815 Effective Date. This Order shall take effect immediately upon its adoption by the Council.

Section 816 Notices. All notices and other communications hereunder shall be in writing and given by United States certified or registered mail, expedited courier overnight delivery service or by other means (including facsimile transmission) that provides a written record of such notice and its receipt. Notices hereunder shall be effective when received and shall be addressed to the address set forth below or to such other address as any of the below persons shall specify to the other persons:

If to the City, to:

City of Detroit  
Finance Department  
1200 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Attention: Finance Director

If to the Paying Agent, to:

\_\_\_\_\_

Attention:

SO ORDERED this \_\_\_\_ day of September, 2014.

\_\_\_\_\_  
Kevyn D. Orr  
Emergency Manager  
City of Detroit, Michigan



EXHIBIT I.A.250.a

FORM OF NEW GRS ACTIVE PENSION PLAN

**COMBINED PLAN  
FOR THE  
GENERAL RETIREMENT SYSTEM  
OF THE  
CITY OF DETROIT, MICHIGAN**

**Amendment and Restatement Effective July 1, 2014**

**TABLE OF CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| COMPONENT I .....  | 1           |
| ARTICLE 1. GENERAL PROVISIONS .....  | 2           |
| Sec. 1.1. General Retirement System Established; Adoption of 2014<br>Combined Plan Document; Amendment and Restatement of 2014<br>Combined Plan Document .....         | 2           |
| Sec. 1.2. Retirement System Intended to be Tax-Qualified .....   | 2           |
| Sec. 1.3. Compliance With Plan of Adjustment .....   | 2           |
| Sec. 1.4. Board of Trustees .....  | 3           |
| Sec. 1.5. Board of Trustees – Membership; Appointment .....  | 3           |
| Sec. 1.6. Board of Trustees; Retiree Member Election .....   | 3           |
| Sec. 1.7. Board of Trustees; Oath; Term; Vacancies.....  | 4           |
| Sec. 1.8. Board of Trustees; Officers and Employees .....  | 4           |
| Sec. 1.9. Board of Trustees; Meetings; Rules of Procedure; Votes; Quorum .....   | 5           |
| Sec. 1.10. Board of Trustees; Compensation; Expenses .....   | 5           |
| Sec. 1.11. Rules for Administration of Funds .....   | 5           |
| Sec. 1.12. Board of Trustees; Certain Data to be Kept.....   | 5           |
| Sec. 1.13. Board of Trustees; Annual Audit Report .....  | 6           |
| Sec. 1.14. Board of Trustees; Legal Advisors .....   | 6           |
| Sec. 1.15. Designation of Actuary; Authority to Engage Additional Actuaries .....  | 6           |
| Sec. 1.16. Board of Trustees; Adoption of Mortality and Other Tables of<br>Experience and Rates of Interest; Limitations on Payments by the<br>Retirement System ..... | 7           |
| Sec. 1.17. Board of Trustees; Annual Actuarial Valuation of Assets and<br>Liabilities .....  | 7           |
| Sec. 1.18. Board of Trustees; Powers and Duties; Fiduciary Status; Fiduciary<br>Duties .....   | 7           |
| Sec. 1.19. Investment Committee; Establishment; Purpose; Fiduciary Status;<br>Fiduciary Duties.....  | 8           |
| Sec. 1.20. Investment Committee; Membership; Appointment .....   | 8           |
| Sec. 1.21. Investment Committee; Term; Resignation and Removal;<br>Vacancies .....   | 9           |
| Sec. 1.22. Investment Committee; Operation; Meetings; Quorum; Voting .....   | 10          |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Sec. 1.23. Investment Committee; Compensation; Expenses; Employment of Advisors .....  | 11          |
| Sec. 1.24. Investment Committee; Special Reporting Obligations .....                   | 11          |
| ARTICLE 2. DEFINITIONS.....  | 13          |
| Sec. 2.1. Definitions.....   | 13          |
| ARTICLE 3. MEMBERSHIP.....   | 21          |
| Sec. 3.1. Eligible Employees .....   | 21          |
| Sec. 3.2. Cessation of Membership; Re-Employment by the Employer .....                 | 21          |
| Sec. 3.3. Report of the Employer.....  | 22          |
| ARTICLE 4. SERVICE CREDIT .....  | 23          |
| Sec. 4.1. Credited Service.....  | 23          |
| Sec. 4.2. Vesting Service .....  | 23          |
| Sec. 4.3. Service Credit; Military Service .....                                       | 23          |
| Sec. 4.4. Service Credit; Qualified Military Service .....                             | 24          |
| ARTICLE 5. ELIGIBILITY FOR RETIREMENT BENEFITS .....                                   | 25          |
| Sec. 5.1. Eligibility for Unreduced Normal Retirement Benefit .....                    | 25          |
| Sec. 5.2. Eligibility for Reduced Early Retirement Benefit .....                       | 25          |
| Sec. 5.3. Eligibility for Deferred Vested Retirement Benefit.....                      | 25          |
| Sec. 5.4. Eligibility for Retirement Benefit – Disabled Members.....                   | 25          |
| Sec. 5.5. Return of Accumulated Mandatory Contributions to Non-Vested Member.....      | 25          |
| ARTICLE 6. RETIREMENT ALLOWANCE; VARIABLE PENSION IMPROVEMENT FACTOR (ESCALATOR) ..... | 27          |
| Sec. 6.1. Retirement Allowance .....   | 27          |
| Sec. 6.2. Variable Pension Improvement Factor (Escalator).....                         | 27          |
| ARTICLE 7. DEATH BENEFITS .....  | 28          |
| Sec. 7.1. Accidental Death Benefit; Performance of Duty .....                          | 28          |
| Sec. 7.2. Death Benefits for Surviving Spouses Generally .....                         | 28          |
| Sec. 7.3. Refund of Accumulated Mandatory Contributions Upon Death of Member.....      | 28          |
| Sec. 7.4. Benefits Offset by Compensation Benefits; Subrogation.....                   | 28          |

**TABLE OF CONTENTS**  
(continued)

|   | <b>Page</b> |
|---|-------------|
| ARTICLE 8. FORMS OF PAYMENT.....  | 30          |
| Sec. 8.1. Retirement Allowance Options.....   | 30          |
| Sec. 8.2. Disposition of Surplus Benefits upon Death of Retiree and<br>Beneficiary .....      | 31          |
| ARTICLE 9. FUNDING AND RESERVES.....  | 32          |
| Sec. 9.1. Funding Objective of the Retirement System.....                                     | 32          |
| Sec. 9.2. Funds.....  | 32          |
| Sec. 9.3. Method of Financing Retirement System Benefits.....                                 | 33          |
| Sec. 9.4. Member Contributions Picked-Up.....   | 34          |
| Sec. 9.5. Fiscal Responsibility: Increased Funding Obligations and Benefit<br>Reductions..... | 34          |
| ARTICLE 10. VOLUNTARY EMPLOYEE CONTRIBUTIONS .....  | 36          |
| Sec. 10.1. Voluntary Employee Contributions; Amount; Vesting .....                            | 36          |
| Sec. 10.2. Changing an Election to Contribute.....  | 36          |
| Sec. 10.3. Individual Member Accounting; Crediting of Earnings .....                          | 36          |
| Sec. 10.4. Distribution of Accumulated Voluntary Employee Contributions .....                 | 36          |
| ARTICLE 11. LOAN PROGRAM FOR VOLUNTARY EMPLOYEE<br>CONTRIBUTIONS .....                        | 38          |
| Sec. 11.1. The Loan Program .....   | 38          |
| Sec. 11.2. Eligibility for Loan .....   | 38          |
| Sec. 11.3. Amount of Loan.....  | 38          |
| Sec. 11.4. Terms and Conditions.....  | 38          |
| Sec. 11.5. Loan Balance .....   | 39          |
| Sec. 11.6. Default.....   | 39          |
| Sec. 11.7. Distribution .....   | 40          |
| Sec. 11.8. Annual Report.....   | 40          |
| ARTICLE 12. LIMITATION ON BENEFITS AND CONTRIBUTIONS.....                                     | 41          |
| Sec. 12.1. Compliance With Code Section 415(b) And Regulations .....                          | 41          |
| Sec. 12.2. Compliance with Code Section 415(c) and Regulations .....                          | 43          |
| ARTICLE 13. RETIREMENT SYSTEM ADMINISTRATION.....   | 45          |
| Sec. 13.1. Board of Trustees as Retirement System Administrator.....                          | 45          |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Sec. 13.2. Powers and Duties of Board .....                                  | 45          |
| Sec. 13.3. Executive Director; Employees .....                               | 47          |
| Sec. 13.4. Discretionary Authority .....                                     | 47          |
| Sec. 13.5. Administrator’s Decision Binding .....                            | 48          |
| ARTICLE 14. MANAGEMENT OF FUNDS .....  | 49          |
| Sec. 14.1. Board as Trustee of Retirement System Assets .....                | 49          |
| Sec. 14.2. Maintenance of Segregated Funds .....                             | 49          |
| Sec. 14.3. Custodian of Funds .....  | 49          |
| Sec. 14.4. Exclusive Purpose .....   | 49          |
| Sec. 14.5. Prohibited Conduct .....  | 49          |
| ARTICLE 15. INVESTMENT OF RETIREMENT SYSTEM ASSETS .....                     | 51          |
| Sec. 15.1. Investment Powers of the Board and the Investment Committee ..... | 51          |
| Sec. 15.2. Investment Management .....                                       | 52          |
| Sec. 15.3. Best Practices .....  | 53          |
| Sec. 15.4. Chief Investment Officer .....                                    | 53          |
| Sec. 15.5. Investment Consultants .....                                      | 54          |
| ARTICLE 16. RETIREE MEDICAL ACCOUNT .....                                    | 56          |
| Sec. 16.1. Establishment of Account .....                                    | 56          |
| Sec. 16.2. Effective Date of Retiree Medical Account .....                   | 56          |
| Sec. 16.3. Funding of Benefits .....   | 56          |
| Sec. 16.4. Limitation on Contributions .....                                 | 56          |
| Sec. 16.5. Impossibility of Diversion .....                                  | 57          |
| Sec. 16.6. Administration .....  | 57          |
| Sec. 16.7. Right to Amend or Terminate Medical Plans .....                   | 57          |
| Sec. 16.8. Reversion .....   | 57          |
| Sec. 16.9. Limitation of Rights .....  | 57          |
| ARTICLE 17. MISCELLANEOUS .....  | 58          |
| Sec. 17.1. Nonduplication of Benefits .....                                  | 58          |
| Sec. 17.2. Assignments Prohibited .....                                      | 58          |
| Sec. 17.3. Protection Against Fraud .....                                    | 58          |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Sec. 17.4. Errors.....   | 58          |
| Sec. 17.5. Amendment; Termination; Exclusive Benefit .....   | 58          |
| Sec. 17.6. Forfeitures Not to Increase Benefits .....  | 59          |
| Sec. 17.7. Required Distributions - Compliance with Code Section 401(a)(9)<br>and Regulations..... | 59          |
| Sec. 17.8. Direct Rollovers .....  | 59          |
| Sec. 17.9. Construction.....   | 61          |
| Sec. 17.10. Severability .....   | 61          |

# COMPONENT I

## ARTICLE 1. GENERAL PROVISIONS

### Sec. 1.1. General Retirement System Established; Adoption of 2014 Combined Plan Document; Amendment and Restatement of 2014 Combined Plan Document

Effective July 1, 1938, a General Retirement System for the employees of the City of Detroit was established for the purpose of providing retirement and survivor benefits for eligible City employees and their beneficiaries. The provisions of the Detroit General Retirement System, as in effect July 1, 2014, were set forth in a Combined Plan Document. As provided in Ordinance 19-14 and Ordinance 20-14 and Section 47-1-1 of the Detroit City Code, this Combined Plan Document replaced in its entirety Chapter 47 of the Detroit City Code as in effect on June 30, 2014 and any conflicting provisions in any collective bargaining agreements covering Members (including, without limitation, the City Employment Terms that applied to Members effective July 18, 2012). All resolutions and policies of the Retirement Board previously adopted which were inconsistent with the provisions of the Combined Plan Document were also repealed to the extent of such inconsistency.

The Combined Plan Document is hereby amended and restated effective July 1, 2014, in the form of this instrument. Component I of the Combined Plan Document applies to benefits accrued by Members on and after July 1, 2014 and to operation of the Detroit General Retirement System on and after July 1, 2014. Component II of the Combined Plan Document applies to benefits accrued by Members prior to July 1, 2014. Except as specifically provided in Component II, benefits provided under Component II of the Combined Plan Document are frozen effective June 30, 2014.

### Sec. 1.2. Retirement System Intended to be Tax-Qualified

The Retirement System is a governmental plan under Section 414(d) of the Internal Revenue Code which is intended to be a qualified plan and trust pursuant to applicable provisions of the Internal Revenue Code. The Board shall construe and administer the provisions of the Retirement System in a manner that gives effect to the tax-qualified status of the Retirement System.

### Sec. 1.3. Compliance With Plan of Adjustment

The Retirement System is intended to comply with all relevant provisions (including Exhibits) of the Plan for the Adjustment of Debts of the City of Detroit, as approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan, Case No. 13-53846* ("Plan of Adjustment"). Component I and Component II of the Combined Plan shall be interpreted and construed by the City, the Board of Trustees and the Retirement System to give full effect to the Plan of Adjustment. To the extent that a conflict arises between the Combined Plan Document and the Plan of Adjustment, the City, the Board of Trustees, the Investment Committee and the Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Plan of Adjustment.

**Sec. 1.4. Board of Trustees**

Effective July 1, 1938, a Board of Trustees of the Detroit General Retirement System was created. The Board is vested with responsibility for the general administration, management and operation of the Detroit General Retirement System and with the trust and investment powers conferred in this Combined Plan Document.

**Sec. 1.5. Board of Trustees – Membership; Appointment**

The Board of Trustees of the Detroit General Retirement System shall consist of ten Trustees, as follows:

- (1) The Mayor, *ex officio*, or the Mayor’s designee;
- (2) One City Council member, *ex officio*, who is selected by the City Council;
- (3) The City Treasurer, *ex officio*;
- (4) Five active employee Members of the Retirement System to be elected by the Members in accordance with such rules and regulations as may be adopted by the Board. No more than one Trustee shall be elected from any one City Department;
- (5) One individual, appointed by the Mayor subject to the approval of the Board, who is neither an employee of the City nor is eligible to receive benefits under the Retirement System; and
- (6) One retiree who is receiving benefits under the Retirement System and who is elected by Retirees in accordance with procedures described in Section 1.6.

**Sec. 1.6. Board of Trustees; Retiree Member Election**

The procedures for the election of the Retiree member of the Board of Trustees shall be as follows:

- (1) *Notice.* Notice of a primary election shall be sent to each Retiree by United States Mail.
- (2) *Nominating petitions.* No candidate’s name shall be placed on the primary election ballot unless a nominating petition containing the signatures of at least one hundred and twenty-five Retirees is filed with the executive director of the Retirement System. The form of the nominating petition, the filing of the petition, and the procedure for verification of signatures shall be in accordance with rules and regulations adopted by the Board. Notwithstanding the foregoing, an incumbent Retiree Trustee shall not be required to submit a nominating petition but instead shall submit a written communication indicating his or her intention to seek an additional term.

- (3) *Ballot.* Each candidate whose name appears on the ballot at any election held for the office of Retiree Trustee shall be identified by the title of the position held by the Retiree at the time of retirement and by the word “incumbent” if the candidate is a current trustee seeking re-election. No ballot shall contain any organizational or political designation or mark. Rotation and arrangement of names on the ballot shall be in accordance with the rules and regulations of the Board.
- (4) *Voting.* Procedures regarding mailing of ballots, poll lists, custody of ballots, marking of ballots, return of ballots, handling of return envelopes received, and sealed ballot boxes shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.
- (5) *Procedures.* Procedures regarding the selection and certification of successful candidates for nomination, the selection of Trustees from nominees, tie votes, and the destruction of ballots shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.
- (6) *Board Rules.* Any matters relative to the election of the Retiree member of the Board not covered by this Section 1.6 shall be handled in accordance with such rules and regulations as the Board may adopt.

**Sec. 1.7. Board of Trustees; Oath; Term; Vacancies**

Within ten days after appointment or election, each Trustee shall take an oath of office to be administered by the Detroit City Clerk.

The regular term of office for the elected Member Trustees and the Trustee appointed by the Mayor under Section 1.5(5) shall be for a period of six years, one such Trustee to be elected or appointed, as the case may be, each year. The term of office for the Retiree Trustee shall be two years.

If an active employee Trustee leaves the employ of the City, or if an elected or appointed Trustee fails to attend four consecutive scheduled Board meetings without being excused for cause by the Trustees attending such meetings, the Trustee shall be considered to have resigned from the Board. By resolution, the Board shall declare the office vacated as of the date of adoption of such resolution. If a vacancy occurs in the office of Trustee, the vacancy shall be filled at the next regular election held by the Board, or at any special election ordered by resolution adopted by the Board.

**Sec. 1.8. Board of Trustees; Officers and Employees**

The Board shall elect a chair and vice-chair from its members. The executive director of the Retirement System or its designee shall serve as secretary of the Board. The Board may employ such actuarial, medical and other contractors and employees as shall be required, subject to the powers and authority reserved to the Investment Committee and subject to the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

**Sec. 1.9. Board of Trustees; Meetings; Rules of Procedure; Votes; Quorum**

- (1) The Board shall hold regular meetings, at least one in each month, and shall hold special meetings as necessary. The Board shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure, including provisions for special meetings and notice thereof, and shall keep a record of proceedings. All meetings of the Board shall be public and are subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Board meetings shall be held within the City of Detroit.
- (2) Each Trustee shall be entitled to one vote on each question before the Board. A majority vote of the Trustees present shall be necessary for a decision by the Trustees at any meeting of the Board.
- (3) Five Trustees shall constitute a quorum.

**Sec. 1.10. Board of Trustees; Compensation; Expenses**

Members of the Board of Trustees shall serve without additional compensation from the Employer, but they shall be compensated by the Retirement System as follows:

- (1) *Stipend.* Trustees are eligible for a meeting stipend, provided the Trustee attends one or more regular or special Board meetings during a month. The stipend amount shall be a minimum of sixty-seven dollars (\$67.00) per week multiplied by the Trustee’s years of service. Eligibility rules and the amount of the stipend shall be set by Board resolution. However, the amount of the weekly meeting stipend shall not exceed two hundred dollars (\$200.00).
- (2) *Ex Officio Trustees.* Ex Officio Trustees are not eligible for a stipend payment.
- (3) *Attendance.* For purposes of this Section 1.10, attendance at a Board meeting shall include actual attendance at a meeting or being otherwise available to attend a Board meeting canceled for lack of a quorum.

Trustees shall be reimbursed from the Expense Fund for all actual, reasonable and necessary expenses incurred in the performance of their duties as Trustees.

**Sec. 1.11. Rules for Administration of Funds**

Subject to the limitations contained in this Combined Plan Document, the Board of Trustees shall, from time to time, establish rules and regulations for the administration of the funds created by this Plan document and for the transaction of its business.

**Sec. 1.12. Board of Trustees; Certain Data to be Kept**

The Board shall keep or cause to be kept, in convenient form, such data as shall be necessary for an actuarial valuation of the Retirement System and for checking and compiling

the experience of the Retirement System. The ordinary actuarial, accounting and clerical services for the operation of the Retirement System shall be performed by the employees of the Retirement System.

### **Sec. 1.13. Board of Trustees; Annual Audit Report**

The Board shall render a report to the Mayor, the City Council and the Investment Committee on or before the fifteenth day of January, showing the fiscal transactions of the Retirement System for the year ending on the preceding thirtieth day of June, the amounts of accumulated cash and securities in the various funds of the System, and the last balance sheet showing the financial condition of the Retirement System by means of an actuarial valuation of the assets and liabilities of the Retirement System.

### **Sec. 1.14. Board of Trustees; Legal Advisors**

- (1) The Board shall appoint legal advisors (including a general counsel) who shall be directly responsible to and shall hold office at the pleasure of the Board of Trustees. Any legal advisor to the Board of Trustees shall be an attorney licensed to practice law in the State of Michigan and shall be experienced in matters relating to pension systems. The qualifications of legal counsel shall be approved by the Board of Trustees.
- (2) Legal advisors to the Board of Trustees shall have such duties relative to pension matters as shall be assigned by the Board of Trustees.
- (3) Costs and expenses relative to the position of legal advisors to the Board shall be payable out of the assets of the Retirement System, subject to the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

### **Sec. 1.15. Designation of Actuary; Authority to Engage Additional Actuaries**

The Retirement System actuary as of July 1, 2014 shall continue to serve as such until resignation or removal by the Board. In the event the Board desires to retain a new actuary, the Board and the Investment Committee shall collectively participate in the evaluation and selection of a qualified actuary. The Retirement System actuary shall be responsible for assisting the Board and the Investment Committee in performing their actuarial duties and shall comply with all requests for information or modeling requested by the Board or the Investment Committee, and shall attend meetings of the Board and Investment Committee as requested, so as to allow the Board and Investment Committee to perform satisfactorily the rights and duties set forth in the Combined Plan, the term sheet regarding Investment Committee Governance for General Retirement System, attached to that certain agreement by and between the Michigan Settlement Administration Authority, a Michigan body public corporation (the "Authority"), the Retirement System, the Police and Fire Retirement System for the City of Detroit, Michigan ("PFRS") and the City (the "State Contribution Agreement") as Exhibit A (the "Governance Term Sheet") and the Plan of Adjustment. Furthermore, the Board shall not act on any recommendation made by the Retirement System's actuary based on any calculation, assumption or assessment rejected by the Investment Committee.

Nothing herein shall be interpreted as limiting the Investment Committee's authority to engage an actuarial consulting firm other than the Retirement System's actuary to perform actuarial services deemed necessary to fulfill its fiduciary and other duties to the Retirement System as set forth in the Governance Term Sheet and the Plan of Adjustment.

**Sec. 1.16. Board of Trustees; Adoption of Mortality and Other Tables of Experience and Rates of Interest; Limitations on Payments by the Retirement System**

- (1) Subject to Section 15.1, the Board shall adopt such mortality and other tables of experience, and a rate or rates of interest, as shall be necessary for the operation of the System on an actuarial basis, provided, that the authority granted by this section shall not permit or be used to provide for an interest rate which would violate the prohibitions of subsection (2) or (3) of this section.
- (2) The Retirement System and the Trustees charged with management of the System shall not make any payment to active or retired Members other than payments that are required by the governing documents of the Retirement System. This prohibition applies to all payments that are not authorized by this Combined Plan, whether such payments are those commonly referred to as a "thirteenth check" or by any other name.
- (3) Anything in this Combined Plan Document or any other document to the contrary notwithstanding, the annual actuarial interest rate assumption for the period commencing July 1, 2014 and ending June 30, 2023 shall be six and three-quarters percent (6.75%).

**Sec. 1.17. Board of Trustees; Annual Actuarial Valuation of Assets and Liabilities**

Subject to Section 15.1, each year, on the basis of such mortality and other tables of experience, and such rate or rates of regular interest as the Board shall adopt pursuant to Section 1.16, the Board shall cause to be made an actuarial valuation of the assets and liabilities of the Retirement System.

**Sec. 1.18. Board of Trustees; Powers and Duties; Fiduciary Status; Fiduciary Duties**

The Board of Trustees shall have such powers and duties as are necessary for the proper administration of the Retirement System and the custody and investment of Retirement System assets, other than those powers and duties reserved to the Investment Committee. To the extent the Board exercises discretion with respect to investment of Retirement System assets, each member of the Board of Trustees shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*, and shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* A member of the Board of Trustees shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Board members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflicts with the provisions set forth in this Combined Plan Document.

**Sec. 1.19. Investment Committee; Establishment; Purpose; Fiduciary Status; Fiduciary Duties**

As of the effective date of the Plan of Adjustment, but subject to consummation of the State Contribution Agreement, an Investment Committee is hereby created for the purpose of making recommendations to the Board of Trustees with respect to certain investment management matters relating to the Retirement System. The creation and operation of the Investment Committee is controlled by the Governance Term Sheet. The Investment Committee shall remain in effect for a period of not less than twenty years following the date of confirmation of the Plan of Adjustment. The Investment Committee shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* and shall have all powers granted fiduciaries under the first sentence of *MCL 38.1133(5) and (6)*. The Investment Committee shall serve in a fiduciary capacity with respect to the investment management of Retirement System assets, determination of the investment return assumptions, and Board compliance with provisions of the governing documents of the Retirement System. An Investment Committee member shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* An Investment Committee member shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Investment Committee members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflict with the provisions set forth in the Governance Term Sheet.

**Sec. 1.20. Investment Committee; Membership; Appointment**

The Investment Committee shall consist of seven (7) members, determined as follows:

- (1) Five independent members, two of whom must be residents of the State of Michigan, and none of whom may be a party-in-interest with respect to the Retirement System, as defined in Section 38.1132d(4) of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* Each independent Investment Committee member shall have expert knowledge or extensive experience with respect to either (a) economics, finance, or institutional investments, or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one of the independent Investment Committee members shall satisfy the requirements of (a) above and at least one of the independent Investment Committee members shall satisfy the requirements of (b) above. The initial independent Investment Committee members shall be selected by mutual agreement of the appropriate representatives of the State of Michigan, the City and the Board, in consultation with the Foundation for Detroit's Future (the "Foundation"), and shall be named in the Plan of Adjustment. If one or more of the five initial independent Investment Committee members are not selected by mutual agreement prior to confirmation of the Plan of Adjustment, then the United States Bankruptcy Court, Eastern District of Michigan shall designate such number of independent Investment Committee members as is necessary to bring the number of independent Investment Committee members to five (5);

- (2) One Retiree who is a Retiree member of the Board of Trustees who shall be appointed by the Board; and
- (3) One employee who is an active employee member of the Board of Trustees who shall be appointed by the Board.

**Sec. 1.21. Investment Committee; Term; Resignation and Removal; Vacancies**

The term of office for the independent members of the Investment Committee shall be six years; provided, however, that the initial term for the independent Investment Committee members shall be determined as follows:

| <u>Independent Member</u> | <u>Term of Office</u> |
|---------------------------|-----------------------|
| (1)                       | 2 years               |
| (2)                       | 3 years               |
| (3)                       | 4 years               |
| (4)                       | 5 years               |
| (5)                       | 6 years               |

The term of office for a Retiree or employee Investment Committee member shall be the number of years remaining on such individual’s term of office as a member of the Board of Trustees. Each Investment Committee member shall serve until his or her successor is appointed at the expiration of his or her term of office, or until his or her death, incapacity, resignation or removal, if earlier. Notwithstanding any provision of this Combined Plan Document, an initial independent Investment Committee member shall not be prohibited from becoming a successor independent Investment Committee member after expiration of his or her initial term.

An Investment Committee member may resign at any time by giving ninety days’ prior written notice to the Investment Committee, the City and the Board, which notice or time period may be waived by the Investment Committee. An Investment Committee member may be removed from office by majority vote of the remaining Investment Committee members for any of the following reasons: (a) the member is legally incapacitated from executing his or her duties as a member of the Investment Committee and neglects to perform those duties; (b) the member has committed a material breach of the provisions of the Retirement System or the policies or procedures of the Retirement System and the removal of the member is in the interests of the Retirement System or its Members and Beneficiaries; (c) the member is convicted of a violation of law and the removal is accomplished by a vote of the members of the Investment Committee in accordance with the voting procedure set forth in Section 1.22; or (d) if the member holds a license to practice and such license is revoked for misconduct by any State or federal government. A member who fails to attend four (4) consecutive scheduled meetings of the Investment Committee shall be deemed to have resigned, unless in each case his or her absence is excused for cause by the remaining members attending such meetings. In the event of any such removal or resignation, the Investment Committee shall by resolution declare the office of the member vacated as of the date such resolution is adopted.

Any vacancy occurring on the Investment Committee shall be filled within sixty (60) days following the date of the vacancy for the unexpired portion of the term, in the same manner in which the office was previously filled.

Successor independent Investment Committee members shall be recommended by a majority of the remaining independent Investment Committee members and shall be confirmed by the Board and the Treasurer of the State of Michigan (“State Treasurer”), in consultation with the Foundation, pursuant to such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with the Governance Term Sheet or the Plan of Adjustment). In the event the Board and the State Treasurer cannot agree on a successor independent Investment Committee member within thirty (30) days of the receipt of the recommendation of the Investment Committee, the remaining independent Investment Committee members shall appoint the successor independent Investment Committee member.

In the event the United States Bankruptcy Court, Eastern District of Michigan appoints one or more of the initial independent Investment Committee members, a successor to any such independent Investment Committee member shall be appointed in the same manner as provided in the preceding paragraph following three (3) weeks’ notice to the Board of the individuals appointed, in accordance with such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with either the Governance Term Sheet or the Plan of Adjustment).

Successor Investment Committee members shall have the powers and duties conferred on Investment Committee members herein.

**Sec. 1.22. Investment Committee; Operation; Meetings; Quorum; Voting**

The Investment Committee members shall select from among the independent members a chair and a vice chair. The Investment Committee members shall select from among themselves a secretary. The Investment Committee shall hold regular meetings, not less frequently than once every other month, and shall hold special meetings as necessary. The Investment Committee shall designate the time and place thereof in advance. The secretary or his or her designee shall be responsible for providing meeting notices to the other Investment Committee members. The Investment Committee shall adopt its own rules of procedure and shall keep a record of its proceedings. Notice and conduct of all Investment Committee meetings, both regular and special, shall be subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Investment Committee meeting shall be held within the City of Detroit.

Five Investment Committee members shall constitute a quorum at any meeting, as long as at least three of the independent Investment Committee members are in attendance. Except as otherwise provided in the Governance Term Sheet, each Investment Committee member shall be entitled to one vote on each question before the Committee and at least four concurring votes shall be necessary for a decision by the Investment Committee.

An Investment Committee member may have his or her voting privileges temporarily suspended by a 70% or higher vote of the other members if the member is indicted or sued by a

State or federal government for an alleged violation of the law that relates to his or her service on the Investment Committee, or for other alleged financial crimes, including fraud.

### **Sec. 1.23. Investment Committee; Compensation; Expenses; Employment of Advisors**

Investment Committee members shall not receive any compensation from the Retirement System for their services; Investment Committee members shall, however, be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the Investment Committee, including but not limited to the purchase of insurance, shall be payable out of the assets of the Retirement System. The Investment Committee may retain actuarial, legal counsel, audit or other professional or support personnel to provide advice to the Investment Committee as it deems reasonably necessary to perform its functions and such parties or persons may be reasonably compensated from the assets of the Retirement System. Such engagements shall not be subject to approval of the Board.

### **Sec. 1.24. Investment Committee; Special Reporting Obligations**

- (1) Beginning in 2015, pursuant to Section 6 of the State Contribution Agreement, the Investment Committee shall provide compliance reports to the State Treasurer on a semi-annual basis and at such other times as the State Treasurer reasonably may request (each, a “Compliance Report”) that certifies that the Investment Committee is not aware of any defaults under the State Contribution Agreement, or, if the Investment Committee is aware of a default under the State Contribution Agreement, specifically identifying the facts of such default.
- (2) In the event the Retirement System receives a written notice from the State Treasurer declaring and specifically identifying the facts of an alleged default under the State Contribution Agreement (“Default Notice”), and such default is cured as provided in the State Contribution Agreement, the Investment Committee must provide to the State Treasurer a written certification that (i) the default has been cured, and (ii) that no material damages have been caused by the default that have not otherwise been remedied (the “Cure Certification”).
- (3) Beginning in 2015, the Investment Committee shall provide to the City not later than December 31 of each year evidence reasonably necessary to show that the internal controls governing the investment of Retirement System assets are in compliance with the applicable provisions of the Plan of Adjustment.
- (4) Beginning in calendar year 2015 and for each calendar year thereafter, as of a date which is not later than December 31 of each such calendar year the Investment Committee shall provide to the Foundation the following information:
  - (a) a copy of the audited annual financial statement and the corresponding management letter for the Retirement System for the Fiscal Year ending June 30 of such calendar year, containing a non-qualified opinion of an independent external auditor to the Retirement System;

- (b) a certification from the Chair of the Investment Committee on behalf of the Investment Committee (“Pension Certificate”) in a form reasonably acceptable to the Foundation that, as of the date of the annual report required to be provided by the City to the Foundation under the Omnibus Transaction Agreement by and among the City, The Detroit Institute of Arts and Foundation For Detroit’s Future (“Annual Report”):
  - (i) the City is current in its obligation to contribute to Component II of the Combined Plan determined in accordance with the Plan of Adjustment;
  - (ii) the Investment Committee has been operated in accordance with the terms set forth in this Component I of the Combined Plan Document; and
  - (iii) the City continues to maintain the pension governance terms reflected in this Component I of the Combined Plan as of the effective date of the Plan of Adjustment, without modification or amendment during the twenty (20) year period following the effective date of the Plan of Adjustment, except as required to comply with applicable federal law, including without limitation to maintain the tax qualified status of the Retirement System under the Internal Revenue Code, or to comply with the Plan of Adjustment;
- (c) a copy of (i) the Compliance Report covering the calendar year for which the Annual Report is made; (ii) any additional Compliance Reports provided during the calendar year for which the Annual Report is made as requested by the State Treasurer; (iii) either the certificate of compliance or the Default Notice, within the meaning of Section 6 of the State Contribution Agreement, as applicable, that was provided to the Investment Committee by the State Treasurer; and (iv) in the event that the State Treasurer issued a Default Notice, the Cure Certification, within the meaning of Section 6 of the State Contribution Agreement, provided by the Investment Committee. Notwithstanding anything in this paragraph (c) to the contrary, if the parties to the State Contribution Agreement agree to revise the requirements of Section 6 of the State Contribution Agreement or the information required in the Compliance Report, in order to meet the obligations of this paragraph (c), the Investment Committee shall be required only to provide documentation to the Foundation that meets such revised requirements; and
- (d) any additional information that may be reasonably requested by the Foundation from time to time.
- (5) Beginning in calendar year 2016, before May 15<sup>th</sup> of each calendar year, the Investment Committee shall provide to the Chief Financial Officer of the City confirmation that, as of the date of the City’s report to the Foundation, there has been no impairment or modification of the information contained in the most recent Pension Certificate since the date of such Pension Certificate.

## ARTICLE 2. DEFINITIONS

### Sec. 2.1. Definitions

Unless a different meaning is plainly required by context, the following words and phrases have the meanings respectively ascribed to them by this section:

- (1) *Accumulated Mandatory Employee Contributions* means the sum of all amounts deducted from the compensation of a Member and credited to the Accumulated Mandatory Employee Contribution Fund for periods on and after July 1, 2014.
- (2) *Accumulated Voluntary Employee Contributions* means the total balance in a Member's individual account under Component I of the Retirement System representing after-tax amounts deducted from the compensation of the Member, together with earnings on such contributions.
- (3) *Actuarial Equivalent* or *Actuarially Equivalent* means a Retirement Allowance or benefit amount having the same Actuarial Equivalent Value as another applicable benefit. The rates of interest, tables and factors adopted by the Board from time to time to determine Actuarial Equivalence shall not violate the terms of the Plan of Adjustment.
- (4) *Actuarial Equivalent Value* means the value of an applicable Retirement Allowance or benefit amount, where values are calculated under generally accepted actuarial methods and using the applicable tables, interest rates and other factors established by the Board upon recommendation of the Investment Committee.
- (5) *Administrative Rules and Regulations* means rules and regulations promulgated by the Board of Trustees for the administration of the Retirement System and for the transaction of its business.
- (6) *Age, Attainment of* means the age an individual reaches on the day of his or her birthday.
- (7) *Average Final Compensation* means the average Compensation received by a Member during the ten consecutive years of Credited Service under the Retirement System (for this purpose, both before and after July 1, 2014) which immediately precede the date of the Member's last termination of employment with the Employer. If a Member has less than ten years of Credited Service, the Member's Average Final Compensation shall be the average of the annual Compensation received by the Member during the Member's total years of Credited Service. If a Member is absent from service with the City for a period of not less than two consecutive months during his last two years of employment because of an unpaid leave under the Family and Medical Leave Act, such Member's Average Final Compensation will mean the average Compensation received by the Member during the ten consecutive year period out of the last twelve years of Credited Service which produces the highest average.
- (8) *Beneficiary* means any person or persons (designated by a Member pursuant to procedures established by the Board) who are entitled to receive a Retirement Allowance

or pension payable from funds of the Retirement System due to the participation of a Member.

- (9) *Board of Trustees* or *Board* or *Retirement Board* means the Board of Trustees of the Retirement System.
- (10) *City* means the City of Detroit, Michigan, a municipal corporation.
- (11) *City Council* or *Council* means the legislative body of the City.
- (12) *Combined Plan* means the Combined Plan for the General Retirement System of the City of Detroit, Michigan, effective July 1, 2014 and as amended thereafter.
- (13) *Compensation* means a Member's base salary or wages actually paid to the Member for personal services rendered to the Employer, excluding bonuses, overtime pay, payment of unused accrued sick leave, longevity pay, payment for unused accrued vacation, the cost or value of fringe benefits provided to the Member, termination or severance pay, reimbursement of expenses, or other extra payment of any kind. Compensation will include any amount which is contributed by the City to a plan or program pursuant to a salary reduction agreement and which is not includable in the taxable income of the Member under Sections 125, 402(e)(3), 402(h) or 403(b) of the Internal Revenue Code or which are contributed by the City on behalf of a Member as provided in Section 9.3(3) and 9.5 pursuant to a qualified "pick-up program".

For periods of time prior to July 1, 2014, the City shall provide to the Retirement System actual base salary or wages paid to Members using the best and most reliable sources of information available to the City. In the event the City is unable to provide actual base wages to the Retirement System, the City shall make reasonable estimates of each Member's base salary or wages for purposes of determining a Member's Compensation for periods prior to July 1, 2014.

Notwithstanding the foregoing, for purposes of determining a Member's Voluntary Employee Contributions, Compensation shall mean the gross salary or wages paid to the Member for personal services rendered to the Employer on and after July 1, 2014.

The annual Compensation of each Member taken into account for the purposes of determining all benefits provided under the Retirement System for any determination period shall not exceed the limitation set forth in Code Section 401(a)(17) (\$260,000 for the Plan Year commencing July 1, 2014). Such limitation shall be adjusted for the cost-of-living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning in such calendar year. If Compensation for any prior determination period is taken into account in determining a Member's benefits for the current determination period, the Compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that determination period. If a determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the

numerator of which is the number of months in the short determination period, and the denominator of which is 12.

- (14) *Component I* means the portion of the Retirement System described in this Combined Plan and which consists of:
  - (a) the 2014 Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and
  - (b) the 2014 Defined Contribution Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.
  
- (15) *Component II* means the portion of the Retirement System described in this Combined Plan and which consists of:
  - (1) The 1973 Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and
  - (2) the 1973 Defined Contribution Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.
  
- (16) *Credited Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document and, solely for purposes of Section 2.1(7), service credited to a Member prior to July 1, 2014 pursuant to Component II of this Combined Plan.
  
- (17) *Disability* or *Disabled* means that a Member has been determined to be eligible to receive long term disability benefits under a policy or plan of insurance or self-insurance maintained by the Employer.
  
- (18) *Employee* means any regular and/or permanent officer, agent, or person in the employ of the Employer, but does not include:
  - (a) individuals whose services for the Employer are compensated on a contractual or fee basis;
  - (b) persons who are not employed as Full-time Employees;
  - (c) any person during any period when such person is classified by the Employer as a non-common-law employee or an independent contractor for federal income tax and withholding purposes whose compensation for services is reported on a form other than Form W-2 or any successor form for reporting wages paid to and taxes withheld from employees, even if a court or administrative agency determines that such person is a common-law employee of the Employer;
  - (d) the medical director of the Retirement System; or

- (e) any Police or Fire employee covered by the Police and Fire Retirement System of the City of Detroit, Michigan by virtue of such employment.

If a person described in (c) above is reclassified by the Employer as a common-law employee of the Employer and otherwise meets the definition of an Employee, the person will be eligible to participate in the Retirement System prospectively as of the actual date of such reclassification only (and only to the extent such individual otherwise qualifies as an Employee).

- (19) *Employer* means the City, or any board, commission, or court serving the City, to the extent that both the City, through the action of City Council, and the governing authority of such board, commission or court, shall mutually agree to include the employees of such board, commission, or court, as Employees under the provisions of this Retirement System at such time as they are eligible. To the extent that any employees of a board, commission, or court are considered Employees for this purpose, all employees of such board, commission, or court, shall be so included. However, only City board members and commissioners who are also Employees are eligible to participate in the Retirement System, unless otherwise specifically provided for in the Combined Plan Document. In all cases of doubt, the Board of Trustees shall decide who is an Employee.
- (20) *Family and Medical Leave Act* means the federal Family and Medical Leave Act of 1993, as amended, and regulations issued thereunder.
- (21) *Fiscal Year* means the twelve month period commencing each July 1 and ending on the following June 30.
- (22) *Full-time Employee* means an Employee who is employed in a position normally requiring six hundred hours of work or more per calendar year; provided, however, that an employee who is hired by an Employer as a part-time transit operator to work less than twenty-five hours per week shall not be a full-time employee under the Retirement System. Notwithstanding the general rule, a special service employee of the City shall be considered a full-time employee under the Retirement System upon completion of fourteen hundred and forty (1440) hours or more in a Fiscal Year. For purposes of Component I, once a special service employee has worked 1440 hours in a Fiscal Year, the employee will be deemed to be a full-time employee under the Retirement System for all subsequent Fiscal Years.
- (23) *General Retirement System* or *Retirement System* means the General Retirement System of the City of Detroit created and established by Title IX, Chapter VI, of the 1918 Detroit City Charter, as amended, continued in effect through the 1974, 1997 and 2012 Detroit City Charters, Article 47 of the Detroit City Code and this Combined Plan Document, as amended from time to time, which consists of:
  - (a) The 2014 Defined Benefit Plan, the terms of which are described in Component I hereof;
  - (b) The 2014 Defined Contribution Plan, consisting of the Voluntary Employee Contribution Account, the terms of which are described in Component I hereof;

- (c) The Frozen 1973 Defined Benefit Plan, the terms of which are described in Component II hereof; and
- (d) The Frozen 1973 Defined Contribution Plan, the terms of which are described in Component II hereof.

References to the words Retirement System in Component I of the Combined Plan Document shall mean the provisions of the 2014 Defined Benefit Plan and/or the 2014 Defined Contribution Plan described in Component I, unless a different meaning is plainly required by the context.

- (24) *Hour of Service* means (i) each hour for which a Member is paid or entitled to payment by the Employer for the performance of duties, and (ii) each hour for which a Member is directly paid or entitled to payment by the Employer for reasons other than the performance of duties (such as vacation, holiday, illness or approved leave of absence).
- (25) *Internal Revenue Code* or *Code* means the United States Internal Revenue Code of 1986, as amended.
- (26) *Investment Committee* means the committee established pursuant to Section 1.19 which shall have the powers and duties described herein.
- (27) *Mandatory Employee Contributions* mean the contributions made by a Member to the Retirement System pursuant to Section 9.3(3).
- (28) *Medical Beneficiary* means a Member who has retired from employment with the Employers and the spouses and dependants of such Member who are receiving post-retirement benefits in accordance with the terms of a retiree medical plan sponsored or maintained by an Employer.
- (29) *Medical Benefits* mean the provision of payments for certain sickness, accident, hospitalization and medical benefits within the meaning of Treasury Regulation section 1.401-14(a), including dental, vision and mental health benefits, as designated by the City.
- (30) *Medical Benefits Account* means the bookkeeping account established under Section 16.1 to provide for the payment of Medical Benefits on behalf of Medical Beneficiaries.
- (31) *Member* means any Employee who is included in the membership of the Retirement System and who has not retired or died.
- (32) *Normal Retirement Age* means age sixty-two (62). Notwithstanding the foregoing, the Normal Retirement Age of a Member who is an active Employee as of June 30, 2014 and who has 10 or more years of Vesting Service as of such date shall be as follows solely for purposes of this Component I:

Age as of July 1, 2014

Normal Retirement Agee

|          |                       |
|----------|-----------------------|
| 61 years | 60 years and 0 months |
| 60 years | 60 years and 0 months |
| 59 years | 60 years and 3 months |
| 58 years | 60 years and 6 months |
| 57 years | 60 years and 9 months |
| 56 years | 61 years and 0 months |
| 55 years | 61 years and 3 months |
| 54 years | 61 years and 6 months |
| 53 years | 61 years and 9 months |

- (33) *Normal Retirement Date* means for any Member the later of the date the Member (i) attains 10 years of Vesting Service, or (ii) attains Normal Retirement Age.

Pursuant to Code Section 411(e), as in effect in 1974, a Member shall be 100% vested in his accrued benefit under the Retirement System upon attainment of his or her Normal Retirement Date while employed by an Employer.

- (34) *Notice to Members, Beneficiaries, and Retirees* means a mailing using First Class United States Mail to the Members, Beneficiaries, and Retirees at their last known addresses.

- (35) *Pension Reserve* means the present value of all payments to be made on account of any Retirement Allowance payable under Component I of the Combined Plan. Such Pension Reserve shall be computed upon the basis of such mortality and other tables of experience and interest, as provided herein until June 30, 2023 and, thereafter, as shall be adopted by the Board upon the recommendation of the Investment Committee.

- (36) *Plan Actuary* or *Actuary* means the enrolled actuary or actuarial firm appointed as provided in Section 1.15 to serve as technical advisor to the Investment Committee and the Board on matters regarding the funding and operation of the Retirement System and to perform such other duties as the Board or the Investment Committee may direct.

- (37) *Plan Document* or *Combined Plan Document* means this instrument, effective as of July 1, 2014, with all amendments hereafter adopted.

- (38) *Plan of Adjustment* means the Plan for the Adjustment of Debts of the City of Detroit, which has been approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan, Case No. 13-53846*.

- (39) *Plan Year* means the twelve month period commencing on July 1 and ending on June 30.

- (40) *Prior Service* means the service credit awarded to a Member before July 1, 2014 under the terms of Component II of the Retirement System as in effect on June 30, 2014, as certified by the Board of Trustees.

- (41) *Retiree* means a former Member who is receiving a Retirement Allowance from the Retirement System.

- (42) *Retirement* means a Member's withdrawal from the employ of the Employer with a Retirement Allowance paid by the Retirement System.
- (43) *Retirement Allowance* means an annual amount payable in monthly installments by the Retirement System, whether payable for a temporary period or throughout the future life of a Retiree or Beneficiary.
- (44) *Service* means personal services rendered to the Employer by a person as an Employee, provided such person is compensated by the Employer for such personal services.
- (45) *Spouse* means the person to whom a Member is legally married under applicable law at the time the determination is made.
- (46) *Straight Life Retirement Allowance* means payment of a Member's Retirement Allowance over the Member's lifetime.
- (47) *Vesting Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document.
- (48) *Voluntary Employee Contributions* mean the after-tax contributions made by a Member to the Retirement System pursuant to Section 10.1.
- (49) *Voluntary Employee Contributions Account* means the account established pursuant to Section 10.3 for a Member who elects to make Voluntary Employee Contributions.

The following terms shall have the meanings given to them in the Sections of this Combined Plan Document set forth opposite such term:

|   |                    |
|---|--------------------|
| Accumulated Mandatory Employee Contribution Fund            | Section 9.2(1)     |
| Accumulated Voluntary Employee Contribution Fund            | Section 9.2(2)     |
| Annual Addition   | Section 12.2(1)    |
| Annual Report   | Section 1.24(4)(b) |
| Authority   | Section 1.19       |
| compensation  | Section 12.1(11)   |
| Compliance Report   | Section 1.24(1)    |
| Cure Certification  | Section 1.24(2)    |
| Default Notice  | Section 1.24(2)    |
| Direct Rollover   | Section 17.8(2)(a) |
| Distributee   | Section 17.8(2)(b) |
| Dollar Limit  | Section 12.1(3)(b) |
| Eligible retirement plan                                    | Section 17.8(2)(c) |
| Eligible rollover distribution                              | Section 17.8(2)(d) |
| Expense Fund  | Section 9.2(6)     |
| Foundation  | Section 1.20(1)    |
| funding level   | Section 9.5        |
| Governance Term Sheet                                       | Section 1.15       |
| Income Fund   | Section 9.2(7)     |
| Investment management decision/investment management matter | Section 15.2       |

|   |                    |
|---|--------------------|
| limitation year   | Section 12.1(2)    |
| Medical Benefit Fund  | Section 9.2(5)     |
| Medical Plans   | Section 16.1       |
| Option “A”. Joint and Seventy-Five Percent Survivor Allowance | Section 8.1(1)(c)  |
| Option “B”. Joint and Twenty-Five Percent Survivor Allowance  | Section 8.1(1)(e)  |
| Option One. Cash Refund Annuity                               | Section 8.1(1)(a)  |
| Option Three. Joint and Fifty Percent Survivor Allowance      | Section 8.1(1)(d)  |
| Option Two. Joint and One Hundred Percent Survivor Allowance  | Section 8.1(1)(b)  |
| Pension Accumulation Fund                                     | Section 9.2(3)     |
| Pension Certificate   | Section 1.24(4)(b) |
| Pension Improvement Factor (Escalator)                        | Section 6.2        |
| PFRS  | Section 1.19       |
| Plan of Adjustment  | Section 1.3        |
| Pop-up Form   | Section 8.1(2)(b)  |
| Rate Stabilization Fund                                       | Section 9.2(4)     |
| Standard Form   | Section 8.1(2)(a)  |
| State Contribution Agreement                                  | Section 1.15       |
| State Treasurer   | Section 1.21       |
| Straight Life Retirement Allowance                            | Section 8.1(1)     |

## ARTICLE 3. MEMBERSHIP

### Sec. 3.1. Eligible Employees

The membership of the Retirement System shall consist of all persons who are Full-time Employees, except:

- (a) persons who are members of the Police and Fire Retirement System of the City of Detroit, Michigan established under Title IX, Chapter VII of the 1918 Detroit City Charter, continued in the 1974, 1997 and 2012 Detroit City Charters, and continued in the form of the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan; and
- (b) Any person who is a member of any other public employee pension or retirement plan or retirement system adopted by the State of Michigan, other than the Michigan National Guard, or by any other political subdivision of the State of Michigan.

### Sec. 3.2. Cessation of Membership; Re-Employment by the Employer

- (1) The following provisions shall apply to a non-vested Member who terminates employment with the Employer and is re-employed:
  - (a) Except as otherwise provided in this Article 3, if any non-vested Member leaves the employment of the Employer for any reason other than Retirement or death, such person shall continue to be a Member until such time as the Member receives a total distribution of his Accumulated Mandatory Employee Contributions and Accumulated Voluntary Employee Contributions. Upon receipt of his Accumulated Mandatory Employee Contributions, the Member's Credited Service and Vesting Service at that time shall be forfeited.
  - (b) If the Member is re-employed by an Employer (other than as a part-time transit operator) within a period of six years from and after the date employment with the Employer last terminated, any forfeited Credited Service and Vesting Service rendered on and after July 1, 2014 shall be restored for purposes of determining the Member's Retirement Allowance after re-employment, provided that within the two year period beginning on the Member's re-employment date, the Member re-contributes to the Retirement System any Accumulated Mandatory Employee Contributions that were distributed to the Member pursuant to Section 5.5.
  - (c) If a non-vested Member is re-employed (other than as a part-time transit operator) more than six years from and after the date employment with the Employer last terminated, the Member shall not be permitted to re-contribute to the Retirement System any Accumulated Mandatory Employee Contributions that were distributed to the Member pursuant to Section 5.5 and any forfeited Credited Service and Vesting Service shall not be restored at the time of the Member's re-employment.

- (2) A former Employee who is vested but has not yet begun to receive a Retirement Allowance and who is rehired (other than as a part-time transit operator) prior to being separated for six years shall have his benefit pertaining to his total Credited Service earned on and after July 1, 2014 calculated in accordance with the terms of Component I of the Retirement System in effect at the time of his last separation from service.
- (3) A former Employee who is vested but has not begun to receive a Retirement Allowance and who is rehired (other than as a part-time transit operator) after being separated for more than six years shall be entitled to two separate and distinct pension benefits under Component I, each to be calculated in accordance with the provisions of Component I of the Retirement System in effect at the time of each separation from service.
- (4) Retirement benefits for a Retiree who returns to active full time employment with an Employer shall be subject to the following provisions:
  - (a) A Retiree who returns to work will have his Retirement Allowance suspended upon re-employment. The variable pension improvement factor (escalator) shall not be added to the amount of the original Retirement Allowance during the Retiree's re-employment period.
  - (b) A Retiree who returns to work will be entitled to receive a second Retirement Allowance in accordance with the provisions of the Retirement System in effect during his re-employment period.
  - (c) A Retiree's Average Final Compensation for purposes of determining the Retiree's second Retirement Allowance will be based upon the Compensation earned by the Retiree after he returns to work.
  - (d) An individual who retires for a second time will not be allowed to change the payment option selected by the Member with respect to the original Retirement Allowance. However, the individual may select a separate payment option with respect to his second Retirement Allowance.
  - (e) The Coordination of Benefits (Equaled Social Security) option will not be available with respect to payment of the second Retirement Allowance.

### **Sec. 3.3. Report of the Employer**

It shall be the duty of the Employer to submit to the Board of Trustees a statement showing the name, title, compensation, duties, date of birth, date of hire, and length of service of each Member, and such other information as the Board of Trustees may require or reasonably request for proper administration of the Retirement System.

## ARTICLE 4. SERVICE CREDIT

### Sec. 4.1. Credited Service

- (1) The Board shall keep an accurate record of each Employee's accumulated Service credit from the date of commencement of employment with the Employer to the date of termination of employment with the Employer.
- (2) A Member shall be credited with one month of Credited Service for each calendar month during which he performs one hundred forty (140) or more Hours of Service for the Employer as an Employee, beginning on the later of July 1, 2014 or his date of hire with the Employer and ending on the date his employment with the Employer is terminated. Service shall be credited in years and twelfths (1/12<sup>th</sup>) of a year. Not more than one-twelfth (1/12<sup>th</sup>) of a year of Credited Service shall be credited to a Member on account of all Service rendered to the Employer in a calendar month. Not more than one year of Credited Service shall be credited to a Member on account of all Service rendered to the Employer in any period of 12 consecutive months.
- (3) A Member who does not perform Service for the Employer by reason of a Disability which begins on or after July 1, 2014 shall be credited with Credited Service for the period of his Disability during which he is entitled to receive long-term disability benefits under the Employer's plan or policy.
- (4) Solely for purposes of determining eligibility for a retirement benefit under Section 5.2, a Member shall be credited with the sum of his Prior Service as determined by the Board and his Credited Service on and after July 1, 2014 determined under Section 4.1(2).

### Sec. 4.2. Vesting Service

- (1) A Member shall be credited with a year of Vesting Service for each Plan Year commencing on or after July 1, 2014 during which the Member performs 1,000 or more Hours of Service for the Employer.
- (2) A Member's total Vesting Service shall be the sum of his Prior Service and his Service determined under Section 4.2(1).

### Sec. 4.3. Service Credit; Military Service

An Employee who enters the military service of the United States while employed by an Employer shall have the period of such military service credited as Service in the same manner as if the Employee had served the Employer without interruption, provided that (1) the Employee's entry into such military service and re-employment thereafter shall be in accordance with applicable laws, ordinances, and regulations of the State of Michigan and the Employer; (2) he or she is re-employed by the Employer upon completion of such military service; and (3) the Member contributes to the Retirement System the Mandatory Employee Contributions that would have been made by the Member but for the Member's military service. The Member shall be permitted to make such contributions in accordance with Code Section 414(u) and regulations thereunder. During the period of military service and until return to employment with the

Employer, the Employee's Mandatory Employee Contributions to the Retirement System shall be suspended.

**Sec. 4.4. Service Credit; Qualified Military Service**

Notwithstanding any provision of this Combined Plan Document to the contrary, contributions, benefits, and service credit with respect to qualified military service under Component I, shall be provided in accordance with Code Section 414(u). Notwithstanding anything to the contrary herein, if a Member dies while performing qualified military service (as defined in Code Section 414(u)), to the extent required by Code Section 401(a)(37), the survivors of the Member are entitled to any additional benefits (if any, and other than benefit accruals relating to the period of qualified military service) provided under the Retirement System as if the Member had resumed and then terminated employment on account of death.

## **ARTICLE 5. ELIGIBILITY FOR RETIREMENT BENEFITS**

### **Sec. 5.1. Eligibility for Unreduced Normal Retirement Benefit**

Any Member who attains his Normal Retirement Date while employed by the City may retire upon written application filed with the Board setting forth the date on which the Member desires to be retired. The date of retirement shall be effective as of the first day following the later of (i) the Member's last day on the City payroll, or (ii) the date the Member executes and files an application for retirement, notwithstanding that the Member may have separated from Service during the notification period. Such a Member shall be entitled to receive an unreduced Retirement Allowance calculated as provided in Section 6.1 and payable in a form of payment selected by the Member pursuant to Section 8.1.

### **Sec. 5.2. Eligibility for Reduced Early Retirement Benefit**

Any Member who has attained Age fifty-five, who is credited with thirty or more years of Credited Service, and who has not attained his Normal Retirement Date, shall have the option of retiring upon written application filed with the Board setting forth the date on which the Member desires to be retired. The Retirement Allowance payable to a Member who retires early shall be the Actuarial Equivalent of the Retirement Allowance that would be payable to the Member at his Normal Retirement Date pursuant to Section 6.1, as determined by the Plan Actuary. A Member's early retirement benefit shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

### **Sec. 5.3. Eligibility for Deferred Vested Retirement Benefit**

Any Member who ceases to be an employee before satisfying the requirements for receipt of a retirement benefit under Section 5.1 or Section 5.2 and who is credited with ten or more years of Vesting Service upon his or her termination of employment (regardless of age), shall be entitled to receive an unreduced Retirement Allowance commencing at any time following his attainment of Age sixty-two. Deferred vested retirement benefits shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

### **Sec. 5.4. Eligibility for Retirement Benefit – Disabled Members**

Any Member who becomes Disabled prior to his Normal Retirement Date shall be entitled to receive an unreduced Retirement Allowance commencing at any time following the Member's attainment of Age sixty-two. Disability retirement benefits shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

### **Sec. 5.5. Return of Accumulated Mandatory Contributions to Non-Vested Member**

If a Member ceases to be an Employee before becoming eligible for a deferred vested Retirement Allowance under Section 5.3, the Member may elect to receive distribution of the Accumulated Mandatory Employee Contributions made to the Retirement System by such Member. If a Member elects to receive his Accumulated Mandatory Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly

installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time.

**ARTICLE 6. RETIREMENT ALLOWANCE; VARIABLE PENSION  
IMPROVEMENT FACTOR (ESCALATOR)**

**Sec. 6.1. Retirement Allowance**

The Retirement Allowance payable to a Member commencing at the later of his Normal Retirement Date or his actual retirement from employment with the Employer in the form of a Straight Life Retirement Allowance shall be equal to one and one-half percent (1.5%) of the Member's Average Final Compensation multiplied by the Member's years (computed to the nearest one-twelfth (1/12th) year) of Credited Service earned after June 30, 2014.

**Sec. 6.2. Variable Pension Improvement Factor (Escalator)**

Except as provided in Section 9.5, beginning July 1, 2018 and effective the first day of each Plan Year thereafter, the Board may determine that a Retiree's annual Retirement Allowance shall be increased by a factor of two percent (2.0%), computed each year on the basis of the amount of the original Retirement Allowance received at the time of Retirement; provided, that the recipient of said Retirement Allowance shall have attained Age sixty-two and shall have been receiving a Retirement Allowance for a period of not less than twelve months prior to the first day of such Plan Year. The Pension Improvement Factor (Escalator) shall not be compounded.

## **ARTICLE 7. DEATH BENEFITS**

### **Sec. 7.1. Accidental Death Benefit; Performance of Duty**

- (1) If a Member is killed in the performance of duty in the service of the Employer, or dies as the result of illness contracted or injuries received while in the performance of duty in the service of the Employer, and such death, illness or injury resulting in death, is found by the Board to have resulted from the actual performance of duty in the service of the Employer, the Member's surviving Spouse shall be entitled to a monthly annuity benefit equal to the Member's Retirement Allowance at the time of his death, unreduced for early payment. Such benefit shall be payable until the surviving Spouse's death.
- (2) The minimum annual Retirement Allowance payable to a surviving Spouse under this Section 7.1 shall be equal to ten percent (10%) of the Member's Average Final Compensation determined as of the date of the Member's death.

### **Sec. 7.2. Death Benefits for Surviving Spouses Generally**

If any Member dies while in the employ of the Employer (other than in the performance of duty) after the date such Member has earned ten or more years of Credited Service, the Member's surviving Spouse shall receive a Retirement Allowance. The Retirement Allowance payable to the Spouse shall be computed in the same manner in all respects as if said Member had (i) retired effective the day preceding the Member's death, notwithstanding that the Member had not attained his or her Normal Retirement Date, (ii) elected a Joint and One Hundred Percent Survivor Allowance as described in Section 8.1, and (iii) nominated the surviving Spouse as Beneficiary.

### **Sec. 7.3. Refund of Accumulated Mandatory Contributions Upon Death of Member**

If a Member dies while employed by the City or following termination of employment and the Member is not eligible for a benefit under Section 7.1 or 7.2, the Member's Accumulated Mandatory Employee Contributions to the Retirement System at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving, the Member's Accumulated Mandatory Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Mandatory Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

### **Sec. 7.4. Benefits Offset by Compensation Benefits; Subrogation**

- (1) Any amounts which may be paid or payable to a Beneficiary on account of a Member's death under the provisions of any Workers' Compensation, pension, or similar law, except federal Social Security old-age and survivors' benefits, shall be an offset against any amounts payable from funds of the Retirement System on account of the Member's death. If the present value of the benefits payable under said Workers' Compensation, pension, or similar law, is less than the Pension Reserve for the Retirement Allowance

payable by the Retirement System, the present value of the said Workers' Compensation, pension, or similar legal benefit shall be deducted from the amounts payable by the Retirement System, and such amounts as may be provided by the Retirement System, so reduced, shall be payable as provided in this Combined Plan Document.

- (2) In the event a person becomes entitled to a pension payable by the Retirement System because of an accident or injury caused by the act of a third party, the Retirement System shall be subrogated to the rights of said person against such third party to the extent of the benefit which the Retirement System pays or becomes liable to pay.

## ARTICLE 8. FORMS OF PAYMENT

### Sec. 8.1. Retirement Allowance Options

- (1) Until the date the first Retirement Allowance payment check is issued, any Member may elect to receive a Straight Life Retirement Allowance payable throughout life, or the Member may elect to receive the Actuarial Equivalent of the Straight Life Retirement Allowance computed as of the effective date of retirement, in a reduced Retirement Allowance payable throughout life, and nominate a Beneficiary to receive benefit payments following the Member's death, in accordance with the options set forth below:
  - (a) *Option One. Cash Refund Annuity.* If a Retiree who elected a Cash Refund Annuity dies before payment of the Accumulated Contributions made to the Retirement System on and after July 1, 2014 has been received in an aggregate amount equal to, but not exceeding the Retiree's Accumulated Mandatory Employee Contributions at the time of retirement, the difference between said Accumulated Mandatory Employee Contributions and the aggregate amount of annuity payments already received, shall be paid in a single lump sum to a Beneficiary nominated by written designation duly executed by the Member and filed with the Board. If there are no such designated Beneficiaries surviving said Retiree, any such difference shall be paid to the Retiree's estate.
  - (b) *Option Two. Joint and One Hundred Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and One Hundred Percent Survivor Allowance, one hundred percent of the reduced Retirement Allowance shall be paid to and continued throughout the life of the Beneficiary nominated by written designation duly executed and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.
  - (c) *Option "A". Joint and Seventy-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Seventy-Five Percent Survivor Allowance, seventy-five percent of the reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.
  - (d) *Option Three. Joint and Fifty Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Fifty Percent Survivor Allowance, fifty percent of the reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.
  - (e) *Option "B". Joint and Twenty-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Twenty-Five Percent Survivor Allowance, twenty-five percent of the reduced Retirement Allowance shall be paid throughout the life of the Beneficiary nominated by written designation duly executed and

filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

- (2) *Joint and Survivor Optional Forms of Payment.* The Joint and Survivor Optional Forms of Payment provided under the Retirement System shall be made available in either the standard form or the pop-up form, as follows:
  - (a) *Standard Form.* Under the Standard Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree.
  - (b) *Pop-up Form.* Under the Pop-up Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree and the designated Beneficiary. In the event of the death of the designated Beneficiary during the lifetime of the Retiree, the amount of the Retirement Allowance shall be changed to the amount that would have been payable had the Retiree elected the Straight Life Retirement Allowance Form of Payment.
- (3) *Coordination of Benefits.* According to such rules and regulations as the Board shall adopt, until the first payment of a Retirement Allowance becomes due, but not thereafter, a Member under Age sixty-five may elect to have the Member's Straight Life Retirement Allowance provided for under Component I equated on an Actuarial Equivalent basis to provide an increased Retirement Allowance payable to Age sixty-two or Age sixty-five, and to provide a decreased Retirement Allowance thereafter. The increased Retirement Allowance payable to such Age shall approximate the total of the decreased Retirement Allowance payable thereafter and the estimated social security benefit. If a Member elects to receive increased and then decreased Retirement Allowance payments provided for in this paragraph, he or she may also elect to have such payments reduced by electing one of the optional forms of payment provided for in paragraph (1) of this Section 8.1. This coordination of benefits option shall not create any additional actuarial costs to the City.

## **Sec. 8.2. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary**

If under a Joint and One Hundred Percent Survivor allowance, a Joint and Seventy-Five Percent Survivor allowance, a Joint and Fifty Percent Survivor allowance, or a Joint and Twenty-Five Percent Survivor allowance as provided for under Section 8.1(1), both a Retiree and his Beneficiary die before they have received in Retirement Allowance payments an aggregate amount equal to the Retiree's Accumulated Mandatory Employee Contributions at the time of retirement, the difference between the said Accumulated Mandatory Employee Contributions and the aggregate amount of Retirement Allowances paid to the Retiree and Beneficiary, shall be paid in a single lump sum to such person or persons nominated by written designation of the Retiree duly executed and filed with the Board. If there are no such person or persons surviving the Retiree and the Beneficiary, any such difference shall be paid to the estate of the second to die of the Retiree or Beneficiary.

## ARTICLE 9. FUNDING AND RESERVES

### Sec. 9.1. Funding Objective of the Retirement System

The funding objective of Component I of the Retirement System is to establish and receive Employer and Member contributions during each Plan Year that are sufficient to fully cover the actuarial cost of benefits anticipated to be paid on account of Credited Service rendered by Members during the Plan Year (the normal cost requirements of the Retirement System), and to amortize the unfunded actuarial costs of benefits likely to be paid on account of Credited Service rendered on or after July 1, 2014 and before the first day of the Plan Year (the unfunded actuarial accrued liability of Component I of the Retirement System).

### Sec. 9.2. Funds

Component I of the Retirement System shall consist of the Accumulated Mandatory Employee Contribution Fund, the Accumulated Voluntary Employee Contribution Fund, the Pension Accumulation Fund, the Rate Stabilization Fund, the Medical Benefit Fund, the Expense Fund, and the Income Fund, as follows:

- (1) The Accumulated Mandatory Employee Contribution Fund shall be the Fund in which shall be accumulated the contributions of Members to provide their Retirement Allowances. Upon the Retirement, termination, or death of a Member with a vested Retirement Allowance, the Member's Accumulated Mandatory Employee Contributions shall be deemed to be part of the Pension Reserve which shall be used to pay the Member's Retirement Allowance.
- (2) The Accumulated Voluntary Employee Contribution Fund shall be the Fund in which shall be accumulated the voluntary after-tax contributions of Members together with earnings thereon.
- (3) The Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the Retirement Allowances and other benefits payable from that portion of the Employer's annual contribution that is not credited to the Rate Stabilization Fund and amounts transferred to Component I as provided in Section E-16(c) of Component II, and from which shall be paid Retirement Allowances and other benefits on account of Members.
- (4) The Rate Stabilization Fund shall be the Fund to which shall be credited Employer annual contributions in excess of the amount of the Employer's contribution which is credited to the Pension Accumulation Fund and amounts transferred to Component I as provided in Section E-16(c) of Component II.
- (5) The Medical Benefit Fund shall be the Fund to which shall be credited contributions made for the purpose of funding Medical Benefits.
- (6) The Expense Fund shall be the fund to which shall be credited any money provided by the Employers to pay the administrative expenses of the Retirement System, and from

which shall be paid certain expenses incurred in connection with the administration and operation of the Retirement System.

- (7) The Income Fund shall be the Fund to which shall be credited all interest, dividends, and other income derived from the investments of Component I of the Retirement System and any earnings thereon, all gifts and bequests received by Component I of the Retirement System, and all other moneys credited to Component I of the Retirement System, the disposition of which is not specifically provided for in this Article 9. There shall be paid or transferred from the Income Fund, all amounts required to credit earnings and losses to the various Funds of the Retirement System in accordance with the provisions of Component I of this Combined Plan Document. Amounts credited to the Income Fund in excess of amounts needed to credit earnings and losses of the Retirement System as provided in this Component I for any Plan Year shall be transferred to the Pension Accumulation Fund and used to pay Retirement Allowances and other benefits on account of Members.

### **Sec. 9.3. Method of Financing Retirement System Benefits**

- (1) The pension liabilities for Members shall be determined by the Plan's Actuary using the entry-age normal cost method of actuarial valuation.
- (2) The Employer's annual contribution to finance the prospective pension liabilities for the nine Plan Year period commencing July 1, 2014 and ending June 30, 2023 shall be five percent (5%) of the base Compensation of active Members for the applicable Plan Year. A portion of the Employer's annual contribution for each Plan Year as determined by the City shall be credited to the Rate Stabilization Fund. The remainder of the City's annual contribution shall be allocated to the Pension Accumulation Fund.
- (3) Except as provided in Section 9.5, for each Plan Year, a Member shall contribute to the Retirement System an amount equal to four percent (4%) of his or her base Compensation for such Plan Year. A Member's Mandatory Employee Contributions for the Plan Year beginning July 1, 2014 and ending June 30, 2015 shall commence as of the Member's first payroll date occurring in August 2014. The officer or officers responsible for processing the payroll shall cause a Member's Mandatory Employee Contributions to be deducted from the Member's Compensation on each and every payroll, for each and every payroll period, from the later of (i) the Member's first payroll date occurring in August 2014, and (ii) the Member's date of hire to the date he ceases to be an Employee. The contribution shall be deducted from a Member's Compensation, notwithstanding that the minimum compensation provided by law for the Member shall be reduced thereby. Payment of compensation, less said Mandatory Employee Contributions, shall be a complete discharge of all claims and demands whatsoever for the services rendered by the said Member during the period covered by such payment. Member Mandatory Employee Contributions will be used for the purpose of funding the normal cost of the Retirement System.

**Sec. 9.4. Member Contributions Picked-Up**

- (1) The Employer shall pick up Member Mandatory Employee Contributions required pursuant to Sections 9.3(3) and 9.5 in accordance with Code Section 414(h).
- (2) The picked-up contributions, although designated as employee contributions shall be treated as City contributions for the purpose of determining a Member's tax treatment under the Internal Revenue Code. The City shall pay the contributions picked-up on behalf of a Member from the same source of funds that are used for paying compensation to the Member.
- (3) The Employer shall pick up Member Mandatory Employee Contributions by a reduction in the Member's cash salary or an offset against a future salary increase, or both. The Employer shall designate Mandatory Employee Contributions that are picked-up and paid to the Retirement System as employer contributions and not as employee contributions. No Member who participates in the Retirement System shall have the option of choosing to receive the contributed amounts directly instead of having those amounts paid by the City to the Retirement System.

**Sec. 9.5. Fiscal Responsibility: Increased Funding Obligations and Benefit Reductions**

- (1) To safeguard the long-term actuarial and financial integrity of the Retirement System, in the event the funding level of Component I of the Retirement System projected over a five year period falls below one hundred percent (100%), the following remedial action shall be required in the order set forth below, beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is restored to not less than one hundred percent (100%):
  - (a) the Trustee may not award the variable pension improvement factor (escalator) described in Section 6.2 to any Retiree;
  - (b) all amounts credited to the Rate Stabilization Fund shall be transferred to the Pension Accumulation Fund for the purposes of funding benefits payable under Component I of the Retirement System; and
  - (c) Member Mandatory Employee Contributions shall be increased from four percent (4%) of Compensation to five percent (5%) of Compensation for up to the next following five Plan Years.
- (2) In the event the funding level of Component I of the Retirement System determined as provided in Section 9.5(1) is projected to fall below eighty percent (80%), the following remedial action shall be required in the order set forth below, beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is restored to not less than eighty percent (80%):
  - (a) the remedial action required in Section 9.5(1) shall be implemented or continued;

- (b) the Retirement Allowance payable to a Retiree shall not include the variable pension improvement factor (escalator) that was most recently added to the Retiree's Retirement Allowance for a Plan Year;
- (c) Member Mandatory Employee Contributions shall be increased from five percent (5%) of Compensation to six percent (6%) of Compensation for up to the next following five Plan Years;
- (d) the Retirement Allowance payable to a Retiree shall not include the variable pension improvement factor (escalator) that was most recently added to the Retiree's Retirement Allowance for the Plan Year preceding the Plan Year referenced in paragraph (b) above; and
- (e) the Retirement Allowance accrued by Members for up to the next five Plan-Year-period shall be determined as provided in Section 6.1, except that one percent (1%) shall be substituted for one and one-half percent (1.5%) wherever it appears in said Section 6.1.

In determining whether the eighty percent (80%) funding level under this Section 9.5(2) has been achieved, the Plan's Actuary shall calculate the funding percentage of the Retirement System after taking into account the elimination of the variable pension improvement factor (escalator) pursuant to Section 9.5(1)(a) but prior to taking into account the remedial steps provided in Sections 9.5(1)(b) and (c).

- (3) For purposes of this Section 9.5, the "funding level" of Component I of the Retirement System shall mean the ratio of the market value of the assets of Component I of the Retirement System to the actuarial accrued liability of Component I of the Retirement System. The actuarial accrued liability shall be calculated by the Plan's Actuary utilizing an interest rate assumption of six and three-quarters percent (6.75%) and other reasonable assumptions as directed by the Board upon the recommendation of the Investment Committee. The market value of assets shall be determined on the basis of a three-year look back period of smoothed investment returns.

## **ARTICLE 10. VOLUNTARY EMPLOYEE CONTRIBUTIONS**

### **Sec. 10.1. Voluntary Employee Contributions; Amount; Vesting**

Subject to procedures established by the Board, a Member may elect to reduce his Compensation for any Plan Year by a whole percentage equal to three percent (3%), five percent (5%) or seven percent (7%) and have such amount contributed by the Employer to a Voluntary Employee Contribution Account maintained on his behalf under Component I of the Retirement System. Voluntary Employee Contributions shall be made to the Retirement System on an after-tax basis. Amounts credited to a Member's Voluntary Employee Contribution Account shall be one hundred percent (100%) vested at all times.

### **Sec. 10.2. Changing an Election to Contribute**

A Member may change or revoke an election to make Voluntary Employee Contributions to the Retirement System pursuant to this Article 10 in such manner and with such advance notice as the City shall determine. Notwithstanding the foregoing, a Member shall be permitted to change such election not less frequently than annually.

### **Sec. 10.3. Individual Member Accounting; Crediting of Earnings**

The Board shall maintain a Voluntary Employee Contribution Account on behalf of each Member who elects to make Voluntary Employee Contributions to the Retirement System. Each Plan Year, a Member's Voluntary Employee Contribution Account shall be credited with earnings at a rate equal to the actual net investment rate of return on the assets of the Retirement System for the second Plan Year immediately preceding the Plan Year in which the earnings are credited; in no event, however, shall the earnings rate credited to a Member's Voluntary Employee Contribution Account for any Plan Year be less than zero percent (0%) nor greater than five and one-quarter percent (5.25%).

### **Sec. 10.4. Distribution of Accumulated Voluntary Employee Contributions**

- (1) If a Member ceases to be an Employee other than by reason of death, the Member may elect to receive distribution of the Accumulated Voluntary Employee Contributions made to the Retirement System by such Member. If a Member elects to receive his Accumulated Voluntary Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time.
- (2) In lieu of receiving distribution of his Accumulated Voluntary Employee Contributions as provided in Section 10.4(1), a Member may elect to have the actuarial equivalent value of his Accumulated Voluntary Employee Contributions added to his Retirement Allowance and paid in the form of an annuity described in Section 8.1.
- (3) If a Member dies while employed by the Employer or following termination of employment but prior to receiving distribution of the Member's Accumulated Voluntary Employee Contributions, the amounts credited to the Member's Voluntary Employee

Contribution Account at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving the Member, the Member's Accumulated Voluntary Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Voluntary Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

**ARTICLE 11. LOAN PROGRAM FOR VOLUNTARY EMPLOYEE  
CONTRIBUTIONS**

**Sec. 11.1. The Loan Program**

A loan program shall be available to Members who have amounts credited to a Voluntary Employee Contributions Account under Component I of the Retirement System. The Board is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of the loan program. Copies of the rules shall be made available to eligible Members in the offices of the Retirement System. Any loans granted or renewed under the Retirement System shall be made and administered pursuant to and in compliance with Section 72(p) of the Internal Revenue Code and regulations thereunder.

**Sec. 11.2. Eligibility for Loan**

Subject to the rules and procedures established by the Board, loans may be made to eligible Members from such Member's Voluntary Employee Contribution Account. An eligible Member is any Member who has participated in the Retirement System for twelve months or more. Former Members, Spouses and Beneficiaries are not eligible to receive any loans from the Retirement System. No Member shall have more than two outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan (under either Component I or Component II) shall not be eligible for a loan from the Retirement System.

**Sec. 11.3. Amount of Loan**

An eligible Member who has satisfied applicable rules and procedures established by the Board may borrow from his Voluntary Employee Contribution Account an amount which does not exceed the lesser of (i) fifty percent (50%) of the Member's Voluntary Employee Contribution Account balance, and (ii) Ten Thousand Dollars (\$10,000.00), in each case reduced by the excess, if any, of: (1) the Member's highest outstanding loan balance under the Retirement System (both Component I and Component II) during the one (1) year period ending on the day before the date on which the loan is made, or (2) the outstanding loan balance under the Retirement System (both Component I and Component II) on the date on which the loan is made, whichever is less. The minimum loan amount shall be One Thousand Dollars (\$1,000.00).

**Sec. 11.4. Terms and Conditions**

In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

- (a) Each loan application shall be made in writing.
- (b) All loans shall be memorialized by a collateral promissory note for the amount of the loan, including interest, payable to the order of the Retirement System and properly executed by the Member.

- (c) Each loan shall be repaid by substantially equal payroll deductions over a period not to exceed five years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen years. In no case shall the amount of the payroll deduction be less than Twenty Dollars (\$20.00) for any two-week pay period. A Member receiving a loan will be required to authorize payroll deductions from his compensation in an amount sufficient to repay the loan over its term.
- (d) An amount equal to the principal amount of the loan to a Member (but not more than one half of the Member's vested interest in the Defined Contribution Plans of the Retirement System) will be designated as collateral for guaranteeing the loan.
- (e) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. However, loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the loan. The loan interest rate shall be calculated in a manner that will not negatively affect either the Employers' costs with respect to the Retirement System or the investment return allocated to Members.
- (f) Loan repayments shall be suspended during a period of military service, as permitted by Section 414(u)(4) of the Internal Revenue Code. A Member who has an outstanding loan balance from the Retirement System who is absent from employment with the City, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

**Sec. 11.5. Loan Balance**

A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's Voluntary Employee Contribution Account (provided that the interest credited to the Member's Voluntary Employee Contribution Account shall be reduced appropriately to cover the administrative costs of the loan program and avoid negatively affecting the Employers' costs or the Retirement System's investment returns), and shall not be part of the Retirement System's net investment income or part of the Member's Voluntary Employee Contribution Account balance for the purpose of allocation of net investment income under the Retirement System.

**Sec. 11.6. Default**

In the event a Member defaults on a loan before the loan is repaid in full, the unpaid balance thereof will become due and payable and, to the extent that the outstanding amount is not repaid by the end of the calendar quarter which follows the calendar quarter in which the last

payment was received, such amount shall be deemed to have been distributed to the Member for tax purposes, consistent with Section 72(p) of the Internal Revenue Code.

**Sec. 11.7. Distribution**

No distribution shall be made to a Member, former Member, Spouse or Beneficiary from the Retirement System until all outstanding loan balances and applicable accrued interest have been repaid or offset against amounts distributable to the individual from the Retirement System.

**Sec. 11.8. Annual Report**

The Retirement System shall include, in its annual report to all Members, an accounting of the Loan Program established by this Article 11, which contains the number and amount of loans made, the costs of administering the Loan Program maintained under this Component I, the amount of payments made including interest received by Component I of the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in that Fiscal Year covered the costs of administering the Loan Program under Component I.

## ARTICLE 12. LIMITATION ON BENEFITS AND CONTRIBUTIONS

### Sec. 12.1. Compliance With Code Section 415(b) And Regulations

- (1) Notwithstanding any other provision of this Combined Plan Document, the defined benefit component of the Retirement System shall be administered in compliance with the provisions of Code Section 415(b) and regulations thereunder that are applicable to governmental plans.
- (2) The maximum annual benefit accrued by a Member during a “limitation year” (which shall be the Plan Year) and the maximum annual benefit payable under the Retirement System to a Member at any time within a Plan Year, when expressed as an annual benefit in the form of a straight life annuity (with no ancillary benefits), shall be equal to \$160,000 (as such amount is adjusted pursuant to Code Section 415(d) for such Plan Year).
- (3) Notwithstanding the foregoing:
  - (a) if the benefit under the Retirement System is payable in any form other than a straight life annuity, the determination as to whether the limitation described in Section 12.1(2) has been satisfied shall be made, in accordance with the regulations prescribed by the Secretary of the Treasury, by adjusting such benefit to the Actuarially Equivalent straight life annuity beginning at the same time, in accordance with Section 12.1(8) or (9);
  - (b) if the benefit under the Retirement System commences before Age sixty-two, the determination of whether the limitation set forth in Section 12.1(2) (the “Dollar Limit”) has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by reducing the Dollar Limit so that the Dollar Limit (as so reduced) is equal to an annual benefit payable in the form of a straight life annuity, commencing when such benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-two; provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-two and the age of benefit commencement, then the Dollar Limit (as so reduced) shall equal the lesser of (i) the amount determined under this Section 12.1(3)(b) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the straight life annuity under the Retirement System, commencing at Age sixty-two; and
  - (c) if the benefit under the Retirement System commences after Age sixty-five, the determination of whether the Dollar Limit has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by increasing the Dollar Limit so that the Dollar Limit (as so increased) is equal to an annual benefit payable in the form of a straight life annuity, commencing when

the benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-five; provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-five and the Age of benefit commencement, the Dollar Limit (as so increased) shall equal the lesser of (i) the amount determined under this Section 12.1(3)(c) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System, commencing at Age sixty-five.

- (4) Notwithstanding the foregoing provisions of this Section 12.1, except as provided in Section 12.1(5), the maximum annual benefit specified in Section 12.1(2) above shall not apply to a particular Retirement System benefit if (a) the annual amount of such Retirement System benefit, together with the aggregate annual amount of any other pensions payable with respect to such Member under all other defined benefit plans maintained by an Employer, does not exceed \$10,000 for the Plan Year or any prior Plan Year and (b) the Member was not at any time a participant in a defined contribution plan maintained by an Employer.
- (5) In the case of a Member who has less than ten years of participation in the Retirement System, the limitation set forth in Section 12.1(2) shall be such limitation (without regard to this Section 12.1(5)), multiplied by a fraction, the numerator of which is the number of years of participation in the Retirement System (or parts thereof) credited to the Member and the denominator of which is ten. In the case of a Member who has less than ten years of Vesting Service, the limitations set forth in Paragraph (b) of Section 12.1(2) and in Section 12.1(4) shall be such limitations (determined without regard to this Section 12.1(5)) multiplied by a fraction, the numerator of which is the number of years of Vesting Service, or parts thereof, credited to the Member and the denominator of which is ten.
- (6) Notwithstanding anything in this Section 12.1 to the contrary, if the annual benefit of a Member who has terminated employment with the Employer is limited pursuant to the limitations set forth in Section 12.1(2), such annual benefit shall be increased in accordance with the cost-of-living adjustments of Code Section 415(d).
- (7) For purposes of determining actuarial equivalence under Paragraph (b) or (c) of Section 12.1(3), the interest rate assumption shall be five percent (5%) and the mortality table used shall be the applicable mortality table specified by the Board.
- (8) The actuarially equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) does not apply, as required by Paragraph (a) of Section 12.1(3), is equal to the greater of (a) the annual amount of the straight life annuity payable under the Retirement System commencing at the same annuity starting date as the form of benefit payable to the Member, or (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has

the same actuarial present value as the form of benefit payable to the Member, computed using the interest rate and mortality assumptions set forth in Section 12.1(7).

- (9) The actuarially equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) applies, as required by Paragraph (a) of Section 12.1(3), is equal to the greatest of (a) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same Actuarial Equivalent present value as the form of benefit payable to the Member, (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using a five and one-half percent (5.5%) interest rate assumption and the applicable mortality table specified by the Board, or (c) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using the applicable interest rate and the applicable mortality table, both as specified by the Board, divided by 1.05.
- (10) For purposes of applying the limitations set forth in this Section 12.1, all qualified defined benefit plans (whether or not terminated) ever maintained by an Employer shall be treated as one defined benefit plan.
- (11) For purposes of this Section 12.1, the term “compensation” shall include those items of remuneration specified in Treasury Regulation § 1.415(c)-2(b) and shall exclude those items of remuneration specified in Treasury Regulation § 1.415(c)-2(c), taking into account the timing rules specified in Treasury Regulation § 1.415(c)-2(e), but shall not include any amount in excess of the limitation under Code Section 401(a)(17) in effect for the year. The term “compensation” as defined in the preceding sentence shall include any payments made to a Member by the later of (a) two and one-half months after the date of the Member’s severance from employment with an Employer or (b) the end of the limitation year that includes the date of the Member’s severance from employment with an Employer, provided that, absent a severance from employment, such payments would have been paid to the Member while the Member continued in employment with the Employer and are regular compensation for services performed during the Member’s regular working hours, compensation for services outside the Member’s regular working hours (such as overtime or shift differential pay), commissions, bonuses or other similar compensation.
- (12) This Section 12.1 shall be administered in conformity with the regulations issued by the Secretary of the Treasury interpreting Code Section 415 including, but not limited to, any regulation providing for the “grandfathering” of any benefit accrued prior to the effective date of such regulations or statutory provision.

## **Sec. 12.2. Compliance with Code Section 415(c) and Regulations**

- (1) The “Annual Addition” with respect to a Member for a limitation year (which shall be the Plan Year) shall in no event exceed the lesser of:

- (a) \$40,000 (adjusted as provided in Code Section 415(d)); or
  - (b) One hundred percent (100%) of the Member's compensation, as defined in Code Section 415(c)(3) and regulations issued thereunder, for the limitation year.
- (2) The Annual Addition with respect to a Member for a limitation year means the sum of his Voluntary Employee Contributions for such limitation year to the Retirement System, and the employer contributions, employee contributions and forfeitures allocated to his accounts under any other qualified defined contribution plan (whether or not terminated) maintained by an Employer, and the amounts described in Code Sections 415(1)(2) and 419A(d)(2) allocated to his account.
- (3) In the event the Annual Addition to the Retirement System on behalf of a Member would otherwise exceed the amount that may be applied for his benefit under the limitation contained in this Section 12.2, the limitation shall be satisfied by reducing the Member's Voluntary Employee Contributions to the extent necessary and distributing such amounts to the Member.

## ARTICLE 13. RETIREMENT SYSTEM ADMINISTRATION

### Sec. 13.1. Board of Trustees as Retirement System Administrator

- (1) The Retirement Board shall have the power and authority to manage and administer the Retirement System in accordance with the provisions of the Combined Plan Document.
- (2) The Retirement Board shall provide procedures for the processing and review of benefit claims, corrections of errors, and similar matters, as further described in Section 13.2.
- (3) The Retirement Board and the Retirement System shall not make any payment to active or retired Members or Beneficiaries other than payments that are required by the Retirement System as established by this Combined Plan Document. This prohibition applies to all payments that are not authorized by this Combined Plan Document, whether such payments are those commonly referred to as a “thirteenth check” or payments by any other name.

### Sec. 13.2. Powers and Duties of Board

- (1) The Board shall have the following powers and duties:
  - (a) exclusive authority regarding the administration, management and operation of the Retirement System, including, but not limited to, the right to contract for office space, computer hardware and software, and human resource services (any or all of which may be obtained from the City), and to make rules and regulations with respect to the operation of the Retirement System not inconsistent with the terms of the Combined Plan Document and applicable law, and to amend or rescind such rules and regulations;
  - (b) to determine questions of law or fact that may arise as to the rights of any person claiming rights under the Retirement System;
  - (c) to determine the contributions to the Retirement System required of the Employer and Members pursuant to the documents governing operation of the Retirement System, including the Plan of Adjustment;
  - (d) to construe and interpret the provisions of the Retirement System and to reconcile any inconsistencies;
  - (e) to perform ministerial functions, whether or not expressly authorized, which the Board may deem necessary or desirable in carrying out its duties under the Retirement System;
  - (f) except to the extent authority is vested in the Investment Committee, authority to employ, contract and pay for professional services including, but not limited to, actuarial, investment, legal, accounting, medical, and any other services that the Board considers necessary for the proper operation of the Retirement System;

- (g) except to the extent authority or responsibility is vested in the Investment Committee, to arrange for annual audits of the records and accounts of the Retirement System by a certified public accountant or by a firm of certified public accountants pursuant to generally accepted auditing standards;
- (h) to prepare an annual report for the Retirement System for each Fiscal Year in compliance with generally accepted accounting principles. The report shall contain information regarding the financial, actuarial, and other activities of the Retirement System during the Fiscal Year. The Board shall furnish a copy of the annual report to the Mayor and finance director of the City, to the chair of the City Council and to the Investment Committee. The report shall also contain a review of the latest actuarial valuation of the Retirement System;
- (i) to maintain or cause to be maintained such separate funds and accounts as are required to be maintained under the provisions of Components I and II of the Combined Plan Document and such additional accounts as the Board deems necessary or expedient for the proper administration of the Retirement System and the administration and investment of the assets of the Retirement System. The Board shall maintain suitable records, data and information in connection with the performance of its functions, including, but not limited to, accurate and detailed accounts of all investments, receipts, disbursements, and other actions, including the proportionate interest therein and Accumulated Contributions of each Member who has made contributions to the Retirement System;
- (j) to correct any error in the records of the Retirement System that results in overpayment or underpayment of contributions to the Retirement System by the Employer or a Member, or overpayment or underpayment of benefits to a Member, former Member, or Beneficiary by the Retirement System. In the event of overpayment to a Member, former Member or Beneficiary, the Board may, as far as practicable, adjust future payments to such individual, in such a manner that the Actuarial Equivalent of the benefit to which such individual was entitled shall be paid;
- (k) to the extent permissible under Michigan law (and consistent with the Retirement System's favorable tax qualified status under Code Section 401(a)), purchase one or more insurance policies to indemnify any person and such person's heirs and legal representatives who is made a party to (or threatened to be made a party to) any action, suit or proceeding whether brought by or in the right of the Board, the Investment Committee or the Retirement System or otherwise, by reason of the fact that such person is or was a Board member, Investment Committee member, director, officer, employee or agent of the Board (or an advisory body or committee of the Board) or the Retirement System. The insurance policies purchased by the Board shall not indemnify any person who is judicially determined to have incurred liability due to fraud, gross negligence or malfeasance in the performance of his duties; and

- (l) except to the extent authority or responsibility is vested in the Investment Committee, to perform any other function that is required for the proper administration of the Retirement System.

### **Sec. 13.3. Executive Director; Employees**

The Board shall employ on behalf of the Retirement System an executive director and any other employees for which the Board establishes positions. The executive director shall do all of the following:

- (a) manage and administer the Retirement System under the supervision and direction of the Board;
- (b) annually prepare and submit to the Board for review, amendment, and adoption an itemized budget projecting the amount required to pay the Retirement System's expenses for the following Fiscal Year; and
- (c) perform such other duties as the Board shall delegate to the executive director.

The executive director, unless such power is retained by the Board, shall determine the compensation of all employees of the Retirement System (except the executive director, whose compensation shall be determined by the Board; and the chief investment officer, whose compensation shall be determined by the Investment Committee) and such compensation shall be payable from the Retirement System. Any person employed by the Retirement System may, but need not, be an employee of the City.

### **Sec. 13.4. Discretionary Authority**

The Board shall have discretion to:

- (a) interpret the provisions of the Retirement System;
- (b) make factual findings with respect to any and all issues arising under the Retirement System;
- (c) determine the rights and status of Members, Retirees, Beneficiaries and other persons under the Retirement System;
- (d) decide benefit claims and disputes arising under the Retirement System pursuant to such procedures as the Board shall adopt; and
- (e) make determinations and findings (including factual findings) with respect to the benefits payable hereunder and the persons entitled thereto as may be required for the purposes of the Retirement System.

**Sec. 13.5. Administrator's Decision Binding**

The Board's decision on any matter arising in connection with administration and interpretation of the Retirement System shall be final and binding on Members, Retirees and Beneficiaries.

## ARTICLE 14. MANAGEMENT OF FUNDS

### Sec. 14.1. Board as Trustee of Retirement System Assets

The Board of Trustees shall be the trustee of the funds held under the Retirement System, shall receive and accept all sums of money and other property paid or transferred to it by or at the direction of the City and, subject to the terms of Article 15, shall have the power to hold, invest, reinvest, manage, administer and distribute such money and other property subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314 of the Public Acts of 1965, being sections 38.1132 et seq. of the Michigan Compiled Laws, as amended.*

### Sec. 14.2. Maintenance of Segregated Funds

The Board of Trustees shall maintain separate funds as required for the proper administration of the Retirement System and shall not commingle the assets held under the Retirement System for the purpose of funding benefits accrued by Members prior to July 1, 2014, together with earnings and losses on such assets (or replacement assets), as more fully described in Component II of this Combined Plan Document, with the assets of the Retirement System held for the purpose of paying benefits accrued by Members on and after July 1, 2014 as described in this Component I of the Combined Plan Document. Notwithstanding the foregoing, the assets held under Components I and II of this Combined Plan Document may be commingled for investment purposes, and transferred as provided in Section E-16(c) of Component II.

### Sec. 14.3. Custodian of Funds

The Board of Trustees shall appoint or employ custodians of the assets of the Retirement System. The custodians shall perform all duties necessary and incidental to the custodial responsibility and shall make disbursements as authorized by the Board.

### Sec. 14.4. Exclusive Purpose

All money and other assets of the Retirement System shall be held by the Trustees and invested for the sole purpose of paying benefits to Members and Beneficiaries and shall be used for no other purpose other than payment of the reasonable expenses of maintaining the Retirement System. In exercising its discretionary authority with respect to the management of the money and other assets of the Retirement System, the Trustees shall exercise the care, skill, prudence and diligence under the circumstances then prevailing, that a person acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character with like aims.

### Sec. 14.5. Prohibited Conduct

Members of the Board and employees of the Retirement System are prohibited from:

- (1) Having any beneficial interest, direct or indirect, in any investment of the Retirement System;

- (2) Being an obligor or providing surety for any money loaned to or borrowed from the Retirement System;
- (3) Except as provided in Article 11, borrowing any money or other assets of the Retirement System; and
- (4) Receiving any pay or other compensation from any person, other than compensation paid by the Retirement System, with respect to investments of the Retirement System.

## ARTICLE 15. INVESTMENT OF RETIREMENT SYSTEM ASSETS

### Sec. 15.1. Investment Powers of the Board and the Investment Committee

Subject to the requirements set forth in this Article 15, the Board shall have the power and authority to manage, control, invest and reinvest money and other assets of the Retirement System subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314 of the Public Acts of 1965, being sections 38.1132 et seq. of the Michigan Compiled Laws, as amended.* Notwithstanding anything in this Combined Plan Document to the contrary, for the twenty year period following the effective date of the Plan of Adjustment, the Investment Committee shall make recommendations to the Board with respect to investment management matters as provided in this Article 15.

All investment management decisions made by the Board, as more fully described in Section 15.2, shall require a recommendation by an affirmative vote of the Investment Committee as provided in this Combined Plan Document. The Board shall take no action with respect to any matter for which the Investment Committee has responsibility and authority, including the investment management matters described in Section 15.2, unless and until such action has been approved by affirmative vote of the Investment Committee. All actions and recommendations of the Investment Committee shall be forwarded to the Board for consideration and are subject to Board approval. If (a) the Board fails to approve or disapprove an Investment Management decision that has been recommended by an affirmative vote of the Investment Committee, and such failure continues for forty-five days after the date that the recommendation was made to the Board, or (b) the Board disapproves an Investment Management decision within such forty-five day period but fails to provide to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee and the Chief Investment Officer are authorized to implement the decision.

If the Board disapproves an investment management decision within such forty-five day period and provides to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee shall have forty-five days after the receipt of the Board response to either (a) withdraw the recommended investment management decision, or (b) request, in writing, a conference with the Board to be held within ten days, but not less than five business days, of the request by the Investment Committee to discuss the disapproval by the Board described in the written response. Any such conference shall be conducted with at least three independent Investment Committee members present in person or by phone. Within ten days of the commencement of the conference or twenty days following the Investment Committee's request for a conference if no conference is held, the Investment Committee shall either withdraw the recommended Investment Management decision or provide the Board with a written explanation of the Investment Committee's decision to proceed with the recommended Investment Management decision. After delivery of such written explanation by the Investment Committee, the Investment Committee and the chief investment officer are authorized to implement the decision. Any action taken by the Board or the Investment Committee in violation of the terms of this Article 15 shall constitute an *ultra vires* act and the Investment Committee or the Board is

granted the express right to seek to preliminarily enjoin such violation without the need to show irreparable harm.

## **Sec. 15.2. Investment Management**

- (1) For purposes of this Combined Plan, “investment management decisions” and “investment management matters” shall include:
  - (a) development of an investment policy statement with sound and consistent investment goals, objectives, and performance measurement standards which are consistent with the needs of the Retirement System;
  - (b) within 120 days after the effective date of the Plan of Adjustment, placement of all of the assets of the Retirement System not already under qualified management with qualified investment managers selected by the Investment Committee;
  - (c) evaluation, retention, termination and selection of qualified managers to invest and manage the Retirement System’s assets;
  - (d) review and affirmation or rejection of the correctness of any and all calculations, actuarial assumptions and/or assessments used by the Actuary including, but not limited to (i) those underlying the restoration of pension benefits, funding levels and amortization thereof, all in accordance with the pension restoration program attached to the Plan of Adjustment (as more fully described in Article G of Component II of this Combined Plan Document), (ii) those underlying the determination of annual funding levels and amortization thereof, and (iii) on or after Fiscal Year 2024, the recommended annual contributions to the Retirement System in accordance with applicable law;
  - (e) in accordance with approved actuarial work as provided in paragraph (d) above and based on the annual actuarial valuation reports and any other projections or reports as applicable from the Actuary or other professional advisors, the determination of the extent of restoration of pension benefits, including but not limited to the payment of all or a portion of the reduced base monthly pension amounts and the payment of lost COLA payments, all in conformance with the pension restoration program attached to the Plan of Adjustment;
  - (f) communication of the Retirement System’s investment goals, objectives, and standards to the investment managers, including any material changes that may subsequently occur;
  - (g) determination and approval of the Retirement System’s investment and asset allocation guidelines, taking into account the appropriate liquidity needs of the Retirement System;
  - (h) the taking of corrective action deemed prudent and appropriate when an investment manager fails to perform as expected;

- (i) interpretation of Retirement System governing documents, existing law, the Plan of Adjustment and other financial information that could affect funding or benefit levels;
- (j) review and approval, prior to final issuance, of the annual audit and all financial reports prepared on behalf of the Retirement System and meet and confer with the Auditor or other professional advisors, as necessary, prior to approval of the annual audit or other financial reports;
- (k) determination of the funding status of the Retirement System and any remedial action to be taken pursuant to Section 9.5; and
- (l) performance of an asset/liability valuation study for the Retirement System every three years or, more often, as requested by the Investment Committee or the Board.

All actions of the Investment Committee shall comply with the provisions of pertinent federal, state, and local laws and regulations, specifically *Act No. 314 of the Public Acts of 1965, being Sections 38.1132 et seq.* of the *Michigan Compiled Laws*, as amended, and the Retirement System's investment guidelines.

**Sec. 15.3. Best Practices**

Prior to adopting investment guidelines and asset allocation policies, selecting investment managers or adopting investment return assumptions, the Investment Committee shall have an understanding of and shall give appropriate consideration to the following:

- (a) the fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets;
- (b) the objective to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the pension restoration program described in the Plan of Adjustment and Component II of this Combined Plan Document, to the extent that it is prudent and consistent with the overall funding, liquidity needs and actuarial assumptions governing the Retirement System; and
- (c) the liquidity needs of the Retirement System.

**Sec. 15.4. Chief Investment Officer**

The Investment Committee shall have the exclusive power to select, retain and terminate the services of a chief investment officer for the Retirement System. The Investment Committee shall determine any and all compensation and other terms of employment of any chief investment officer hired by it. The chief investment officer shall report directly to the Investment Committee and the executive director of the Board. The chief investment officer shall be responsible for assisting the Investment Committee and the Board with respect to oversight of the Retirement System's investment portfolio. The chief investment officer shall

provide such periodic reports relating to the Retirement System's assets to the Investment Committee and the Board as it or they shall request.

### **Sec. 15.5. Investment Consultants**

The Board and/or Investment Committee may retain the services of one or more investment consultants who shall be responsible for assisting the Board and the Investment Committee with oversight of the Retirement System's investment portfolio. Any such investment consultant shall be a registered advisor with the United States Securities and Exchange Commission and shall be a nationally recognized institutional investment consultant with expertise in the investment of public pension plan assets. Any such investment consultant shall acknowledge in writing its role as investment fiduciary with respect to the Retirement System as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* The Board or the Investment Committee, as appropriate, shall determine the compensation and other terms of employment of any investment consultant hired by it. The duties of an investment consultant may include, but shall not be limited to:

- (a) providing an asset/liability valuation study for the Retirement System;
- (b) reviewing the Retirement System's asset allocation based on current market assumptions;
- (c) identifying and recommending to the Investment Committee and the Board appropriate investment strategies based on the financial condition of the Retirement System;
- (d) implementing the approved investment strategies, such as recommending to the Investment Committee, for Board approval, an asset allocation strategy, building an investment structure for the Retirement System, and identifying qualified investment managers (through an organized search process) to execute and implement investment strategies;
- (e) monitoring and evaluating the ongoing progress of the investment managers toward stated investment goals and objectives;
- (f) recommending to the Investment Committee and the Board any necessary corrective actions, including adjustments to the investment structure or investment management organizations, in the event of a deviation from expectations;
- (g) communicating the investment policies of the Retirement System to the investment managers;
- (h) reviewing the investment policies with the appropriate employees of the Retirement System;
- (i) aiding the Investment Committee in providing recommendations on issues relating to rebalancing and cash flow management, securities lending, transition management, cash equalization and other investment related topics;

- (j) attending Investment Committee and Board meetings in person, or telephonically, as needed or as requested;
- (k) meeting with the Investment Committee and the Board to provide detailed quarterly performance reports and executive summaries of performance;
- (l) meeting with the Investment Committee and the Board to review capital markets and inform the Board and Retirement System employees on the current investment environment; and
- (m) meeting with the Investment Committee and the Board to provide recommendations on asset allocation, investment structure, and manager selections.

## **ARTICLE 16. RETIREE MEDICAL ACCOUNT**

### **Sec. 16.1. Establishment of Account**

A Medical Benefits Account shall be established and maintained under the Retirement System out of which the Board shall pay the cost, which would otherwise be borne by the Employers, for certain medical and related benefits provided under the plans or programs maintained by the Employers to provide Medical Benefits (the "Medical Plans") for the benefit of the Medical Beneficiaries. The provisions of this Article 16 are intended to comply with Section 401(h) of the Code and shall be construed to comply therewith.

### **Sec. 16.2. Effective Date of Retiree Medical Account**

Medical Benefits may be paid from the Medical Benefits Account beginning October \_\_\_\_, 2014, or such other date recommended by an enrolled actuary (within the meaning of Section 7701(a)(35) of the Code) and approved by the Board and Investment Committee.

### **Sec. 16.3. Funding of Benefits**

Subject to the Plan of Adjustment and the right reserved to the City to amend or terminate the provision of Medical Benefits under its general power to amend the Plan under Section 17.5, the City expects and intends to make actuarially determined contributions under the Retirement System from time to time to fund the Medical Benefits Account. The assets of the Medical Benefits Account may be invested together with the other assets of the Retirement System, in which case earnings of the Retirement System shall be allocated to the Medical Benefits Account on a reasonable basis, or such assets may be invested separately. In any event, no part of the Retirement System, other than the assets of the Medical Benefits Account, shall be available to pay for any part of the cost of Medical Benefits.

The amount determined by the City to be contributed for any Plan Year by the Employers pursuant to the paragraph above shall be reasonable and ascertainable and shall not exceed the total cost for such Plan Year of providing Medical Benefits to the Medical Beneficiaries, determined in accordance with generally accepted actuarial methods and assumptions that are reasonable in view of the provisions and coverage of the medical and other welfare plans providing such benefits, the funding medium and any other applicable considerations. At the time any Employer makes a contribution to the Trustee, the Employer shall designate the portion thereof that is allocable to the Medical Benefits Account.

### **Sec. 16.4. Limitation on Contributions**

At all times the aggregate of the contributions made by the Employers to provide Medical Benefits shall not exceed twenty-five percent (25%) of the sum of the aggregate contributions made by the Employers to the Plan under Sections 9.3, 9.4 and 9.5 other than the contributions to fund past service credits, plus the aggregate contributions to the Medical Benefits Account. In the event that a contribution under Section 16.3 shall exceed the amount described in the preceding sentence, such contribution shall be reduced by the excess amount.

**Sec. 16.5. Impossibility of Diversion**

In no event, prior to the satisfaction of all liabilities to provide Medical Benefits, shall the Medical Benefits Account be used for, or diverted to, any purpose other than the payment of such benefits and any necessary or appropriate expenses of administration associated therewith. Any amounts credited to the Medical Benefits Account following the satisfaction of all such liabilities shall be returned to the Employers.

**Sec. 16.6. Administration**

The Medical Plans shall continue to be administered, and claims processed, under their respective terms. The interpretation and administration of the terms of this Article 16 shall be subject to the provisions of the Combined Plan Document.

**Sec. 16.7. Right to Amend or Terminate Medical Plans**

The Employers expressly reserve the exclusive right, retroactively to the extent permitted by law, to amend, modify, change, terminate or revoke any medical or other welfare plan or policy maintained by any such Employer that provides medical or other welfare benefits, including but not limited to Medical Benefits, and to require Members, former Members, their eligible Spouses and dependents to pay all or any portion of the cost of such medical benefits.

**Sec. 16.8. Reversion**

At no time prior to the satisfaction of all liabilities under the Retirement System to provide Medical Benefits, shall any part of the Medical Benefits Account be used for any purpose other than providing Medical Benefits, and any necessary or appropriate expenses attributable to the administration of the Medical Benefits Account. If any residual assets remain in the Medical Benefits Account after the satisfaction of all obligations of the Employers to provide Medical Benefits to the Medical Beneficiaries, such assets shall be returned to the Employers. In the event a Medical Beneficiary's interest in the Medical Benefits Account is forfeited prior to the termination of the Retirement System, an amount equal to such forfeiture shall be applied as soon as possible to reduce the Employers' contributions to the Medical Benefits Account.

**Sec. 16.9. Limitation of Rights**

A Medical Beneficiary shall have no right, title or claim in any specific asset of the Medical Benefits Account, but shall have the right only to the Medical Benefits provided from time to time under the Medical Benefits Account.

## **ARTICLE 17. MISCELLANEOUS**

### **Sec. 17.1. Nonduplication of Benefits**

If any Member is a participant in another defined benefit pension plan, retirement system or annuity plan sponsored by an Employer (including Component II of this Retirement System) and the Member is or becomes entitled to accrue pension benefits under such plan or retirement system (including Component II of this Retirement System) with respect to any period of service for which he is entitled to accrue a benefit under Component I of this Retirement System, such Member shall not be eligible to accrue or receive payment of a benefit under Component I with respect to such period of service.

### **Sec. 17.2. Assignments Prohibited**

The right of a person to a pension, annuity, the return of Accumulated Voluntary Employee Contributions and/or the return of Accumulated Mandatory Employee Contributions, the Retirement Allowance itself, to any optional form of payment, to any other right accrued or accruing to any person under the provisions of this Retirement System, and the monies in the various funds of the Retirement System shall not be assignable and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency law, or any other process of law whatsoever, except as specifically provided in this Combined Plan Document or by an eligible domestic relations order of a lawful court.

### **Sec. 17.3. Protection Against Fraud**

A person who, with intent to deceive, makes any statements or reports required under this Retirement System that are untrue, or who falsifies or permits to be falsified any record or records of this Retirement System, or who otherwise violates, with intent to deceive, any terms or provisions of the Retirement System, shall be subject to prosecution under applicable law.

### **Sec. 17.4. Errors**

If any change or error in the records results in any person receiving from the Retirement System more or less than the person would have been entitled to receive from the Retirement System had the records been correct, the Board shall correct such error and, as far as practicable, shall adjust the payment in such a manner that the actuarial equivalent of the benefit to which such person was correctly entitled shall be paid.

### **Sec. 17.5. Amendment; Termination; Exclusive Benefit**

The City reserves the right to amend the Combined Plan Document created hereunder at any time; such amendments may include termination of the Retirement System; provided, however, that following the effective date of the Plan of Adjustment, no amendment other than amendments permitted under the terms of the Plan of Adjustment (including amendments contemplated in Section G-4(5) of Component II) may be made to the terms, conditions and rules of operation of the Retirement System, or any successor plan or trust, that govern the calculation of pension benefits during the period ending June 30, 2023, nor may any amendment or termination deprive any Member, former Member or Beneficiary of any then vested benefit

under the Retirement System, except as provided in the Plan of Adjustment. Notwithstanding the foregoing, the City and the Board have the authority to amend the Combined Plan Document as necessary to retain the tax qualified status of the Retirement System under the Internal Revenue Code. The City shall make no amendment or amendments to the Retirement System which causes any part of the assets of the Retirement System to be used for, or diverted to, any purpose other than the exclusive benefit of Members, former Members or their Beneficiaries; provided, that the City may make any amendment necessary, with or without retroactive effect, to comply with applicable federal law. Any amendment of the Retirement System by the City must be approved by the Council or person standing in the stead of the Council.

Upon termination of the Retirement System or upon complete discontinuance of contributions to the Retirement System, the rights of all Members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be nonforfeitable.

#### **Sec. 17.6. Forfeitures Not to Increase Benefits**

Any forfeitures arising under the Retirement System due to a Member's termination of employment or death, or for any other reason, shall be used to pay expenses of the Retirement System and shall not be applied to increase the benefits any Member would otherwise receive under the Retirement System at any time prior to termination of the Retirement System.

#### **Sec. 17.7. Required Distributions - Compliance with Code Section 401(a)(9) and Regulations**

The Retirement System will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the final regulations issued thereunder, notwithstanding any provision in the Combined Plan Document to the contrary. Pursuant to Code Section 401(a)(9)(A)(ii), a Member's interest must begin to be distributed by the later of (i) the April 1 of the calendar year following the calendar year in which he attains the Age of seventy and one-half (70-1/2), or (ii) April 1 of the calendar year following the year in which he retires. Distributions will be made in accordance with Regulations Sections 1.401(a)(9)-2 through 1.401(a)(9)-9. The provisions of this Section 17.7 and the regulations cited herein and incorporated by reference override any inconsistent plan distribution options.

#### **Sec. 17.8. Direct Rollovers**

- (1) For purposes of compliance with Code Section 401(a)(31), a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.
- (2) For purposes of this Section 17.8, the following terms shall have the following meanings:
  - (a) "Direct rollover" means a payment by the retirement system to an eligible retirement plan specified by a distributee.
  - (b) "Distributee" means a Member or former Member. It also includes the Member's or former Member's surviving Spouse, a Spouse or former spouse who is the

alternate payee under an eligible domestic relations order, or a nonspouse beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a nonspouse beneficiary may only make a direct rollover to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an “inherited” individual retirement account or annuity.

- (c) “Eligible retirement plan” means any of the following that accepts a distributee’s eligible rollover distribution:
- (i) a qualified trust described in Code Section 401(a);
  - (ii) an annuity plan described in Code Section 403(a);
  - (iii) an annuity contract described in Code Section 403(b);
  - (iv) an individual retirement account described in Code Section 408(a);
  - (v) an individual retirement annuity described in Code Section 408(b);
  - (vi) a Roth IRA described in Code Section 408A; or
  - (vii) a plan eligible under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from the Retirement System.
- (d) “Eligible rollover distribution” means any distribution of all or any portion of the balance to the credit of a distributee under the Retirement System, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includible in gross income; and any other distribution which the Internal Revenue Service does not consider eligible for rollover treatment, such as any distribution that is reasonably expected to total less than \$200 during the year. Notwithstanding the foregoing, a portion of a distribution will not fail to be an “eligible rollover distribution” merely because the portion consists of after-tax contributions that are not includible in Member’s gross income upon distribution from the Retirement System. However, such portion may be transferred only (i) to an individual retirement account or annuity described in Code Section 408(a) or (b) or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) to a qualified defined benefit plan

described in Code Section 401(a) or to an annuity contract described in Code Section 403(b) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) to a Roth IRA described in Code Section 408A.

**Sec. 17.9. Construction**

Words in the singular should be read and construed as though used in the plural, and words in the plural should be read and construed as though used in the singular, where appropriate. The words “hereof”, “herein”, and “hereunder” and other similar compounds of the word “here”, shall mean and refer to Component I and/or Component II of this Combined Plan Document or to the Combined Plan Document in its entirety, as the context may require, and not to any particular provision or section thereof. The table of contents, article and section headings are included for convenience of reference, and are not intended to add to, or subtract from, the terms of the Combined Plan Document or the Retirement System created hereunder.

**Sec. 17.10. Severability**

If any section or part of a section of this Combined Plan Document or provision relating to the Retirement System is for any reason held to be invalid or unconstitutional, such holding shall not be construed as affecting the validity of the remaining sections of the Combined Plan Document or Retirement System or of the Combined Plan Document or Retirement System in its entirety.

EXHIBIT I.A.250.b

PRINCIPAL TERMS OF NEW GRS ACTIVE PENSION PLAN

**NEW GRS ACTIVE PENSION PLAN -- MATERIAL TERMS**

1. Benefit Formula: FAC (average base compensation over last 10 consecutive years of employment) x Years of Service x 1.5%. If an employee had leave of not less than 2 months without pay under the Family and Medical Leave Act in the last 2 years of employment, such employee's FAC will be determined using the highest 10 consecutive years of base compensation over the last 12 consecutive years of employment. Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus.
2. Actual time for accrual is actual time served. For vesting and eligibility, 1,000 hours for a year of service.
3. Normal Retirement Age – age 62 with a transition period for active employees as of June 30, 2014 as follows:

| <u>Age as of July 1, 2014</u> | <u>Normal Retirement Age</u> |
|-------------------------------|------------------------------|
| 61years                       | 60 years                     |
| 60 years                      | 60 years                     |
| 59 years                      | 60.3 years                   |
| 58 years                      | 60.6 years                   |
| 57 years                      | 60.9 years                   |
| 56 years                      | 61.0 years                   |
| 55 years                      | 61.3 years                   |
| 54 years                      | 61.6 years                   |
| 53 years                      | 61.9 years                   |
| 52 years                      | 62 years                     |

4. 10 Years of Service for vesting.
5. Early retirement -- Eligible at 55 & 30 years of service, with true actuarial reduction. No pension payments allowed below age 55; terminated employees must wait until 62.
6. Deferred Vested -- 10 Years payable at 62.
7. Disability -- to be provided by commercial insurance until normal retirement age. In applying the formula for an age 62 pension, a disabled employee will be credited with service for the period of long-term disability leave.
8. Annuity Savings Fund - voluntary Annuity Savings Fund contributions equal to 3%, 5% or 7% of after-tax pay. Interest will be credited at the actual net investment rate of return for GRS, but will in no event be lower than 0% or higher than 5.25%. No in-service withdrawals permitted.

9. Investment Return/Discount Rate – 6.75%
10. COLA - Variable COLA benefit payable after the hybrid plan has been in effect for 4 full plan years, provided that the funding level is above 100%. A simple 2% COLA on hybrid benefit. Retirees become eligible for a COLA only for plan years after the retiree reaches age 62 and has been retired for a minimum of 12 months.
11. Contributions - Employer contribution of 5% of the base compensation of eligible employees. A portion of such contribution is used to fund normal cost and a portion is credited to a rate stabilization fund. Employees contribute 4% of base compensation toward normal cost.
12. If the funding level is below 100% (based on 3 year look back of smoothed returns), the plan's risk-shifting levers listed below will be applied in the listed order, until the actuary can state that by virtue of the use of levers, and a 6.75% discount rate and return assumption, the funding level is projected to be 100% on a market value basis within the next 5 years.
  - (a) No COLAs will be paid;
  - (b) Amounts credited to the rate stabilization fund will be used to fund accrued benefits; and
  - (c) Employee contributions to the hybrid will increase by 1% to 5% of base compensation for up to a 5 year period.

If the funding level is below 80% (without taking into account the use of rate stabilization funds and the 1% increase in employee contributions):

- (d) The steps taken in (a), (b) and (c) above will be continued;
- (e) The most recently awarded COLA is rescinded (i.e., Members' future benefit payments will be not include that COLA);
- (f) Employee contributions to the hybrid will increase to 6% of base compensation for up to a 5 year period;
- (g) The second most recently awarded COLA is rescinded; and
- (h) The benefit accrual rate is decreased from 1.5% to 1% for up to 5 years.

EXHIBIT I.A.254.a

FORM OF NEW PFRS ACTIVE PENSION PLAN

**COMBINED PLAN  
FOR THE  
POLICE AND FIRE  
RETIREMENT SYSTEM OF  
THE CITY OF DETROIT, MICHIGAN**

**Amendment and Restatement Effective July 1, 2014**

**TABLE OF CONTENTS**

|   | <b>Page</b> |
|---|-------------|
| COMPONENT I .....   | 1           |
| ARTICLE 1. GENERAL PROVISIONS .....   | 1           |
| Sec 1.1. Police and Fire Retirement System Established; Adoption of 2014<br>Plan Document.....  | 1           |
| Sec 1.2. Retirement System Intended to be Tax-Qualified; Governmental<br>Plan .....   | 1           |
| Sec 1.3. Compliance With Plan of Adjustment .....   | 1           |
| Sec 1.4. Board of Trustees .....  | 2           |
| Sec 1.5. Board of Trustees – Membership; Appointment .....  | 2           |
| Sec 1.6. Board of Trustees; Scheduling of Elections for Active and Retiree<br>Trustees .....  | 3           |
| Sec 1.7. Procedures for election of Retiree Trustees .....  | 3           |
| Sec 1.8. Board of Trustees; Oath; Term; Vacancies.....  | 4           |
| Sec 1.9. Board of Trustees; Officers and Employees .....  | 4           |
| Sec 1.10. Board of Trustees; Meetings; Rules of Procedure; Votes; Quorum .....  | 4           |
| Sec 1.11. Board of Trustees; Compensation; Expenses .....   | 5           |
| Sec 1.12. Rules for Administration of Funds .....   | 5           |
| Sec 1.13. Board of Trustees; Certain Data to be Kept.....   | 5           |
| Sec 1.14. Board of Trustees; Annual Audit Report .....  | 5           |
| Sec 1.15. Board of Trustees; Legal Advisors .....   | 5           |
| Sec 1.16. Board of Trustees; Medical Director .....   | 6           |
| Sec 1.17. Designation of Actuary; Authority to Engage Additional Actuaries.....   | 6           |
| Sec 1.18. Board of Trustees; Adoption of Mortality and Other Tables of<br>Experience and Rates of Interest; Limitations on Payments by the<br>Retirement System ..... | 6           |
| Sec 1.19. Board of Trustees; Annual Actuarial Valuation of Assets and<br>Liabilities .....  | 7           |
| Sec 1.20. Board of Trustees; Powers and Duties; Fiduciary Status; Fiduciary<br>Duties .....   | 7           |
| Sec 1.21. Investment Committee; Establishment; Purpose; Fiduciary Status;<br>Fiduciary Duties.....  | 7           |
| Sec 1.22. Investment Committee; Membership; Appointment .....   | 8           |

**TABLE OF CONTENTS**  
(continued)

|            |  | <b>Page</b> |
|------------|--|-------------|
| Sec 1.23.  | Investment Committee; Term; Resignation and Removal;<br>Vacancies .....        | 9           |
| Sec 1.24.  | Investment Committee; Operation; Meetings; Quorum; Voting .....                | 10          |
| Sec 1.25.  | Investment Committee; Compensation; Expenses; Employment of<br>Advisors .....  | 12          |
| Sec 1.26.  | Investment Committee; Special Reporting Obligation .....                       | 12          |
| ARTICLE 2. | DEFINITIONS.....   | 14          |
| Sec 2.1.   | Definitions.....   | 14          |
| ARTICLE 3. | MEMBERSHIP.....  | 22          |
| Sec 3.1.   | Eligible Employees .....   | 22          |
| Sec 3.2.   | Cessation of Membership; Re-Employment.....                                    | 22          |
| Sec 3.3.   | Report From City .....   | 23          |
| ARTICLE 4. | SERVICE CREDIT .....   | 24          |
| Sec 4.1.   | Credited Service.....  | 24          |
| Sec 4.2.   | Vesting Service .....  | 24          |
| Sec 4.3.   | Service Credit; Military Service .....   | 24          |
| Sec 4.4.   | Service Credit; Qualified Military Service .....                               | 25          |
| ARTICLE 5. | ELIGIBILITY FOR RETIREMENT .....   | 26          |
| Sec 5.1.   | Eligibility for Unreduced Normal Retirement Benefit .....                      | 26          |
| Sec 5.2.   | Eligibility for Deferred Vested Retirement Benefit.....                        | 26          |
| Sec 5.3.   | Eligibility for Disability Retirement Benefit – Duty Disability.....           | 26          |
| Sec 5.4.   | Eligibility for Disability Retirement Benefit – Non-Duty Disability .....      | 28          |
| Sec 5.5.   | Disability Retirees; Reexamination .....                                       | 28          |
| Sec 5.6.   | Disability Benefits; Procedures for Determination of Disability.....           | 29          |
| Sec 5.7.   | Return of Accumulated Mandatory Contributions to Non-Vested<br>Member .....    | 31          |
| Sec 5.8.   | Benefits Offset by Compensation Benefits; Subrogation .....                    | 31          |
| ARTICLE 6. | RETIREMENT ALLOWANCE; VARIABLE PENSION<br>IMPROVEMENT FACTOR (ESCALATOR) ..... | 33          |
| Sec 6.1.   | Retirement Allowance .....   | 33          |
| Sec 6.2.   | Variable Pension Improvement Factor (Escalator).....                           | 33          |

**TABLE OF CONTENTS**  
(continued)

|             |   | <b>Page</b> |
|-------------|---|-------------|
| ARTICLE 7.  | DEATH BENEFITS .....  | 34          |
| Sec 7.1.    | Accidental Death Benefit; Performance of Duty .....                               | 34          |
| Sec 7.2.    | Non-Duty Death Benefits .....   | 35          |
| Sec 7.3.    | Refund of Accumulated Mandatory Contributions Upon Death of Member .....          | 35          |
| ARTICLE 8.  | FORMS OF PAYMENT.....   | 36          |
| Sec 8.1.    | Retirement Allowance Options.....   | 36          |
| Sec 8.2.    | Disposition of Surplus Benefits upon Death of Retiree and Beneficiary .....       | 37          |
| ARTICLE 9.  | FUNDING AND RESERVES .....  | 38          |
| Sec 9.1.    | Funding Objective of the Retirement System.....                                   | 38          |
| Sec 9.2.    | Funds.....  | 38          |
| Sec 9.3.    | Method of Financing Retirement System Benefits.....                               | 39          |
| Sec 9.4.    | Member Contributions Picked-Up.....   | 40          |
| Sec 9.5.    | Fiscal Responsibility: Benefit Reductions and Increased Funding Obligations ..... | 40          |
| ARTICLE 10. | VOLUNTARY EMPLOYEE CONTRIBUTIONS .....  | 42          |
| Sec 10.1.   | Voluntary Employee Contributions; Amount; Vesting .....                           | 42          |
| Sec 10.2.   | Changing an Election to Contribute.....   | 42          |
| Sec 10.3.   | Individual Member Accounting; Crediting of Earnings .....                         | 42          |
| Sec 10.4.   | Distribution of Accumulated Voluntary Employee Contributions .....                | 42          |
| ARTICLE 11. | LOAN PROGRAM FOR VOLUNTARY EMPLOYEE CONTRIBUTIONS .....                           | 44          |
| Sec 11.1.   | The Loan Program .....  | 44          |
| Sec 11.2.   | Eligibility for Loan .....  | 44          |
| Sec 11.3.   | Amount of Loan.....   | 44          |
| Sec 11.4.   | Terms and Conditions .....  | 44          |
| Sec 11.5.   | Loan Balance .....  | 45          |
| Sec 11.6.   | Default.....  | 45          |
| Sec 11.7.   | Distribution .....  | 46          |
| ARTICLE 12. | DEFERRED RETIREMENT OPTION PLAN (“DROP”) PROGRAM.....                             | 47          |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Sec 12.1. General Provisions .....   | 47          |
| Sec 12.2. Conversion to Retirement Allowance .....                           | 47          |
| Sec 12.3. Investment of DROP Assets .....                                    | 47          |
| Sec 12.4. Distribution of Amounts Credited to DROP Account .....             | 48          |
| Sec 12.5. Death of Member While Participating in the DROP Program .....      | 48          |
| Sec 12.6. Disability of Member While Participating in the DROP Program ..... | 48          |
| Sec 12.7. Cost Neutrality .....  | 49          |
| <b>ARTICLE 13. LIMITATION ON BENEFITS AND CONTRIBUTIONS.....</b>             | <b>50</b>   |
| Sec 13.1. Compliance With Code Section 415(b) And Regulations .....          | 50          |
| Sec 13.2. Compliance with Code Section 415(c) and Regulations .....          | 53          |
| <b>ARTICLE 14. RETIREMENT SYSTEM ADMINISTRATION.....</b>                     | <b>54</b>   |
| Sec 14.1. Board of Trustees as Retirement System Administrator.....          | 54          |
| Sec 14.2. Powers and Duties of Board .....                                   | 54          |
| Sec 14.3. Executive Director; Employees .....                                | 56          |
| Sec 14.4. Discretionary Authority .....                                      | 56          |
| Sec 14.5. Administrator’s Decision Binding .....                             | 57          |
| <b>ARTICLE 15. MANAGEMENT OF FUNDS .....</b>                                 | <b>58</b>   |
| Sec 15.1. Board as Trustee of Retirement System Assets .....                 | 58          |
| Sec 15.2. Maintenance of Segregated Funds .....                              | 58          |
| Sec 15.3. Custodian of Funds .....   | 58          |
| Sec 15.4. Exclusive Purpose.....   | 58          |
| Sec 15.5. Prohibited Conduct .....   | 58          |
| <b>ARTICLE 16. INVESTMENT OF RETIREMENT SYSTEM ASSETS .....</b>              | <b>60</b>   |
| Sec 16.1. Investment Powers of the Board and the Investment Committee.....   | 60          |
| Sec 16.2. Investment Management.....   | 61          |
| Sec 16.3. Best Practices .....   | 62          |
| Sec 16.4. Chief Investment Officer .....                                     | 62          |
| Sec 16.5. Investment Consultants.....  | 63          |
| Sec 16.6. Consistency With Plan of Adjustment.....                           | 64          |
| <b>ARTICLE 17. RETIREE MEDICAL ACCOUNT.....</b>                              | <b>65</b>   |

**TABLE OF CONTENTS**  
(continued)

|             |   | <b>Page</b> |
|-------------|---|-------------|
| Sec 17.1.   | Establishment of Account.....   | 65          |
| Sec 17.2.   | Effective Date .....  | 65          |
| Sec 17.3.   | Funding of Benefits.....  | 65          |
| Sec 17.4.   | Limitation on Contributions.....  | 65          |
| Sec 17.5.   | Impossibility of Diversion .....  | 65          |
| Sec 17.6.   | Administration .....  | 66          |
| Sec 17.7.   | Right to Amend or Terminate Medical Plans .....   | 66          |
| Sec 17.8.   | Reversion .....   | 66          |
| Sec 17.9.   | Limitation of Rights.....   | 66          |
| ARTICLE 18. | MISCELLANEOUS .....   | 67          |
| Sec 18.1.   | Nonduplication of Benefits.....   | 67          |
| Sec 18.2.   | Assignments Prohibited .....  | 67          |
| Sec 18.3.   | Protection Against Fraud .....  | 67          |
| Sec 18.4.   | Conviction of Felony; Forfeiture of Rights .....  | 67          |
| Sec 18.5.   | Amendment; Termination; Exclusive Benefit .....   | 67          |
| Sec 18.6.   | Forfeitures Not to Increase Benefits .....  | 68          |
| Sec 18.7.   | Required Distributions - Compliance with Code Section 401(a)(9)<br>and Regulations..... | 68          |
| Sec 18.8.   | Direct Rollovers .....  | 68          |
| Sec 18.9.   | Construction.....   | 70          |
| Sec 18.10.  | Severability .....  | 70          |

# COMPONENT I

## ARTICLE 1. GENERAL PROVISIONS

### Sec 1.1. Police and Fire Retirement System Established; Adoption of 2014 Plan Document

Effective July 1, 1941, a Pension System for Policemen and Firemen of the City of Detroit was established for the purpose of providing retirement allowances and death benefits for Policemen and Firemen and their beneficiaries by amendment to the Charter of the City of Detroit. That Pension System was amended on numerous occasions after July 1, 1941, including an amendment renaming the Retirement System as the "Police and Fire Retirement System of the City of Detroit." The provisions of the Police and Fire Retirement System of the City of Detroit, as in effect July 1, 2014, are set forth in this Plan Document (including Appendix A attached hereto). Component I of the Plan Document applies to benefits accrued by Members on and after July 1, 2014 and to operation of the Police and Fire Retirement System of the City of Detroit on and after July 1, 2014. Component II of the Plan Document generally applies to benefits accrued by Members prior to July 1, 2014. Except as specifically provided in Component II, benefits provided under Component II of the Plan Document are frozen effective June 30, 2014.

Pursuant to Section 47-1-2 of the Detroit City Code, this Combined Plan Document shall replace the provisions of the Police and Fire Retirement System of the City of Detroit as set forth in the City of Detroit Charter, the Detroit City Code and any conflicting provisions in any collective bargaining agreements, rulings or opinions covering Members (including, without limitation, City Employment Terms). All resolutions and policies of the Board previously enacted which are inconsistent with the provisions of this Plan Document are also hereby repealed to the extent of such inconsistency.

### Sec 1.2. Retirement System Intended to be Tax-Qualified; Governmental Plan

The Retirement System is a governmental plan under Section 414(d) of the Internal Revenue Code which is intended to be a qualified plan and trust pursuant to applicable provisions of the Internal Revenue Code. The Board shall construe and administer the provisions of the Retirement System in a manner that gives effect to the tax-qualified status of the Retirement System.

### Sec 1.3. Compliance With Plan of Adjustment

The Retirement System is intended to comply with all relevant provisions (including Exhibits) of the Plan for the Adjustment of Debts of the City of Detroit, as approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan, Case No. 13-53846* ("Plan of Adjustment"). Component I and Component II of the Combined Plan shall be interpreted and construed by the City, the Board of Trustees and the Retirement System to give full effect to the Plan of Adjustment. To the extent that a conflict arises between the Combined Plan Document and the Plan of Adjustment, the City, the Board of Trustees, the Investment Committee and the Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Plan of Adjustment.

**Sec 1.4. Board of Trustees**

Effective July 1, 1941, a Board of Trustees of the Police and Fire Retirement System of the City of Detroit was created. The Board is vested with responsibility for the general administration, management and operation of the Police and Fire Retirement System of the City of Detroit and with the trust and investment powers conferred in this Combined Plan Document.

**Sec 1.5. Board of Trustees – Membership; Appointment**

The Board of Trustees of the Police and Fire Retirement System of the City of Detroit shall consist of seventeen Trustees, as follows:

- (1) The Mayor, *ex-officio*, or the Mayor’s designee;
- (2) The President of City Council or a member thereof elected by the City Council, *ex-officio*;
- (3) The City Treasurer or Deputy City Treasurer, *ex-officio*;
- (4) The City Finance Director, or a designated representative, *ex-officio*;
- (5) The City Budget Director, or a designated representative, *ex-officio*;
- (6) The Corporation Counsel of the City, or a designated representative, *ex-officio*;
- (7) Three Fire Members of the Retirement System to be elected by the Fire Members under such rules and regulations as may be established by the Board of Fire Commissioners to govern such elections, as follows:
  - (a) Two to be elected by and from Members holding the rank of lieutenant (or its equivalent) and lower ranks; and
  - (b) One to be elected by and from Members holding ranks above the rank of lieutenant (or its equivalent);
- (8) Three Police Members of the Retirement System to be elected by the Police Members under the rules and regulations as may be established by the Commissioner of Police to govern such elections, as follows:
  - (a) Two to be elected by and from Members holding the rank of lieutenant (or its equivalent) and lower ranks; and
  - (b) One to be elected by and from Members holding a rank above lieutenant (or its equivalent); and
- (9) One individual who neither is a Member of the Retirement System nor an employee of the City in any capacity to be selected by the Board;

- (10) Two Retirees receiving benefits under the Retirement System, one of whom shall be elected by Retired Police Members and one of whom will be elected by Retired Fire Members pursuant to Sections 1.6 and 1.7 below;
- (11) One Trustee appointed by the Mayor upon election of a Retiree Police Trustee; and
- (12) One Trustee appointed by the Mayor upon election of a Retiree Fire Trustee.

**Sec 1.6. Board of Trustees; Scheduling of Elections for Active and Retiree Trustees**

- (1) Annual elections for active Police Officers and Fire Fighters shall be held in the Police and Fire Departments during the month of May to elect a trustee to fill the vacancy created by the expiration of a term.
- (2) Elections to fill vacancies created by the expiration of a term for a Retiree Trustee shall be held every three years during the month of May.
- (3) A special election for Retiree Trustees shall be held as soon as practicable after the Plan of Adjustment is confirmed. Unless a Retiree Trustee elected by reason of this special election resigns or is removed from the position of Trustee in accordance with the terms of the Combined Plan Document, a Retiree elected to the office of Trustee in the special election shall be eligible to serve a full term of three (3) years from the date of the special election, plus such period of time until the last day of June that follows the third anniversary of the special election, at which time an election for Retiree Trustees shall be held in accordance with Section 1.7.

**Sec 1.7. Procedures for election of Retiree Trustees**

The procedures for the election of the Retiree Trustees shall be as follows:

- (1) *Notice.* Notice of a primary election shall be sent to each Retiree by United States Mail.
- (2) *Notice of Candidacy.* A proposed candidate shall submit a notarized letter to the executive director notifying the Retirement System of his or her candidacy.
- (3) *Ballot.* Each candidate whose name appears on the ballot at any election held for the office of Retiree Trustee shall be identified by the title of the position the Retiree held at the time of retirement and by the word “incumbent” if the candidate is a current trustee seeking re-election. No ballot shall contain any organizational or political designation or mark. Rotation and arrangement of names on the ballot shall be in accordance with the rules and regulations of the Board.
- (4) *Voting.* Procedures regarding mailing of ballots, poll lists, custody of ballots, marking of ballots, return of ballots, handling of return envelopes received, and sealed ballot boxes shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.

- (5) *Procedures.* Procedures regarding the selection and certification of successful candidates for nomination, the selection of Trustees from nominees, tie votes, and the destruction of ballots shall be the same as those adopted and followed by the Board in the immediately preceding election of an active employee Trustee.
- (6) *Board Rules.* Any matters relative to the election of the Retiree member of the Board not covered by this Section 1.7 shall be handled in accordance with such rules and regulations as the Board may adopt and Michigan law.

**Sec 1.8. Board of Trustees; Oath; Term; Vacancies**

Within ten days after appointment or election, each Trustee shall take an oath of office to be administered by the City Clerk.

The term of office for each elected Trustee under Sections 1.5(7), (8) and (10) shall be three years. The term of office for the Trustee who is selected by the Board under Section 1.5(9) shall be two years. The term of office for the Trustees appointed by the Mayor under Sections 1.5(11) and (12) shall be three years. Except as provided in Section 1.6(3), elected Trustees holding office on June 30, 2014 shall serve the remainder of their terms.

If a Trustee resigns or is removed by the other Trustees for cause, or if an elected or appointed Trustee fails to attend three consecutive scheduled Board meetings without being excused for cause by the Trustees attending such meetings, the Trustee shall be considered to have resigned from the Board. If a vacancy occurs in the office of Trustee from any cause other than expiration of a term, the vacancy for the unexpired term shall be filled within sixty days of the date of said vacancy in the same manner as the office was previously filled. No vacancy shall result by reason of a change in the rank or grade of a Trustee during the term of office.

**Sec 1.9. Board of Trustees; Officers and Employees**

The Board of Trustees shall elect from its membership a chairman and a vice chairman. The executive director of the Retirement System or his or her representative shall serve as secretary of the Board of Trustees. The Board may employ such special actuarial, medical and other employees as shall be required, subject to the powers and authority reserved to the Investment Committee and subject to the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

**Sec 1.10. Board of Trustees; Meetings; Rules of Procedure; Votes; Quorum**

- (1) The Board shall hold regular meetings, at least one in each month, and shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure, including provisions for special meetings and notice thereof, and shall keep a record of proceedings. All meetings of the Board shall be public and are subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Board meetings shall be held within the City of Detroit.

- (2) Each Trustee shall be entitled to one vote on each question before the Board. A majority vote of the Trustees present shall be necessary for a decision by the Trustees at any meeting of the Board.
- (3) Eight members of the Board, four of whom must be elected members, shall constitute a quorum.

### **Sec 1.11. Board of Trustees; Compensation; Expenses**

All members of the Board of Trustees shall serve without additional compensation from the City or the Retirement System; however Retiree Trustees shall receive a hourly stipend from the Retirement System equal to the lowest rate of pay received by an active employee Trustee for attending Board meetings, educational time and travel out of the City on official business of the Retirement System. All Trustees shall be reimbursed from the Expense Fund for all actual, reasonable and necessary expenses incurred in the performance of their duties as Trustees.

### **Sec 1.12. Rules for Administration of Funds.**

Subject to the limitations contained in this Combined Plan document, the Board of Trustees shall, from time to time, establish rules and regulations for the administration of the funds created by this Combined Plan document and for the transaction of its business.

### **Sec 1.13. Board of Trustees; Certain Data to be Kept**

The Board of Trustees shall keep, or cause to be kept, in convenient form, such data as shall be necessary for the actuarial valuation of the various funds of the Retirement System and for checking and compiling the experience of the Retirement System. The ordinary actuarial, accounting and clerical services for the operation of the Retirement System shall be performed by the employees of the Retirement System.

### **Sec 1.14. Board of Trustees; Annual Audit Report**

The Board shall render a report to the Mayor, the City Council and the Investment Committee on or before the fifteenth day of January, showing the fiscal transactions of the Retirement System for the year ending on the preceding thirtieth day of June, the amounts of accumulated cash and securities in the various funds of the System, and the last balance sheet showing the financial condition of the Retirement System by means of an actuarial valuation of the assets and liabilities of the Retirement System.

### **Sec 1.15. Board of Trustees; Legal Advisors**

- (1) The Board shall appoint legal advisors (including a general counsel) who shall be directly responsible to and shall hold office at the pleasure of the Board of Trustees. Any legal advisor to the Board of Trustees shall be an attorney licensed to practice law in the State of Michigan and shall be experienced in matters relating to pension systems. The qualifications of legal counsel shall be approved by the Board of Trustees.

- (2) Legal advisors to the Board of Trustees shall have such duties relative to pension matters as shall be assigned by the Board of Trustees.
- (3) Costs and expenses relative to the position of legal advisors to the Board shall be payable out of the assets of the Retirement System, subject to the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*

**Sec 1.16. Board of Trustees; Medical Director**

- (1) The Board shall appoint a Medical Director who is directly responsible to and shall hold office at the pleasure of the Board. The Medical Director shall be a physician who has not at any time been regularly or permanently employed by any department, board, or commission of the City, county, or state, has not held an elective, appointive, or salaried office in any city, county, or state government at any time, and is not eligible to participate in a retirement system maintained by the City. However, service as an intern in any city, county, or state hospital or sanitarium and service in any state military body shall not disqualify a physician for appointment as Medical Director.
- (2) The Medical Director shall arrange for and pass upon all medical examinations required under the provisions of the Combined Plan, and shall report in writing to the Board of Trustees his or her conclusions and recommendations on medical matters referred to it.

**Sec 1.17. Designation of Actuary; Authority to Engage Additional Actuaries**

The Retirement System actuary as of July 1, 2014 shall continue to serve as such until resignation or removal by the Board. In the event the Board desires to retain a new actuary, the Board and the Investment Committee shall collectively participate in the evaluation and selection of a qualified actuary. The Retirement System actuary shall be responsible for assisting the Board and the Investment Committee in performing its actuarial duties and shall comply with all requests for information or modeling requested by the Investment Committee, and shall attend meetings of the Board and Investment Committee as requested, so as to allow the Investment Committee to perform satisfactorily the rights and duties set forth in the Combined Plan, the governance terms attached to the that certain Agreement by and between the Michigan Settlement Administration Authority, the Retirement System, the General Retirement system for the City of Detroit, Michigan (“GRS”), and the City (the “State Contribution Agreement”) as Exhibit B (the “Governance Term Sheet”), and the Plan of Adjustment. Furthermore, the Board shall not act on any recommendation made by the Retirement System’s actuary based on any calculation, assumption or assessment rejected by the Investment Committee.

Nothing herein shall be interpreted as limiting the Investment Committee’s authority to engage an actuarial consulting firm other than the Retirement System’s actuary to perform actuarial services deemed necessary to fulfill its fiduciary and other duties to the Retirement System as set forth in the Governance Term Sheet and the Plan of Adjustment.

**Sec 1.18. Board of Trustees; Adoption of Mortality and Other Tables of Experience and Rates of Interest; Limitations on Payments by the Retirement System**

- (1) Subject to Section 15.1, the Board shall adopt such mortality and other tables of experience, and a rate or rates of interest, as shall be necessary for the operation of the System on an actuarial basis, provided, that the authority granted by this Section shall not permit or be used to provide for an interest rate which would violate the prohibitions of Subsection (2) or (3) of this Section.
- (2) The Retirement System and the Trustees charged with management of the System shall not make any payment to active or retired Members other than payments that are required by the governing documents of the Retirement System. This prohibition applies to all payments that are not authorized by this Combined Plan, whether such payments are those commonly referred to as a “thirteenth check” or by any other name.
- (3) Anything in this Combined Plan Document or any other document to the contrary notwithstanding, the annual actuarial interest rate assumption for the period commencing July 1, 2014 and ending June 30, 2023 shall be six and three-quarters percent (6.75%).

**Sec 1.19. Board of Trustees; Annual Actuarial Valuation of Assets and Liabilities**

Subject to Section 15.1, each year, on the basis of such mortality and other tables of experience, and such rate or rates of regular interest as the Board shall adopt pursuant to Section 1.18, the Board shall cause to be made an actuarial valuation of the assets and liabilities of the Retirement System.

**Sec 1.20. Board of Trustees; Powers and Duties; Fiduciary Status; Fiduciary Duties**

The Board of Trustees shall have such powers and duties as are necessary for the proper administration of the Retirement System and the custody and investment of Retirement System assets, other than those powers and duties reserved to the Investment Committee. To the extent the Board exercises discretion with respect to investment of Retirement System assets, the Board shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*, and a Board member shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* A member of the Board of Trustees shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Board members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member’s fiduciary duties or conflicts with the provisions set forth in this Combined Plan Document.

**Sec 1.21. Investment Committee; Establishment; Purpose; Fiduciary Status; Fiduciary Duties**

As of the effective date the Plan of Adjustment, but subject to consummation of the State Contribution Agreement, an Investment Committee is hereby created for the purpose of making recommendations to, and approving certain actions by, the Board of Trustees and/or making determinations and taking action under and with respect to certain investment management matters relating to the Retirement System. The creation and operation of the Investment

Committee is controlled by the Governance Term Sheet. The Investment Committee shall remain in effect for a period of not less than twenty years following the date of confirmation of the Plan of Adjustment. The Investment Committee shall be an investment fiduciary as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* and shall have all powers granted fiduciaries under the first sentence of *MCL 38.1133(5) and (6)*. The Investment Committee shall serve in a fiduciary capacity with respect to the investment management of Retirement System assets, determination of the investment return assumptions, and Board compliance with provisions of the governing documents of the Retirement System. An Investment Committee member shall discharge his or her duties with respect to the Retirement System in compliance with the provisions of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* An Investment Committee member shall discharge his or her duties with the care, skill and caution under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an activity of like character and purpose. Investment Committee members shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance would violate the member's fiduciary duties or conflict with the provisions set forth in the Governance Term Sheet.

#### **Sec 1.22. Investment Committee; Membership; Appointment**

The Investment Committee shall consist of nine (9) members, determined as follows:

- (1) Five independent members, at least two of whom must be residents of the State of Michigan, and none of whom may be a party in interest with respect to the Retirement System, as defined in as defined in Section 38.1132d(4) of the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* Each independent Investment Committee member shall have expert knowledge or extensive experience with respect to either (a) economics, finance, or institutional investments, or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one of the independent Investment Committee members shall satisfy the requirements of (a) above and at least one of the independent Investment Committee members shall satisfy the requirements of (b) above. The initial independent Investment Committee members shall be selected by mutual agreement of the appropriate representatives of the State of Michigan, the City and the Board, in consultation with the Foundation for Detroit's Future (the "Foundation"), and shall be named in the Plan of Adjustment. If one or more of the five initial independent Investment Committee members are not selected by mutual agreement prior to confirmation of the Plan of Adjustment, then the United States Bankruptcy Court, Eastern District of Michigan shall designate such number of independent Investment Committee members as necessary to bring the number of independent Investment Committee members to five (5);
- (2) Two Retirees who shall be appointed by the Board consisting of one elected retired Police Member and one elected retired Fire Member who are serving on the Board and who are receiving benefit payments under the Retirement System; and

- (3) Two Employee members who shall be appointed by the Board consisting of one Fire Department Employee and one Police Department Employee who are active members of the Board.

**Sec 1.23. Investment Committee; Term; Resignation and Removal; Vacancies**

The term of office for the independent members of the Investment Committee shall be six years; provided, however, that the initial term for the independent Investment Committee members shall be determined as follows:

| <u>Independent Member</u> | <u>Term of Office</u> |
|---------------------------|-----------------------|
| (1)                       | 2 years               |
| (2)                       | 3 years               |
| (3)                       | 4 years               |
| (4)                       | 5 years               |
| (5)                       | 6 years               |

The term of office for a Retiree or Employee Investment Committee member shall be the number of years remaining on such individual’s term of office as a member of the Board of Trustees. Each Investment Committee member shall serve until his or her successor is appointed at the expiration of his or her term of office, or until his or her death, incapacity, resignation or removal, if earlier. Notwithstanding any provision of this Combined Plan document, an initial independent Investment Committee member shall not be prohibited from becoming a successor independent Investment Committee member after expiration of his or her initial term.

An Investment Committee member may resign at any time by giving ninety days’ prior written notice to the Investment Committee, the City and the Board, which notice or time period may be waived by the Investment Committee. An Investment Committee member may be removed from office by majority vote of the remaining Investment Committee members for any of the following reasons: (a) the member is legally incapacitated from executing his or her duties as a member of the Investment Committee and neglects to perform those duties; (b) the member has committed a material breach of the provisions of the Retirement System or the policies or procedures of the Retirement System and the removal of the member is in the interests of the Retirement System or its Members and Beneficiaries; (c) the member is convicted of a violation of law and the removal is accomplished by a vote of the members of the Investment Committee in accordance with the voting procedure set forth in Section 1.24; or (d) if the member holds a license to practice and such license is revoked for misconduct by any State or federal government. A member who fails to attend four (4) consecutive scheduled meetings of the Investment Committee shall be deemed to have resigned, unless in each case his or her absence is excused for cause by the remaining members attending such meetings. In the event of any removal or resignation, the Investment Committee shall by resolution declare the office of the member vacated as of the date such resolution is adopted.

Any vacancy occurring on the Investment Committee shall be filled within sixty (60) days following the date of the vacancy for the unexpired portion of the term, in the same manner in which the office was previously filled.

Successor independent Investment Committee members shall be recommended by a majority of the remaining independent Investment Committee members and shall be confirmed by the Board and the Treasurer of the State of Michigan (“Treasurer”), in consultation with the Foundation, in accordance with such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with the Governance Term Sheet or the Plan of Adjustment). In the event the Board and the Treasurer cannot agree on a successor independent Investment Committee member within thirty (30) days of the receipt of the recommendation of the Investment Committee, the remaining independent Investment Committee members shall appoint the successor independent Investment Committee member.

In the event the United States Bankruptcy Court, Eastern District of Michigan appoints one or more of the initial independent Investment Committee members, a successor to any such independent Investment Committee member shall be appointed in the same manner as provided in the preceding paragraph following three (3) weeks’ notice to the Board of the individuals appointed, in accordance with such rules and regulations as may be adopted by the Investment Committee (provided that such rules are not inconsistent with either the Governance Term Sheet or the Plan of Adjustment).

Successor Investment Committee members shall have the powers and duties conferred on Investment Committee members herein.

**Sec 1.24. Investment Committee; Operation; Meetings; Quorum; Voting**

The Investment Committee members shall select from among the independent members a chair and a vice chair. The Investment Committee members shall select from among themselves a secretary. The Investment Committee shall hold regular meetings, not less frequently than once every other month, and shall hold special meetings as necessary. The Investment Committee shall designate the time and place thereof in advance. The secretary or his or her designee shall be responsible for providing meeting notices to the other Investment Committee members. The Investment Committee shall adopt its own rules of procedure and shall keep a record of proceedings. Notice and conduct of all Investment Committee meetings, both regular and special, shall be subject to the *Michigan Open Meetings Act, MCL 15.261 et seq.* All Investment Committee meetings shall be held within the City of Detroit.

Five Investment Committee members shall constitute a quorum at any meeting, as long as at least three of the independent Investment Committee members are in attendance. Each independent Investment Committee member shall be entitled to one vote on each question before the Investment Committee. Each Retiree and Employee member shall be entitled to one-half vote on each question before the Investment Committee. Except as otherwise provided in the Governance Term Sheet, at least four concurring votes shall be necessary for a decision by the Investment Committee and each Investment Committee member shall be entitled to one vote on each question before the Investment Committee.

An Investment Committee member may have his or her voting privileges temporarily suspended by a 70% or higher vote of the other members if the member is indicted or sued by a state or federal government for an alleged violation of the law that relates to his or her service on the Investment Committee, or for other alleged financial crimes, including fraud.

### **Sec 1.25. Investment Committee; Compensation; Expenses; Employment of Advisors**

Investment Committee members shall not receive any compensation from the Retirement System for their services; Investment Committee members shall, however, be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the Investment Committee, including but not limited to the purchase of insurance, shall be payable out of the assets of the Retirement System. The Investment Committee may retain actuarial, legal counsel, audit or other professional or support personnel to provide advice to the Investment Committee as it deems reasonably necessary to perform its functions, and such parties or persons may be reasonably compensated from the assets of the Retirement System. Such engagements shall not be subject to approval of the Board.

### **Sec 1.26. Investment Committee; Special Reporting Obligation**

- (1) Beginning in calendar year 2015, pursuant to Section 6 of the State Contribution Agreement, the Investment Committee shall provide compliance reports to the Treasurer on a semi-annual basis and at such other times as the Treasurer reasonably may request (each, a “Compliance Report”) that certifies that the Investment Committee is not aware of any defaults under the State Contribution Agreement, or, if the Investment Committee is aware of a default under the State Contribution Agreement, specifically identifying the facts of such default.
- (2) In the event the Retirement System receives a written notice from the Treasurer declaring and specifically identifying the facts of an alleged default under the State Contribution Agreement (“Default Notice”), and such default is cured as provided in the State Contribution Agreement, the Investment Committee must provide to the Treasurer a written certification that (i) the default has been cured, and (ii) no material damages have been caused by the default that have not otherwise been remedied (the “Cure Certification”).
- (3) Beginning in calendar year 2015, the Investment Committee shall provide to the City not later than December 31 of each year evidence reasonably necessary to show that the internal controls governing the investment of Retirement System assets are in compliance with the applicable provisions of the Plan of Adjustment.
- (4) Beginning in calendar year 2015 and for each calendar year thereafter, as of a date which is not later than December 31 of each such calendar year the Investment Committee shall provide to the Foundation the following information:
  - (a) a copy of the audited annual financial statement and the corresponding management letter for the Retirement System for the Fiscal Year ending June 30 of such calendar year, containing a non-qualified opinion of an independent external auditor to the Retirement System;
  - (b) a certification from the Chair of the Investment Committee on behalf of the Investment Committee (“Pension Certificate”) in a form reasonably acceptable to

the Foundation that, as of the date of the annual report (“Annual Report”) required to be provided by the City to the Foundation:

- (i) the City is current in its obligation to contribute to Component II of the Combined Plan determined in accordance with the Plan of Adjustment;
  - (ii) the Investment Committee has been operated in accordance with the terms set forth in this Component I of the Combined Plan document; and
  - (iii) the City continues to maintain the pension governance terms reflected in this Component I of the Combined Plan as of the effective date of the Plan of Adjustment, without modification or amendment during the twenty (20) year period following the effective date of the Plan of Adjustment, except as required to comply with applicable federal law, including without limitation to maintain the tax qualified status of the Retirement System under the Internal Revenue Code, or to comply with the Plan of Adjustment;
- (c) a copy of (i) the Compliance Report covering the calendar year for which the Annual Report is made; (ii) any additional Compliance Reports provided during the calendar year for which the Annual Report is made as requested by the Treasurer; (iii) either the certificate of compliance or the Default Notice, within the meaning of Section 6 of the State Contribution Agreement, as applicable, that was provided to the Investment Committee by the Treasurer; and (iv) in the event that the Treasurer issued a Default Notice, the Cure Certification, within the meaning of Section 6 of the State Contribution Agreement, provided by the Investment Committee. Notwithstanding anything in this paragraph (c) to the contrary, if the parties to the State Contribution Agreement agree to revise the requirements of Section 6 of the State Contribution Agreement or the information required in the Compliance Report, in order to meet the obligations of this paragraph (c), the Investment Committee shall be required only to provide documentation to the Foundation that meets such revised requirements; and
- (d) any additional information that may be reasonably requested by the Foundation from time to time.
- (e) Beginning in calendar year 2016, before May 15<sup>th</sup> of each calendar year, the Investment Committee shall provide to the Chief Financial Officer of the City confirmation that, as of the date of the City’s report to the Foundation, there has been no impairment or modification of the information contained in the most recent Pension Certificate since the date of such Pension Certificate.

## ARTICLE 2. DEFINITIONS

### Sec 2.1. Definitions

Unless a different definition is contained within this Combined Plan Document, or a different meaning is plainly required by context, for purposes of this Combined Plan Document the following words and phrases have the meanings respectively ascribed to them by this section:

- (1) *Accumulated Mandatory Employee Contributions* means the sum of all amounts deducted from the Compensation of a Member and credited to the Accumulated Mandatory Employee Contribution Fund for periods on and after July 1, 2014.
- (2) *Accumulated Voluntary Employee Contributions* means the total balance in a Member's individual account under Component I of the Retirement System.
- (3) *Actuarial Equivalent or Actuarially Equivalent* means a Retirement Allowance or benefit amount having the same Actuarial Equivalent Value as another applicable benefit. The rates of interest adopted by the Board from time to time shall not violate the terms of the Plan of Adjustment.
- (4) *Actuarial Equivalent Value* means the value of an applicable Retirement Allowance or benefit amount, where values are calculated under generally accepted actuarial methods and using the applicable tables, interest rates and other factors established by the Board upon recommendation of the Investment Committee.
- (5) *Administrative Rules and Regulations* means rules and regulations promulgated by the Board of Trustees for the administration of the Retirement System and for the transaction of its business.
- (6) *Age, Attainment of* means the age an individual reaches on the day of his or her birthday.
- (7) *Average Final Compensation* means the average Compensation received by a Member during the five consecutive years of Credited Service which immediately precede the date of the Member's last termination of City employment as an employee of the Police Department or the Fire Department. If a Member has less than five years of Credited Service, the Average Final Compensation shall be the average of the annual Compensation received by the Member during the Member's total years of Credited Service.
- (8) *Beneficiary* means any person or persons (designated by a Member pursuant to procedures established by the Board) who are entitled to receive a Retirement Allowance or Pension payable from funds of the Retirement System due to the participation of a Member.
- (9) *Board of Trustees or Board or Retirement Board* means the Board of Trustees of the Police and Fire Retirement System of the City of Detroit.
- (10) *City* means the City of Detroit, Michigan, a municipal corporation.

- (11) *City Council or Council* means the legislative body of the City.
- (12) *Combined Plan* means the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan, effective July 1, 2014, and as amended thereafter.
- (13) *Compensation* means a Member's base salary or wages actually paid to the Member for personal services rendered to the Employer, excluding bonuses, overtime pay, payment of unused accrued sick leave, longevity pay, payment for unused accrued vacation, the cost or value of fringe benefits provided to the Member, termination or severance pay, reimbursement of expenses, or other extra payment of any kind. Compensation will include any amount which is contributed by the City to a plan or program pursuant to a salary reduction agreement and which is not includable in the income of the Member under Sections 125, 402(e)(3), 402(h) or 403(b) of the Internal Revenue Code or which is contributed by the City on behalf of a Member as provided in Section 9.3(3) and 9.5 pursuant to a qualified "pick-up program".

For periods of time prior to July 1, 2014, the City shall provide to the Retirement System actual base salary or wages paid to Members using the best and most reliable sources of information available to the City. In the event the City is unable to provide actual base wages to the Retirement System, the City shall make reasonable estimates of each Member's base salary or wages for purposes of determining a Member's Compensation for periods prior to July 1, 2014.

Notwithstanding the foregoing, for purposes of determining a Member's Voluntary Employee Contributions, Compensation shall mean the gross salary or wages paid to the Member for personal services rendered to the City.

The annual Compensation of each Member taken into account for the purposes of determining all benefits provided under the Retirement System for any determination period shall not exceed the limitation set forth in Code Section 401(a)(17) (\$260,000 for the Plan Year commencing July 1, 2014). Such limitation shall be adjusted for the cost-of-living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning in such calendar year. If Compensation for any prior determination period is taken into account in determining a Member's benefits for the current determination period, the Compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that determination period. If a determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12.

- (14) *Component I* means the portion of the Retirement System described in this Combined Plan and which consists of:
  - (a) the 2014 Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and

- (b) the 2014 Defined Contribution Plan which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.
- (15) *Component II* means the portion of the Retirement System described in this Combined Plan and which consists of:
- (a) the Defined Benefit Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code; and
  - (b) the Defined Contribution Plan, which is a qualified plan and trust pursuant to applicable sections of the Internal Revenue Code.
- (16) *Credited Service* means service credited to a Member to the extent provided in Article 4 of Component I of this Combined Plan Document.
- (17) *Disability or Disabled*: see Total Disability or Totally Disabled.
- (18) *DFFA* means the Detroit Fire Fighters Association.
- (19) *DPCOA* means the Detroit Police Command Officers Association.
- (20) *DPLSA* means the Detroit Police Lieutenants and Sergeants Association.
- (21) *DPOA* means the Detroit Police Officers Association.
- (22) *DROP Account* means the account established by the Board for a Member who is eligible for and who elects to participate in the DROP Program.
- (23) *DROP Program* means a program established for eligible Members pursuant to Article 12.
- (24) *Employee* means an employee of the City's Police Department who has taken an oath of office or a Fire Fighter providing services to the City, but does not include:
- (a) individuals whose City services are compensated on a contractual or fee basis;
  - (b) any person during any period when such person is classified by the City as a non-common-law employee or an independent contractor for federal income tax and withholding purposes whose compensation for services is reported on a form other than Form W-2 or any successor form for reporting wages paid to and taxes withheld from employees, even if a court or administrative agency determines that such person is a common-law employee of the City;
  - (c) the Medical Director of the Retirement System.

If a person described in (b) above is reclassified by the City as a common-law employee of the City and otherwise meets the definition of an Employee, the person will be eligible to participate in the Retirement System prospectively as of the actual date of such

reclassification only (and only to the extent such individual otherwise qualifies as an Employee).

- (25) *Employer* means the City.
- (26) *Final Compensation* means the annual compensation of a Member at the time of his or her termination of employment.
- (27) *Fire Fighter* means the rank in the Fire Department currently or formerly classified by the civil service commission as Fire Fighter.
- (28) *Fire Member* means an employee of the Fire Department of the City of Detroit who is a participant in the Retirement System.
- (29) *Fiscal Year* means the twelve month period commencing each July 1 and ending on the following June 30.
- (30) *Hour of Service* means (i) each hour for which a Member is paid or entitled to payment by the City for the performance of duties, and (ii) each hour for which a Member is directly paid or entitled to payment by the City for reasons other than the performance of duties (such as vacation, holiday, illness or approved leave of absence).
- (31) *Internal Revenue Code or Code* means the United States Internal Revenue Code of 1986, as amended.
- (32) *Investment Committee* means the committee established pursuant to Section 1.22 which shall have the powers and duties described herein.
- (33) *Mandatory Employee Contributions* mean the contributions made by a Member to the Retirement System pursuant to Section 9.3(3).
- (34) *Medical Beneficiary* means a Member who has retired from employment with the Employers and the spouses and dependents of such Member who are receiving post-retirement benefits in accordance with the terms of a retiree medical plan sponsored or maintained by an Employer.
- (35) *Medical Benefits* mean the provision of payments for certain sickness, accident, hospitalization and medical benefits within the meaning of Treasury Regulation section 1.401-14(a), including dental, vision and mental health benefits, as designated by the City.
- (36) *Medical Benefits Account* means the bookkeeping account established under Section 17.1 to provide for the payment of Medical Benefits on behalf of Medical Beneficiaries.
- (37) *Medical Director* means the physician appointed by the Board pursuant to Section 1.16.
- (38) *Member* means any Police Member or Fire Member who has not retired or died.

- (39) *Normal Retirement Age* means for any Member Age fifty with twenty-five years of Credited Service, with the following transition period regarding payment of Component I benefits only:

| <u>Fiscal Year</u>  | <u>Age and Service</u> |
|---------------------|------------------------|
| 2015                | Age 43 and 20 years    |
| 2016                | Age 43 and 20 years    |
| 2017                | Age 44 and 21 years    |
| 2018                | Age 45 and 22 years    |
| 2019                | Age 46 and 23 years    |
| 2020                | Age 47 and 24 years    |
| 2021 and thereafter | Age 50 and 25 years    |

Pursuant to Code Section 411(e), as in effect in 1974, a Member shall be 100% vested in his accrued benefit under the Retirement System upon Attainment of Normal Retirement Age while in Service.

- (40) *Notice to Members, Beneficiaries, and Retirees* means a mailing using First Class United States Mail to the Members, Beneficiaries, and Retirees at their last known addresses.
- (41) *Patrolman* means the rank in the Police Department currently or formerly known as patrolman.
- (42) *Pension Reserve* means the present value of all payments to be made on account of any Retirement Allowance. Such Pension Reserve shall be computed upon the basis of such mortality and other tables of experience, and interest, as provided herein until June 30, 2023 and, thereafter, as shall be adopted by the Board upon the recommendation of the Investment Committee.
- (43) *Plan Actuary or Actuary* means the enrolled actuary or actuarial firm appointed as provided in Section 1.17 to serve as technical advisor to the Investment Committee and the Board on matters regarding the funding and operation of the Retirement System and to perform such other duties as the Investment Committee or the Board may direct.
- (44) *Plan Document or Combined Plan Document* means this instrument, effective as of July 1, 2014, with all amendments hereafter adopted.
- (45) *Plan of Adjustment* means the Plan for the Adjustment of Debts of the City of Detroit, which has been approved by the United States Bankruptcy Court in *In re City of Detroit, Michigan*, Case No. 13-53846.
- (46) *Plan Year* means the twelve month period commencing on July 1 and ending on June 30.
- (47) *Police and Fire Retirement System of the City of Detroit or Retirement System* means the Police and Fire Retirement System of the City of Detroit created and, prior to July 1, 2014, memorialized in Title IX, Chapter VI, of the 1918 Detroit City Charter, as amended, continued in effect through the 1974, 1997 and 2012 Detroit City Charters, Article 47 of the Detroit City Code, Article 54 of the Detroit City Code of 1964, and

collective bargaining agreements and, on and after July 1, 2014, pursuant to Section 47-1-2 of the Detroit City Code, memorialized in this Combined Plan Document, as amended from time to time.

The Retirement System consists of:

- (a) The 2014 Defined Benefit Plan, which is described in Component I hereof;
- (b) the Defined Contribution Plan, consisting of the Voluntary Employee Contribution Account, which are described in Component I hereof;
- (c) the Frozen Defined Benefit Plan, which is described in Component II hereof; and
- (d) the Frozen Defined Contribution Plan, which is described in Component II hereof.

References to the words Retirement System in Component I of the Plan Document shall mean the provisions of the Defined Benefit Plan and Defined Contribution Plan described in Component I, unless a different meaning is plainly required by context.

- (48) *Police Member* means a Police Officer who has taken the oath of office as prescribed in the Detroit City Charter, excluding patrolmen of other City departments, privately employed patrolmen and special patrolmen, who is a participant in the Retirement System.
- (49) *Police Officer* means the rank in the Police Department currently or formerly known as Police Officer.
- (50) *Prior Service* means the service credit awarded to a Member before July 1, 2014 under the terms of the Retirement System as in effect on June 30, 2014, as certified by the Board of Trustees.
- (51) *Retiree* means a former Member who is receiving a Retirement Allowance from the Retirement System.
- (52) *Retirement* means a Member's withdrawal from the employ of the City with a Retirement Allowance paid by the Retirement System.
- (53) *Retirement Allowance* means an annual amount payable in monthly installments by the Retirement System, whether payable for a temporary period or throughout the future life of a Retiree or Beneficiary.
- (54) *Service* means personal services rendered to the City by an employee of the Police Department or Fire Department, provided such person is compensated by the City for such personal services.
- (55) *Spouse* means the person to whom a Member is legally married under applicable law at the time a determination is made.

- (56) *Straight Life Retirement Allowance* means payment of a Member's Retirement Allowance over the Member's lifetime.
- (57) *Total Disability or Totally Disabled* means:
- (a) during the first twenty-four (24) months that a Member receives benefits from the Retirement System due to injury, illness or disease, that the Member is unable to perform, for wage or profit, the material and substantial duties of the Member's occupation; and
  - (b) during all subsequent months that a Member receives benefits from the Retirement System due to illness, injury or disease, that the Member is unable to perform, for wage or profit, the material and substantial duties of any occupation for which the Member is suited, based on education, training and experience.
- (58) *Vesting Service* means service credited to a Member to the extent provided in Section 4 of Component I of this Combined Plan Document.
- (59) *Voluntary Employee Contributions* mean the after-tax contributions made by an eligible Member to the Retirement System pursuant to Section 10.1.
- (60) *Voluntary Employee Contributions Account* means the account established pursuant to Section 10.3 for an eligible Member who elects to make Voluntary Employee Contributions.

The following terms shall have the meanings given to them in the Sections of this Combined Plan Document set forth opposite such term:

|  |                    |
|--|--------------------|
| Accumulated Mandatory Employee Contribution Fund | Section 9.2(1)     |
| Accumulated Voluntary Employee Contribution Fund | Section 9.2(2)     |
| Annual Addition                                  | Section 13.2(2)    |
| Annual Report                                    | Section 1.26(4)(b) |
| Authority  | Section 1.26(1)    |
| compensation                                     | Section 13.1(12)   |
| Compliance Report                                | Section 1.26(1)    |
| Cure Certification                               | Section 1.26(2)    |
| current active                                   | Section 9.3(3)     |
| Default Notice                                   | Section 1.26(2)    |
| Deferred Retirement Option Plan Fund             | Section 9.2(3)     |
| Deferred Retirement Option Plan Program (DROP)   | Section 12.1       |
| Differential Wage Payment                        | Section 4.4        |
| Direct rollover                                  | Section 18.8(1)(b) |
| Distributee                                      | Section 18.8(1)(c) |
| Dollar Limit                                     | Section 13.1(3)(b) |
| DRRB   | Section 5.6        |
| Eligible retirement plan                         | Section 18.8(1)(d) |
| Eligible rollover distribution                   | Section 18.8(1)(e) |
| Expense Fund                                     | Section 9.2(7)     |

|  |                    |
|--|--------------------|
| Foundation   | Section 1.22       |
| funding level  | Section 9.5(3)     |
| Governance Term Sheet  | Section 1.17       |
| Income Fund  | Section 9.2(8)     |
| ING  | Section 12.3(1)    |
| investment management decision or investment management matter | Section 16.2       |
| limitation year  | Section 13.1(2)    |
| Medical Benefits Account Fund                                  | Section 9.2(4)     |
| Medical Plans  | Section 17.1       |
| new employee   | Section 9.3(3)     |
| Option "A". Joint and Seventy-Five Percent Survivor Allowance  | Section 8.1(1)(c)  |
| Option "B". Joint and Twenty-Five Percent Survivor Allowance   | Section 8.1(1)(e)  |
| Option One. Cash Refund Annuity                                | Section 8.1(1)(a)  |
| Option Three. Joint and Fifty Percent Survivor Allowance       | Section 8.1(1)(d)  |
| Option Two. Joint and One Hundred Percent Survivor Allowance   | Section 8.1(1)(b)  |
| Pension Accumulation Fund                                      | Section 9.2(5)     |
| Pension Certificate  | Section 1.26(4)(b) |
| Pension Improvement Factor (Escalator)                         | Section 6.2        |
| Plan of Adjustment   | Section 1.3        |
| Police and Fire Retirement System of the City of Detroit       | Section 1.1        |
| Pop-up Form  | Section 8.1(2)(b)  |
| Rate Stabilization Fund  | Section 9.2(6)     |
| Standard Form  | Section 8.1(2)(a)  |
| State Contribution Agreement                                   | Section 1.17       |
| Straight Life Retirement Allowance                             | Section 8.1(1)     |
| Treasurer  | Section 1.23       |

## ARTICLE 3. MEMBERSHIP

### Sec 3.1. Eligible Employees

- (1) Except as provided in Section 3.2, the membership of the Retirement System shall consist of all persons who are employed with the Police and Fire Departments of the City and who are employed as Police Officers or Fire Fighters according to the rules and regulations of the respective Departments. An eligible Employee's membership in the Retirement System shall be automatic; no eligible Employee shall have the option to elect to become a Member of the Retirement System.
- (2) Any appointive official of the Police Department or Fire Department appointed from the membership thereof shall be permitted to remain a Member, paying contributions and entitled to benefits as though he had remained in the rank, grade or position held at the date of his appointment.
- (3) Any Police Officer or Fire Fighter who, prior to being confirmed, shall be killed or Totally Disabled as the result of the performance of active duty, shall be deemed to have been a Member as of his or her date of death.
- (4) Any Member who shall be transferred to a civilian position in his Department shall continue as a Member, subject to all the obligations of a Member.

### Sec 3.2. Cessation of Membership; Re-Employment

- (1) If a Member dies, or is separated from service with the City by resignation, dismissal, retirement or disability, he shall cease to be a Member. A Member who elects to participate in the DROP Program under Component I, Component II or both shall be considered to have separated from service with the City by reason of retirement and shall neither accrue a benefit under the Retirement System nor be required to make Mandatory Employee Contributions to the Retirement System pursuant to Section 9.3(3) or 9.5 or permitted to make Voluntary Employee Contributions pursuant to Section 10.1.
- (2) If a Member ceases to be a Member under paragraph (1) other than by reason of participation in the DROP Program and later becomes a Police Officer or Fire Fighter other than in the position of Police Assistant, he shall again become a Member, subject to the obligations of a Member.
- (3) If a Member ceases to be a Member under paragraph (1) and later becomes employed as a Police Assistant, such Member shall not become a Member upon reemployment. If such Member was receiving a Retirement Allowance from the Retirement System prior to his or her date of rehire, such Retirement Allowance shall not be suspended during the period of the Member's reemployment as a Police Assistant.
- (4) Retirement benefits for a Retiree who returns to active full time employment other than as a Police Assistant shall be subject to the following:

- (a) A Retiree who returns to work will have his Retirement Allowance suspended upon re-employment. The variable Pension Improvement Factor (Escalator) shall not be added to the amount of the original Retirement Allowance during the Retiree's re-employment period.
- (b) A Retiree who returns to work will be entitled to receive a second Retirement Allowance in accordance with the provisions of the Retirement System in effect during his re-employment period.
- (c) A Retiree's Average Final Compensation and Credited Service for purposes of determining the Retiree's second Retirement Allowance will be based upon the Compensation and Credited Service earned by the Retiree after he returns to work.
- (d) An individual who retires for a second time will not be allowed to change the payment option selected by the Member with respect to the original Retirement Allowance. However, the individual may select a separate payment option with respect to his second Retirement Allowance.

**Sec 3.3. Report From City**

It shall be the duty of the City to submit to the Board of Trustees a statement showing the name, title, compensation, duties, date of birth, date of hire, and length of service of each Member, and such other information as the Board of Trustees may require or reasonably request for proper administration of the Retirement System.

## ARTICLE 4. SERVICE CREDIT

### Sec 4.1. Credited Service

- (1) The Board shall keep an accurate record of each Member's accumulated Service credit from the date of commencement of employment with the City to the date of termination of employment with the City.
- (2) A Member shall be credited with one month of Credited Service for each calendar month during which he performs one hundred forty (140) or more Hours of Service for the City as a Police Officer or Fire Fighter beginning on the later of (i) July 1, 2014 or (ii) his date of hire with the City as a Police Officer or Fire Fighter and ending on the date his employment with the City as a Police Officer or Fire Fighter is terminated. Service shall be credited in years and twelfths (1/12<sup>th</sup>) of a year. Not more than one-twelfth (1/12<sup>th</sup>) of a year of Credited Service shall be credited to a Member on account of all Service rendered to the City in a calendar month. Not more than one year of Credited Service shall be credited to a Member on account of all Service rendered to the City in any period of 12 consecutive months.
- (3) Not more than one month of Credited Service shall be granted for any period of more than one month during which the Member is absent without pay; notwithstanding the foregoing, any Member who shall be suspended from duty and subsequently reinstated to duty without further disciplinary action shall receive credit for the time of such period of suspension.
- (4) Solely for purposes of determining eligibility for a retirement benefit under Sections 5.1 and 5.4, a Member shall be credited with the sum of his Prior Service as determined by the Board and his Credited Service on and after July 1, 2014 determined under Section 4.1(2). The period of time during which a Member is on layoff from the service of the City shall be included in the Member's Credited Service solely for the purposes of determining whether the Member has attained his Normal Retirement Age for purposes of Section 5.1.

### Sec 4.2. Vesting Service

- (1) A Member shall be credited with a year of Vesting Service for each Plan Year commencing on or after July 1, 2014 during which the Member performs 1,000 or more Hours of Service for the City.
- (2) A Member's total Vesting Service shall be the sum of his Prior Service and his Service determined under Section 4.2(1).

### Sec 4.3. Service Credit; Military Service

A Member who enters the military service of the United States while employed with the City shall have the period of such military service credited as City Service in the same manner as if the Member had served the City without interruption, provided that (1) the Member's entry into such military service and re-employment thereafter shall be in accordance with applicable

laws, ordinances, and regulations of the State of Michigan and the City, (2) he or she is re-employed by the City upon completion of such military service, and (3) the Member contributes to the Retirement System the Mandatory Employee Contributions that would have been made by the Member but for the Member's military service. The Member shall be permitted to make such contributions in accordance with Code Section 414(u) and regulations thereunder. During the period of military service and until return to City employment, the Member's Mandatory Employee Contributions to the Retirement System shall be suspended.

**Sec 4.4. Service Credit; Qualified Military Service**

Notwithstanding any provision of this Combined Plan Document to the contrary, contributions, benefits, and service credit with respect to qualified military service under Component I, shall be provided in accordance with Code Section 414(u). Notwithstanding anything to the contrary herein, if a Member dies while performing qualified military service (as defined in Code Section 414(u)), to the extent required by Code Section 401(a)(37), the survivors of the Member are entitled to any additional benefits (if any, and other than benefit accruals relating to the period of qualified military service) provided under the Retirement System as if the Member had resumed and then terminated employment on account of death.

Notwithstanding anything to the contrary herein, if the City decides to provide Differential Wage Payments to individuals who are performing service in the uniformed services (as defined in Chapter 43 of Title 238, United States Code) while on active duty for a period of more than thirty days, such Differential Wage Payment will be treated as compensation under the Code Section 415(c)(3) limits, but not for purposes of benefit accruals under the Retirement System. For these purposes the term "Differential Wage Payment" means a payment defined in Code Section 3401(h)(2) that is made by the City to an individual who is performing service in the uniformed services while on active duty for a period of more than thirty days.

## **ARTICLE 5. ELIGIBILITY FOR RETIREMENT**

### **Sec 5.1. Eligibility for Unreduced Normal Retirement Benefit**

Any Member who attains his Normal Retirement Age while employed by the City may retire upon written application filed with the Board setting forth the date on which the Member desires to be retired. The date of retirement shall be effective as of the first day following the later of (i) the Member's last day on the City payroll, or (ii) the date the Member executes and files an application for retirement, notwithstanding that the Member may have separated from Service during the notification period. Such a Member shall be entitled to receive an unreduced Retirement Allowance calculated as provided in Section 6.1 and payable in a form of payment selected by the Member pursuant to Section 8.1.

### **Sec 5.2. Eligibility for Deferred Vested Retirement Benefit**

Any Member who terminates employment with the City prior to satisfying the requirements for receipt of a retirement benefit under Section 5.1 and who is credited with ten (10) or more years of Vesting Service upon his or her termination of employment (regardless of Age) shall be entitled to receive an unreduced Retirement Allowance commencing at any time following his Attainment of Age sixty-two. At a Member's election, the Member may begin receiving a Retirement Allowance following his Attainment of Age fifty-five, actuarially reduced for early commencement, in lieu of an unreduced Retirement Allowance beginning at age sixty-two. Deferred vested retirement benefits shall be payable in accordance with a form of payment selected by the Member pursuant to Section 8.1.

### **Sec 5.3. Eligibility for Disability Retirement Benefit – Duty Disability**

- (1) If, prior to attainment of his Normal Retirement Date, a Member shall become Totally Disabled for duty by reason of injury, illness or disease resulting from performance of duty and if, pursuant to Section 5.6, the Board shall find such injury, illness or disease to have resulted from the performance of duty, on written application to the Board by or on behalf of such Member or by the head of his Department such Member shall be retired; notwithstanding that during such period of notification he or she may have separated from service and provided further that the Medical Director, after examination of such Member shall certify to the Board the Member's Total Disability. A Member who retires as a result of duty disability shall receive for a period of twenty-four months the sum of:
  - (a) a basic benefit equal to fifty percent (50%) of his Final Compensation at the time his duty disability retirement begins, and
  - (b) a supplemental benefit equal to sixteen and two-thirds percent (16-2/3%) of his Final Compensation at the time his duty disability retirement begins.

Subject to Section 9.5, on the first day of each Plan Year, a Member's duty disability benefit will be increased as provided in Section 6.2.

- (2) After a Member receives benefits hereunder for a period of twenty-four months, the Board will determine whether the Member is disabled from any occupation. If the

Member is disabled from any occupation, the Member shall continue to receive the benefit provided in paragraphs (1)(a) and (1)(b) until such time as the Member would have attained twenty-five years of Credited Service had he continued in active Service with the City. At that time, the Member shall continue to receive the benefit described in paragraph 1(a) above; however, benefits described in paragraph (1)(b) above will cease. If the Member is not disabled from any occupation, he shall continue to receive the benefit described in paragraph (1)(a) above; benefits described in paragraph 1(b) will cease.

- (3) In the event a Member receiving duty disability benefits has attained twenty-five years of Credited Service, duty disability benefits shall continue to be paid to the Member until the earlier of (i) the Member's Attainment of Age sixty-five, or (ii) the date the Member ceases to be Totally Disabled as determined by the Board. Upon termination of disability or Attainment of Age sixty-five, a Member with twenty-five years of Credited Service shall be eligible to receive a Retirement Allowance as provided in Section 6.1. The amount of such Retirement Allowance shall be equal to the amount which would have been payable to the Member if the Member's conversion from duty disability retirement to a Retirement Allowance had occurred on the date the Member attained twenty-five years of Credited Service.
- (4) If a Member on duty disability retirement returns to active Service with the City and shall re-qualify for duty disability retirement for the same or related reasons within twenty-four months of his return to active Service, then the disability shall be deemed a continuation of the prior Total Disability and the period of the Member's active Service following the return to work will not qualify the Member to be entitled to a new initial determination of disability for purposes of determining the benefit payable to the Member. Instead, such Member will return to duty disability retirement benefits based on the number of months of disability with which the Member was credited at the time of his return to active Service, as if there had not been a break in his period of duty disability retirement.
- (5) During the period a Member is eligible to receive duty disability benefits under this Section 5.3, the Member shall continue to be credited with Credited Service until the Member accrues twenty-five years of Credited Service, at which time accrual of Credited Service shall cease.
- (6) In the event that a recipient of a duty disability retirement benefit receives earned income from gainful employment during a calendar year, the amount of the Member's disability benefit payable during the next subsequent Plan Year will be adjusted so it does not exceed the difference between (i) the Member's base salary at the date of duty disability, increased by the variable Pension Improvement Factor (Escalator) (if any) applicable to such benefit pursuant to Section 6.2 multiplied by the number of full Plan Years from the date of the Member's duty disability to the year in which the earnings offset is applied, and (ii) the amount of the Member's remuneration from gainful employment during the prior calendar year. The amount of income received by a Member shall be determined by the Board based upon information received from the Member or based upon information secured from other reliable sources. Furnishing such information to the Board at such

times as the Board shall require shall be a condition for the Member's continued eligibility for duty disability benefits.

#### **Sec 5.4. Eligibility for Disability Retirement Benefit – Non-Duty Disability**

- (1) Upon the application of a Member or the Member's Department head, a Member who becomes totally and permanently disabled prior to his or her Normal Retirement Date in the employ of the City not resulting from the performance of duty shall be retired by the Board; provided that the Medical Director shall certify to the Board after a medical examination, that such Member is mentally or physically totally and permanently disabled for the further performance of duty to the City. Such a Member shall receive the following applicable benefits:
  - (a) If such Member has less than five years of Credited Service at the time of his disability retirement, his Accumulated Mandatory Employee Contributions standing to his credit in the Accumulated Mandatory Employee Contributions Fund shall be returned to him, or at his option he shall receive a cash refund annuity which shall be the actuarial equivalent of his Accumulated Mandatory Employee Contributions.
  - (b) If such Member has five or more years of Credited Service at the time of his disability retirement, he shall receive a disability Retirement Allowance computed in accordance with the provisions of Section 6.1 payable in any of the optional forms provided in Section 8.1 hereof. His annual Straight Life Retirement Allowance shall not be less than twenty per cent (20%) of his Average Final Compensation.
- (2) If a Member receiving non-duty disability retirement benefits is or becomes engaged in a gainful occupation, business, or employment paying more than the difference between the disabled Member's Retirement Allowance and Average Final Compensation, the Member's Retirement Allowance shall be reduced by the amount of such difference. If the amount of the Retiree's earnings changes, the Retirement Allowance may be adjusted accordingly. The amount of income received by a Member shall be determined by the Board based upon information received from the Member or based upon information secured from other reliable sources. Furnishing such information to the Board at such times as the Board shall require shall be a condition for the Member's continued eligibility for non-duty disability benefits.

#### **Sec 5.5. Disability Retirees; Reexamination**

- (1) At least once each year during each year following the retirement of a Member under Section 5.3 or Section 5.4, the Board shall require that such disability Retiree who has not attained his Normal Retirement Age undergo a medical examination, to be made by, or under the direction of the Medical Director; provided, however, that medical examinations shall not be required if the Medical Director determines that the Retiree's condition is permanent and there is no need for further reexamination. Retirees shall be reimbursed for reasonable costs actually incurred by the Retirees in connection with such

examinations. Should any such Retiree who has not attained Normal Retirement Age fail to submit to a required medical examination, the Retiree's Retirement Allowance may be suspended by the Board until the examination is completed. Should such failure continue for one year, all of the disability Retiree's rights in and to the duty or non-duty disability Retirement Allowance may be revoked by the Board. If upon such examination of a Retiree, the examiner reports that the Retiree is no longer Totally Disabled, and such report is concurred in by the Board, the Retiree shall be restored to active service with the City and the Retirement Allowance paid pursuant to Section 5.3 or Section 5.4 shall be suspended until the Retiree terminates active Service with the City.

- (2) A disabled Retiree who has been, or shall be, reinstated to active Service in the employ of the City shall again become a Member. All Credited Service at the time of the disability retirement shall be restored to the Member.

### **Sec 5.6. Disability Benefits; Procedures for Determination of Disability**

- (1) The Board shall establish procedures for determining whether a Member is Totally Disabled. Such procedures shall be consistent with any collective bargaining agreements between the City and the unions covering Police Employees and Fire Employees.
- (2) If a Member is determined to be Totally Disabled under Section 5.3(1) or 5.4(1), the Board or its designee will examine the pension file, including the submissions of the Member and the Police or Fire Department, to determine if there is any dispute as to whether the disability "resulted from the performance of duty" within the meaning of the Combined Plan. If it is undisputed that the disability did result from the performance of duty, the Board will grant duty disability retirement benefits. If it is undisputed that the disability did not result from the performance of duty, the Board will grant non-duty disability retirement benefits, provided the Member meets the other conditions of eligibility. If the performance of duty issue is in dispute, the Board will refer the matter to arbitration by a member of the Disability Retirement Review Board ("DRRB"). The decision of the DRRB member as to whether the disability resulted from the performance of duty shall be final and binding upon the Member, the Department and the Board. The DRRB shall consist of three qualified arbitrators who will be individually assigned in rotating order to decide the matters referred to arbitration by the Board. The three members of the DRRB shall be disinterested persons qualified as labor arbitrators and shall be selected in accordance with agreements between the City and the unions representing Members. The procedure for the termination of DRRB members and the selection of new DRRB members also shall be carried out in accordance with the agreements between the City and the unions representing Members.
- (3) The hearing before a member of the DRRB will be conducted in accordance with the following procedures:
  - (a) The Member and the City will have the right to appear in person or otherwise may be represented by counsel if they wish and will be afforded an equal opportunity to present evidence relevant to the issues;

- (b) A court reporter will be present and make a stenographic record of the proceedings;
  - (c) The hearing will be closed to the public, except that the Member may select one person to be with him or her in the hearing room; provided, however, that person may not testify;
  - (d) The witnesses will be sequestered;
  - (e) The witnesses will be sworn by the court reporter and testify under oath;
  - (f) The Member may not be called by the City as an adverse witness;
  - (g) The DRRB member will apply the rules of evidence and follow the procedures which are customarily applied and followed in labor arbitration cases;
  - (h) If the Member wishes to have an employee of the City released from duty to appear as a witness on his or her behalf, the Member may so inform the Board in writing which, in turn, will submit a written request to the appropriate Department executive for the release of the employee for the purpose of so testifying;
  - (i) The DRRB member will afford the parties an opportunity for the presentation of oral argument and/or the submission of briefs;
  - (j) The DRRB member will issue a written decision containing credibility resolutions as necessary, findings of fact and conclusions with respect to all relevant issues in dispute;
  - (k) The authority of the DRRB member is limited to deciding whether or not the Member's disability "resulted from the performance of duty" within the meaning of the Combined Plan. The DRRB member shall have no authority to add to, subtract from, modify or disregard the terms of the Combined Plan: and
  - (l) The costs associated with the hearing, including the arbitrator's fees and expenses and the court reporter's fees and expenses, will be paid by the Retirement System.
- (4) If a disability Retiree is determined by the Board to no longer be Totally Disabled, he or she may appeal that determination within seven (7) days thereof by filing a written request with the Board for a re-examination. The Board shall promptly arrange for such re-examination. The Member's disability benefits will be continued pending that final and binding medical finding, and if the finding is that the Member is no longer Totally Disabled, his or her disability benefits will be further continued while the Police or Fire Department conducts such examinations and/or investigations as necessary to determine whether the Member is qualified for reappointment to active duty. In the event that the examinations and/or investigations conducted by the Police Department result in a determination that a Member represented by DPLSA is not qualified, for medical reasons, for reappointment to active duty, disability benefits will be continued.

- (5) The Board shall not act upon or grant the application filed by a Member who, although he or she is not capable of performing the full duties of a Police Employee or Fire Employee, has not suffered any diminishment of his or her base wages or benefits because he or she is either:
  - (a) regularly assigned to a position, the full duties of which he or she is capable of performing; or
  - (b) assigned to a restricted duty position, unless the Member's Department advises that it intends to seek a disability retirement for the Member in the foreseeable future.
- (6) The provisions in paragraph (5) above are not intended to and will not:
  - (a) affect the right of a Member to seek a disability retirement when no restricted duty position is available; or
  - (b) restrict in any way the existing authority of the Chief of Police or the Fire Commissioner to seek a duty or non-duty disability retirement for a Member for that Member at that time to request a duty or non-duty disability retirement.

**Sec 5.7. Return of Accumulated Mandatory Contributions to Non-Vested Member**

If a Member ceases employment with the City before becoming eligible for a Retirement Allowance under Section 5.1 or 5.2 or a disability Retirement Allowance pursuant to Section 5.3 or 5.4, the Member may elect to receive distribution of the Accumulated Mandatory Employee Contributions made to the Retirement System by such Member. If a Member elects to receive his Accumulated Mandatory Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time.

**Sec 5.8. Benefits Offset by Compensation Benefits; Subrogation**

- (1) Any amounts which may be paid or payable to a Member, Retiree, or Beneficiary on account of disability or death under the provisions of any Workers' Compensation, pension, or similar law, except federal Social Security old-age and survivors' and disability insurance benefits, shall be an offset against any amounts payable from funds of the Retirement System (Component I and Component II combined) on account of the same disability or death. If the present value of the benefits payable under said Workers' Compensation, pension, or similar law, is less than the Pension Reserve for the Retirement Allowance payable by the Retirement System (under both Component I and Component II), the present value of the said Workers' Compensation, pension, or similar legal benefit shall be deducted from the amounts payable by the Retirement System (under both Component I and Component II), and such amounts as may be provided by the Retirement System, so reduced, shall be payable as provided in this Combined Plan Document.

- (2) In the event a person becomes entitled to a pension payable by the Retirement System because of an accident or injury caused by the act of a third party, the Retirement System shall be subrogated to the rights of said person against such third party to the extent of the benefit which the Retirement System pays or becomes liable to pay.

**ARTICLE 6. RETIREMENT ALLOWANCE; VARIABLE PENSION IMPROVEMENT FACTOR (ESCALATOR)**

**Sec 6.1. Retirement Allowance**

The Retirement Allowance payable to a Member commencing at the later of his Normal Retirement Age or his actual retirement from employment with the City in the form of a Straight Life Retirement Allowance shall be equal to two percent (2%) of the Member's Average Final Compensation multiplied by the Member's years (computed to the nearest one-twelfth (1/12<sup>th</sup>) year) of Credited Service earned after June 30, 2014.

**Sec 6.2. Variable Pension Improvement Factor (Escalator)**

Except as provided in Section 9.5, beginning July 1, 2015 and effective the first day of each Plan Year thereafter, the Board may determine that the annual Retirement Allowance of a Member shall be increased by a factor of one percent (1.0%), computed each year on the basis of the amount of the original Retirement Allowance received at the time of Retirement ("Pension Improvement Factor (Escalator)"); provided, that the recipient of said Retirement Allowance shall have been receiving a Retirement Allowance for a period of not less than twelve months prior to the first day of such Plan Year. The Pension Improvement Factor (Escalator) shall be compounded.

## ARTICLE 7. DEATH BENEFITS

### Sec 7.1. Accidental Death Benefit; Performance of Duty

- (1) If a Member is killed in the performance of duty in the service of the City, or dies as the result of illness contracted or injuries received while in the performance of duty in the service of the City, and such death, illness, or injury resulting in death, is found by the Board to have resulted from the actual performance of duty in the service of the City, the following benefits shall be paid:
  - (a) the Accumulated Mandatory Employee Contributions standing to his or her credit in the Accumulated Mandatory Employee Contributions Fund at the time of his or her death shall be paid to such person or persons as the Member shall have nominated by written designation duly executed and filed with the Board. If no such designated person survives the Member, the said Accumulated Mandatory Employee Contributions shall be paid to the Member's legal representative, subject to paragraph (e) of this Section 7.1(1).
  - (b) the surviving spouse shall receive a pension of five-elevenths of the Member's Final Compensation payable for the spouse's lifetime. If the Member's child or children under age eighteen years also survive the deceased Member, each such child shall receive a pension of one-tenth of such Final Compensation; provided, that if there are more than two such surviving children under age eighteen years, each such child's pension shall be an equal share of seven thirty-thirds of such Final Compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child, his or her pension shall terminate and there shall be a redistribution of the benefit by the Board to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's pension exceed one-tenth of the Member's Final Compensation. In no case shall the total of the benefits provided for in this paragraph (b), payable on account of the death of a Member exceed two-thirds of the Member's Final Compensation.
  - (c) if no surviving spouse survives the deceased Member or if the Member's surviving spouse dies before his youngest unmarried surviving child attains Age eighteen years, his unmarried child or children under Age eighteen years shall each receive a pension of one-fourth of the Member's Final Compensation; provided that if there are more than two such surviving children under age eighteen years, each such child's pension shall be an equal share of one-half of such Final Compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child, his or her pension shall terminate and there shall be a redistribution by the Board to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's pension exceed one-fourth of the Member's Final Compensation.
  - (d) if the Member has no surviving spouse or surviving children under Age eighteen years and if the Member leaves surviving either a father or mother or both, whom the Board shall find to be actually dependent upon such Member for financial

support, such dependent father and mother shall each receive a pension of one-sixth of the Member's Final Compensation.

- (e) If a Member dies intestate, without having designated a person or persons, as provided in paragraph (a) of this Section 7.1(1), and without heirs, the amount of his Accumulated Mandatory Employee Contributions in the Accumulated Mandatory Employee Contribution Fund, not to exceed a reasonable sum, to be determined by the Board, shall be used to pay his burial expenses, provided the Member leaves no other estate sufficient for such purpose. Any balance credited to such Member in the Accumulated Mandatory Employee Contribution Fund, and not used for burial expenses shall remain a part of the funds of the Retirement System and shall be transferred to the Pension Accumulation Fund.

### **Sec 7.2. Non-Duty Death Benefits**

The surviving spouse of any Member who dies while in the employ of the City (other than in the performance of duty) after the date such Member has earned ten or more years of Credited Service, shall receive a Retirement Allowance computed in the same manner in all respects as if said Member had (i) retired effective on the day preceding the Member's death, notwithstanding that the Member had not attained Normal Retirement Age, (ii) elected a Joint and One Hundred Percent Survivor Allowance as described in Section 8.1, and (iii) nominated the surviving spouse as Beneficiary.

### **Sec 7.3. Refund of Accumulated Mandatory Contributions Upon Death of Member**

If a Member who is not covered by Section 7.1 dies while employed by the City or following termination of employment but prior to commencement of a Retirement Allowance, the Member's Accumulated Mandatory Employee Contributions to the Retirement System at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving, the Member's Accumulated Mandatory Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Mandatory Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

## ARTICLE 8. FORMS OF PAYMENT

### Sec 8.1. Retirement Allowance Options

- (1) Until the date the first Retirement Allowance payment check is issued, any Member may elect to receive a Straight Life Retirement Allowance payable throughout life, or the Member may elect to receive the Actuarial Equivalent of the Straight Life Retirement Allowance computed as of the effective date of retirement, in a reduced Retirement Allowance payable throughout life, and nominate a Beneficiary, in accordance with the options set forth below:
  - (a) *Option One. Cash Refund Annuity.* A Retiree will receive a reduced Retirement Allowance for as long as he or she lives, provided that if the Retiree dies before payment of the Accumulated Mandatory Employee Contributions made to the Retirement System on and after July 1, 2014 has been received in an aggregate amount equal to, but not exceeding the Retiree's Accumulated Mandatory Employee Contributions at the time of retirement, the difference between said Accumulated Mandatory Employee Contributions and the aggregate amount of annuity payments already received, shall be paid in a single lump sum to a Beneficiary nominated by written designation duly executed by the Member and filed with the Board. If there are no such designated Beneficiaries surviving said Retiree, any such difference shall be paid to the Retiree's estate.
  - (b) *Option Two. Joint and One Hundred Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and One Hundred Percent Survivor Allowance, one hundred percent of the Member's reduced Retirement Allowance shall be paid to and continued throughout the life of the Beneficiary nominated by written designation duly executed and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.
  - (c) *Option "A". Joint and Seventy-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Seventy-Five Percent Survivor Allowance, seventy-five percent of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.
  - (d) *Option Three. Joint and Fifty Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Fifty Percent Survivor Allowance, fifty percent of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.
  - (e) *Option "B". Joint and Twenty-Five Percent Survivor Allowance.* Upon the death of a Retiree who elected a Joint and Twenty-Five Percent Survivor Allowance, twenty-five percent of the Member's reduced Retirement Allowance shall be

continued throughout the life of and paid to the Beneficiary nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the Retirement Allowance becomes due.

- (2) *Joint and Survivor Optional Forms of Payment.* The Joint and Survivor Optional Forms of Payment provided under the Retirement System shall be made available in either the standard form or the pop-up form, as follows:
- (a) *Standard Form.* Under the Standard Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree.
  - (b) *Pop-up Form.* Under the Pop-up Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree and the designated Beneficiary. In the event of the death of the designated Beneficiary during the lifetime of the Retiree, the amount of the Retirement Allowance payable to the Retiree shall be changed to the amount that would have been payable had the Retiree elected the Straight Life Retirement Allowance Form of Payment.

## **Sec 8.2. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary**

If under a Joint and One Hundred Percent Survivor allowance, a Joint and Seventy-Five Percent Survivor allowance, a Joint and Fifty Percent Survivor allowance or a Joint and Twenty-Five Percent Survivor allowance as provided for under Section 8.1, both a Retiree and Beneficiary die before they have received in Retirement Allowance payments an aggregate amount equal to the Retiree's Accumulated Mandatory Employee Contributions (and if the Retiree makes an election pursuant to Section 10.4(2), his Accumulated Voluntary Employee Contributions) at the time of retirement, the difference between the said Accumulated Mandatory Employee Contributions (and Accumulated Voluntary Employee Contributions, if applicable) and the aggregate amount of Retirement Allowances paid to the Retiree and Beneficiary, shall be paid in a single lump sum to such person or persons nominated by written designation of the Retiree duly executed and filed with the Board. If there is no such person or persons surviving the Retiree and the Beneficiary, any such difference shall be paid to the estate of the Retiree or the Beneficiary, whichever is the last to die.

## ARTICLE 9. FUNDING AND RESERVES

### Sec 9.1. Funding Objective of the Retirement System

The funding objective of Component I of the Retirement System is to establish and receive City and Member contributions during each Plan Year that are sufficient to fully cover the actuarial cost of benefits anticipated to be paid on account of Credited Service rendered by Members during the Plan Year (the normal cost requirements of the Retirement System), and to amortize the unfunded actuarial costs of benefits likely to be paid on account of Credited Service rendered on or after July 1, 2014 and before the first day of the Plan Year (the unfunded actuarial accrued liability of the Retirement System).

### Sec 9.2. Funds

Component I of the Retirement System shall consist of the Accumulated Mandatory Employee Contribution Fund, the Accumulated Voluntary Contribution Fund, the Deferred Retirement Option Program Fund (if applicable), the Medical Benefits Account Fund, the Pension Accumulation Fund, the Rate Stabilization Fund, the Expense Fund and the Income Fund, as follows:

- (1) The Accumulated Mandatory Employee Contribution Fund shall be the Fund in which shall be accumulated the contributions of Members to provide their Retirement Allowances. Upon the retirement, termination, disability or death of a Member with a Retirement Allowance, the Member's Accumulated Mandatory Employee Contributions shall be deemed to be part of the Pension Reserve which shall be used to pay the Member's or Beneficiary's Retirement Allowance.
- (2) The Accumulated Voluntary Employee Contribution Fund shall be the Fund in which shall be accumulated the voluntary after-tax contributions of Members, together with earnings thereon.
- (3) The Deferred Retirement Option Plan Fund shall be the fund in which shall be accumulated the amounts credited to the DROP Accounts of Members who have elected to participate in the DROP Program pursuant to Article 12, together with earnings thereon, provided that the DROP Accounts are held and invested within the Retirement System.
- (4) The Medical Benefits Account Fund shall be the fund in which shall be accumulated the amounts contributed to the Retirement System for the purposes of paying Medical Benefits.
- (5) The Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the Retirement Allowances and other benefits payable from that portion of the City's annual contribution that is not credited to the Rate Stabilization Fund and amounts transferred to Component I as provided in Section G-2(f) of Component II and from which shall be paid Retirement Allowances and other benefits on account of Members.

- (6) The Rate Stabilization Fund shall be the Fund to which shall be credited City contributions in excess of the amount of the City's contribution which is credited to the Pension Accumulation Fund and amounts transferred to Component I as provided in Section G-2(f) of Component II.
- (7) The Expense Fund shall be the fund to which shall be credited any money provided by the City, if any, to pay the administrative expenses of the Retirement System, and from which shall be paid certain expenses incurred in connection with the administration and operation of the Retirement System.
- (8) The Income Fund shall be the Fund to which shall be credited all interest, dividends, and other income derived from the investments of the assets of Component I of the Retirement System, all gifts and bequests received by Component I of the Retirement System, and all other moneys credited to Component I of the Retirement System, the disposition of which is not specifically provided for in this Article 9. There shall be paid or transferred from the Income Fund, all amounts required to credit earnings and losses to the various Funds of the Retirement System in accordance with the provisions of Component I of this Combined Plan Document. Amounts credited to the Income Fund in excess of amounts needed to credit earnings and losses of the Retirement System as provided in this Component I for any Plan Year shall be transferred to the Pension Accumulation Fund and used to pay Retirement Allowances and other benefits on account of Members.

**Sec 9.3. Method of Financing Retirement System Benefits**

- (1) The pension liabilities for Members under this Component I shall be determined by the Plan's Actuary using the entry-age normal cost method of actuarial valuation.
- (2) The City's annual contribution to finance the prospective pension liabilities during the nine Plan Year period commencing July 1, 2014 and ending June 30, 2023 shall be (a) eleven and two-tenths percent (11.2%) of the base Compensation of active employees who are members of the DFFA (for pay periods ending on or before the effective date of the 2014-2019 collective bargaining agreement between the City and DFFA) and members of DPOA (for pay periods ending on or before October 3, 2014) and (b) twelve and one-quarter percent (12.25%) of the base Compensation of active employees who are members of the DPCOA, the DPLSA, the DPOA (for pay periods beginning on or after October 3, 2014) and the DFFA (for pay periods beginning on or after the effective date of the 2014-2019 collective bargaining agreement between the City and DFFA). A portion of the City's annual contribution for each Plan Year shall be credited to the Rate Stabilization Fund. The remainder of the City's annual contribution shall be allocated to the Pension Accumulation Fund.
- (3) Except as provided in Section 9.5, for each Plan Year, a Member who was an active employee as of June 30, 2014 ("current active") shall contribute to the Retirement System an amount equal to six percent (6%) of his or her base Compensation for such Plan Year and a Member who is hired or rehired by the City on or after July 1, 2014 ("new employee") shall contribute to the Retirement System an amount equal to eight percent

(8%) of his or her base Compensation for such Plan Year. A Member's Mandatory Employee Contributions for the Plan Year beginning July 1, 2014 and ending June 30, 2015 shall commence as of the Member's first payroll date occurring in August 2014. The officer or officers responsible for processing the payroll shall cause a Member's Mandatory Employee Contributions to be deducted from the Member's Compensation on each and every payroll, for each and every payroll period, from the later of (i) the Member's first payroll date occurring in August 2014 and (ii) the Member's date of hire, to the date he ceases to be a Member. The contribution shall be deducted from the Members' Compensation, notwithstanding that the minimum compensation provided by law for any Member shall be reduced thereby. Payment of compensation, less said Mandatory Employee Contributions, shall be a complete discharge of all claims and demands whatsoever for the services rendered by the said Member during the period covered by such payment. Member Mandatory Employee Contributions will be used for the purpose of funding the normal cost of the Retirement System.

#### **Sec 9.4. Member Contributions Picked-Up**

- (1) The City shall pick up Member Mandatory Employee Contributions required pursuant to Sections 9.3(3) and 9.5 in accordance with Code Section 414(h).
- (2) The picked-up contributions, although designated as employee contributions shall be treated as City contributions for the purpose of determining a Member's tax treatment under the Internal Revenue Code. The City shall pay the contributions picked-up on behalf of a Member from the same source of funds that are used for paying compensation to the Member.
- (3) The City shall pick up Member Mandatory Employee Contributions by a reduction in the Member's cash salary or an offset against a future salary increase, or both. The City shall designate the Mandatory Employee Contributions that are picked-up and paid to the Retirement System as employer contributions and not as employee contributions. No Member who participates in the Retirement System shall have the option of choosing to receive the contributed amounts directly instead of having those amounts paid by the City to the Retirement System.

#### **Sec 9.5. Fiscal Responsibility: Benefit Reductions and Increased Funding Obligations**

- (1) To safeguard the long-term actuarial and financial integrity of the Retirement System, in the event the funding level of Component I of the Retirement System projected over a five year period falls below ninety percent (90%), the Trustee may not award the variable Pension Improvement Factor (Escalator) described in Section 6.2 to any individual beginning with the Plan Year following the Plan Year in which such determination is made and continuing until the funding level is restored to not less than ninety percent (90%).
- (2) In the event the funding level of the Retirement System projected over a five year period falls below ninety percent (90%), the following remedial action shall be required in the order set forth below, beginning with the Plan Year following the Plan Year in which

such determination is made and continuing until the funding level is projected to be one hundred percent (100%) on a market value basis within the next five years:

- (a) the remedial action required in Section 9.5(1) shall be implemented or continued;
  - (b) all amounts credited to the Rate Stabilization Fund shall be transferred to the Pension Accumulation Fund for the purposes of funding benefits payable under the Retirement System;
  - (c) Mandatory Employee Contributions for active and new employees shall be increased by one percent (1%) for up to the next following five Plan Years;
  - (d) Mandatory Employee Contributions for active and new employees shall be increased by an additional one percent (1%) per year;
  - (e) Mandatory Employee Contributions for active and new employees shall be increased by an additional one percent (1%) per year;
  - (f) the Retirement Allowance payable to a Retiree shall not include the variable Pension Improvement Factor (Escalator) that was most recently paid to the Retiree on the date the funding level is projected to fall below ninety percent (90%);
  - (g) the Retirement Allowance payable to a Retiree shall not include the variable Pension Improvement Factor (Escalator) that was most recently added to the Member's Retirement Allowance for the Plan Year preceding the Plan Year referenced in paragraph (f) above;
  - (h) Mandatory Employee Contributions for active and new employees shall be increased by an additional one percent (1%) per year; and
  - (i) contributions made to the Retirement System by the City shall be increased, consistent with applicable actuarial principles and the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.*
- (3) For purposes of this Section 9.5, the "funding level" shall mean the ratio of the market value of the assets of Component I of the Retirement System to the actuarial accrued liability of Component I of the Retirement System. The actuarial accrued liability shall be calculated by the Plan's Actuary utilizing an interest rate assumption of six and three-quarters percent (6.75%) and other reasonable assumptions as directed by the Board upon the recommendation of the Investment Committee. The market value of assets shall be determined on the basis of a three-year look back period of smoothed investment returns.

## ARTICLE 10. VOLUNTARY EMPLOYEE CONTRIBUTIONS

### Sec 10.1. Voluntary Employee Contributions; Amount; Vesting

Subject to procedures established by the Board, a Member who is covered by a collective bargaining agreement with the City that permits the Member to make Voluntary Employee Contributions to Component I of the Retirement System may elect to reduce his Compensation for any Plan Year by a whole percentage not less than one percent (1%) nor more than ten percent (10%) and have such amount contributed by the City to a Voluntary Employee Contribution Account maintained on his behalf under Component I of the Retirement System. A Member represented by the DPOA may elect to reduce the amount paid to him or her by the City for accumulated sick leave in excess of 400 hours by a whole percentage not less than one percent (1%) nor more than one hundred percent (100%) of such amount and have such amount contributed by the City to a Voluntary Employee Contribution Account maintained on his behalf under Component I of the Retirement System. Voluntary Employee Contributions shall be made to the Retirement System on an after-tax basis. Amounts credited to a Member's Voluntary Employee Contribution Account shall be one hundred percent (100%) vested at all times.

### Sec 10.2. Changing an Election to Contribute

A Member may change or revoke an election to make Voluntary Employee Contributions to the Retirement System pursuant to this Article 10 in such manner and with such advance notice as the City shall determine. Notwithstanding the foregoing, a Member shall be permitted to change such election not less frequently than annually.

### Sec 10.3. Individual Member Accounting; Crediting of Earnings

The Board shall maintain a Voluntary Employee Contribution Account on behalf of each Member who elects to make Voluntary Employee Contributions to the Retirement System. Each Plan Year, a Member's Voluntary Employee Contribution Account shall be credited with earnings at a rate equal to the actual net investment rate of return on the assets of the Retirement System for the second Fiscal Year immediately preceding the Fiscal Year in which the earnings are credited; in no event, however, shall the earnings rate credited to a Member's Voluntary Employee Contribution Account for any Plan Year be less than zero percent (0%) nor greater than five and one-quarter percent (5.25%).

### Sec 10.4. Distribution of Accumulated Voluntary Employee Contributions

- (1) If a Member ceases employment with the City other than by reason of death, the Member may elect to receive distribution of the Accumulated Voluntary Employee Contributions made to the Retirement System by such Member. If a Member elects to receive his Accumulated Voluntary Employee Contributions, such amounts shall be paid to the Member in a lump sum payment or in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time.
- (2) In lieu of receiving distribution of his Accumulated Voluntary Employee Contributions as provided in Section 10.4(1), a Member may elect to have the Actuarial Equivalent

Value of his Accumulated Voluntary Employee Contributions added to his Retirement Allowance and paid in the form of an annuity described in Section 8.1.

- (3) If a Member dies while employed by the City or following termination of employment but prior to receiving distribution of the Member's Accumulated Voluntary Employee Contributions, the amounts credited to the Member's Voluntary Employee Contribution Account at the time of death shall be paid to the Beneficiary nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated Beneficiary surviving, the Member's Accumulated Voluntary Employee Contributions shall be paid to the Member's estate. If a Member who dies without a legal will has not nominated a Beneficiary, the Member's Accumulated Voluntary Employee Contributions at the time of death may be used to pay burial expenses if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.

## **ARTICLE 11. LOAN PROGRAM FOR VOLUNTARY EMPLOYEE CONTRIBUTIONS**

### **Sec 11.1. The Loan Program**

A loan program shall be available to Members who have amounts credited to a Voluntary Employee Contributions Account. The Board is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of the loan program. Copies of the rules shall be made available to eligible Members in the offices of the Retirement System. Any loans granted or renewed under the Retirement System shall be made and administered pursuant to and in compliance with Section 72(p) of the Internal Revenue Code and regulations thereunder.

### **Sec 11.2. Eligibility for Loan**

Subject to the rules and procedures established by the Board, loans may be made to eligible Members from such Member's Voluntary Employee Contribution Account. An eligible Member is any Member who has participated in the Retirement System for twelve (12) months or more. Former Members, spouses and Beneficiaries are not eligible to receive any loans from the Retirement System. No Member shall have more than two (2) outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan under either Component I or Component II of the Combined Plan shall not be eligible for a loan from the Retirement System.

### **Sec 11.3. Amount of Loan**

An eligible Member who has satisfied applicable rules and procedures established by the Board may borrow from his Voluntary Employee Contribution Account an amount, which does not exceed the lesser of (i) fifty percent (50%) of the Member's Voluntary Employee Contribution Account balance, and (ii) Fifteen Thousand Dollars (\$15,000.00), in each case reduced by the excess, if any, of: (1) the Member's highest outstanding loan balance under the Retirement System (both Component I and Component II) during the one (1) year period ending on the day before the date on which the loan is made, or (2) the outstanding loan balance under the Retirement System (both Component I and Component II) on the date on which the loan is made, whichever is less. The minimum loan amount shall be One Thousand Dollars (\$1,000.00).

### **Sec 11.4. Terms and Conditions**

In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

- (a) Each loan application shall be made in writing.
- (b) All loans shall be memorialized by a collateral promissory note for the amount of the loan, including interest, payable to the order of the Retirement System and properly executed by the Member.
- (c) Each loan shall be repaid by substantially equal payroll deductions over a period not to exceed five (5) years, or, where the loan is for the purpose of buying a

principal residence, a period not to exceed fifteen (15) years. In no case shall the amount of the payroll deduction be less than Twenty Dollars (\$20.00) for any two-week pay period. A Member receiving a loan will be required to authorize payroll deductions from his compensation in an amount sufficient to repay the loan over its term.

- (d) An amount equal to the principal amount of the loan to a Member (but not more than one half of the Member's vested interest in the Defined Contribution Plans of the Retirement System) will be designated as collateral for guaranteeing the loan.
- (e) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. However, loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the loan. The loan interest rate shall be calculated in a manner that will not negatively affect either the City's costs with respect to the Retirement System or the investment return allocated to Members.
- (f) Loan repayments shall be suspended during a period of military service, as permitted by Section 414(u)(4) of the Internal Revenue Code. A Member who has an outstanding loan balance from the Retirement System who is absent from employment with the City, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

### **Sec 11.5. Loan Balance**

A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's Voluntary Employee Contribution Account (provided that the interest credited to the Member's Voluntary Employee Contribution Account shall be reduced appropriately to cover the administrative costs of the loan program and avoid negatively affecting the City's costs or the Retirement System's investment returns), and shall not be part of the Retirement System's net investment income or part of the Member's Voluntary Employee Contribution Account balance for the purpose of allocation of net investment income under the Retirement System.

### **Sec 11.6. Default**

In the event a Member defaults on a loan before the loan is repaid in full, the unpaid balance thereof will become due and payable and, to the extent that the outstanding amount is not repaid by the end of the calendar quarter which follows the calendar quarter in which the last payment was received, such amount shall be deemed to have been distributed to the Member for tax purposes, consistent with Section 72(p) of the Internal Revenue Code.

## Sec 11.7. Distribution

No distribution shall be made to a Member, former Member, spouse or Beneficiary from the Retirement System until all outstanding loan balances and applicable accrued interest have been repaid or offset against amounts distributable to the Member from the Retirement System.

## **ARTICLE 12. DEFERRED RETIREMENT OPTION PLAN (“DROP”) PROGRAM**

### **Sec 12.1. General Provisions**

The following provisions are hereby established as the Deferred Retirement Option Plan (“DROP”) Program under Component I, which shall be available to Members who are covered by collective bargaining agreements with the City that permit such Members to participate in the DROP program and those non-union executives of the Police Department and the Fire Department.

- (1) In lieu of terminating employment and accepting a Retirement Allowance under the Component I, any Member of the Retirement System who is eligible for the DROP program and who is eligible to immediately retire and receive an unreduced Retirement Allowance under Section 5.1 may elect to participate in the DROP program and defer the receipt of his or her Retirement Allowance in accordance with the provisions of this Article 12. Any such election shall be irrevocable.
- (2) A Member shall be entitled to participate in the DROP program under Component I for a maximum of five years. At the end of such five year period of participation in the DROP program, the Member shall be retired from employment.

### **Sec 12.2. Conversion to Retirement Allowance**

Upon the effective date of a Member’s participation in the DROP program, the Member shall cease to accrue a Retirement Allowance pursuant to Section 6.1 and shall elect a form of payment for his Retirement Allowance pursuant to Section 8.1. Seventy-five percent (75%) of the monthly Retirement Allowance (including applicable variable Pension Improvement Factor (Escalator) increases) that would have been payable, had the Member elected to terminate employment with the City on the effective date of his or her DROP election and receive an immediate Retirement Allowance, shall be paid into a DROP Account established on behalf of the Member under the Retirement System or in an entity selected by the Board.

### **Sec 12.3. Investment of DROP Assets**

- (1) ING was previously selected by the Board as the DROP administration and investment entity for Members who elect to participate in the DROP program. ING shall continue to be the DROP administration and investment entity, unless and until such time as the Board terminates the agreement with ING as provided in paragraph (4) or determines that it is administratively feasible for the DROP program to be administered and invested under the Retirement System.
- (2) As soon as possible after July 1, 2014, the Board shall determine whether it is administratively feasible for the DROP program to be administered and the assets in DROP accounts invested under the Retirement System. If the Board determines that it is feasible to administer the DROP program under the Retirement System, the Board shall promptly take appropriate steps to implement such decision.

- (3) If amounts credited to a DROP Account are invested under the Retirement System, such amounts shall be comingled with the assets of the Retirement System for investment purposes and shall be invested by the Trustees. A Member's DROP Account shall be credited with annual earnings at a rate equal to seventy-five percent (75%) of the actual net earnings rate of the assets of the Retirement System; however, in no event shall the earnings rate applied to a Member's DROP Account for any Plan Year be less than zero percent (0%) nor greater than seven and three-quarters percent (7.75%).
- (4) The Board of Trustees entered into an administrative services agreement with ING. Such agreement shall remain in effect until such time as it is terminated by the Board as provided therein.
- (5) The Board of Trustees may replace ING with a trust type vehicle or the Board may determine that amounts subject to a DROP election will be invested with Retirement System assets as provided above.
- (6) Any fees associated with the maintenance of DROP Accounts outside of the Retirement System shall be paid by the Members by means of deduction from their DROP Accounts.

**Sec 12.4. Distribution of Amounts Credited to DROP Account**

A Member shall not receive a distribution of amounts credited to his DROP Account prior to his termination of employment with the City. Upon termination of employment, a Member who is a participant in the DROP program shall receive, at his or her option either a lump sum payment from the DROP Account equal to the amount then credited to the DROP Account or an annuity based upon the amount credited to his DROP Account. In addition, one hundred percent (100%) of the Member's monthly Retirement Allowance that otherwise would have been paid upon the Member's retirement had he or she not elected to participate in the DROP program (together with any applicable variable Pension Improvement Factor (Escalator) increases) shall commence to the Member in accordance with the form of payment selected by the Member at the commencement of his or her participation in the DROP program. Termination of employment includes termination of any kind, such as resignation, retirement, discharge or disability.

**Sec 12.5. Death of Member While Participating in the DROP Program**

If a Member dies while participating in the DROP program, a lump sum payment equal to the Member's DROP Account balance shall be paid to the Beneficiary named by the Member, or if no Beneficiary has been designated, to the Member's estate. In addition, one hundred percent (100%) of the Member's Retirement Allowance (together with any applicable variable Pension Improvement Factor (Escalator) increases) that would have been paid to the Member but for the Member's decision to participate in the DROP program will be restored. Survivor benefits, if any, shall be paid in accordance with the payment option elected by the deceased Member at the time the Member elected to participate in the DROP program.

**Sec 12.6. Disability of Member While Participating in the DROP Program**

If a Member becomes Totally Disabled while participating in the DROP program and while still an Employee and his employment with the City is terminated because he is Totally Disabled, such Member (a) shall be immediately retired and one hundred percent (100%) of the Retirement Allowance) that would have been paid to the Member but for the Member's decision to participate in the DROP program (together with any applicable variable Pension Improvement Factor (Escalator) increases) will commence in accordance with the payment option selected by the Member at the commencement of the Member's participation in the DROP program as provided in Section 12.1(2), and (b) shall be entitled to receive payment of the funds in his DROP Account (in the form of a lump sum or other form of payment described in Section 8.1). Such Member shall not be entitled to disability retirement benefits under Section 5.3 or Section 5.4 hereof.

### **Sec 12.7. Cost Neutrality**

- (1) The DROP program shall be effective only for as long as it is cost-neutral to the City, provided however, that the DROP program shall continue during the pendency of proceedings, described in paragraph (2) below, designed to restore the Retirement System to cost neutrality.
- (2) If the City contends that the DROP program is not cost-neutral, including, but not limited to, making the City's annual contribution to the Retirement System higher than it would be if the DROP program was not in effect, the Board and the City, along with the Plan Actuary as well as an actuary appointed by the City (who will be an associate or a fellow of the Society of Actuaries and a member of the American Academy of Actuaries) shall meet and confer in good faith regarding the cost. If the Board and the City are unable to reach an agreement as to cost, the matter shall be submitted to a third, independent, actuary, chosen or agreed upon by the Plan Actuary and the City's actuary. This actuary, when rendering a decision, will be limited to ordering implementation of changes necessary to make the DROP program cost-neutral. Upon the implementation of changes necessary to make the DROP program cost-neutral, Members shall have thirty days to elect to either (a) retire from active employment with the City or (b) withdraw from the DROP program and resume active participation in Component I of the Retirement System. The Board shall notify DROP participants of these changes prior to implementation. Those DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for any time that they were participating in the DROP program (under either Component I or Component II). Those not making either election shall remain participants in the DROP program.
- (3) In the event the DROP program cannot be changed to restore cost neutrality, it shall be discontinued and Members participating in the DROP program at that time shall have the option to either (i) retire or (ii) continue active employment with the City and resume active participation in Component I of the Retirement System. DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for the time during which such DROP participants participated in the DROP program (under Component I or Component II).

## ARTICLE 13. LIMITATION ON BENEFITS AND CONTRIBUTIONS

### Sec 13.1. Compliance With Code Section 415(b) And Regulations

- (1) Notwithstanding any other provision of this Combined Plan Document, the defined benefit component of the Retirement System shall be administered in compliance with the provisions of Code Section 415(b) and regulations thereunder that are applicable to governmental plans.
- (2) The maximum annual benefit accrued by a Member during a "limitation year" (which shall be the Plan Year) and the maximum annual benefit payable under the Retirement System to a Member at any time within a Plan Year, when expressed as an annual benefit in the form of a straight life annuity (with no ancillary benefits), shall be equal to \$160,000 (as such amount is adjusted pursuant to Code Section 415(d) for such Plan Year).
- (3) Notwithstanding the foregoing:
  - (a) if the benefit under the Retirement System is payable in any form other than a straight life annuity, the determination as to whether the limitation described in Section 13.1(2) has been satisfied shall be made, in accordance with the regulations prescribed by the Secretary of the Treasury, by adjusting such benefit to the Actuarially Equivalent straight life annuity beginning at the same time, in accordance with Section 13.1(9) or (10);
  - (b) if the benefit under the Retirement System commences before Age sixty-two, the determination of whether the limitation set forth in Section 13.1(2) (the "Dollar Limit") has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by reducing the Dollar Limit so that the Dollar Limit (as so reduced) is equal to an annual benefit payable in the form of a straight life annuity, commencing when such benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-two (adjusted for participation of fewer than 10 years, if applicable); provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-two and the age of benefit commencement, then the Dollar Limit (as so reduced) shall equal the lesser of (i) the amount determined under this Section 13.1(3)(b) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the straight life annuity under the Retirement System, commencing at Age sixty-two; and
  - (c) if the benefit under the Retirement System commences after Age sixty-five, the determination of whether the Dollar Limit has been satisfied shall be made, in accordance with regulations prescribed by the Secretary of the Treasury, by increasing the Dollar Limit so that the Dollar Limit (as so increased) is equal to an

annual benefit payable in the form of a straight life annuity, commencing when the benefit under the Retirement System commences, which is Actuarially Equivalent to a benefit in the amount of the Dollar Limit commencing at Age sixty-five; provided, however, if the Retirement System has an immediately commencing straight life annuity commencing both at Age sixty-five and the Age of benefit commencement, the Dollar Limit (as so increased) shall equal the lesser of (i) the amount determined under this Section 13.1(3)(c) without regard to this proviso, or (ii) the Dollar Limit multiplied by a fraction the numerator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System and the denominator of which is the annual amount of the immediately commencing straight life annuity under the Retirement System, commencing at Age sixty-five.

- (4) The adjustments in Sections 13.1(3)(b) shall not apply to a Member with at least 15 years of Credited Service as a Police Member or a Fire Member within the meaning of Code Section 415(b)(2)(H). In addition, the adjustments in Sections 13.1(3)(b) and 13.1(6) shall not apply to benefits payable on account of the disability or the death of a Member.
- (5) Notwithstanding the foregoing provisions of this Section 13.1, except as provided in Section 13.1(6), the maximum annual benefit specified in Section 13.1(2) above shall not apply to a particular Retirement System benefit if (a) the annual amount of such Retirement System benefit, together with the aggregate annual amount of any other pensions payable with respect to such Member under all other defined benefit plans maintained by the City, does not exceed \$10,000 for the Plan Year or any prior Plan Year, and (b) the Member was not at any time a participant in a Defined Contribution Plan maintained by the City.
- (6) In the case of a Member who has less than ten years of participation in the Retirement System, the limitation set forth in Section 13.1(2) shall be such limitation (without regard to this Section 13.1(6)), multiplied by a fraction, the numerator of which is the number of years of participation in the Retirement System (or parts thereof) credited to the Member and the denominator of which is ten. In the case of a Member who has less than ten years of Vesting Service, the limitations set forth in Paragraph (b) of Section 13.1(2) and in Section 13.1(5) shall be such limitations (determined without regard to this Section 13.1(6)) multiplied by a fraction, the numerator of which is the number of years of Vesting Service, or parts thereof, credited to the Member and the denominator of which is ten. The adjustment in this Section 13.1(6) shall not apply to benefits paid on account of the disability or death of a Member.
- (7) Notwithstanding anything in this Section 13.1 to the contrary, if the annual benefit of a Member who has terminated employment with the City is limited pursuant to the limitations set forth in Section 13.1(2), such annual benefit shall be increased in accordance with the cost-of-living adjustments of Code Section 415(d).
- (8) For purposes of determining actuarial equivalence under Paragraph (b) or (c) of Section 13.1(3), the interest rate assumption shall be five percent (5%) and the mortality table used shall be the applicable mortality table specified by the Board.

- (9) The Actuarially Equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) does not apply, as required by Paragraph (a) of Section 13.1(3), is equal to the greater of (a) the annual amount of the straight life annuity payable under the Retirement System commencing at the same annuity starting date as the form of benefit payable to the Member, or (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using the interest rate and mortality assumptions set forth in Section 13.1(8).
- (10) The Actuarially Equivalent straight life annuity for purposes of adjusting any benefit payable in a form to which Code Section 417(e)(3) applies, as required by Paragraph (a) of Section 13.1(3), is equal to the greatest of (a) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same Actuarial Equivalent present value as the form of benefit payable to the Member, (b) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using a five and one-half percent (5.5%) interest rate assumption and the applicable mortality table specified by the Board, or (c) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using the applicable interest rate and the applicable mortality table, both as specified by the Board, divided by 1.05.
- (11) For purposes of applying the limitations set forth in this Section 13.1, all qualified defined benefit plans (whether or not terminated) ever maintained by the City shall be treated as one defined benefit plan.
- (12) For purposes of this Section 13.1, the term “compensation” shall include those items of remuneration specified in Treasury Regulation § 1.415(c)-2(b) and shall exclude those items of remuneration specified in Treasury Regulation § 1.415(c)-2(c), taking into account the timing rules specified in Treasury Regulation § 1.415(c)-2(e), but shall not include any amount in excess of the limitation under Code Section 401(a)(17) in effect for the year. The term “compensation” as defined in the preceding sentence shall include any payments made to a Member by the later of (a) two and one-half months after the date of the Member’s severance from employment with the City or (b) the end of the limitation year that includes the date of the Member’s severance from employment with the City, provided that, absent a severance from employment, such payments would have been paid to the Member while the Member continued in employment with the City and are regular compensation for services performed during the Member’s regular working hours, compensation for services outside the Member’s regular working hours (such as overtime or shift differential pay), commissions, bonuses or other similar compensation.
- (13) This Section 13.1 shall be administered in conformity with the regulations issued by the Secretary of the Treasury interpreting Code Section 415 including, but not limited to those interpreting Section 415(b)(2)(H), and any regulation providing for the “grandfathering” of any benefit accrued prior to the effective date of such regulations or statutory provision.

**Sec 13.2. Compliance with Code Section 415(c) and Regulations**

- (1) The “Annual Addition” with respect to a Member for a limitation year shall in no event exceed the lesser of:
  - (a) \$40,000 (adjusted as provided in Code Section 415(d)); or
  - (b) One hundred percent (100%) of the Member’s compensation, as defined in Code Section 415(c)(3) and regulations issued thereunder, for the limitation year.
- (2) The Annual Addition with respect to a Member for a limitation year means the sum of his Voluntary Employee Contributions made to the Retirement System, and the employer contributions, employee contributions and forfeitures allocated to his accounts under any other qualified Defined Contribution Plan (whether or not terminated) maintained by the City, and the amounts described in Code Sections 415(l)(2) and 419A(d)(2) allocated to his account.
- (3) In the event the Annual Addition to the Retirement System on behalf of a Member would otherwise exceed the amount that may be applied for his benefit under the limitation contained in this Section 13.2, the limitation shall be satisfied by reducing the Member’s Voluntary Employee Contributions to the extent necessary and distributing such amounts to the Member.

## ARTICLE 14. RETIREMENT SYSTEM ADMINISTRATION

### Sec 14.1. Board of Trustees as Retirement System Administrator

- (1) The Retirement Board shall have the power and authority to manage and administer the Retirement System in accordance with the provisions of this Combined Plan Document.
- (2) The Retirement Board shall provide procedures for the processing and review of benefit claims, corrections of errors, and similar matters, as further described in Section 14.2.
- (3) The Retirement Board and the Retirement System shall not make any payment to active or retired Members or Beneficiaries other than payments that are required by the Retirement System as established by this Combined Plan Document. This prohibition applies to all payments that are not authorized by this Combined Plan Document, whether such payments are those commonly referred to as a “thirteenth check” or payments by any other name.

### Sec 14.2. Powers and Duties of Board

- (1) The Board shall have the following powers and duties:
  - (a) exclusive authority regarding the administration, management and operation of the Retirement System, including, but not limited to, the right to contract for office space, computer hardware and software, and human resource services (any or all of which may be obtained from the City), and to make rules and regulations with respect to the operation of the Retirement System not inconsistent with the terms of the Combined Plan Document and applicable law, and to amend or rescind such rules and regulations;
  - (b) to determine questions of law or fact that may arise as to the rights of any person claiming rights under the Retirement System;
  - (c) to determine the contributions to the Retirement System required of the City and Members pursuant to the documents governing operation of the Retirement System, including the Plan of Adjustment;
  - (d) to construe and interpret the provisions of the Retirement System and to reconcile any inconsistencies;
  - (e) to perform ministerial functions, whether or not expressly authorized, which the Board may deem necessary or desirable in carrying out its duties under the Retirement System;
  - (f) except to the extent authority is vested in the Investment Committee, authority to employ, contract and pay for professional services including, but not limited to, actuarial, investment, legal, accounting, medical, and any other services that the Board considers necessary for the proper operation of the Retirement System;

- (g) except to the extent authority or responsibility is vested in the Investment Committee, to arrange for annual audits of the records and accounts of the Retirement System by a certified public accountant or by a firm of certified public accountants pursuant to generally accepted auditing standards;
- (h) to prepare an annual report for the Retirement System for each Fiscal Year in compliance with generally accepted accounting principles. The report shall contain information regarding the financial, actuarial, and other activities of the Retirement System during the Fiscal Year. The Board shall furnish a copy of the annual report to the Mayor and finance director of the City, to the chair of the City Council and the Investment Committee. The report shall also contain a review of the latest actuarial valuation of the Retirement System;
- (i) to maintain or cause to be maintained such separate funds and accounts as are required to be maintained under the provisions of Components I and II of the Combined Plan Document and such additional accounts as the Board deems necessary or expedient for the proper administration of the Retirement System and the administration and investment of the assets of the Retirement System. The Board shall maintain suitable records, data and information in connection with the performance of its functions, including, but not limited to, accurate and detailed accounts of all investments, receipts, disbursements, and other actions, including the proportionate interest therein and contributions of each Member who has made contributions to the Retirement System;
- (j) to correct any error in the records of the Retirement System that results in overpayment or underpayment of contributions to the Retirement System by the City or a Member, or overpayment or underpayment of benefits to a Member, former Member, or Beneficiary by the Retirement System. In the event of overpayment to a Member, former Member or Beneficiary, the Board may, as far as practicable, adjust future payments to such individual in such a manner that the Actuarial Equivalent of the benefit to which such individual was entitled shall be paid;
- (k) to the extent permissible under Michigan law (and consistent with the Retirement System's favorable tax qualified status under Code Section 401(a)), purchase one or more insurance policies to indemnify any person and such person's heirs and legal representatives who is made a party to (or threatened to be made a party to) any action, suit or proceeding whether brought by or in the right of the Board, the Investment Committee or the Retirement System or otherwise, by reason of the fact that such person is or was a Board member, Investment Committee member, director, officer, employee or agent of the Board (or an advisory body or committee of the Board) or the Retirement System. The insurance policies purchased by the Board shall not indemnify any person who is judicially determined to have incurred liability due to fraud, gross negligence or malfeasance in the performance of his duties; and

- (l) except to the extent authority or responsibility is vested in the Investment Committee, to perform any other function that is required for the proper administration of the Retirement System.

### **Sec 14.3. Executive Director; Employees**

The Board shall employ on behalf of the Retirement System an executive director and any other employees for which the Board establishes positions. The executive director shall do all of the following:

- (a) manage and administer the Retirement System under the supervision and direction of the Board;
- (b) annually prepare and submit to the Board for review, amendment, and adoption an itemized budget projecting the amount required to pay the Retirement System's expenses for the following Fiscal Year; and
- (c) perform such other duties as the Board shall delegate to the executive director.

The executive director, unless such power is retained by the Board, shall determine the compensation of all employees of the Retirement System (except the executive director, whose compensation shall be determined by the Board and the chief investment officer, whose compensation shall be determined by the Investment Committee) and such compensation shall be payable from the Retirement System. Any person employed by the Retirement System may but need not be an employee of the City.

### **Sec 14.4. Discretionary Authority**

The Board shall have sole and absolute discretion to:

- (a) interpret the provisions of the Retirement System;
- (b) make factual findings with respect to any and all issues arising under the Retirement System;
- (c) determine the rights and status of Members, Retirees, Beneficiaries and other persons under the Retirement System;
- (d) decide benefit claims and disputes arising under the Retirement System pursuant to such procedures as the Board shall adopt; and
- (e) make determinations and findings (including factual findings) with respect to the benefits payable hereunder and the persons entitled thereto as may be required for the purposes of the Retirement System.

## Sec 14.5. Administrator's Decision Binding

The Board's decision on any matter arising in connection with administration and interpretation of the Retirement System shall be final and binding on Members, Retirees and Beneficiaries.

## ARTICLE 15. MANAGEMENT OF FUNDS

### Sec 15.1. Board as Trustee of Retirement System Assets

The Board of Trustees shall be the trustee of the funds held under the Retirement System, shall receive and accept all sums of money and other property paid or transferred to it by or at the direction of the City, and subject to the terms of Article 16, shall have the power to hold, invest, reinvest, manage, administer and distribute such money and other property subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314 of the Public Acts of 1965, being sections 38.1132 et seq. of the Michigan Compiled Laws*, as amended.

### Sec 15.2. Maintenance of Segregated Funds

The Board of Trustees shall maintain separate funds as required for the proper administration of the Retirement System and shall not commingle the assets held under the Retirement System for the purpose of funding benefits accrued by Members prior to July 1, 2014, together with earnings and losses on such assets (or replacement assets), as more fully described in Component II of this Combined Plan document, with the assets of the Retirement System held for the purpose of paying benefits accrued by Members on and after July 1, 2014 as described in this Component I of the Combined Plan document. Notwithstanding the foregoing, the assets held under Components I and II of this Combined Plan document may be commingled for investment purposes and transferred as provided in Section G-2(f) of Component II.

### Sec 15.3. Custodian of Funds

The Board of Trustees shall appoint or employ custodians of the assets of the Retirement System. The custodians shall perform all duties necessary and incidental to the custodial responsibility and shall make disbursements as authorized by the Board.

### Sec 15.4. Exclusive Purpose

All money and other assets of the Retirement System shall be held by the Trustees and invested for the sole purpose of paying benefits to Members and Beneficiaries and shall be used for no other purpose. In exercising its discretionary authority with respect to the management of the money and other assets of the Retirement System, the Trustees shall exercise the care, skill, prudence and diligence under the circumstances then prevailing, that a person acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character with like aims.

### Sec 15.5. Prohibited Conduct

Members of the Board and employees of the Retirement System are prohibited from:

- (1) Having any beneficial interest, direct or indirect, in any investment of the Retirement System;

- (2) Being an obligor or providing surety for any money loaned to or borrowed from the Retirement System;
- (3) Except as provided in Article 11, borrowing any money or other assets of the Retirement System; and
- (4) Receiving any pay or other compensation from any person, other than compensation paid by the Retirement System, with respect to investments of the Retirement System.

## ARTICLE 16. INVESTMENT OF RETIREMENT SYSTEM ASSETS

### Sec 16.1. Investment Powers of the Board and the Investment Committee

Subject to the requirements set forth in this Article 16, the Board shall have the power and authority to manage, control, invest and reinvest money and other assets of the Retirement System subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems or plans by *Act No. 314 of the Public Acts of 1965, being sections 38.1132 et seq. of the Michigan Compiled Laws*, as amended. Notwithstanding anything in this Combined Plan Document to the contrary, for the twenty year period following the effective date of the Plan of Adjustment, the Investment Committee shall make recommendations to the Board with respect to investment management matters as provided in this Article 16.

All investment management decisions made by the Board, as more fully described in Section 16.2, shall require a recommendation by an affirmative vote of the Investment Committee as provided in this Combined Plan Document. The Board shall take no action with respect to any matter for which the Investment Committee has responsibility and authority, including the investment management matters described in Section 16.2, unless and until such action has been approved by affirmative vote of the Investment Committee. All actions and recommendations of the Investment Committee shall be forwarded to the Board for consideration and are subject to Board approval. If (a) the Board fails to approve or disapprove an investment management decision that has been recommended by an affirmative vote of the Investment Committee, and such failure continues for forty-five days after the date that the recommendation was made to the Board, or (b) the Board disapproves an investment management decision within such forty-five day period but fails to provide to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee and the chief investment officer are authorized to implement the decision.

If the Board disapproves an investment management decision within such forty-five day period and provides to the Investment Committee within such forty-five day period a detailed written response outlining the reasons for such disapproval, then the Investment Committee shall have forty-five days after the receipt of the Board response to either (a) withdraw the recommended investment management decision, or (b) request, in writing, a conference with the Board to be held within ten days, but not less than five business days, of the request by the Investment Committee to discuss the disapproval by the Board described in the written response. Any such conference shall be conducted with at least three independent Investment Committee members present in person or by phone. Within ten days of the commencement of the conference or twenty days following the Investment Committee's request for a conference if no conference is held, the Investment Committee shall either withdraw the recommended investment management decision or provide the Board with a written explanation of the Investment Committee's decision to proceed with the recommended investment management decision. After delivery of such written explanation by the Investment Committee, the Investment Committee and the chief investment officer are authorized to implement the decision. Any action taken by the Board or the Investment Committee in violation of the terms of this Article 16 shall constitute an *ultra vires* act and the Investment Committee or the Board is

granted the express right to seek to preliminarily enjoin such action without the need to show irreparable harm.

## **Sec 16.2. Investment Management**

- (1) For purposes of this Combined Plan, “investment management decisions” and “investment management matters” shall include:
  - (a) development of an investment policy statement with sound and consistent investment goals, objectives, and performance measurement standards which are consistent with the needs of the Retirement System;
  - (b) within 120 days after the effective date of the Plan of Adjustment, placement of all of the assets of the Retirement System not already under qualified management with qualified investment managers selected by the Investment Committee;
  - (c) evaluation, retention, termination and selection of qualified managers to invest and manage the Retirement System’s assets;
  - (d) review and affirmation or rejection of the correctness of any and all calculations, actuarial assumptions and/or assessments used by the Actuary including, but not limited to (i) those underlying the restoration of pension benefits, funding levels and amortization thereof, all in accordance with the pension restoration program attached to the Plan of Adjustment (as more fully described in Article K of Component II of this Combined Plan Document), (ii) those underlying the determination of annual funding levels and amortization thereof, and (iii) on or after Fiscal Year 2024, the recommended annual contributions to the Retirement System in accordance with applicable law;
  - (e) in accordance with approved actuarial work as provided in paragraph (d) above and based on the annual actuarial valuation reports and any other projections or reports as applicable from the Actuary or other professional advisors, the determination of the extent of restoration of pension benefits, including but not limited to the payment of lost COLA payments, all in conformance with the pension restoration program attached to the Plan of Adjustment;
  - (f) communication of the Retirement System’s investment goals, objectives, and standards to the investment managers, including any material changes that may subsequently occur;
  - (g) determination and approval of the Retirement System’s investment and asset allocation guidelines, taking into account the appropriate liquidity needs of the Retirement System;
  - (h) the taking of corrective action deemed prudent and appropriate when an investment manager fails to perform as expected;

- (i) interpretation of Retirement System governing documents, existing law, the Plan of Adjustment or other financial determination that could affect funding or benefit levels;
- (j) review and approval, prior to final issuance, of the annual audit and all financial reports prepared on behalf of the Retirement System and meet and confer with the Auditor or other professional advisors as necessary prior to approval of the annual audit or other financial reports;
- (k) determination of the funding status of the Retirement System and any remedial action to be taken pursuant to Section 9.5; and
- (l) causing an asset/liability valuation study to be performed for the Retirement System every three years or, more often, as requested by the Investment Committee or the Board.

All actions of the Investment Committee shall comply with the provisions of pertinent federal, state, and local laws and regulations, specifically *Public Act 314* and *Plan Investment Guidelines*.

**Sec 16.3. Best Practices**

Prior to adopting investment guidelines and asset allocation policies, selecting investment managers or adopting investment return assumptions, the Investment Committee shall have an understanding of and shall give appropriate consideration to the following:

- (a) the fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets;
- (b) the objective to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the pension restoration program described in the Plan of Adjustment and Component II of this Combined Plan Document, to the extent that it is prudent and consistent with the overall funding, liquidity needs and actuarial assumptions governing the Retirement System; and
- (c) the liquidity needs of the Retirement System.

**Sec 16.4. Chief Investment Officer**

The Investment Committee shall have the exclusive power to select, retain and terminate the services of a chief investment officer for the Retirement System. The Investment Committee shall determine any and all compensation and other terms of employment of any chief investment officer hired by it. The chief investment officer shall report directly to the Investment Committee and the Executive Director of the Board. The chief investment officer shall be responsible for assisting the Investment Committee and the Board with respect to oversight of the Retirement System’s investment portfolio. The chief investment officer shall

provide such periodic reports relating to the Retirement System's assets to the Investment Committee and the Board as it or they shall request.

### **Sec 16.5. Investment Consultants**

The Board and/or Investment Committee may retain the services of one or more investment consultants who shall be responsible for assisting the Investment Committee and the Board with oversight of the Retirement System's investment portfolio. Any such investment consultant shall be a registered advisor with the United States Securities and Exchange Commission and shall be a nationally recognized institutional investment consultant with expertise in the investment of public pension plan assets. Any such investment consultant shall acknowledge in writing its role as investment fiduciary with respect to the Retirement System as defined in the *Public Employee Retirement System Investment Act, as amended, MCL 38.1132 et seq.* The Board or the Investment Committee, as appropriate, shall determine the compensation and other terms of employment of any investment consultant hired by it. The duties of an investment consultant may include, but shall not be limited to:

- (a) providing an asset/liability valuation study for the Retirement System;
- (b) reviewing the Retirement System's asset allocation based on current market assumptions;
- (c) identifying and recommending to the Investment Committee and the Board appropriate investment strategies based on the financial condition of the Retirement System;
- (d) implementing the approved investment strategies, such as recommending to the Investment Committee, for Board approval, an asset allocation strategy, building an investment structure for the Retirement System, and identifying qualified investment managers (through an organized search process) to execute and implement investment strategies;
- (e) monitoring and evaluating the ongoing progress of the investment managers toward stated investment goals and objectives;
- (f) recommending to the Investment Committee and the Board any necessary corrective actions, including adjustments to the investment structure or investment management organizations in the event of a deviation from expectations;
- (g) communicating the investment policies of the Retirement System to the investment managers;
- (h) reviewing the investment policies with the appropriate employees of the Retirement System;
- (i) aiding the Investment Committee in providing recommendations on issues relating to rebalancing and cash flow management, securities lending, transition management, cash equalization and other investment related topics;

- (j) attending Investment Committee and Board meetings in person, or telephonically, as needed or as requested;
- (k) meeting with the Investment Committee to provide detailed quarterly performance reports and executive summaries of performance;
- (l) meeting with the Investment Committee and the Board to review capital markets and inform the Board and Retirement System employees on the current investment environment; and
- (m) meeting with the Investment Committee and the Board to provide recommendations on asset allocation, investment structure, and manager selections.

### **Sec 16.6. Consistency With Plan of Adjustment**

Nothing herein shall be interpreted as permitting the Investment Committee or the Board to alter or depart from the requirements set forth in the Plan of Adjustment.

## **ARTICLE 17. RETIREE MEDICAL ACCOUNT**

### **Sec 17.1. Establishment of Account**

A Medical Benefits Account shall be established and maintained under the Retirement System out of which the Board of Trustees shall pay the cost, which would otherwise be borne by the City, for certain medical and related benefits provided under the plans or programs maintained by the City to provide Medical Benefits (the "Medical Plans") for the benefit of the Medical Beneficiaries. The provisions of this Article 17 are intended to comply with Section 401(h) of the Code and shall be construed to comply therewith.

### **Sec 17.2. Effective Date**

Medical Benefits shall be paid from the Medical Benefits Account beginning October \_\_, 2014 or such other date recommended by an enrolled actuary (within the meaning of Section 7701(a)(35) of the Code) and approved by the Board and Investment Committee.

### **Sec 17.3. Funding of Benefits**

Subject to the right reserved to the City to amend or terminate the provision of Medical Benefits under its general power to amend the Combined Plan document under Section 18.5, the City expects and intends to make actuarially determined contributions under the Retirement System from time to time to fund the Medical Benefits Account. The assets of the Medical Benefits Account may be invested together with the other assets of the Retirement System, in which case earnings of the Retirement System shall be allocated to the Medical Benefits Account on a reasonable basis or such assets may be invested separately. In any event, no part of the Retirement System, other than the assets of the Medical Benefits Account, shall be available to pay for any part of the cost of Medical Benefits.

The amount determined by the City to be contributed for any Plan Year pursuant to the paragraph above shall be reasonable and ascertainable and shall not exceed the total cost for such Plan Year of providing Medical Benefits to the Medical Beneficiaries, determined in accordance with generally accepted actuarial methods and assumptions that are reasonable in view of the provisions and coverage of the medical and other welfare plans providing such benefits, the funding medium and any other applicable considerations. At the time the City makes a contribution to the Trustee, the City shall designate the portion thereof that is allocable to the Medical Benefits Account.

### **Sec 17.4. Limitation on Contributions**

At all times the aggregate of the contributions made by the City to provide Medical Benefits shall not exceed twenty-five percent (25%) of the sum of the aggregate contributions made by the City to the Plan under Sections 9.3 and 9.5, other than the contributions to fund past service credits, plus the aggregate contributions to the Medical Benefits Account. In the event that a contribution under Section 17.3 shall exceed the amount described in the preceding sentence, such contribution shall be reduced by the excess amount.

### **Sec 17.5. Impossibility of Diversion**

In no event, prior to the satisfaction of all liabilities to provide Medical Benefits shall the Medical Benefits Account be used for, or diverted to, any purpose other than the payment of such benefits and any necessary or appropriate expenses of administration associated therewith. Any amounts credited to the Medical Benefits Account following the satisfaction of all such liabilities shall be returned to the City.

**Sec 17.6. Administration**

The Medical Plans shall continue to be administered, and claims processed, under their respective terms. Notwithstanding, the interpretation and administration of the terms of this Article 17 shall be pursuant to the provisions of the Combined Plan document.

**Sec 17.7. Right to Amend or Terminate Medical Plans**

The City expressly reserves the exclusive right, retroactively to the extent permitted by law, to amend, modify, change, terminate or revoke any medical or other welfare plan or policy maintained by the City that provides medical or other welfare benefits, including but not limited to Medical Benefits, and to require Members, former Members, their eligible spouses and dependents to pay all or any portion of the cost of such medical benefits.

**Sec 17.8. Reversion**

At any time prior to the satisfaction of all liabilities under the Retirement System to provide Medical Benefits, no part of the Medical Benefits Account may be used for any purpose other than providing Medical Benefits, and any necessary or appropriate expenses attributable to the administration of the Medical Benefits Account. If any residual assets remain in the Medical Benefits Account after the satisfaction of all obligations of the City to provide Medical Benefits to the Medical Beneficiaries, such assets shall be returned to the City. In the event a Medical Beneficiary's interest in the Medical Benefits Account is forfeited prior to the termination of the Retirement System, an amount equal to such forfeiture shall be applied as soon as possible to reduce the City's contributions.

**Sec 17.9. Limitation of Rights**

A Medical Beneficiary shall have no right, title or claim in any specific asset of the Medical Benefits Account, but shall have the right only to the Medical Benefits provided from time to time under the Medical Benefits Account.

## **ARTICLE 18. MISCELLANEOUS**

### **Sec 18.1. Nonduplication of Benefits**

If any Member is a participant in another defined benefit pension plan, retirement system or annuity plan sponsored by the City (including Component II of this Retirement System) and the Member is or becomes entitled to accrue pension benefits under such plan or retirement system (including Component II of this Retirement System) with respect to any period of service for which he is entitled to accrue a benefit under Component I of this Retirement System, such Member shall not be eligible to accrue or receive payment of a benefit under Component I with respect to such period of service.

### **Sec 18.2. Assignments Prohibited**

The right of a person to a pension, annuity, the return of Accumulated Voluntary Employee Contributions and/or the return of Accumulated Mandatory Employee Contributions, the Retirement Allowance itself, to any optional form of benefit, to any other right accrued or accruing to any person under the provisions of this Retirement System, and the monies in the various funds of the Retirement System shall not be assignable and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency law, or any other process of law whatsoever, except as specifically provided in this Combined Plan Document or by an eligible domestic relations order of a lawful court.

### **Sec 18.3. Protection Against Fraud**

A person who, with intent to deceive, makes any statements or reports required under this Retirement System that are untrue, or who falsifies or permits to be falsified any record or records of this Retirement System, or who otherwise violates, with intent to deceive, any terms or provisions of the Retirement System, shall be subject to prosecution under applicable law.

### **Sec 18.4. Conviction of Felony; Forfeiture of Rights**

If a Member or Beneficiary shall be convicted by a court of competent jurisdiction of a felony or high misdemeanor involving moral turpitude committed during active Service, the Board shall have the power to order the forfeiture of all rights of the Member or Beneficiary to benefits hereunder, except the return of the Member's Accumulated Mandatory Employee Contributions and Accumulated Voluntary Employee Contributions.

### **Sec 18.5. Amendment; Termination; Exclusive Benefit**

The City reserves the right to amend the Combined Plan document created hereunder at any time; such amendments may include termination of the Retirement System; provided, however, that following the effective date of the Plan of Adjustment, no amendment other than amendments permitted under the terms of the Plan of Adjustment (including amendments contemplated in Section K-4(5) of Component II) may be made to the terms, conditions and rules of operation of the Combined Plan or any successors plan or trust that govern the calculation of pension benefits, nor may any amendment or termination deprive any Member, former Member or Beneficiary of any then vested benefit under the Retirement System, except as provided in the

Plan of Adjustment. Notwithstanding the foregoing, the City and the Board have the authority to amend the Combined Plan document as necessary to retain the tax qualified status of the Retirement System under the Internal Revenue Code. The City shall make no amendment or amendments to the Retirement System which causes any part of the assets of the Retirement System to be used for, or diverted to, any purpose other than the exclusive benefit of Members, former Members or their Beneficiaries; provided, that the City may make any amendment necessary, with or without retroactive effect, to comply with applicable federal law. Any amendment of the Retirement System by the City must be approved by the Council or a person standing in the stead of the Council.

Upon termination of the Retirement System or upon complete discontinuance of contributions to the Retirement System, the rights of all Members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be nonforfeitable.

#### **Sec 18.6. Forfeitures Not to Increase Benefits**

Any forfeitures arising under the Retirement System due to a Member's termination of employment or death, or for any other reason, shall be used to pay expenses of the Retirement System and shall not be applied to increase the benefits any Member would otherwise receive under the Retirement System at any time prior to termination of the Retirement System.

#### **Sec 18.7. Required Distributions - Compliance with Code Section 401(a)(9) and Regulations**

The Retirement System will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the final regulations issued thereunder, notwithstanding any provision in the Combined Plan document to the contrary. Pursuant to Code Section 401(a)(9)(A)(ii), a Member's interest must begin to be distributed by the later of (i) the April 1 of the calendar year following the calendar year that he attains the Age of seventy and one-half (70-1/2), or (ii) April 1 of the calendar year following the year in which he retires. Distributions will be made in accordance with Regulations Sections 1.401(a)(9)-2 through 1.401(a)(9)-9. The provisions of this Section 18.7 and the regulations cited herein and incorporated by reference override any inconsistent plan distribution options.

#### **Sec 18.8. Direct Rollovers**

- (1) For purposes of compliance with Code Section 401(a)(31), a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.
  - (a) For purposes of this Section 18.8, the following terms shall have the following meanings:
  - (b) "*Direct rollover*" means a payment by the Retirement System to an eligible retirement plan specified by a distributee.

- (c) “*Distributee*” means a Member or former Member. It also includes the Member’s or former Member’s surviving spouse, a spouse or former spouse who is the alternate payee under an eligible domestic relations order, or a nonspouse beneficiary who is a designated beneficiary as defined by Code Section 401(a)(9)(E). However, a nonspouse beneficiary may only make a direct rollover to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an “inherited” individual retirement account or annuity.
- (d) “*Eligible retirement plan*” means any of the following that accepts a distributee’s eligible rollover distribution:
- (i) a qualified trust described in Code Section 401(a);
  - (ii) an annuity plan described in Code Section 403(a);
  - (iii) an annuity contract described in Code Section 403(b);
  - (iv) an individual retirement account described in Code Section 408(a);
  - (v) an individual retirement annuity described in Code Section 408(b);
  - (vi) a Roth IRA described in Code Section 408A; or
  - (vii) a plan eligible under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from the Retirement System.
- (e) “*Eligible rollover distribution*” means any distribution of all or any portion of the balance to the credit of a distributee under the Retirement System, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); the portion of any distribution that is not includible in gross income; and any other distribution which the Internal Revenue Service does not consider eligible for rollover treatment, such as any distribution that is reasonably expected to total less than \$200 during the year. Notwithstanding the foregoing, a portion of a distribution will not fail to be an “eligible rollover distribution” merely because the portion consists of after-tax contributions that are not includible in Member’s gross income upon distribution from the Retirement System. However, such portion may be transferred only (i) to an individual retirement account or annuity described in Code Section 408(a) or (b) or to a qualified defined contribution plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion

of the distribution that is includible in gross income and the portion of the distribution that is not so includible; (ii) to a qualified defined benefit plan described in Code Section 401(a) or to an annuity contract described in Code Section 403(b) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) to a Roth IRA described in Code Section 408A.

### **Sec 18.9. Construction**

Words in the singular should be read and construed as though used in the plural, and words in the plural should be read and construed as though used in the singular, where appropriate. The words “hereof”, “herein”, and “hereunder” and other similar compounds of the word “here”, shall mean and refer to Component I of this Combined Plan document and not to any particular provision or section thereof. The table of contents, article and section headings are included for convenience of reference, and are not intended to add to, or subtract from, the terms of the Combined Plan document or the Retirement System created hereunder.

### **Sec 18.10. Severability**

If any section or part of a section of this Combined Plan document or provision relating to the Retirement System is for any reason held to be invalid or unconstitutional, such holding shall not be construed as affecting the validity of the remaining sections of the Combined Plan document or Retirement System or of the Combined Plan document or Retirement System in its entirety.

EXHIBIT I.A.254.b

PRINCIPAL TERMS OF NEW PFRS ACTIVE PENSION PLAN

**NEW PFRS ACTIVE PENSION PLAN -- MATERIAL TERMS**

1. Benefit Formula for all employees is Final Average Compensation (average base compensation over last 5 consecutive years of employment) x Years of Service earned after June 30, 2014 x 2.0%. Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus – just employee's base salary.
2. Actual time for benefit accrual is actual time served. For vesting service, 1,000 hours in a 12 month period to earn a year of service.
3. Normal Retirement Age for all employees is age 50 with 25 years of service, with the following 7 year transition period:

| <u>Fiscal Year</u>  | <u>Age and Service</u> |
|---------------------|------------------------|
| 2015                | Age 43 and 20 years    |
| 2016                | Age 43 and 20 years    |
| 2017                | Age 44 and 21 years    |
| 2018                | Age 45 and 22 years    |
| 2019                | Age 46 and 23 years    |
| 2020                | Age 47 and 24 years    |
| 2021 and thereafter | Age 50 and 25 years    |

4. 10 Years of Service for vesting.
5. Deferred vested pension -- 10 years of service and age 55 for reduced benefit; 10 years of service and age 62 for unreduced benefit.
6. Duty Disability - consistent with current PFRS
7. Non-Duty Disability – consistent with current PFRS
8. Non-Duty Death Benefit for Surviving Spouse – consistent with current PFRS
9. Duty Death Benefit for Surviving Spouse – consistent with current PFRS
10. COLA: 1% compounded, variable
11. DROP Accounts will be available for existing and future accrued benefits for employees who are eligible to retire under concurrent eligibility requirements. No more than 5 years of DROP participation (both for Old PFRS and New PFRS) for employees not already in DROP. DROP accounts will be managed by the PFRS instead of ING, if administratively and legally feasible. If managed by PFRS, interest will be credited to DROP accounts at a rate equal to 75% of the actual net investment return of PFRS, but in no event lower than 0% or higher than 7.75%.

12. Annuity Savings Fund – employees may make voluntary Annuity Savings Fund contributions up to 10% of total after-tax pay. Interest will be credited at the actual net investment rate of return for PFRS, but will in no event be lower than 0% or higher than 5.25%. No in-service withdrawals permitted. An employee represented by the Detroit Police Officers Association may elect to contribute up to 100% of the amount paid to him or her by the City for accumulated sick leave in excess of 400 hours.
13. Investment Return/Discount rate – 6.75%
14. City Contributions
  - a. Detroit Fire Fighters Association Employees
    - i. 11.2% of the base compensation of eligible employees for payroll periods beginning prior to the effective date of the collective bargaining agreement and 12.25% of the base compensation of eligible employees for payroll periods beginning after the effective date of the collective bargaining agreement. A portion of such contribution will be credited to a rate stabilization fund.
  - b. Detroit Police Command Officers Association Employees
    - i. 12.25% of the base compensation of eligible employees. A portion of such contribution will be credited to a rate stabilization fund.
  - c. Detroit Police Officers Association Employees
    - i. 11.2% of the base compensation of eligible employees for payroll periods beginning prior to the effective date of the collective bargaining agreement and 12.25% of the base compensation of eligible employees for payroll periods beginning after the effective date of the collective bargaining agreement. A portion of such contribution will be credited to a rate stabilization fund.
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i. 12.25% of the base compensation of eligible employees. A portion of such contribution will be credited to a rate stabilization fund.
15. Employee Contributions – Employees hired before July 1, 2014 (current actives) will contribute 6% of base compensation (pre-risk shifting); employees hired on or after July 1, 2014 (new employees) will contribute 8% of base compensation (pre-risk shifting). Maximum employee contributions of 10% (current actives) and 12% (new employees).
16. Risk Shifting:
  - a. If the funding level is less than 90% (using the fair market value of assets), COLAs will be eliminated (to the extent applicable).

- b. If the funding level is 90% or lower (using the fair market value of assets and a 3-year look back period), the following corrective actions will be taken in the order listed below, until the actuary can state that by virtue of the use of corrective action, and a 6.75% discount rate and return assumption, the funding level is projected to be 100% on a market value basis within the next 5 years:
- i. eliminate COLAs (if applicable);
  - ii. use amounts credited to the rate stabilization fund to fund accrued benefits;
  - iii. increase employee contributions by 1% per year (6% to 7% for current actives and 8% to 9% for new employees) for up to 5 years;
  - iv. increase employee contributions (active and new employees) by an additional 1% per year;
  - v. increase employee contributions (active and new employees) by an additional 1% per year;
  - vi. implement a 1 year COLA fallback;
  - vii. implement a second 1 year COLA fallback;
  - viii. increase employee contributions by an additional 1% per year; and
  - ix. increase City contributions consistent with applicable actuarial principles and PERSIA.

EXHIBIT I.A.280

PRIOR GRS PENSION PLAN

**COMBINED PLAN  
FOR THE  
GENERAL RETIREMENT SYSTEM  
OF THE  
CITY OF DETROIT, MICHIGAN**

**Amendment and Restatement Effective July 1, 2014**

**TABLE OF CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| COMPONENT II.....  | 1           |
| ARTICLE A. COMMON PROVISIONS OF THE GENERAL RETIREMENT SYSTEM.....                                     | 2           |
| Sec. A-1. Common Provisions.....   | 2           |
| ARTICLE B. FREEZE OF GENERAL RETIREMENT SYSTEM AS OF JUNE 30, 2014.....                                | 4           |
| Sec. B-1. Freeze of Eligibility and Benefits Under General Retirement System.....                      | 4           |
| ARTICLE C. DEFINITIONS.....  | 6           |
| Sec. C-1. Definitions.....   | 6           |
| ARTICLE D. SERVICE CREDIT .....  | 11          |
| Sec. D-1. Service Credit.....  | 11          |
| Sec. D-2. Service Credit; Former Employees of the Founder’s Society—<br>Detroit Institute of Arts..... | 11          |
| Sec. D-3. Service Credit; Transfer to Other Governmental Service.....                                  | 11          |
| Sec. D-4. Service Credit; Military Service .....   | 11          |
| Sec. D-5. Service Credit; Qualified Military Service (Pre-Employment Service).....                     | 11          |
| ARTICLE E. DEFINED BENEFIT/DEFINED CONTRIBUTION (ANNUITY) PLAN OF THE GENERAL RETIREMENT SYSTEM.....   | 13          |
| Sec. E-1. Membership .....   | 13          |
| Sec. E-2. Cessation of Membership; Re-Employment by the Employer .....                                 | 13          |
| Sec. E-3. Service Retirement.....  | 16          |
| Sec. E-4. Service Retirement Allowance .....   | 19          |
| Sec. E-5. Disability Retirement .....  | 20          |
| Sec. E-6. Accidental Death Benefit; Performance of Duty .....  | 23          |
| Sec. E-7. Accumulated Contributions; Return of 1973 Defined Contribution Plan Amount .....             | 24          |
| Sec. E-8. Retirement Allowance Options.....  | 25          |
| Sec. E-9. Benefits for Surviving Spouses; Generally.....   | 27          |
| Sec. E-10. Benefits for Surviving Spouses; Disability Retirees.....                                    | 27          |
| Sec. E-11. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary .....                 | 28          |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Sec. E-12. Pensions Offset by Compensation Benefits; Subrogation .....   | 28          |
| Sec. E-13. Disability Retirees; Reexamination; Authority of the Board.....   | 28          |
| Sec. E-14. Transfer of Department or Department Functions; Generally .....   | 29          |
| Sec. E-15. Pension Improvement Factor (Escalator).....   | 30          |
| Sec. E-16. Adoption of Rates of Interest; Limitations on Payments By<br>Retirement System; Transfer of Investment Returns in Excess of<br>Crediting Rate ..... | 31          |
| Sec. E-17. Funds.....  | 32          |
| Sec. E-18. Method of Financing.....  | 32          |
| Sec. E-19. Determination of City’s Annual Contribution .....   | 35          |
| ARTICLE F. PARTICIPANT LOAN PROGRAM.....   | 36          |
| Sec. F-1. Established .....  | 36          |
| Sec. F-2. The Loan Program .....   | 36          |
| Sec. F-3. Eligibility .....  | 36          |
| Sec. F-4. Amount of Loan.....  | 37          |
| Sec. F-5. Terms and Conditions .....   | 37          |
| Sec. F-6. Renewal of Loan.....   | 38          |
| Sec. F-7. Loan Balance .....   | 38          |
| Sec. F-8. Distributions.....   | 38          |
| Sec. F-9. Annual Report.....   | 38          |
| ARTICLE G. SPECIAL PLAN OF ADJUSTMENT PROVISIONS .....   | 39          |
| Sec. G-1. Benefit Changes Implemented Pursuant to the Terms of the Plan<br>Of Adjustment.....  | 39          |
| Sec. G-2. Annuity Savings Fund Recoupment .....  | 40          |
| Sec. G-3. Income Stabilization Benefits .....  | 43          |
| Sec. G-4. Restoration of Pension Benefits.....   | 46          |
| ARTICLE H. MISCELLANEOUS PROVISIONS OF THE GENERAL RETIREMENT<br>SYSTEM.....   | 56          |
| Sec. H-1. Enforcement; Civil Action .....  | 56          |
| Sec. H-2. Limitation of Other Statutes.....  | 56          |

# COMPONENT II

**ARTICLE A. COMMON PROVISIONS OF THE GENERAL RETIREMENT SYSTEM**

**Sec. A-1. Common Provisions**

Certain provisions of the Combined Plan for the General Retirement System of the City of Detroit, Michigan described below are common to both Component I and this Component II as in effect July 1, 2014. Those provisions are set forth in the following Sections of Component I:

- (a) Article I (General Provisions);
- (b) Article II (Definitions):
  - Actuarial Equivalent or Actuarially Equivalent
  - Actuarially Equivalent Value
  - Administrative Rules and Regulations
  - Age; Attainment of
  - Board of Trustees or Board or Retirement Board
  - City
  - City Council or Council
  - Combined Plan
  - Component I
  - Component II
  - Employer
  - Fiscal Year
  - General Retirement System or Retirement System
  - Internal Revenue Code or Code
  - Investment Committee
  - Member
  - Notice to Members, Beneficiaries and Retirees;
  - Plan Actuary or Actuary;

Plan Document or Combined Plan Document;

Plan of Adjustment;

Plan Year;

Spouse; and

Straight Life Retirement Allowance;

- (c) Article 12 (Limitation on Benefits and Contributions);
- (d) Article 13 (Retirement System Administration);
- (e) Article 14 (Management of Funds);
- (f) Article 15 (Investment of Retirement System Assets); and
- (g) Article 17 (Miscellaneous).

## **ARTICLE B. FREEZE OF GENERAL RETIREMENT SYSTEM AS OF JUNE 30, 2014**

### **Sec. B-1. Freeze of Eligibility and Benefits Under General Retirement System**

Notwithstanding anything in Articles I, II, III, or IV of Chapter 47 of the 1984 Detroit City Code or this Combined Plan for the General Retirement System of the City of Detroit, Michigan to the contrary, effective as of June 30, 2014 (the “Freeze Date”):

- (a) No new employee hired by an Employer on or after July 1, 2014 shall become a Member who is eligible to accrue a benefit under the terms of the General Retirement System in effect as of the Freeze Date;
- (b) No employee who is rehired by an Employer on or after July 1, 2014 shall become a Member who is eligible to accrue either a benefit or service credit for any purpose under the terms of the General Retirement System in effect as of the Freeze Date; provided, however, that a Member who is entitled to a Frozen Accrued Benefit as defined in subsection (c) of this Section B-1 and who is rehired by an Employer on or after July 1, 2014 but prior to the date the Member incurs a six-year break in service shall be eligible to accrue service credit following rehire solely for the purpose of determining the Member’s vesting in and eligibility for payment of his Frozen Accrued Benefit;
- (c) Benefit accruals for Members with respect to service rendered prior to July 1, 2014 will be frozen based on a Member’s years of service, Average Final Compensation, and the pension multiplier formulae in effect as of such Freeze Date under the terms of the General Retirement System (“Frozen Accrued Benefit”);
- (d) Except as otherwise provided in subsection (e) of this Section B-1, compensation of a Member shall be frozen effective as of the Freeze Date for purposes of determining the Member’s Frozen Accrued Benefit. No compensation of any type earned by a Member after the Freeze Date shall be taken into consideration for purposes of determining the Member’s Frozen Accrued Benefit under the General Retirement System;
- (e) Any Member who, as of June 30, 2014, would have been eligible to elect to use a portion of his unused accrued sick leave to increase his Average Final Compensation (“Sick Leave Rollover”) if the Member had been eligible to retire and had elected to retire as of June 30, 2014, shall have a one-time election (“Special Election”) to add the value of twenty-five percent (25%) of the Member’s unused sick leave accrued for purposes of the Sick Leave Rollover in accordance with the terms of the applicable collective bargaining agreement, City Employment Terms or Detroit Code of Ordinance to the earnings used in computing Average Final Compensation for purposes of determining the Member’s Frozen Accrued Benefit; provided, however, that at least twenty-five percent (25%) of the Member’s sick leave accrued for purposes of the Sick Leave Rollover in accordance with the terms of the applicable collective bargaining agreement, City Employment Terms or Detroit Code of Ordinance remains in the Member’s sick leave bank at the time the completed Special Election form is received by the Retirement System and, provided further that the completed Special Election form is received by the Retirement System no later than August 22, 2014 or, if later, the date set forth in a collective bargaining

agreement between the City and a union whose members are eligible to make a Special Election. A Member's Special Election shall be made in the manner set forth by the Board of Trustees and the Retirement System. A Member may revoke a Special Election, as long as such revocation occurs on or before the latest date upon which such Member is permitted to make a Special Election. Notwithstanding anything in this subsection (e) to the contrary, a Member's Special Election will be void and the determination of the Member's Average Final Compensation for purposes of calculating the Member's Frozen Accrued Benefit will not take into account any of the Member's unused sick leave, if (i) the electing Member would not have been eligible to receive an immediate service retirement if he retired as of June 30, 2014, and (ii) the electing Member's employment with an Employer is terminated before the electing Member becomes eligible for an immediate service retirement under the Retirement System;

- (f) Service earned after the Freeze Date shall be credited to a Member solely for purposes of determining the Member's vesting in and eligibility for payment of his or her Frozen Accrued Benefit. Service credit for all Members for benefit accrual purposes under the terms of the General Retirement System in effect as of the Freeze Date shall be frozen effective as of the Freeze Date and no Member shall earn service credit with respect to benefits payable under the terms of the General Retirement System in effect as of the Freeze Date (except for vesting and benefit payment eligibility purposes) after the Freeze Date; and
- (g) No Member shall make contributions to the Annuity Savings Fund under the General Retirement System in effect as of June 30, 2014 with respect to wages earned on or after the earliest date following June 30, 2014 that the City's payroll department can implement the freeze. All after tax contributions made on or after the date referenced in the preceding sentence shall be made to and in accordance with the terms of Component I of the Combined Plan.

The foregoing terms shall be referred to as the "Freeze" of the provisions of the General Retirement System as in effect on the Freeze Date and the provisions of Articles I, II, III, or IV of Chapter 47 of the 1984 Detroit City Code and this Component II of the Combined Plan shall be interpreted and construed by the Board of Trustees and the Retirement System to give full effect to the Freeze. To the extent that a conflict arises between this Section B-1, the provisions in Chapter 47, or any collective bargaining agreement or other document governing the terms of employment of any employee, the Board of Trustees and the Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Freeze.

## ARTICLE C. DEFINITIONS

### Sec. C-1. Definitions

Unless a different meaning is plainly required by context, for purposes of this Component II the following words and phrases have the meanings respectively ascribed to them by this Section C-1:

- (1) *Accrued Service* means a Member's credited service for employment rendered before July 1, 2014.
- (2) *Accumulated Contributions* means the sum of all amounts deducted from the compensation of a Member and credited to the Member's individual account in the Annuity Savings Fund, together with regular interest thereon.
- (3) *Annuity* means the portion of the retirement allowance which is paid for by a Member's accumulated contributions.
- (4) *Annuity Reserve* means the present value of all payments to be made on account of any annuity or benefit in lieu of any annuity. Such annuity reserve shall be computed upon the basis of such mortality tables and regular interest as shall be adopted by the Board.
- (5) *Average Final Compensation* means:
  - a. On or before June 30, 1992. For those Members who retired or separated from active service with vested pension rights on or before June 30, 1992, the highest average compensation received by a Member during any period of five consecutive years of credited service selected by the Member from the ten years of credited service which immediately preceded the date of the Member's last termination of City employment. If a Member has less than five years of credited service, the Average Final Compensation shall be the average of the annual compensation received during the Member's total years of credited service.
  - b. On or after July 1, 1992 but before July 1, 1998. For those Members who retired or separated from active service with vested pension rights on or after July 1, 1992 but before July 1, 1998, the highest average compensation received by a Member during any period of four consecutive years of credited service during the ten years of credited service which immediately preceded the date of the Member's last termination of City employment. If a Member has less than four years of credited service, the Average Final Compensation shall be the average of the annual compensation received during the Member's total years of credited service.
  - c. On or after July 1, 1998. For those Members who retire or separate from active service with vested pension rights on or after July 1, 1998, the

highest average compensation received by a Member during any period of three consecutive years of credited service during ten years of credited service which immediately precede the date of the Member's last termination of City employment. If a Member has less than three years of credited service, the Average Final Compensation shall be the average of the annual compensation received during the Member's total years of credited service.

- d. Sick Leave Election. For those nonunion Members with a regular or early service retirement who retire on or after July 1, 1999, in computing the highest average compensation received by a Member, the Member shall have the option of adding the value of twenty-five percent (25%) of the Member's unused accrued sick leave at the time of retirement to the earnings used in computing the Average Final Compensation. Bargaining unit members who retire on or after July 1, 1999 and prior to July 1, 2014 shall have the Unused Sick Leave On Retirement benefit provided for in the applicable bargaining agreement. For any Member choosing to exercise this option, the lump sum payment the Member will receive will be the remaining value of the unused accrued sick leave bank as provided in the bargaining agreement.

(6) *Beneficiary* means any person or persons (designated by a Member pursuant to procedures established by the Board) who are entitled to receive a retirement allowance or pension payable from funds of the General Retirement System due to the participation of a Member.

(7) *Compensation* means:

- a. On or before June 30, 1992. For those Members retired or separated from active service with vested pension rights, on or before June 30, 1992, all remuneration, excluding longevity payments, paid to a Member because of personal services rendered by the Member to the Employer. Compensation in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue Code shall be disregarded.
- b. On or after July 1, 1992. For those Members who retire on or after July 1, 1992, all remuneration, including longevity payments, paid to a Member because of personal services rendered by the Member to the Employer. Compensation in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue Code shall be disregarded.

(8) *Conversion* means that date on which a Member's benefits change from disability retirement benefits to normal retirement benefits.

(9) *Credited Service* means membership service credited to a Member to the extent provided in this Component II.

- (10) *Final Compensation* means a Member's annual rate of compensation at the time employment with all Employers is last terminated.
- (11) *Pension* means, for purposes of this Component II, the portion of a retirement allowance which is paid for by appropriations made by the Employers into the appropriate funds.
- (12) *Pension Reserve* means the present value of all payments to be made on account of any pension, or benefit in lieu of any pension. Such pension reserve shall be computed upon the basis of such mortality and other tables of experience, and regular interest, as shall be adopted by the Board.
- (13) *Regular Interest* means such rate or rates per annum, compounded annually, as the Board of Trustees shall determine in accordance with the limitations contained in Section E-16 of this Component II.
- (14) *Retiree* means a former Member who is receiving a retirement allowance from Component II of the Retirement System.
- (15) *Retirement* means a Member's withdrawal from the employ of the Employers with a retirement allowance or pension paid by Component II of the Retirement System.
- (16) *Retirement Allowance* means the sum of the annuity and the pension.
- (17) *Service* means personal services rendered to the Employer by a person as an employee of the Employer, provided such person is compensated by the Employer for such personal services.
- (18) *Service credit for purposes of the 1973 Defined Benefit/Defined Contribution (Annuity) Plan* means that, in accordance with such rules and regulations as the Board shall adopt, each Member shall be credited with service as follows: (1) One month of service credit is earned when the Member is paid for eighty hours of work during the month; (2) A full year of credit is earned for nine months of credit in any calendar year, except the Member's last year of work, which service credit shall be determined as of the Member's last day on the Employer's payroll. Less than nine months of service rendered in a calendar year shall neither be credited as a full year of service, nor shall more than one year of service be credited to any Member for service rendered in any one calendar year. Service credit is used to determine eligibility for service retirement, vesting, non-duty disability and survivor benefits. Service credit is also earned by a Member while retired on a duty disability or while receiving Workers' Compensation benefits.

The following terms shall have the meanings given to them in the Sections of this Component II set forth opposite such term:

2023 UAAL Amortization  
Accrued Liability Fund

Section G-4(3)a  
Section E-18(d)

|   |                                       |
|---|---------------------------------------|
| Actual Return   | Section G-2(5)                        |
| Adjusted Accrued Benefit                                      | Section G-1(1)a                       |
| Adjusted Deferred Accrued Benefit                             | Section G-1(1)b                       |
| Annuity Reserve Fund  | Section E-18(b)                       |
| Annuity Savings Fund Excess Amount                            | Section G-2(1)                        |
| Annuity Savings Fund of the 1973 Defined Contribution Plan    | Section E-18(a)                       |
| ASF   | Section G-2                           |
| ASF account   | Section G-2(1)                        |
| ASF Recalculation Period                                      | Section G-2                           |
| ASF Excess Return   | Section E-16(c)                       |
| ASF Recoupment  | Section G-1(1)(c)                     |
| Cash Option Cap   | Section G-2(4)                        |
| Cash Repayment Option   | Section G-2(4)                        |
| Certificate of Default  | Section G-3(7)                        |
| COLA  | Section G-4                           |
| Determination Date  | Section E-18                          |
| Eligible Pensioner  | Section G-3(5)                        |
| Estimated Adjusted Annual Household Income                    | Section G-3(3)b                       |
| Excess Assets   | Section G-3(7)                        |
| Expense Fund  | Section E-18(f)                       |
| Extra Contribution Account                                    | Section G-4(3)b                       |
| Federal Poverty Level   | Section G-3(6)                        |
| Final Payment Notice  | Section G-2(4)                        |
| Freeze  | Section B-1                           |
| Freeze Date   | Section B-1                           |
| Frozen Accrued Benefit  | Section B-1(c)                        |
| Funded Level  | Section G-4(2)                        |
| Funding Conditions  | Section G-1(1)a                       |
| Funding Proceeds  | Section E-18(d)                       |
| Funding Target  | Sections G-4(2)a, G-4(3)a,<br>G-4(4)a |
| Governor  | Section G-4(5)                        |
| IME   | Section E-5(a)                        |
| Income Fund   | Section E-18(g)                       |
| Income Stabilization Benefit                                  | Section G-3(2)                        |
| Income Stabilization Benefit Plus                             | Section G-3(3)                        |
| Income Stabilization Fund                                     | Section G-3(4)                        |
| Monthly Annuity Savings Fund Excess Amount                    | Section G-2(2)                        |
| Option "A". Joint and Seventy-Five Percent Survivor Allowance | Section E-8(a)                        |
| Option "B". Joint and Twenty-Five Percent Survivor Allowance  | Section E-8(a)                        |
| Option One. Cash Refund Annuity                               | Section E-8(a)                        |
| Option Three. Joint and Fifty Percent Survivor Allowance      | Section E-8(a)                        |
| Option Two. Joint and One Hundred Percent Survivor            |                                       |

|  |                                       |
|--|---------------------------------------|
| Allowance                              | Section E-8(a)                        |
| Participant Loan Program               | Section F-1                           |
| Pension Accumulation Fund              | Section E-18(c)                       |
| Pension Funding Transaction            | Section E-18(d)                       |
| Pension Improvement Factor (Escalator) | Sections E-15, G-1(2)                 |
| Pension Reserve Fund                   | Section E-18(e)                       |
| Pension Restoration Agreement          | Section G-4                           |
| Permanent Restoration Target           | Section G-4(2)g, G-4(3)a,<br>G-4(4)a  |
| Pop-up Form                            | Section E-8(b)(2)                     |
| Restoration Reserve Account            | Section G-4(2)a                       |
| Restoration Reserve Suspension Trigger | Sections G-4(2)g, G-4(3)a,<br>G-4(4)a |
| Restoration Target                     | Sections G-4(2)a, G-4(3)a,<br>G-4(4)a |
| Sick Leave Rollover                    | Section B-1(e)                        |
| Special Election                       | Section B-1(e)                        |
| Standard Form                          | Section E-8(b)(1)                     |
| Straight Life Retirement Allowance     | Section E-8(a)                        |
| Transition Cost                        | Section E-16(c)                       |
| UAAL                                   | Sections E-18(d), G-4                 |
| Waterfall Classes                      | Section G-4(1)                        |

## ARTICLE D. SERVICE CREDIT

### Sec. D-1. Service Credit

The Board shall keep an accurate record of each employee's accumulated service credit from the date of commencement of employment with the Employers.

### Sec. D-2. Service Credit; Former Employees of the Founder's Society—Detroit Institute of Arts

Pursuant to Section 6-519 of the 1974 Detroit City Charter, and for the sole purpose of computing service credit to determine eligibility for a retirement allowance from the General Retirement System, a person who was inducted into the classified service of the City during the calendar year 1984 as a result of the transfer of certain functions at the Detroit Institute of Arts from The Founder's Society/Detroit Institute of Arts to the City, shall be credited with service credit equivalent to continuous time worked as a full time employee of the Founder's Society/Detroit Institute of Arts retroactive to January 1, 1984. Such Founder's Society/Detroit Institute of Arts service credit shall have no effect upon the amount of retirement benefits paid by the General Retirement System. Such Founder's Society/Detroit Institute of Arts service credit shall be added to the service credit earned as a City employee only for purposes of meeting service credit eligibility requirements under the General Retirement System. The Board of Trustees of the General Retirement System shall make all determinations of crediting of such Founder's Society/Detroit Institute of Arts service credit in accordance with the provisions of this Component II of the Combined Plan.

### Sec. D-3. Service Credit; Transfer to Other Governmental Service

A Member transferred from the City payroll by his or her department head to the payroll of any City, county, state, or federal government to serve the interests of the City during peace time shall continue to be a Member of the Retirement System for purposes of service credit in accordance with the ordinance or resolution passed to implement such transfer.

### Sec. D-4. Service Credit; Military Service

An Employee of the Employer who enters the military service of the United States while so employed shall have such service credited as City service for purposes of this Component II in the same manner as if the employee had served the employer without interruption, provided that (1) the employee's entry into such service and re-employment thereafter shall be in accordance with applicable laws, ordinances, and regulations of the State of Michigan and the City, and (2) he or she is re-employed by the Employer upon completion of such service. During the period of service and until return to City employment, his or her contributions to the fund shall be suspended and the fund balance shall be accumulated at regular interest.

### Sec. D-5. Service Credit; Qualified Military Service (Pre-Employment Service)

- (a) Notwithstanding any provision of this Component II to the contrary, contributions, benefits, and service credit with respect to qualified military service, shall be provided in accordance with Section 414(u) of the Internal Revenue Code. Up to three years of pre-

employment service credit may be purchased prior to June 30, 2014 for the following periods: service for a period of not less than ninety days between (1) the date of declaration of war by Congress and the recognized date of cessation of military hostilities; (2) the onset of World War II on December 8, 1941 to its conclusion on July 1, 1946; (3) the onset of the Korean Conflict on June 27, 1950 to its conclusion on December 31, 1953; (4) the onset of the Vietnam Conflict on February 28, 1961 to its conclusion on May 7, 1975, or (5) beginning on the date of the recognition of an emergency condition by the issuance of a presidential proclamation or a presidential executive order, during which emergency condition the Member received the Armed Forces Expeditionary or other Campaign Service Medal authorized by the Federal Government for the Expedition or Campaign.

- (b) This time may be applied toward a Member's credited service and may be used in meeting the minimum time needed for an automatic Option Two or automatic Option Three pension.
- (c) This time shall not apply toward meeting the minimum service and age requirements for vesting, for a non-duty disability pension, or for a service pension.

**ARTICLE E. DEFINED BENEFIT/DEFINED CONTRIBUTION (ANNUITY) PLAN  
OF THE GENERAL RETIREMENT SYSTEM**

**Sec. E-1. Membership**

The membership of the General Retirement System 1973 Defined Benefit/Defined Contribution (Annuity) Plan – Component II of the Combined Plan - shall consist of all persons who are full time employees of the Employer except:

- (a) persons who are members of the Police and Fire Retirement System of the City of Detroit, Michigan, established under Title IX, Chapter VII of the 1918 Detroit City Charter and continued in the 1974, 1997 and 2012 Detroit City Charters and as continued in the form of the Combined Plan for the Police and Fire Retirement System for the City of Detroit, Michigan, effective July 1, 2014 and as thereafter amended;
- (b) persons who are hired or rehired by an Employer on or after July 1, 2014; and
- (c) Any person who is a member of any other public employee pension or retirement plan adopted by the State of Michigan, other than the Michigan National Guard, or by any other political subdivision of the State of Michigan.

Special Service employees who worked more than fourteen hundred forty (1440) hours per Fiscal Year ending on or before June 30, 2014 will be eligible to participate in Component II of the Retirement System.

**Sec. E-2. Cessation of Membership; Re-Employment by the Employer**

- (a) Any Member who retires under Section E-3(a), (b), or (c), or dies, shall have a non-forfeitable right to a benefit.
- (b) With respect to persons not on the active payroll prior to October 1, 2005, the following provisions of this subsection shall apply:
  - (1) Except as otherwise provided for in this Component II, if any non-vested Member leaves City employment for any reason other than retirement or death, such person shall thereupon cease to be a Member and his or her credited service at that time shall be forfeited. In the event of re-employment by the City prior to July 1, 2014, such person shall again become a Member of the Retirement System and shall accrue benefits pursuant to Component II of the Combined Plan. In the event of reemployment by the employer on or after July 1, 2014, such person shall again become a Member of the Retirement System and shall accrue benefits pursuant to Component I of the Combined Plan. If re-employment occurs prior to July 1, 2014 and within a period of six (6) years from and after the date City employment last terminated, credited service last forfeited shall be restored to the employee's credit for purposes of accruing a benefit after re-employment.

- (2) With respect to persons on the active payroll on or after October 1, 2005, re-employment prior to July 1, 2014 shall restore any previously forfeited service credit notwithstanding the time of re-employment.
- (c) Vested former employees rehired prior to receiving pension benefits and prior to July 1, 2014.
- (1) Former employees who are vested but have not yet begun to receive pension benefits who are rehired prior to July 1, 2014 and prior to being separated for six (6) years shall have their pensions calculated in accordance with the rules in effect at the earlier of (i) the time of their last termination of active service or retirement and (ii) June 30, 2014.
  - (2) Former employees who are vested but have not begun to receive pension benefits and are rehired after July 1, 1992 but prior to July 1, 2014 and after being separated for more than six (6) years who accumulate enough service credit to be eligible for a second pension shall be entitled to two (2) separate and distinct pensions, each to be calculated in accordance with the rules in effect at the earlier of (i) the time of each separation from service and (ii) June 30, 2014.
  - (3) An employee who becomes eligible to collect his or her previously vested pension while still working, shall not be eligible to receive his or her vested pension but will be entitled to have the pension improvement factor earned through June 30, 2014 added to the vested amount of the original pension for payment when the employee eventually retires. The basic pension amount of twelve dollars (\$12.00) per year for up to ten (10) years will only be included on the employee's original pension.
- (d) Vested former employees rehired prior to receiving pension benefits and on or after July 1, 2014.
- (1) Former employees who are vested but have not yet begun to receive pension benefits who are rehired prior to being separated for six (6) years and on or after July 1, 2014 shall have their Component II pension calculated in accordance with the rules in effect on June 30, 2014 and their Component I pension calculated in accordance with the rules in effect at the time of their last termination of active service or retirement.
  - (2) Former employees who are vested but have not begun to receive pension benefits and are rehired after July 1, 2014 after being separated for more than six (6) years who accumulate enough service credit to be eligible for a Component I pension shall be entitled to two (2) separate and distinct pensions under Component I and Component II, each to be calculated in accordance with the rules in effect at the time of each separation from service.
  - (3) An employee who becomes eligible to collect his or her previously vested pension while still working, shall not be eligible to receive his or her vested pension but will be entitled to have the pension improvement factor added to the vested

amount of the original pension for payment when the employee eventually retires. The basic pension amount of twelve dollars (\$12.00) per year for up to ten (10) years will only be included on the employee's original pension.

- (e) Retirement benefits for retirees who return to active full time employment prior to July 1, 2014.
  - (1) Retirees who return to work will have their pension benefit amount suspended upon re-employment. However, retirees who have not withdrawn the amounts credited to their defined contribution account shall be entitled to continue to receive the monthly annuity from the 1973 Defined Contribution Plan. The pension improvement factor shall continue to be added to the vested amount of the original pension but shall not be paid on the defined benefit amount until the employee again separates from service.
  - (2) Retirees who return to work prior to July 1, 2014 will be entitled to receive a second pension benefit in accordance with the rules in effect at the earlier of (1) their final separation, or (ii) June 30, 2014, with respect to service credit earned after the retiree returns to active employment. Previous service credit will be used to determine the retirement factors that will be credited to service time earned after return to active employment and used to calculate the new pension amount.
  - (3) Average Final Compensation will be based upon the amounts earned after the retiree returns to work through the earlier of (1) their final separation and (ii) June 30, 2014.
  - (4) Employees who retire under this Section E-2(e) for a second time will not be allowed to change the original option selection with respect to the original pension benefit. However, employees may make a separate option selection on their second pension benefit amount.
  - (5) The basic pension amount of twelve dollars (\$12.00) per year for up to ten (10) years will be included only on the employee's original pension.
  - (6) The coordination of benefits (equated Social Security) option will not be available on a second pension amount.
  - (7) If a retiree who returns to work and dies while working, had an accumulated combined total service time of at least twenty years, the employee's Spouse will be eligible for automatic Option Two benefits, notwithstanding the option form of retirement originally elected.
  - (8) If a retiree who returns to work and dies while working had an accumulated combined total service time of at least fifteen years but less than twenty years, the employee's Spouse will be eligible for automatic Option Three benefits, notwithstanding the option form of retirement originally elected.

- (9) If the employee returns to work and dies prior to accumulating a combined total of fifteen years of service credit, the original pension and benefit option chosen shall resume unless the employee had chosen the Straight Life Option which would result in no survivor pension benefits.
- (10) The Board of Trustees will determine all entitlements for re-employed individuals on a case by case basis consistent with this section and will resolve all issues based upon special circumstances or unique situations.

**Sec. E-3. Service Retirement**

- (a) *Retirement after thirty years of service.* Any Member hired prior to January 1, 1996 who has accumulated at least thirty or more years of credited service regardless of age, or, for any Member who was hired on or after January 1, 1996 and who has accumulated at least thirty or more years of credited service and has attained age fifty-five, may retire upon written application filed with the Board setting forth the date on which the Member desires to be retired. The date of retirement shall be effective on the first day following the Member's last day on City payroll. Upon retirement, the Member shall receive a retirement allowance as provided in Section E-4 of this Component II of the Combined Plan.
- (b) *Retirement after twenty-five years of service.* Any Employee who is covered by the provisions of this Component II and who is a member of the International Union of Operating Engineers IUOE Local 324 (Principal Clerks), the International Brotherhood of Teamsters Teamster Local 214, the Police Officers Association of Michigan, or the Emergency Medical Service Officers Association, who on July 1, 1995, or later has twenty-five (25) or more years of credited service may retire upon his or her written application filed with the Board of Trustees setting forth the date on which the Member desires to be retired. The date of retirement shall be effective on the first day following the Member's last day on City payroll. Upon retirement the Member shall receive a Retirement Allowance as provided in Section E-4 of this Component II of the Combined Plan.
- (c) *Retirement at age sixty-five with eight years of service; at age sixty with ten years of service.*
  - (1) Sixty-five and eight. Any Member who has attained sixty-five years of age and has at least eight years of credited service may retire upon written application filed with the Board setting forth an anticipated retirement date.
  - (2) Sixty and ten. Any Member who has attained sixty years of age and has at least ten years of credited service may retire upon written application filed with the Board setting forth an anticipated retirement date.

The date of retirement shall be effective on the first day following the Member's last day on City payroll. Upon retirement, the former Member shall receive the retirement allowance provided for in Section E-4 of this Component II of the Combined Plan.

(d) *Conversion of Duty-Disability benefit to Retirement Allowance.*

- (1) Retirees who are members of the Emergency Medical Service Officers Association or the Police Officers Association of Michigan and who began receiving a Duty Disability Pension after July 1, 1995 may choose to convert to a service retirement at the time they would have had twenty-five (25) years of service with the City.

(e) *Retirement after twenty-five years of service without attaining age sixty years; reduced pension.*

- (1) Early retirement. Any Member of the Retirement System who is on the payroll on or after July 1, 1992, and who has twenty-five years of credited service and has not attained sixty years of age, shall have the option of early retirement by accepting an actuarially reduced retirement allowance as determined by the Board after consultation with the Plan Actuary, notwithstanding the age of the Member who elects early retirement; provided however that any Member hired by an Employer on or after January 1, 1996 must have twenty-five years of credited service and have attained age fifty-five to have such early retirement option. Said election shall be made within ninety days of separation from City service. Actuarial tables provided by the Plan Actuary shall always provide this actuarially reduced retirement allowance at no cost to the employee.

Notwithstanding the foregoing, any Member hired by an Employer on or after January 1, 1996 who has twenty-five years of credited service and has attained age fifty-five shall have the option of early retirement by accepting

- (2) Fringe benefits. Employees utilizing the early retirement provision in Section E-3(e)(1) will not be entitled to the fringe benefits, if any, accruing to employees who qualify for a normal service retirement until such time as they would have qualified for a normal service retirement under Section E-3(a) or (b) of this Component II of the Combined Plan.

(f) *Vested retirement allowance; age forty and eight years of service; ten years of service regardless of age.*

(1) Eligibility.

- a. Any Member hired before July 1, 1980 who has reached forty years of age and has acquired eight or more years of credited service shall be eligible to receive benefits provided by Section E-3(f)(2) of this Component II of the Combined Plan.
- b. Any Member hired on or after July 1, 1980 who has acquired ten years of credited service shall be eligible to receive the benefits provided by Section E-3(f)(2) of this Component II of the Combined Plan, regardless of age.

- c. Any non-union Member hired on or after July 1, 1980 but before March 31, 1992 who has acquired ten years of credited service regardless of age or has reached age forty with eight or more years of credited service, whichever is earlier, shall be eligible to receive benefits provided by Section E-3(f)(2) of this Component II of the Combined Plan.

(2) *Benefits.*

- a. Any Member described in Section E-3(f)(1) of this Component II who left City employment on or before June 30, 1992 but prior to the date the Member would have first become eligible to retire as provided in Section E-3(a), (b) or (c) of this Component II of the Combined Plan, for any reason except discharge for reasons covered by the State Forfeiture Law, retirement or death, shall be entitled to a retirement allowance based upon one point five percent (1.5%) of Average Final Compensation for the first ten years of service and one point six three percent (1.63%) for service in excess of ten years. There shall be no change to the base pension upon which future increases are based.
- b. Any Member described in Section E-3(f)(1) of this Component II of the Combined Plan who leaves City employment on or after July 1, 1992, but prior to the date the Member would have first become eligible to retire as provided in Section E-3(a), (b) or (c) of this Component II of the Combined Plan, for any reason except discharge for reasons covered by the State Forfeiture Law, retirement or death, shall be entitled to a retirement allowance computed according to Section E-4 of this Component II of the Combined Plan.

- (3) *Commencement of retirement allowance.* The retirement allowance shall begin on the first day of the calendar month following the month in which a retirement application is filed with the Board, on or after that date on which the Member would have been eligible to retire with an unreduced service retirement under Section E-3(a) or (b) of this Component II of the Combined Plan, had City employment continued or on the date when age sixty is reached, whichever is earlier. Unless otherwise provided in this Article, no service credit shall be earned for the period of absence from City employment and such person's beneficiary shall not be entitled to any other benefit afforded in this Article except those benefits afforded either in Section E-3 or in Section E-4 of this Component II of the Combined Plan notwithstanding termination of membership.

- (4) *Withdrawal of accumulated contributions.* Upon separation from City employment, Members who qualify for benefits pursuant to Section E-3(f)(1) of this Component II of the Combined Plan may withdraw their 1973 Defined Contribution Plan accumulated contributions and all other funds standing to their credit in the Annuity Savings Fund at that time without affecting their benefits under Section E-3(f)(2) or E-4 of this Component II of the Combined Plan.

In the event that any law, State or Federal, is passed during the term of the collective bargaining agreement or City Employment Terms agreement which permits Employees to vest their pension prior to meeting the vesting requirements set forth in this Component II, any Employee who vests his or her pension in such a manner shall not be eligible for any pension benefits until his or her sixty-second (62nd) birthday. This provision will not affect the current practice governing disabled Employees.

#### **Sec. E-4. Service Retirement Allowance**

Upon retirement, a Member who meets the qualifications set forth in section E-3(a), (b) or (c) of this Component II of the Combined Plan, shall receive a Straight Life Retirement Allowance, and shall have the right to elect to receive in lieu of the Straight Life Retirement Allowance, a reduced retirement allowance under an option provided for in E-8 of this Component II of the Combined Plan.

The Straight Life Retirement Allowance shall consist of:

- (a) An Annuity which shall be the actuarial equivalent of the Member's accumulated contributions in the 1973 Defined Contribution Annuity Savings Fund at the time of retirement; and
- (b) A Basic Pension of twelve dollars (\$12.00) per annum multiplied by the number of years, and fractions of years of credited service, not to exceed ten (10) years; and
- (c) A Membership Service Pension.
  - (1) For Members who retire on or before June 30, 1992, a membership service pension of one point five percent (1.5%) of Average Final Compensation for the first ten (10) years of service and one point six three percent (1.63%) for service in excess of ten (10) years.
  - (2) For Members who retire on or after July 1, 1992 but prior to July 1, 1998, a membership service pension of one point five percent (1.5%) of Average Final Compensation for each year of service for the first ten (10) years, plus one point seven percent (1.7%) of Average Final Compensation for each year of service in excess of ten (10) years up to twenty (20) years of service, plus one point nine percent (1.9%) of Average Final Compensation for each year of service in excess of twenty years. In no event shall benefits paid by the Retirement System exceed ninety percent (90%) of Average Final Compensation.
  - (3) For Members who retire on or after July 1, 1998, a membership service pension for service rendered prior to July 1, 2012 of one point six percent (1.6%) of Average Final Compensation for each year of service for the first ten (10) years, plus one point eight percent (1.8%) of Average Final Compensation for each year of service in excess of ten (10) years, up to twenty (20) years of service, plus two percent (2%) of Average Final Compensation for each year of service in excess of twenty (20) years up to twenty-five (25) years, plus two point two percent (2.2%) of Average Final Compensation for each year of service in excess of twenty-five

(25) years; plus, for service rendered after July 1 2012 and prior to July 1, 2014, one and one-half percent (1.5%) of Average Final Compensation for each year of service; plus twelve dollars (\$12) for each year of City service not to exceed one hundred twenty dollars (\$120). Notwithstanding the foregoing, for members of the Michigan Council 25 of the American Federation of State, County and Municipal Employees, AFL-CIO Local 2920 and the Detroit Senior Water Systems Chemists Association bargaining units, the effective date of the one and one-half percent multiplier was April 1, 2013 for all years of service rendered after that date. In no case shall benefits paid by the Retirement System exceed ninety percent (90%) of Average Final Compensation.

- (d) With respect to regular service retirees under Section E-3(a) and (b) of this Component II of the Combined Plan only and excluding persons who receive vested benefits under Section E-3(c) and (d) of this Component II of the Combined Plan, in no case shall the total of the annual Straight Life Pension be less than three hundred sixty dollars (\$360.00) times each of the first ten (10) years of service at retirement, plus one hundred twenty dollars (\$120.00) for each year of service in excess of ten (10) years. Effective July 1, 2007, each year of service in excess of ten (10) years earned prior to July 1, 2014 shall be calculated using two hundred twenty-five dollars (\$225.00).
- (e) The recalculation of the pension benefit shall include previous pension improvement factors but shall not include special increases granted by prior separate ordinances.
- (f) If a retiree dies before receipt of Straight Life Retirement allowance payments in an aggregate amount equal to, but not exceeding, the retiree's accumulated contributions in the Annuity Savings Fund at the time of retirement, the difference between these accumulated contributions and the aggregate amount of Straight Life Retirement allowance payments received, shall be paid to such person or persons nominated by written designation duly executed by the retiree and filed with the Board. If there is no such designated person or persons surviving the retiree, such difference shall be paid to his or her estate. In no case shall any benefits be paid under this section because of the death of a retiree if the retiree had elected any of the Options provided for in Section E-8 of this Component II of the Combined Plan.

#### **Sec. E-5. Disability Retirement**

- (a) *Duty Disability; Eligibility.* Upon the application of a Member or the Member's department head, a Member who becomes totally and permanently incapacitated for duty in the employ of the Employer shall be retired by the Board; provided, such incapacity is found by the Board to be the natural and proximate result of the actual performance of duty, without willful negligence on the part of the Member; provided further, that any employee who is seeking a duty disability retirement, shall have an examination conducted by an independent medical examiner ("IME"). If the IME concludes that the employee's physical or medical condition does not relate to his/her employment with the City, the employee shall not be eligible for the duty disability retirement.

(b) *Duty disability; Benefits.* Upon retirement for disability as provided in Section E-5(a) of this Component II of the Combined Plan, a retiree shall receive the following benefits:

(1) Any Member who is eligible for a Service Retirement under Section E-3(a) or (b) of this Component II of the Combined Plan shall receive a Service Retirement Allowance as provided in Section E-4 of this Component II of the Combined Plan and shall have the right to elect an option provided for in Section E-8 of this Component II of the Combined Plan.

(2) Any Member prior to eligibility for a Service Retirement under Section E-3(a) or (b) of this Component II of the Combined Plan shall receive a Disability Retirement Allowance to begin as of the date of disability. In no case shall the Disability Retirement Allowance be retroactive to more than six months before the date the application for Disability Retirement is filed with the Board, or prior to the date the Member's name last appeared on a City payroll with pay, whichever is later. The Disability Retirement Allowance shall continue until the Member reaches eligibility for Service Retirement or recovers prior to that event. Upon reaching eligibility for Service Retirement, he or she shall receive a pension as provided in Sections E-4(b)-(e) of this Component II of the Combined Plan, together with an annuity which shall be the equivalent of the annuity which would have been received had contributions to the Annuity Savings Fund continued. Said contributions are to be based on the final compensation at the date of duty disability and the annuity percentage in effect for the employee on the July first prior to the effective date on which the employee is added to the disability retirement payroll, provided said July first is at least six months prior to the effective date that the employee is added to the regular retirement payroll. In computing the pension, membership service credit shall be given for the period a Duty Disability Retirement Allowance is received. The Disability Retirement Allowance shall consist of:

(i) Cash Refund Annuity which shall be the actuarial equivalent of the Member's accumulated contributions in the Annuity Savings Fund at the time of retirement. If a retiree dies before receipt of annuity payments in an aggregate amount equal to, but not exceeding, the retiree's accumulated contributions, the difference between the accumulated contributions and the aggregate amount of annuity payments received shall be paid in a single lump sum to such person or persons nominated by written designation duly executed and filed with the Board. If there is no such designated person surviving the retiree, such difference shall be paid to the retiree's estate.

(ii) In addition to the Annuity, a Disability Pension of sixty-six and two-thirds percent (66-2/3%) of the Member's Average Final Compensation at the time of duty disability, subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan. This Disability Pension shall in no event exceed fifty-seven hundred dollars (\$5,700.00) per annum.

- (iii) For Members who retired on disability on or after January 1, 1999 or on or after July 1, 2012 for members of the Emergency Medical Service Officers Association and Police Officers Association of Michigan bargaining units, in addition to the Annuity, a Disability Pension of sixty-six and two-thirds percent (66-2/3%) of the Member's average compensation at the time of duty disability, subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan. This Disability Pension shall in no event exceed nine thousand dollars (\$9,000.00) per annum.
- (c) *Non-Duty Disability; Eligibility.* Upon the application of a Member or the Member's department head, a Member who has at least ten years of credited service who becomes totally and permanently incapacitated for duty as a result of causes which do not occur in the actual performance of duty to the employer, may be retired by the Board if the IME certifies to the Board after examination that such Member is mentally or physically totally incapacitated for the further performance of duty, that such incapacity is likely to be permanent, and that such Member should be retired.
- (d) *Non-Duty Disability; Benefits.* Upon retirement for non-duty disability as provided in Section E-5(c) of this Component II of the Combined Plan, a Member shall receive the following benefits:
  - (1) After attaining sixty years of age, a Member shall receive a Service Retirement Allowance as provided in Section E-4 of this Component II of the Combined Plan and shall have the right to elect an Option as provided in Section E-8 of this Component II.
  - (2) Prior to age sixty, a Member shall receive benefits as provided in Section E-5(d)(2)(i)-(iv) of this Component II of the Combined Plan:
    - i. A Cash Refund Annuity which shall be the actuarial equivalent of the Member's accumulated contributions in the Annuity Savings Fund at the time of retirement. In the event a retiree dies before the total of the Cash Refund Annuity payments received equals or exceeds the amount of his or her accumulated contributions at the time of retirement, the remainder shall be paid in a single lump sum to such person or persons nominated by written designation duly executed by the Member and filed with the Board. If there is no such designated person or persons surviving, any such remainder shall be paid to the retiree's estate.
    - ii. In addition to the Annuity, a Disability Pension which shall be based on the Service Retirement factors in effect on the effective date of disability. The service retirement factors shall be multiplied by the Average Final Annual Compensation multiplied by the number of years and fractions of years of service credited to the retiree. In addition, a basic pension of twelve dollars (\$12.00) per annum for a maximum of ten years of credited service shall be added for a total not to exceed one hundred twenty dollars (\$120.00) and adjustments thereto, as calculated pursuant to applicable

provisions of this Component II of the Combined Plan. Said Disability Pension shall begin as of the date of the disability. However, in no case shall the Disability Pension begin more than six months before the date the application for disability retirement was filed with the Board, or prior to the date his or her name last appeared on a City payroll with pay, whichever is later. Payment of the Disability Pension shall continue to age sixty. Said Disability Pension shall not exceed thirty-nine hundred dollars (\$3,900.00) per annum, and shall be subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan.

- iii. A Member who retired on disability on or after January 1, 1999 shall receive a Disability Pension as provided for in Section E-5(d)(2)(ii) of this Component II of the Combined Plan. Said Disability Pension shall not exceed six thousand dollars (\$6,000.00) per annum, and shall be subject to the provisions of Sections E-12 and E-13 of this Component II of the Combined Plan.
- iv. Effective July 1, 1967, notwithstanding the limitations contained in Section E-5(d)(2)(ii) of this Component II of the Combined Plan, disability retirees under Section E-5(c) of this Component II of the Combined Plan, who retired (1) prior to August 13, 1953, shall receive a supplementary Disability Pension of forty dollars (\$40.00) per month; or (2) after August 13, 1956 and prior to July 1, 1966, shall receive a supplementary Disability Pension of twenty dollars (\$20.00) per month.
- v. Upon Attaining Age Sixty, the retiree shall receive a Pension computed according to the provisions of Section E-4(b)-(e) of this Component II of the Combined Plan; provided, that no service credit shall be given for the time a Disability Pension provided for in Section E-5(d)(2)(ii) of this Component II of the Combined Plan was received. Upon attaining age sixty, the retiree shall have the right to make an election under Section E-8 of this Component II of the Combined Plan.

**Sec. E-6. Accidental Death Benefit; Performance of Duty**

If a Member is killed in the performance of duty in the service of the employer, or dies as the result of illness contracted or injuries received while in the performance of duty in the service of the employer, and such death, illness, or injuries resulting in death, is found by the Board to have resulted from the actual performance of duty in the service of the employer, the following benefits shall be paid, subject to Section E-12 of this Component II of the Combined Plan:

- (a) *Annuity Savings Fund.* Accumulated savings in the Member's Annuity Savings Fund at the time of death shall be paid in a single lump sum to such person or persons as the Member nominated in a writing duly executed and filed with the Board. In the event there is no designated person or persons surviving the Member, the accumulated contributions shall be paid to the Member's estate.

- (b) *A Pension* of one-third of the final compensation of said Member shall be paid to the surviving Spouse to continue until remarriage. If an unmarried child, or children under age eighteen also survive the deceased Member, each surviving child shall receive a pension of one-fourth of said final compensation, to be divided equally. Upon any such child's adoption, marriage, attainment of age eighteen, or death, whichever occurs first, such child's pension shall terminate and there shall be a redistribution by the Board to the surviving eligible children under age eighteen. In no event shall any child receive a pension of more than one-fourth of said final compensation.
- (c) *No Surviving Spouse; Children.* If there is no surviving Spouse, or if such surviving Spouse dies or remarries before the youngest surviving child of a deceased Member shall have attained the age of eighteen, any unmarried child or children under age eighteen, if any, shall receive a Pension equal to one-fourth of the deceased Member's final compensation; provided, that if there are more than two such surviving children, each shall receive a pension of an equal share of one-half of said final compensation. Upon any such child's adoption, marriage, attainment of age eighteen, or death, whichever occurs first, the child's Pension shall terminate and there shall be a redistribution by the Board to the surviving eligible children under age eighteen. In no case shall any such child's Pension be more than one-fourth of the deceased Member's final compensation.
- (d) *Annual Limit.* The total amount payable under Section E-6(b) and (c) of this Component II of the Combined Plan on account of the death of a Member, shall not exceed nine thousand dollars (\$9,000.00) per annum.
- (e) *Dependent Father and/or Mother.* If the deceased Member has no surviving Spouse or children eligible for a Pension under this section, a Pension equal to one-sixth of the deceased Member's final compensation shall be paid to the Member's surviving dependent father and/or mother; provided that in no case shall either parent's Pension exceed fifty dollars (\$50.00) per month. Payment to a dependent parent or parents shall be contingent upon a finding by the Board of Trustees after investigation that such parent or parents were actually dependent upon said deceased Member through a lack of earning power resulting from physical or mental disability.
- (f) *Section E-12 of Component II of the Combined Plan Applicable.* The benefits provided in Section E-6 of this Component II shall be subject to Section E-12 of this Component II.

**Sec. E-7. Accumulated Contributions; Return of 1973 Defined Contribution Plan Amount**

- (a) *Cessation of Employment.*
  - (1) If a Member ceases to be an employee of the employer before becoming eligible for a Pension paid out of City contributions to the Retirement System, such Member shall be paid all or part of the Member's Annuity Savings Fund, being the 1973 Defined Contribution Plan amount, as the Member shall demand by written application filed with the Board.

- (2) Except as otherwise provided in this Article, upon the death of a Member, the Member's Annuity Savings Fund shall be paid to such person or persons nominated in a written designation duly executed by the Member and filed with the Board. In the event there is no such designated person or persons surviving, the Member's said accumulated contributions shall be paid to the Member's estate.
  - (3) If a Member who dies without a legal will is not survived by a Spouse and has not nominated a beneficiary as provided in Section E-7(a)(2) of this Component II, the Member's accumulated Annuity Savings Fund contributions at the time of death may be used to pay burial expenses, if the Member leaves no other estate sufficient for such purpose. Such expenses shall not exceed a reasonable amount as determined by the Board.
  - (4) Accumulated contributions to be returned as provided in this section may be paid in equal monthly installments for a period not to exceed three years, according to such rules and regulations as the Board may adopt from time to time. After a Member ceases to be a Member, any balance in the Annuity Savings Fund which is unclaimed by the said Member or the Member's heirs, shall remain a part of the funds of the Retirement System and shall be transferred to the Pension Accumulation Fund.
- (b) *One-Time Withdrawal; Twenty-Five Years.* Prior to the receipt of the first retirement benefit check, an employee with twenty-five or more years of service shall be allowed to withdraw either a partial or full amount of his or her accumulated contributions, one time only.
  - (c) *One-Time Withdrawal; Duty and Non-Duty Disability Retirees.* Duty and non-duty disability retirees shall be allowed to withdraw either a partial or full amount of their accumulated contributions, one time only.
  - (d) *One-Time Withdrawal.* Withdrawal by a Member under either (b) or (c) of this Section E-7 constitutes the one time withdrawal allowed.

**Sec. E-8. Retirement Allowance Options**

- (a) *Election by Member.* Until the earlier of the first time a retirement allowance payment check is cashed, or six months after the first payment check is issued, but not thereafter, any Member may elect to receive a Straight Life Retirement Allowance payable throughout life, or the Member may elect to receive the actuarial equivalent of the Straight Life Retirement Allowance computed as of the effective date of retirement, in a reduced retirement allowance payable throughout life, with the exception that there will be no reduction in the benefits received pursuant to Section E-4(e) of this Component II of the Combined Plan, and nominate a beneficiary to receive benefits following the Member's death, in accordance with the options set forth below:

*Option One. Cash Refund Annuity.* If a retiree who elected a Cash Refund Annuity dies before payment of the annuity portion of the reduced retirement allowance has been

received in an aggregate amount equal to, but not exceeding the retiree's accumulated contributions in the Annuity Savings Fund at the time of retirement, the difference between said accumulated contributions and the aggregate amount of annuity payments already received, shall be paid in a single lump sum to such person or person nominated by written designation duly executed by the Member and filed with the Board. If no such designated person or persons survive the retiree, any such difference shall be paid to the retiree's estate.

*Option Two. Joint and One Hundred Percent Survivor Allowance.* Upon the death of a retiree who elected a Joint and One Hundred Percent Survivor Allowance, one hundred percent of the reduced retirement allowance shall be paid to and continued throughout the life of the person nominated by written designation duly executed and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

*Option "A". Joint and Seventy-Five Percent Survivor Allowance.* Upon the death of a retiree who elected a Joint and Seventy-Five Percent Survivor Allowance, seventy-five percent of the reduced retirement allowance shall be continued throughout the life of and paid to the person nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

*Option Three. Joint and Fifty Percent Survivor Allowance.* Upon the death of a retiree who elected a Joint and Fifty Percent Survivor Allowance, fifty percent of the reduced retirement allowance shall be continued throughout the life of and paid to the person nominated by written designation duly executed by the Member and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

*Option "B". Joint and Twenty-Five Percent Survivor Allowance.* Upon the death of a retiree who elected a Joint and Twenty-Five Percent Survivor Allowance, twenty-five percent of the reduced retirement allowance shall be paid throughout the life of the person nominated by written designation duly executed and filed with the Board prior to the date the first payment of the retirement allowance becomes due.

- (b) *Joint and Survivor Optional Forms of Payment.* The Joint and Survivor Optional Forms of Payment provided under Section E-8(a) of this Component II of the Combined Plan shall be made available in either the standard form or the pop-up form, as follows:
- (1) *Standard Form.* Under the Standard Form, the reduced retirement allowance shall be paid throughout the lifetime of the retiree.
  - (2) *Pop-up Form.* Under the Pop-up Form, the reduced allowance shall be paid throughout the lifetime of the retiree and the designated beneficiary. In the event of the death of the designated beneficiary during the lifetime of the retiree, the amount of the allowance shall be changed to the amount that would have been payable had the retiree elected the Straight Life Retirement Allowance form of payment.

- (c) *Coordination of Benefits.* According to such rules and regulations as the Board shall adopt, until the first payment of a retirement allowance becomes due, but not thereafter, a Member under age sixty-five may elect to have the Member's Straight Life Retirement Allowance provided for in Section E-4 of this Component II of the Combined Plan equated on an actuarial equivalent basis to provide an increased retirement allowance payable to age sixty-two or age sixty-five, and to provide a decreased retirement allowance thereafter. The increased retirement allowance payable to such age shall approximate the total of the decreased retirement allowance payable thereafter and the estimated social security benefit. If a Member elects to receive increased and then decreased retirement allowance payments provided for in this paragraph, he or she may also elect to have such payments reduced by electing one of the optional forms of payment provided for in paragraph (a) of this section. This coordination of benefits option shall not create any additional actuarial costs.

### **Sec. E-9. Benefits for Surviving Spouses; Generally**

- (a) The surviving Spouse of any Member who dies while in the employ of the City or in the employ of a second governmental unit as provided in Section E-14 of this Component II after the date such Member either (1) has earned twenty years of credited service regardless of age, or (2) has earned eight years of credited service and has attained age sixty-five, or (3) has earned ten or more years of credited service and has attained age sixty, shall receive a retirement allowance. The Spouse's retirement allowance shall be computed according to Section E-4 of this Component II of the Combined Plan in the same manner in all respects as if the said Member had retired effective the day preceding the Member's death, notwithstanding that the Member had not attained age sixty, elected a Joint and One Hundred Percent Survivor Allowance as provided for in Section E-8 of this Component II, and nominated the surviving Spouse as beneficiary. No payments shall be made under this Section E-9 on account of the death of a Member if any benefits are paid under Section E-6 of this Component II. If an Employee dies with twenty (20) years of service and without a surviving Spouse, dependent children shall be paid a total of nine thousand dollars (\$9,000.00) per year which shall be divided equally among all eligible dependent children until the youngest child reaches age nineteen, or for life, if a child is permanently physically or mentally impaired and such impairment occurred prior to the child's attainment of age nineteen. There shall be no retirement escalator for this payment.
- (b) In addition to in-service death benefits which existed prior to July 1, 1998 for Members with twenty or more years of service, if a Member dies on or after July 1, 1998 or such later date as provided in a collective bargaining agreement, after having attained fifteen or more but less than twenty years of creditable service at any age below sixty, the surviving Spouse will be paid a Fifty Percent Joint and Survivor benefit. If there is no eligible surviving Spouse, dependent children shall be paid a total of six thousand dollars (\$6,000.00) which shall be divided equally among all eligible dependent children until the youngest child reaches age nineteen, or for life if a child is permanently physically or mentally impaired.

### **Sec. E-10. Benefits for Surviving Spouses; Disability Retirees**

The surviving Spouse of a disability retiree who retired under the provisions of Section E-5 of this Component II of the Combined Plan and who died before the age of sixty shall receive a retirement allowance computed in the same manner as if the disability retiree had been a Member who became eligible for death benefits under Section E-9 of Component II of the Combined Plan, provided the disability retiree had earned fifteen or more years of credited service. In the case of a non-duty disability retiree, credited service shall be determined on the effective date of the non-duty disability retirement. In the case of a duty disability retiree, credited service shall be determined on the date of death of the disability retiree assuming City employment had continued until the date of death.

### **Sec. E-11. Disposition of Surplus Benefits upon Death of Retiree and Beneficiary**

If under a Joint and One Hundred Percent Survivor allowance, a Joint and Seventy-Five Percent Survivor allowance, a Joint and Fifty Percent Survivor allowance, or a Joint Twenty-Five Percent Survivor allowance as provided for under Section E-8 of this Component II of the Combined Plan, both a retiree and beneficiary die before they have received in retirement allowance payments, an aggregate amount equal to the retiree's accumulated contributions in the Annuity Savings Fund at the time of retirement, less withdrawals, the difference between the said accumulated contributions and the said aggregate amount of retirement allowances paid the retiree and beneficiary, shall be paid in a single lump sum to such person or persons nominated by written designation of the retiree duly executed and filed with the Board. If there are no person or persons surviving retiree and beneficiary, any such difference shall be paid to the retiree's estate.

### **Sec. E-12. Pensions Offset by Compensation Benefits; Subrogation**

- (a) Generally. Any amounts which may be paid or payable to a Member, retiree, or to the dependents of a Member or retiree on account of any disability or death under the provisions of any Workers' Compensation, pension, or similar law, except federal Social Security old-age and survivors' and disability insurance benefits, shall be offset against any pensions payable from funds of the Retirement System on account of the same disability or death. If the present value of the benefits payable under said Workers' Compensation, pension, or similar law, is less than the Pension Reserve for said pension payable by the Retirement System, the present value of the said Workers' Compensation, pension, or similar legal benefit shall be deducted from the Pension Reserve, and such pensions as may be provided by the Pension Reserve so reduced shall be payable as provided in this Article E.
- (b) The City's right of subrogation. In the event a person becomes entitled to a pension payable by the Retirement System because of an accident or injury caused by the act of a third party, the City shall be subrogated to the rights of said person against such third party to the extent of the benefit which the City or the Retirement System pays or becomes liable to pay.

### **Sec. E-13. Disability Retirees; Reexamination; Authority of the Board**

- (a) *Medical examination.* At least once each year during the first five years following the retirement of a Member with a Disability Retirement Allowance or Disability Pension, and at least once in every three year period thereafter, the Board may, and upon the retiree's application shall, require that any disability retiree who has not attained age sixty undergo a medical examination, to be made by, or under the direction of, the Medical Director. Should any such disability retiree who has not attained age sixty refuse to submit to at least one such medical examination in any such period, the retiree's retirement allowance or pension may be discontinued by the Board until withdrawal of such refusal. Should such refusal continue for one year, all of the disability retiree's rights in and to the Pension portion of the Retirement Allowance may be revoked by the Board. If upon such examination of a disability retiree, the Medical Director reports that the retiree is physically able and capable of resuming employment, and such report is concurred in by the Board, the retiree shall be restored to active service with the City and the Disability Retirement Allowance shall terminate.
- (b) *Other employment.* If such disability retiree is or becomes engaged in a gainful occupation, business, or employment paying more than the difference between the retiree's Disability Retirement Allowance and final compensation, the Pension portion of the Disability Retirement Allowance shall be reduced by the amount of such difference. If the amount of the earnings changes, the Pension may be adjusted accordingly.
- (c) *Reinstatement to active service.* A disability retiree who has been, or shall be, reinstated to active service in the employ of the City as provided in this Section, shall again become a Member of the Retirement System. All credited service at the time of the retirement shall be restored to full force and effect and a duty disability retiree shall be given membership service credit for the period said retiree was out of service due to such duty disability.

**Sec. E-14. Transfer of Department or Department Functions; Generally**

In the event a function or functions of a City Department or the Department itself is transferred to the federal or state government, or to a political subdivision of the State of Michigan (second governmental unit), a Member of the Retirement System whose employment is transferred from the City to the second governmental unit shall be entitled to a retirement allowance payable by the Retirement System subject to the following conditions:

- (a) *Employment within sixty days of transfer.* The employee enters the employment of the second governmental unit within sixty days from and after the effective date of the transfer of the function or functions of a City Department or the Department itself to the second governmental unit.
- (b) *Credited service combined; ten year minimum.* The employee's credited service as a Member of the Retirement System plus any credited service acquired in the employ of the second governmental unit totals at least ten years.
- (c) *Retirement; second governmental unit.* If the employee retires from employment with the second governmental unit on account of age and service, the employee's Retirement

Allowance shall be computed in accordance with Section E-3(b) or Section E-4 of this Component II of the Combined Plan, whichever is applicable. If the employee retires from employment in the second governmental unit because of total and permanent disability arising from non-service connected causes, the Retirement Allowance shall be computed in accordance with Section E-5(d) of this Component II of the Combined Plan. In computing the Retirement Allowance, the basic pension shall not exceed twelve dollars (\$12.00) per year for a maximum of ten years for a total amount to not exceed one hundred twenty dollars (\$120.00), and the membership service pension shall be based only upon City-credited service existing at the time of transfer. In determining the Average Final Compensation defined in Section C-1 of this Component II of the Combined Plan, the compensation received as an employee of the second governmental unit shall be regarded as compensation paid by the City. If the employee leaves the employ of the second governmental unit with a deferred retirement allowance, no City retirement allowance shall be paid unless the employee has met the requirements of Section E-3(d)(1) of this Component II of the Combined Plan. Notwithstanding the foregoing, effective as of the Freeze Date, for purposes of calculating a Retirement Allowance for a Member whose employment was transferred prior to July 1, 2014 from the City to a second governmental unit, Average Final Compensation for the transferred Member shall be compensation received by such transferred Member prior to July 1, 2014 as an employee of the second governmental unit.

- (d) *Allowance starting date.* The retirement allowance shall begin upon retirement from the employment of the second governmental unit, but in no event prior to the date the employee would have become eligible for retirement had the employee continued in City employment. If retirement is because of total and permanent disability arising from non-service-connected causes, the retirement allowance shall begin upon the approval of retirement by the Board.

**Sec. E-15. Pension Improvement Factor (Escalator)**

- (a) *Increase of pension.* On or after July 1, 1992 and prior to the effective date of the Plan of Adjustment, effective as of the first day of July of each year, the pension portion of any Retirement Allowance or Duty Death Benefit which is paid or payable under this Article shall be increased by a factor of two and one quarter percent (2.25%), computed on the basis of the amount of the original pension received at the time of retirement, including, if applicable, any supplemental pensions provided under this Article; provided, that the recipient of said pension shall have been on the retirement rolls at least one year prior to said July first date. If the recipient has been on the retirement payroll less than one year prior to said July first date, the amount of the increase shall be prorated accordingly.
- (b) *Payment.* Except as provided in paragraph (c) below, the pension improvement factor of two and one quarter percent (2.25%) provided for in Section E-15(a) of this Component II, shall be payable notwithstanding any Retirement Allowance or pension amount limitation provisions in this Article to the contrary.
- (c) After the effective date of the City Employment Terms between the City of Detroit and Police Officers Association of Michigan presented to the union on July 18, 2012,

employees represented by the union will no longer receive the two and one-quarter percent (2.25%) per annum escalation.

- (d) Effective April 1, 2013, the post-retirement escalator factor for all service after that date shall be eliminated for any employee who is a member of the American Federation of State, County and Municipal Employees, AFL-CIO Local 2920.

**Sec. E-16. Adoption of Rates of Interest; Limitations on Payments By Retirement System; Transfer of Investment Returns in Excess of Crediting Rate**

- (a) The Retirement System and the Board of Trustees shall not make any payment to active or retired Members other than payments that are required by the Retirement System as established by this Combined Plan to govern the Retirement System or the Plan of Adjustment. This prohibition applies to all payments that are not authorized by this Combined Plan, whether such payments are those commonly referred to as a “thirteenth check” or by any other name.
- (b) The Retirement System and the Board of Trustees shall not provide any savings plan, annuity plan, or other Member investment or savings vehicle that provides an annual return to investing Members which in any year is greater than the actual investment return net of expenses of the Retirement System’s invested reserves for the year in which the return is earned and accrued, provided that such return shall neither be greater than the assumed annual return as expressed in the Retirement System’s valuation for that year nor less than zero. This prohibition shall apply to all annual returns credited to accounts of investing Members in the Annuity Savings Fund of the 1973 Defined Contribution Plan from the effective date of Ordinance 37-11 to June 30, 2013. Notwithstanding anything in this Section E-16 to the contrary, effective for Plan Years beginning on and after July 1, 2013, the annual rate of return credited to a Member’s account in the Annuity Savings Fund of the 1973 Defined Contribution Plan shall be no less than zero and no greater than the lesser of (i) 5.25% or (ii) the actual investment return net of expenses of the Retirement System’s invested reserves for the second Plan Year immediately preceding the Plan Year in which the annual return is credited.
- (c) In any Plan Year during the period beginning on or after July 1, 2014 and ending June 30, 2023 in which the annual rate of return credited to the accounts of Members investing in the Annuity Savings Fund as provided in paragraph (b) is less than the actual rate of return net of expenses of the Retirement System’s invested assets for the second Plan Year immediately preceding the Plan Year in which the annual rate of return is credited (“ASF Return Excess”), an amount equal to the value of the ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component I of the Combined Plan and shall be used to fund the Transition Cost relating to Component I. The Transition Cost is a measure of the liability that Component I of the Retirement System has at its inception; due to the fact that at its inception, Members in Component I of the Retirement System receive vesting and eligibility credit under Component I for service that was earned prior to July 1, 2014 and is otherwise credited to Members under Component II of the Retirement System, as such Transition Cost is calculated by the Plan Actuary. In the event there is an ASF Return Excess for a Plan Year following the Plan

Year in which such transfers have fully funded the Transition Costs relating to Component I, fifty percent (50%) of such ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component II and the remaining fifty percent (50%) of such ASF Return Excess shall be transferred to Component I and credited to the Rate Stabilization Fund maintained under Component I. "Transition Cost" shall be determined by the Plan Actuary.

### **Sec. E-17. Funds**

The 1973 Defined Benefit/Defined Contribution (Annuity) Plan shall consist of the Annuity Savings Fund, the Annuity Reserve Fund, the Pension Accumulation Fund, the Pension Reserve Fund, and the Income Fund.

### **Sec. E-18. Method of Financing**

(a) *Annuity Savings Fund of the 1973 Defined Contribution Plan.*

(1) The Annuity Savings Fund of the 1973 Defined Contribution Plan shall be the fund in which shall be accumulated at regular interest, in accordance with the limitations that are contained in Section E-16 of this Component II of the Combined Plan, the contributions of Members made prior to the first payroll date occurring in August 2014 to provide their annuities. At the election of the Member, the amount of the basic contribution of a Member to the Retirement System prior to the first payroll date occurring in August 2014 were zero percent (0%), three percent (3%), five percent (5%), or seven percent (7%) of annual compensation. If a Member elected three percent (3%), his or her contribution shall be that amount which is subject to taxation under the provisions of the *Federal Insurance Contribution Act, 26 USC 3101 et seq. (Act)*, plus five percent (5%) of the portion of annual compensation, if any, which exceeds the amount subject to taxation under that *Act*.

(2) The contribution rate elected by the Member under Section E-18(a)(1) of this Component II of the Combined Plan were deducted from the Member's compensation notwithstanding that the minimum compensation provided by law for any Member were reduced thereby. Payment of compensation, less said deductions, constituted a complete discharge of all claims and demands whatsoever for the services rendered by the said Member during the period covered by such payment, except as to benefits provided under this Article E.

(3) Upon retirement of a Member with a Retirement Allowance, the Member's accumulated contributions shall be transferred from the Annuity Savings Fund to the Annuity Reserve Fund, refunded to the Member, or a combination thereof.

(b) *Annuity Reserve Fund.* The Annuity Reserve Fund shall be the fund, from which all annuities and benefits in lieu of annuities payable as provided in this Article E, shall be paid. If a disability retiree is reinstated to active City service, the retiree's Annuity Reserve at that time shall be transferred from the Annuity Reserve Fund to the Annuity Savings Fund and credited to his or her individual account therein.

- (c) *Pension Accumulation Fund.* The Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the pensions and other benefits payable from the contributions made by the City, including various departments thereof, the Detroit Public Library, and certain third parties pursuant to the Plan of Adjustment and from which shall be paid pensions and other benefits on account of Members with prior service credit, and transfers as provided in this Section E-18. Contributions to the Pension Accumulation Fund from the effective date of the Plan of Adjustment through Fiscal Year 2023, shall be made only in the amounts and from the sources identified in the Plan of Adjustment.

For Fiscal Years beginning after June 30, 2023, contributions to fund pension benefits (adjusted as provided in the Plan of Adjustment) shall be made as follows:

- (1) Certain amounts shall be contributed by certain third parties as provided in the Plan of Adjustment.
  - (2) The City's annual contribution shall be calculated by the Actuary as provided in Section E-19.
  - (3) Upon the retirement of a Member without prior service credit, or upon a Member's death in the performance of duty, the Pension Reserve Fund for the pension or pensions to be paid on the Member's account shall be transferred from the Pension Accumulation Fund to the Pension Reserve Fund.
  - (4) Upon the basis of such mortality and other tables of experience and interest as the Board shall adopt from time to time consistent with Section 1.16(d) of Component I, the Actuary shall compute annually the pension reserve liabilities for pension benefits being paid to retirees and beneficiaries.
  - (5) On an annual basis, the Board shall ascertain and report to the Mayor and the Council the amount of City contributions due to the Retirement System. The Council shall appropriate and the City shall pay such contributions during the appropriate Fiscal Year. When paid, such contributions shall be credited to the Pension Accumulation Fund.
  - (6) If the amount appropriated by the City and paid to the Retirement System for any Fiscal Year is insufficient to make the transfers and pay the pensions, as adjusted in the Plan of Adjustment, from the Pension Accumulation Fund as provided in this Section E-18, the amount of such insufficiency shall be provided by the appropriating authorities of the City.
- (d) *Accrued Liability Fund.* Pursuant to *Ordinance No. 5-05*, which authorized the creation of the Detroit General Retirement Service Corporation, the City previously entered into a transaction (the "Pension Funding Transaction") to obtain funds as an alternative to those available through the traditional funding mechanism described above in Subsection (c). The proceeds generated by the Pension Funding Transaction (or any Additional Pension Funding Transactions, as described below) that were deposited into the System are termed the "Funding Proceeds." The Funding Proceeds were deposited into a new fund in the System to be called the Accrued Liability Fund. The purpose of the Funding

Proceeds was to fund all or part of the heretofore unfunded actuarial accrued liability (“UAAL”) of the Retirement System, as determined as of a date certain, that is, the “Determination Date,” pursuant to the Retirement System’s actuarial valuation as of that date. The Funding Proceeds are assets of the Retirement System and will be applied, together with all other assets of the Retirement System, to fund the Retirement System’s obligation to pay pension benefits, as adjusted in the Plan of Adjustment.

This Accrued Liability Fund shall contain only the Funding Proceeds of this Pension Funding Transaction, and any earnings thereon. Prior to Fiscal Year 2013, funds were transferred each Fiscal Year (or monthly portion thereof) from the Accrued Liability Fund to the Pension Accumulation Fund as provided in *Chapter 47 of the 1984 Detroit City Code* and *Ordinance No. 5-05*.

As soon as practicable following the effective date of the Plan of Adjustment, any amounts remaining credited to the Accrued Liability Fund shall be transferred to the Pension Accumulation Fund and the Accrued Liability Fund shall cease to exist.

- (e) *Pension Reserve Fund.* The Pension Reserve Fund shall be the fund from which pensions shall be paid to retirees and beneficiaries. Should a disability retiree be reinstated to active service, the retiree’s Pension Reserve at that time, shall be transferred from the Pension Reserve Fund to the Pension Accumulation Fund.
- (f) *Expense Fund.* The Expense Fund shall be the fund to which shall be credited all money provided by the City to pay the administrative expenses of the Retirement System, and from which shall be paid all the expenses necessary in connection with the administration and operation of the Retirement System.
- (g) *Income Fund.* The Income Fund shall be the Fund to which shall be credited all interest, dividends, and other income derived from the investments of the Retirement System (other than those derived from the investments credited to any Accrued Liability Fund), all gifts and bequests received by the Retirement System, and all other moneys the disposition of which is not specifically provided for in this Article E. There shall be paid or transferred from the Income Fund, all amounts required to credit regular interest to the various Funds of the Retirement System, except for the Accrued Liability Fund which is to be credited with interest, dividends and other earnings pursuant to Section E-18(d)(2) of this Component II of the Combined Plan in accordance with the limitations that are contained in Section E-18 of this Component II of the Combined Plan.
- (h) *Maintenance of Reserves.*
  - (1) The maintenance of proper reserves in the various Funds of the Retirement System except the Expense Fund are hereby made obligations of the Pension Accumulation Fund.
  - (2) City contributions to the Retirement System to the extent necessary to provide pensions on account of Members who are employees of a revenue-supported division of the City shall be made from the revenues of the said division. Any City contribution to the Retirement System from any Fund by law with a certain

and definite purpose shall, at the direction of the Finance Director, be accounted for separately.

**Sec. E-19. Determination of City's Annual Contribution**

- (a) For the period ending June 30, 2023, the City shall make only those contributions to the Retirement System as are set forth in the Plan of Adjustment.
- (b) For Fiscal Years beginning on and after July 1, 2023, the annuity and pension reserve liabilities for Members, retirees, and beneficiaries, shall be actuarially evaluated as set forth in this Article for each division as is accounted for separately pursuant to Section E-18(h)(2) of this Component II of the Combined Plan.

(1) *Pension Liabilities.*

- a. The pension liabilities for Members shall be determined by the Actuary using reasonable and appropriate actuarial assumptions approved by the Board and the Investment Committee.
- b. The City's annual contribution to finance any unfunded accrued pension liabilities, expressed as a percentage of active employees' compensation, shall be determined by amortizing such unfunded accrued pension liabilities as a level percentage of such compensation over a period or periods of future years as established by the Board and approved by the Investment Committee.

- (2) *Pension Accumulation Fund.* Based upon the provisions of this Article E including any amendments, the Board shall compute the City's annual contributions to the Retirement System, expressed as a percentage of active Member compensation each Fiscal Year, using actuarial valuation data as of the June thirtieth date which date is a year and a day before the first day of such Fiscal Year. The Board shall report to the Mayor and Council the contribution percentages so computed. Such contribution percentages shall be used in determining the contribution dollars to be appropriated by Council and paid to the Retirement System. Such contribution dollars shall be determined by multiplying the applicable contribution percentage for such Fiscal Year by the Member compensation paid for such Fiscal Year. Such contribution dollars for each Fiscal Year shall be paid to the Retirement System in such Fiscal Year in a manner to be agreed upon from time to time by the Board and the City, provided, for any Fiscal Year for which an agreement has not been reached before the first day of such Fiscal Year, such contribution dollars shall be paid in equal monthly installments at the end of each calendar month in such Fiscal Year.

## **ARTICLE F. PARTICIPANT LOAN PROGRAM**

### **Sec. F-1. Established.**

Any loans granted or renewed shall be made pursuant to a Participant Loan Program which shall conform with the requirements of Section 72(p) of the Internal Revenue Code. Such loan program shall be established in writing by the Board of Trustees, and must include, but need not be limited to the following:

- (1) The identity of the administrator of the Participant Loan Program;
- (2) A procedure to apply for loans, the amount of loan that will be approved or denied, and limitations, if any, on the types and amount of loans offered;
- (3) The procedures under the program for determining a reasonable rate of interest; and
- (4) The events constituting default and the steps that will be taken to preserve plan assets.

### **Sec. F-2. The Loan Program.**

- (1) This Loan Program shall be contained in a separate written document copies of which shall be made available in the offices of the Retirement System for prospective participants in the Loan Program. The Board of Trustees is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of this program. Copies of the rules shall also be made available to prospective Members in the offices of the Retirement System; and
- (2) All collective bargaining agreements which accept the terms of this section are specifically agreeing to be subject to the Board's authority to modify or amend the Participant Loan Program from time to time, including during the effective terms of the applicable labor agreement and no such modification or amendment shall be deemed a violation of said labor agreement and no grievance or other form of action shall be effective to overturn or alter the Board's decision.

### **Sec. F-3. Eligibility.**

Subject to rules and procedures established by the Board, loans will initially be made only to non-union Members of the Retirement System. Union employees will be eligible when their respective bargaining unit has accepted the Loan Program. Former Members, spouses of Members, and beneficiaries are not eligible to receive any loans from the Retirement System. Subject to rules and procedures established by the Board, a Member who has been in the Combined Plan for twelve (12) months or more is eligible to apply for a loan under this Component II. No Member shall have more than two outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan (under either Component I or Component II) shall not be eligible for a loan from the Retirement System.

**Sec. F-4. Amount of Loan.**

A Member who has satisfied applicable rules and procedures may borrow from his or her account an amount, which does not exceed fifty percent (50%) of the Member's vested accumulated balance, or ten thousand dollars (\$10,000.00) reduced by the excess, if any, of: 1) the highest outstanding balance of loans from the Retirement System (both Component I and Component II) during the one (1) year period ending on the day before the date on which the loan is made, or 2) the outstanding balance of loans from the Retirement System (both Component I and Component II) on the date on which the loan is made, whichever is less. The minimum loan amount shall be one thousand dollars (\$1,000.00).

**Sec. F-5. Terms and Conditions.**

In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:

- (1) Loan applications shall be in writing;
- (2) Loans shall be repaid by equal payroll deductions over a period not to exceed five (5) years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen (15) years. In no case shall the amount of the payroll deduction be less than twenty dollars (\$20.00) for any two-week period;
- (3) Each loan shall be made against the assignment of the Member's entire right, title, and interest in and to the Retirement System, supported by the Member's collateral promissory note for the amount of the loan, including interest payable to the order of the Board of Trustees;
- (4) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. Loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the Combined Plan. The loan interest rate shall be calculated in a manner that will not negatively affect the Employers' costs with respect to the Retirement System or the investment return allocated to Members;
- (5) Loan repayments shall be suspended under this plan as permitted by Section 414(u)(4) of the Internal Revenue Code. A participant who has an outstanding loan balance from the plan who is absent from employment with the employer, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.

**Sec. F-6. Renewal of Loan.**

Any loans granted or renewed shall be made pursuant to the Participant Loan Program and Section 72(p) of the Internal Revenue Code and the regulations thereunder.

**Sec. F-7. Loan Balance.**

A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's account balance, and shall not be part of net investment income or part of the Member's account balance for the purpose of allocation of net investment income under the Retirement System.

**Sec. F-8. Distributions.**

No distributions shall be made to a Member, former Member, or beneficiary until all loan balances drawn on the applicable vested accumulated balance and applicable accrued interest have been liquidated.

**Sec. F-9. Annual Report.**

The Retirement System shall include, in its annual report to all Members, an accounting of the Loan Program established by this Article F, which contains the number and amount of loans made under this Component II, the costs of administering the Loan Program under Component II, the amount of payments made including interest received by Component II of the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in that Fiscal Year covered the costs of administering the Loan Program maintained under this Component II.

## ARTICLE G. SPECIAL PLAN OF ADJUSTMENT PROVISIONS

### Sec. G-1. Benefit Changes Implemented Pursuant to the Terms of the Plan Of Adjustment

Notwithstanding anything in Articles A, C, D or E of Component II to the contrary, as of the effective date of the Plan of Adjustment and during the period that ends no earlier than June 30, 2023, the following provisions to comply with the terms of the Plan of Adjustment shall be implemented:

- (1) *Reduction in monthly pension payments.*
  - a. For a retiree or a surviving beneficiary who is receiving a monthly pension benefit as of the effective date of the Plan of Adjustment, as soon as practicable following such effective date such retiree's or surviving beneficiary's monthly pension benefit will be reduced to an amount that is equal to 95.5% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the effective date of the Plan of Adjustment ("Adjusted Accrued Benefit"); provided, however, that the Board and the Investment Committee shall determine on the effective date of the Plan of Adjustment and not less frequently than annually thereafter that the "Funding Conditions" as defined herein have been satisfied, and in the event that such Funding Conditions have not been satisfied then such retiree's or surviving beneficiary's Adjusted Accrued Benefit will be reduced in proportion to the funding which is not received by the Retirement System but not below an amount that is equal to 73% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the effective date of the Plan of Adjustment.
  - b. The Frozen Accrued Benefit that will be paid as a monthly Retirement Allowance upon the retirement or death of an active employee Member or a vested former employee Member on or after the Effective Date, will be reduced to an amount that is equal to 95.5% of the monthly pension benefit that would otherwise have been paid to the active employee or vested former employee under the terms of this Component II of the Combined Plan without taking into account this Section G-1 ("Adjusted Deferred Accrued Benefit"); provided, however, that the Board and the Investment Committee shall determine on an annual basis that the "Funding Conditions" as defined herein have been satisfied, and in the event such Funding Conditions have not been satisfied then such active employee Member's or vested former employee Member's Adjusted Accrued Benefit will be reduced in proportion to the funding which is not received by the Retirement System but not below an amount that is equal to 73% of the monthly pension benefit that would otherwise have been paid to the active employee or vested former employee under the terms of this Component II of the Combined Plan without taking into account this Section G-1.

- c. *Cap on Benefit Reductions for Certain Retirees.* With respect to any retiree or surviving beneficiary receiving monthly pension benefits from the Retirement System as of June 30, 2014, such retiree's or surviving beneficiary's Adjusted Accrued Benefit, as further reduced to take into account any ASF Recoupment under Section G-2, shall not be less than 80% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the Effective Date.

For purposes of this Sec. G-1, the term "Funding Conditions" shall mean that (i) Class 10 and Class 11 voted in favor of the Plan of Adjustment in accordance with the procedures for such vote under the Plan of Adjustment, (ii) the Plan of Adjustment is confirmed by the U.S. Bankruptcy Court, and (iii) the funds that are pledged to be contributed to the Retirement System pursuant to the terms of the State Contribution Agreement and the DIA Settlement Documents have been received.

- (2) *Elimination of Pension Improvement Factor.* For all pension benefits payable after the Effective Date, the Pension Improvement Factor (Escalator) that will be applied to the monthly Adjusted Accrued Benefit or Adjusted Deferred Accrued Benefit of a Member, retiree, surviving beneficiary or vested former employee will be equal to 0%.
- (3) *Recoupment of Excess Returns on Annuity Savings Fund Account.* The terms of Section G-2 Annuity Savings Fund Recoupment shall apply to the Annuity Savings Fund account of Members, retirees and vested former employees as provided in Section G-2.
- (4) *Future Disability Pensions Eliminated.* The Duty Disability Retirement Allowance and Non-Duty Disability Retirement Allowance are eliminated with respect to Members who become disabled on or after July 1, 2014.
- (5) *Effect of Payment Default.* In the event that all or a portion of the funds pledged to be contributed to the Retirement System pursuant to the terms of the DIA Settlement Agreement are not received by the Retirement System, the Board shall automatically reduce the monthly pension benefits payable to Members, retirees, surviving beneficiaries, and former employees to the extent of such default.

## **Sec. G-2. Annuity Savings Fund Recoupment**

Notwithstanding anything in Articles A, B, C, D or E to the contrary, upon the effective date of the Plan of Adjustment, Members, retirees or vested former employees who were identified by the City as a Class 11 Holder under the Plan of Adjustment and who participated in the Annuity Savings Fund ("ASF") at any time during the period that began on July 1, 2003 and ended on June 30, 2013 ("ASF Recalculation Period") are subject to the following provisions:

- (1) *Recoupment from Members, retirees and vested former employees who maintain an Annuity Savings Fund account ("ASF account") as of the Effective Date.* For each Member, retiree or vested former employee who maintains an ASF account

in the Retirement System as of the effective date of the Plan of Adjustment, such individual's ASF account balance will be reduced by such individual's Annuity Savings Fund Excess Amount, as determined by the City in accordance with this Section G-2 (1).

- a. For a Member, retiree or former vested employee who did not receive any distribution or loan from such individual's ASF account during the ASF Recalculation Period, the Annuity Savings Fund Excess Amount means the difference between the value of such individual's ASF account as recalculated using the Actual Return (as defined in paragraph (3) below) and the actual value of such individual's ASF account as of June 30, 2013; provided, however, that an individual's Annuity Savings Fund Excess Amount shall not exceed 20% of the highest value of such individual's ASF account balance (including any unpaid loan balance relating to the ASF account) during the ASF Recalculation Period.
- b. For a Member, retiree or vested former employee who during the ASF Recalculation Period has received a distribution (other than a total distribution) or loan from the ASF, the Annuity Savings Fund Excess Amount means the difference between (i) the sum of (A) the value of such individual's ASF account as of June 30, 2013 and (B) all distributions (including any unpaid loans) received by such individual from his or her ASF account during the ASF Recalculation Period, and (ii) the value of such individual's ASF account as of June 30, 2013 as recalculated using the Actual Return; provided, however, that an individual's Annuity Savings Fund Excess Amount shall not exceed 20% of the highest value of such individual's ASF account balance (including any unpaid loans made to the individual) during the ASF Recalculation Period.

(2) *Recoupment from Members, retirees and former employees who previously took total Annuity Savings Fund account distributions.* Except as provided in paragraph (4) below, for each Member, retiree or vested former employee who has received a total distribution of the individual's ASF account during the ASF Recalculation Period, the individual's monthly pension benefit (and the survivor monthly pension benefit payable to the Member's survivor, if any) will be reduced by the individual's "Monthly Annuity Savings Fund Excess Amount" as determined by the City in accordance with this Section G-2(2).

A Monthly Annuity Savings Fund Excess Amount means the difference between (i) the value of the ASF account of a Member, retiree or vested former employee as of the date of distribution to such individual from the ASF, provided such date falls within the ASF Recalculation Period, and (ii) the value of the individual's ASF account as of such date, as recalculated using the Actual Return; provided, however, such difference shall not exceed 20% of the highest value of such individual's ASF account balance (including any unpaid loan balance) during the ASF Recalculation Period; provided, further, such amount will be converted into

a monthly annuity amount based on the individual's life expectancy, gender and, if the Member has not already retired, the expected date of retirement.

- (3) *Recoupment from Members, retirees and former employees who received partial Annuity Savings Fund account distributions.* A Member, retiree or vested former employee who previously received a distribution of a portion but not the entirety of the Member's Annuity Savings Account shall be subject to paragraph (1) to the extent of any funds then credited to the Member's Annuity Savings Fund account and shall be subject to paragraph (2) to the extent of any Excess Amount that cannot be recovered pursuant to paragraph (1).
- (4) *Cash repayment option.* Notwithstanding paragraphs (2) and (3) above and subject to the Cash Option Cap described below, a Member, retiree, employee or former employee whose monthly pension benefit will be reduced pursuant to paragraph (2) or (3) may elect to make a single lump sum cash payment to the Retirement System of the Annuity Savings Fund Excess Amount by cashier's check or wire transfer ("Cash Repayment Option"). Each individual eligible for the Cash Repayment Option shall be provided by first-class U.S. mail an election notice and an election form no later than seven days following the Effective Date. The individual shall have thirty-five days from the date on which the election form is mailed to return the election form as directed on the form. An election of the Cash Repayment Option shall be effective only if it is received by the deadline set forth on the election form.

No later than fourteen days following the election deadline, the Board shall notify each individual who timely elects the Cash Repayment Option of the amount to be repaid to the Retirement System ("Final Payment Notice"). Such amount must be paid to the Retirement System on or before the later of (i) ninety days after the Effective Date, or (ii) fifty days following the date on which the Final Payment Notice is mailed to the individual.

If payment is not timely received, the monthly pension benefit of an individual who elects the Cash Repayment Option shall be reduced as provided in paragraph (2) or (3).

The Cash Repayment Option shall be limited to an aggregate amount of \$30 million (the "Cash Option Cap"). In the event the Retirement System receives timely and properly completed election forms representing an aggregate recovery amount in excess of the Cash Option Cap, then each individual who made a timely election of the Cash Repayment Option shall be permitted to repay an amount equal to his pro rata share of the Cash Option Cap. Any Annuity Savings Fund Excess Amount that is not repaid under the Cash Repayment Option shall be repaid as provided in paragraph (2) or (3).

- (5) *Definition of Actual Return.* "Actual Return" means the actual net return percentage on the Retirement System's invested assets for each Fiscal Year

during the ASF Recalculation Period; provided, however, that for any such Fiscal Year the net return shall not be greater than 7.9% nor less than 0%.

- (6) *Limitation on recoupment.* Notwithstanding anything in this Section G-2 to the contrary:
- a. a Member's ASF account value after recoupment of the Member's Annuity Savings Fund Excess Amount will never be less than the contributions made to the ASF by such Member and will reflect all interest credited by the Board to the Member's ASF account for the Fiscal Years ending prior to July 1, 2002; and
  - b. in no event shall the amount recovered from a Member described in Section G-2(2) (or G-2(3), with respect to amounts that may not be recovered pursuant to Section G-2(1)) exceed the Member's Annuity Savings Fund Excess Amount plus interest on such amount at a rate of 6.75%. Upon the Member's repayment of such amount in full, the Member's monthly pension benefit in effect immediately prior to adjustment as provided in Section G-2(2) (adjustment as provided in Section G-1), increased as provided in Section G-4, if applicable, shall be fully restored.
- (7) *Cap on benefit reductions for certain retirees.* With respect to any retiree or surviving beneficiary receiving monthly pension benefits from the Retirement System as of June 30, 2014, the Adjusted Accrued Benefit of such retiree or surviving beneficiary, as further reduced to take into account any ASF Recoupment under Section G-2, shall not be less than 80% of the monthly pension benefit being paid to such retiree or surviving beneficiary as of the date immediately preceding the Effective Date.

Annuity Savings Fund Excess Amounts of Members described in paragraphs (1) and (3) shall be transferred from the Annuity Savings Fund to the Pension Accumulation Fund and shall be used to pay pensions and other benefits to Members as provided in Component II of the Combined Plan.

### **Sec. G-3. Income Stabilization Benefits**

- (1) The provisions of this Section G-3 shall become effective only if each of the Conditions Precedent (as that term is defined in the State Contribution Agreement) have been met to the satisfaction of the Authority and the Treasurer, unless any one or more of such conditions are waived in a writing executed by the Authority and the Treasurer.
- (2) Beginning not later than 120 days after the Effective Date, Component II of the Combined Plan shall pay, in accordance with this Section G-3, an annual supplemental pension income stabilization benefit ("Income Stabilization Benefit") to each Eligible Pensioner (as defined in Section G-3(5)) equal to the lesser of either (i) the amount needed to restore an Eligible Pensioner's reduced

annual pension benefit to 100% of the amount of the annual pension benefit that the Eligible Pensioner received from the Retirement System in 2013; or (ii) the amount needed to bring the total annual 2013 household income of the Eligible Pensioner up to 130% of the Federal Poverty Level for 2013. The Income Stabilization Benefit as determined under this Section G-3(2) will not increase after the date on which the Income Stabilization Benefit is determined. The Income Stabilization Benefit payable to an Eligible Pensioner will terminate immediately at such time as the Eligible Pensioner ceases to qualify as an Eligible Pensioner.

- (3) To the extent an Eligible Pensioner's Estimated Adjusted Annual Household Income (as defined in this Section G-3) in any calendar year after the first year that the Eligible Pensioner receives a benefit under this Section G-3 is less than 105% of the Federal Poverty Level in that year, the Eligible Pensioner will receive an additional "Income Stabilization Benefit Plus" benefit commencing as of the next following July 1.
  - a. The Income Stabilization Benefit Plus benefit for a calendar year will be equal to the lesser of either (i) the amount needed to restore 100% of the Eligible Pensioner's pension benefit, as increased by any Pension Improvement Factor (Escalator), under Component II of the Combined Plan; or (ii) the amount needed to bring the Eligible Pensioner's Estimated Adjusted Annual Household Income in that calendar year up to 105% of the Federal Poverty Level in that year.
  - b. An Eligible Pensioner's "Estimated Adjusted Annual Household Income" for any year will be the sum of (i) the Eligible Pensioner's 2013 total household income (per his or her (or in the case of a minor child, his or her legal guardian's) 2013 income tax return or equivalent documentation), less the pension benefit paid to the Eligible Pensioner from the Retirement System in 2013, as adjusted for inflation or Social Security COLA increases; (ii) the Adjusted Accrued Benefit that is payable to the Eligible Pensioner for that year as determined under Section G-1, (iii) any pension restoration payment to the Eligible Pensioner as determined under Section G-4; and (iv) the Eligible Pensioner's Income Stabilization Benefit.
- (4) A separate recordkeeping fund called the "Income Stabilization Fund" shall be established by the Board for the sole purpose of paying the Income Stabilization Benefits and Income Stabilization Benefits Plus to Eligible Pensioners. Any funds received by the Retirement System that is designated by the City as UTGO Bond Tax Proceeds or a contribution to the Income Stabilization Fund shall be credited by the Board to the Income Stabilization Fund. The assets credited to the Income Stabilization Fund will be invested on a commingled basis with assets of the Retirement System and will be credited with a pro-rata portion of the earnings and losses of the Retirement System. Amounts credited to the Income Stabilization Fund may not be used for any purpose other than the payment of

Income Stabilization Benefits and Income Stabilization Benefit Plus benefits to Eligible Pensioners, except as expressly provided in Section G-3 (7).

- (5) For purposes of this Section G-3, an “Eligible Pensioner” is a retiree or surviving spouse who is at least 60 years of age or a minor child receiving survivor benefits, each as of the effective date of the Plan of Adjustment, whose benefit will be reduced as provided in Section G-1, and who is eligible to receive Income Stabilization Benefits because (i) such individual is receiving monthly pension benefits from the Retirement System as of the effective date of the Plan of Adjustment, and (ii) such individual has a total annual household income equal to or less than 140% of the federal poverty level in 2013 (per his or her (or in the case of a minor child, his or her legal guardian’s) 2013 income tax return or equivalent documentation).
  - a. An eligible individual must apply for an Income Stabilization Benefit in accordance with procedures established by the Authority and provide such substantiation of the individual’s aggregate annual household income as is required by the State in its sole discretion.
  - b. The initial determination of Eligible Pensioners, and amount of the Income Stabilization Benefit payable to each Eligible Pensioner shall be made by the State in its sole discretion. The State shall transmit the list of Eligible Pensioners to the Investment Committee and the Board. The Board, with the assistance of the Investment Committee, shall be responsible for administering the Income Stabilization Fund and annually certifying to the State Treasurer that it has administered the requirements for eligibility and payment of benefits with respect to Eligible Pensioners in accordance with the terms of the State Contribution Agreement.
  - c. After the initial determination of Eligible Pensioners is made, no new individuals will be eligible to receive an Income Stabilization Benefit or an Income Stabilization Benefits Plus benefit at any time in the future.
  - d. An Eligible Pensioner will cease to be an Eligible Pensioner as of the earlier of (i) the Eligible Pensioner’s death, or (ii) with respect to any minor child receiving survivor benefits, the date the minor child reaches the age of 18 years.
- (6) For purposes of this Section G-3, the “Federal Poverty Level” means the poverty guidelines published each year in the Federal Register by the United States Department of Health and Human Resources.
- (7) In the event that in 2022 (provided that the State has not issued a Certificate of Default (as defined in the State Contribution Agreement) with respect to the Retirement System at any time prior to 2022), it is the opinion of at least 75% of the independent members of the Investment Committee that the assets of the Income Stabilization Fund exceed the Income Stabilization Benefits and Income

Stabilization Benefits Plus benefits anticipated to be made to Eligible Pensioners by the Retirement System in the future (“Excess Assets”), the Investment Committee may, in its sole discretion, recommend to the Board that all or a portion of the Excess Assets, in an amount not to exceed \$35 million, be used to fund the Adjusted Accrued Benefits or Adjusted Deferred Accrued Benefits, as applicable, payable by the Retirement System. The Investment Committee shall have the right to engage professional advisers to assist in making this determination and such expenses shall be paid by the Retirement System.

- (8) In the event that any funds remain in the Income Stabilization Fund on the date upon which there are no Eligible Pensioners under the Retirement System, such funds shall be used to fund the Adjusted Accrued Benefits or Adjusted Deferred Accrued Benefits, as applicable, payable by the Retirement System.

#### **Sec. G-4. Restoration of Pension Benefits**

The following rules shall govern how accrued pensions, including Pension Improvement Factor (“COLA”) benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the confirmation order issued by the Bankruptcy court in *In Re. City of Detroit, Michigan*, Case No. 13-53846. The pension restoration process shall be supervised, and restoration decisions undertaken by the Investment Committee and in accordance with the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto. The pension restoration program shall be deemed a part of this Component II, but in the event of any conflict between the language set forth herein and the pension restoration agreement attached to and made a part of the Plan of Adjustment (“Pension Restoration Agreement”), the terms of the Pension Restoration Agreement will govern.

- (1) *Waterfall Classes.*

There will be three Waterfall Classes:

- a. Waterfall Class 1 – Retirees, in retirement benefit pay status as of June 30, 2014, and their surviving spouses and beneficiaries.
- b. Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving spouses and beneficiaries, and who are in pay status as of the end of the Fiscal Year prior to the year in which the restoration decision is made.
- c. Waterfall Class 3 – All other Members who as of June 30, 2014 are not in retirement benefit pay status.

- (2) *Restoration of Benefits Through June 30, 2023.*

- a. Each year in conjunction with the annual actuarial valuation report, the Plan Actuary will project the funded ratio of the Retirement System as of 2023 based upon the market value of plan assets relative to the actuarial

accrued liabilities (the “Funded Level”). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses (investment and administrative), future Employer contributions as set forth in the Plan of Adjustment (subject to the conditions in the Plan of Adjustment) and such other actuarial assumptions as utilized by the Plan Actuary. For purposes of restoration of benefits through June 30, 2023, the Funding Target will be a 70% funded ratio, the Restoration Target will be a 75% funded ratio, and the Restoration Reserve Suspension Trigger will be a 71% funded ratio, all projected to June 30, 2023. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded. Each year, if the Actuary projects that the projected Funded Level as of June 30, 2023 (excluding Restoration Reserve Account assets to avoid double counting) exceeds the Restoration Target (i.e., exceeds 75%), a credit of assets for bookkeeping purposes will be made into a new notional “Restoration Reserve Account”. The notional credit will be in an amount equal to the excess of assets above the amount projected to be needed to satisfy the Restoration Target. Once the Restoration Reserve Account is established, each year thereafter, Restoration Reserve Account assets will be credited with interest in an amount equal to the net return on Retirement System investments, but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses and any required transfer to the Pension Reserve Fund.

- b. To the extent that the City’s (including DWSD or a successor authority) actual contributions in any of the Fiscal Years 2015 through 2023 are less than the contributions provided for in the Plan of Adjustment, such difference and any investment earnings thereon shall be notionally allocated to the Pension Reserve Fund.
- c. Actual restoration payments and credits will work as follows: each year in conjunction with preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the Plan Actuary will determine whether there are sufficient funds in such account to restore a portion of the 4.5% across the board pension cuts in one or more minimum incremental amounts equal to ½% of the monthly benefit for each member of Waterfall Class 1 (i.e. reducing the initial across the board cut to 4.0%). This restoration only occurs if the funding level in the Restoration Reserve Account can fund 100% of each incremental increase over the remaining actuarially projected lives of the eligible recipients in Waterfall Class 1. If the Restoration Reserve Account satisfies the required funding level, then in the next Fiscal Year, actual restoration payments will be made to Waterfall Class 1 members in amounts equal to the benefit associated with each increment that have been fully funded in the Restoration Reserve Account. Once Waterfall Class 1 has sufficient

assets in the Restoration Reserve Account to fully fund and restore the 4.5% cut in their monthly benefits, and to the extent that additional assets in the Restoration Reserve Account remain and will fully fund at least ½% of the monthly benefit for each member of Waterfall Class 2 over their remaining actuarially projected lives, then Waterfall Class 2 members will receive pension restoration in minimum ½% benefit increments until an amount equal to the 4.5% cuts in their monthly benefits has been fully funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account remain and will fund at least a minimum ½% of the monthly benefit of each member in Waterfall Class 3 over their remaining actuarially projected lives, then each such member of Waterfall Class 3 shall receive a credit granting them a right upon retirement to receive pension restoration equal to the benefit increments that are fully funded. Restoration payments will be calculated and paid on a prospective basis only.

- d. After the full 4.5% across the board pension cuts are restored for all three Waterfall Classes, and to the extent there are additional assets in the Restoration Reserve Account to fully fund COLA benefits over the actuarially-projected lives of the eligible recipient Waterfall Class, such assets will be used to fully fund and restore a portion of the COLA values that were eliminated as part of the Plan of Adjustment. COLA will be restored in minimum 10% COLA value increments up to 50% of the future COLA values for each member of Waterfall Class 1 (i.e., a 50% future COLA value will constitute a 1.25% simple COLA), then up to 50% of the future COLA values for each member of Waterfall Class 2, and then up to 50% of the future COLA values for each member of Waterfall Class 3 until all members of the three Waterfall Classes have had 50% of the value of their COLAs fully funded and restored. After 50% of the future values of COLA have been fully funded and restored, and to the extent there are additional assets in the Restoration Reserve Account for each of the three Waterfall Classes, then a second 50% COLA restoration will be made, first to members of Waterfall Class 1, then Waterfall Class 2, and then Waterfall Class 3. Classes will be restored in minimum 10% COLA value increments. Restoration payments will be calculated and paid on a prospective basis only.
- e. If the amounts in the Restoration Reserve Account are sufficient to fully-fund the 4.5% across the board pension cuts for all three Waterfall Classes and 100% COLA restoration for all three Waterfall Classes, then any additional assets in the Restoration Reserve Account shall be used to increase the frozen accrued benefits of active and other Members whose Annuity Savings Fund accounts were diminished as part of the Annuity Savings Fund Recoupment (described in Section G-2), such that they receive treatment equal to the 20%/20% ceiling applied to retirees in pay status under the Plan of Adjustment. If after such pension restoration there are additional assets in the Restoration Reserve Account to fully

fund benefit increments over their remaining actuarially projected lives, Waterfall Class 1 members will receive pension restoration in ½% benefit increments of the reductions to their monthly pension due to Annuity Savings Fund Recoupment, and once such pension benefits are restored, Waterfall Class 2 members will receive pension restoration in ½% benefit increments in connection with the reductions to their monthly pensions due to Annuity Savings Fund Recoupment. Restoration payments will be calculated and paid on a prospective basis only

- f. Once restoration payments to applicable retirees and restoration credits to active employees begin, as long as the Restoration Reserve Account continues to have assets sufficient to fund 100% of an incremental pension restoration amount for such Waterfall Class members for their actuarially projected lives, such restoration payments and credits will continue; provided, however, that in the event the Restoration Reserve Account, after having sufficient assets to fund 100% of two or more increments (over their actuarially projected lives), falls below 100% for the second or greater increment, the annual amounts to pay such second or other additional increment can continue until the Restoration Reserve Account lacks any assets to fund it. For example, assume a ½% increment in Waterfall Class 1 requires \$10 million in assets to be fully funded for the Waterfall Class members' actuarially projected lives, and that based on Fiscal Year 2018 results the Restoration Reserve Account has assets of \$22 million so as to fund two increments of restoration in Fiscal Year 2019, (i.e., a 1% pension increase). Assume further that in the following Fiscal Year the Restoration Reserve Account drops in value to \$17 million; in such event two increments could still be paid, and the second increment of ½% would cease being paid only if the value of assets in the Restoration Reserve Account dropped to or below \$10 million (in the event they dropped below \$10 million, the first increment also would cease being paid). For purposes of restoration reduction, restoration increments will be taken away in reverse order in which they were granted (i.e. last in, first out).
  
- g. In the event the Funded Level (not including the assets in the Restoration Reserve Account) falls below 71% (hereinafter, "Restoration Reserve Suspension Trigger"), then, until such time as the projected Funded Level in 2023 is 71% or above, further interest credits to the notional Restoration Reserve Account will cease notwithstanding the actual net investment returns for the Retirement System for the Fiscal Year in question. Furthermore, if the Funded Level projected to 2023 falls below the Funding Target (i.e., 70%) then restoration payments and credits in the following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the Pension Reserve Account in sufficient amounts to restore the projected Funded Level in 2023 to 70%; (2) following such transfer, the remaining assets in the Restoration Reserve

Account shall be applied to make restoration payments in accordance with and pursuant to the same mechanism described in paragraph f.

- h. Following receipt of the actuarial reports for 2019, and in the event that the projected Funded Level as of 2023 is less than 71%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2023, or (ii) an amount of annual administrative expenses until 2023 equal to the average annual normal course administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period) or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2023 Funded Level to 71%.

(3) *Restoration of Benefits from July 1, 2023 to June 30, 2033.*

- a. During this period, the Funding Target, the Restoration Target, the Permanent Restoration Targets and the Restoration Reserve Suspension Trigger shall be as set forth below:

| <u>2023 Funded Level</u> | <u>2033 Funding Target/Restoration Target</u> |
|--------------------------|---|
| 75%                      | 75%/78%                                       |
| 74%                      | 74%/77%                                       |
| 73%                      | 73%/76%                                       |
| 72%                      | 72%/75%                                       |
| 71%                      | 71%/74%                                       |
| 70%                      | 70%/73%                                       |
| 69% or lower             | the % = to 2023 Funded Level %/73%            |

2033 Permanent Restoration Target

75%, or if greater, 1% more than 2033 Restoration Target

2033 Restoration Reserve Suspension Trigger

1% more than the projected Funding Target for all time periods

The same rules for variable restoration payments and credits that applied during the period ending June 30, 2023 shall apply during the period ending June 30, 2033 (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Reserve Account asset transfers to the Pension Reserve Fund in the event the 2033 Funded Level falls below the 2033 Funding Target), except as follows.

For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan Actuary shall project investment returns through June 30, 2033 at the then current investment return assumption which is assumed to be net of expenses (administrative and investment) and the applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the Plan Actuary shall assume, merely for purposes of determining whether the Restoration Target is satisfied, that the annual City contribution amount shall be the annual amount necessary to fund the Retirement System based upon an amortization of the actual 2023 UAAL at market value over 30 years (hereinafter, the “2023 UAAL Amortization”) and in such manner that the resulting annual contribution stream would achieve the Funding Target set forth above as of 2033. (Such projected, hypothetical contributions shall be for purposes only of making restoration determinations, and shall not necessarily be the actual contributions made or required to be made by the City or recommended during such period; all of which shall be determined independent of the restoration calculation process.). For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded.

- b. To the extent that the City’s actual contributions to the Retirement System in any of the Fiscal Years 2024 (the year ending June 30, 2024) through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in the Retirement System called the Extra Contribution Account. In determining pension restoration during the period from Fiscal Year 2024 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected funded level for the Restoration Target or Permanent Restoration Targets. To the extent that the City’s (including for this purpose DWSD or a successor authority) actual contributions in any of the Fiscal Years 2024 through 2033 are less than the projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Pension Reserve Fund.
- c. Each year, in addition to the credit of assets that exceed the amount necessary to satisfy the Restoration Target, existing Restoration Account assets will be credited with interest equal to the net return on Retirement System investments, but capped at the then investment return assumption. In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses.
- d. In connection with preparation of the actuarial report for Fiscal Year 2028, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target, which shall be 75%. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to

satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2028 has satisfied the Permanent Restoration Target (75%), then the amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of restoration payments for one or more Waterfall Classes over such Waterfall Class members' actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Account and the applicable incremental payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year. Variable restoration payments will continue to be paid or credited during the period from July 1, 2028 through June 30, 2033 based on the applicable Restoration Target set forth in paragraph a and otherwise in accordance with this Section G-4, notwithstanding whether the Restoration Target during this period is less than the Permanent Restoration Target as of June 30, 2028 of 75%.

- e. In connection with preparation of the annual actuarial valuation report for Fiscal Year 2033, the Plan Actuary will determine whether the Retirement System has satisfied the Permanent Restoration Target for 2033, as set forth in paragraph a. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2033 has satisfied the applicable Permanent Restoration Target, then the amounts in the Restoration Reserve Account if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of restoration payments for one or more Waterfall Classes over such Waterfall Class members' actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Account and the applicable incremental payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.
- f. Following receipt of the actuarial reports for 2028, and in the event that the projected Funded Level of the Retirement System as of 2033 is less than 71%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2033, or (ii) an amount of annual normal course administrative expenses until 2033 equal to the average annual administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus

interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period) or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2033 Funded Level to 71%.

(4) *Restoration of Benefits from July 1, 2033 to June 30, 2043.*

- a. During this period, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth below:

| <u>2023 Funded Level</u> | <u>2043 Funding Target/Restoration Target</u> |
|--------------------------|---|
| 75%                      | 75%/78%                                       |
| 74%                      | 74%/77%                                       |
| 73%                      | 73%/76%                                       |
| 72%                      | 72%/75%                                       |
| 71%                      | 71%/74%                                       |
| 70%                      | 70%/73%                                       |
| 69% or lower             | the % = to 2023 Funded Level %/73%            |

2043 Permanent Restoration Target

75% ,or if greater, 1% more than 2043 Restoration Target

2043 Restoration Reserve Suspension Trigger

1% more than the projected Funding Target for all time periods

The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers to the Pension Reserve Fund in the event the 2043 Funded Level falls below the 2043 Funding Target). For example, for purposes of determining whether the 2043 Restoration Target has been satisfied, the Plan Actuary shall project annual contributions using the same 2023 UAAL Amortization. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded, and no Extra Contribution Account assets shall be included for purposes of determining whether the Funded Level meets the Restoration Target or Permanent Restoration Target, including any additions to such account after 2033.

- b. In connection with preparation of the annual actuarial valuation report for Fiscal Year 2043, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target, as set forth in paragraph a. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2043 is equal to or greater than the applicable Permanent Restoration Target, then the amounts in the

Restoration Reserve Account if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Account and the applicable payments for the applicable Waterfall Class shall be permanently restored and shall no longer be variable.

(5) *Modification of the Pension Restoration Program.*

If any time after July 1, 2026, the Investment Committee (by vote of 5 of its 7 members), or the Board of Trustees (by a greater than 66% vote) determines that a change in relevant circumstances has occurred, or there was a mutual mistake of fact in developing the Pension Restoration Agreement, such that the continued operation of the Pension Restoration Agreement without amendment will: (a) materially harm the long-term economic interests of the City, or Retirement System; (b) materially impair the City's ability to fully fund over a reasonable period the then existing frozen benefit liabilities; or (c) materially hinder the restoration program, if as of that juncture (and for purposes of applying this subsection 5) annual funding levels (excluding the Extra Contribution Account) had materially exceeded the applicable Restoration Targets for a substantial period yet without any material actual restoration of benefits as contemplated herein having been made, the Investment Committee or the Board, as the case may be, shall provide written notice to the other entity of such a determination and of the need to amend the Pension Restoration Agreement and this Section G-4 (it being understood that the post-Chapter 9, 40-year amortization period (to 2053) to fully fund the Retirement System's frozen liabilities is, unless the relevant facts demonstrate otherwise, presumptively reasonable). The Investment Committee and the Board shall then meet to negotiate amendments to the Pension Restoration Agreement that address the identified risk of harm or impairment, but which also considers the Pension Restoration Agreement's objective of providing pension restoration. Such negotiations shall take into account reasonable actions the City has pursued or could pursue to mitigate such harm or impairment. Any such amendments shall require the approval of a majority vote of the combined members of the Investment Committee and Board (persons who sit on both the Board and Investment Committee shall have one vote). Such parties shall consult with the Mayor, City Council and the Governor of the State of Michigan ("Governor") in connection with such negotiation.

If the Board, acting through a majority, and the Investment Committee, acting through a majority, cannot agree to such amendments within the 90-day period following the provision of such notice by the determining party, then the Board and Investment Committee shall proceed to mediation upon demand from either the Board or the Investment Committee. In this regard, within 30-days following expiration of the 90-day period the Board and the Investment Committee shall each select a mediator from the list of approved mediators for the United States District Court for the Eastern District of Michigan. The two selected mediators shall appoint a third neutral mediator from the approved list. Each party shall

furnish a written statement to the mediators within 30 days of selection of the neutral mediator. Representatives of the Mayor and the Governor shall be consulted in connection with such mediations. If following a 90-day mediation period following submission of the written statements the matter is not settled, then either the Investment Committee or the Board can file an action in the United States District Court for the Eastern District of Michigan asking it to declare, inter alia, whether or in what manner to amend the Pension Restoration Agreement and this Section G-4.

**ARTICLE H. MISCELLANEOUS PROVISIONS OF THE GENERAL RETIREMENT SYSTEM**

**Sec. H-1. Enforcement; Civil Action.**

A civil action for relief against any act or practice which violates the state law, the 1997 Detroit City Charter, 1984 Detroit City Code or the terms of this Plan, may be brought by:

- (1) A Plan participant who is or may become eligible to receive benefit;
- (2) A beneficiary who is or may become eligible to receive a benefit;
- (3) A Plan fiduciary, including a Trustee;
- (4) The Finance Director, on behalf of the City as Plan sponsor.

**Sec. H-2. Limitation of Other Statutes.**

No other provision of law, charter, or ordinance, which provides pensions or retirement benefits wholly or partly at the City expense, exclusive of federal Social Security old-age and survivors' insurance benefits for City employees, their surviving spouses and other dependents, shall apply to Members, retirees or beneficiaries of the Retirement System, their surviving spouses or other dependents.

**EXHIBIT I.A.281**

PRIOR PFRS PENSION PLAN

**COMBINED PLAN  
FOR THE  
POLICE AND FIRE  
RETIREMENT SYSTEM OF  
THE CITY OF DETROIT, MICHIGAN**

**Amendment and Restatement Effective July 1, 2014**

**TABLE OF CONTENTS**

|   | <b>Page</b> |
|---|-------------|
| COMPONENT II .....  | 1           |
| ARTICLE A. COMMON PROVISIONS OF THE POLICE AND FIRE<br>RETIREMENT SYSTEM .....  | 2           |
| Sec. A-1. Common Provisions.....  | 2           |
| ARTICLE B. FREEZE OF POLICE AND FIRE RETIREMENT SYSTEM AS OF<br>JUNE 30, 2014.....                                    | 4           |
| Sec. B-1. Freeze of Police and Fire Retirement System as of June 30, 2014.....  | 4           |
| ARTICLE C. DEFINITIONS.....   | 6           |
| Sec. C-1. Definitions.....  | 6           |
| ARTICLE D. MEMBERSHIP.....  | 13          |
| Sec. D-1. Generally.....  | 13          |
| Sec. D-2. Membership election option prior to July 1, 2014.....   | 14          |
| Sec. D-3. Cessation of membership.....  | 15          |
| ARTICLE E. SERVICE CREDITABLE.....  | 16          |
| Sec. E-1. Members to file statement of service, etc .....   | 16          |
| Sec. E-2. Credit for service.....   | 16          |
| Sec. E-3. Employees in military service commencing prior to July 1, 2014 .....  | 16          |
| Sec. E-4. Verification of service claimed.....  | 19          |
| Sec. E-5. Prior Service certificates .....  | 19          |
| Sec. E-6. Creditable service at retirement .....  | 19          |
| ARTICLE F. BENEFITS PROVIDED TO MEMBERS.....  | 20          |
| Sec. F-1. Petition for retirement, mandatory age .....  | 20          |
| Sec. F-2. Old Plan/New Plan.....  | 22          |
| Sec. F-3. Pension Multiplier.....   | 23          |
| Sec. F-4. Disposition of surplus benefits upon death of retired member .....  | 24          |
| Sec. F-5. Retirement allowance for certain persons leaving City employment<br>after eight years service (40 & 8)..... | 24          |
| Sec. F-6. Reduced Early Pension Benefits (40 & 8 Vesting Retirees).....   | 25          |
| Sec. F-7. Duty disability.....  | 26          |
| Sec. F-8. Duty disability benefits; members in service on or after July 1,<br>1941 but prior to January 1, 1969 ..... | 26          |

**TABLE OF CONTENTS**  
(continued)

|   | <b>Page</b> |
|---|-------------|
| Sec. F-9. Duty disability benefits; members beginning service on or after January 1, 1969 and becoming disabled prior to the dates set forth in Section F-10.....                 | 28          |
| Sec. F-10. Duty Disability benefits; DFFA, DPOA and DPLSA members beginning service on or after January 1, 1969 and becoming disabled on or after the dates set forth below ..... | 29          |
| Sec. F-11. Non-duty disability .....  | 31          |
| Sec. F-12. Disability retirement procedures.....  | 32          |
| Sec. F-13. Generally.....   | 34          |
| Sec. F-14. Increase of Benefits; Pension Improvement Factor (Escalator) .....   | 35          |
| Sec. F-15. Payment.....   | 36          |
| Sec. F-16. Generally.....   | 36          |
| Sec. F-17. Payment of Accumulated Contributions.....  | 38          |
| Sec. F-18. Allowances to surviving spouses .....  | 38          |
| Sec. F-19. Payment of benefits.....   | 40          |
| Sec. F-20. Payment of benefits.....   | 40          |
| Sec. F-21. Deferred vested benefits .....   | 40          |
| Sec. F-22. Forfeiture of rights .....   | 41          |
| Sec. F-23. Generally.....   | 41          |
| Sec. F-24. Disposition of surplus benefits upon death of Member and Beneficiary .....   | 43          |
| Sec. F-25. Generally.....   | 43          |
| Sec. F-26. Generally.....   | 43          |
| Sec. F-27. Authority of Board.....  | 44          |
| Sec. F-28. Member With Twenty or Twenty-Five Years of Service .....   | 45          |
| Sec. F-29. Disabled Member.....   | 45          |
| Sec. F-30. Optional Annuity Withdrawal.....   | 45          |
| ARTICLE G. METHOD OF FINANCING .....  | 48          |
| Sec. G-1. General.....  | 48          |
| Sec. G-2. Annuity Savings Fund.....   | 48          |
| Sec. G-3. Annuity Reserve Fund .....  | 49          |
| Sec. G-4. Alternative Financing Method .....  | 49          |

**TABLE OF CONTENTS**  
(continued)

|  | <b>Page</b> |
|--|-------------|
| Sec. G-5. Contributions to and payments from Pension Accumulation Fund .....   | 50          |
| Sec. G-6. Retiree payments from Pension Reserve Fund; reinstatement of disability retirees to active service .....                           | 51          |
| Sec. G-7. Expense Fund .....   | 51          |
| Sec. G-8. Appropriations prior to July 1, 2014 .....   | 51          |
| Sec. G-9. Maintenance of reserves .....  | 51          |
| Sec. G-10. Survivors Benefit Fund .....  | 51          |
| Sec. G-11. Computation of Annuity and Pension Reserve liabilities for Members, Retirees and Beneficiaries .....                              | 53          |
| Sec. G-12. Determination of City’s annual contribution — Disability Pension liabilities .....  | 56          |
| Sec. G-13. Determination of City’s annual contribution — Death Pension liabilities .....   | 56          |
| Sec. G-14. Determination of City’s annual contribution — Actuarial evaluation of annuity and Pension Reserve liabilities .....               | 57          |
| Sec. G-15. Determination of City’s annual contribution — Service Pension liabilities for Fiscal Years commencing prior to July 1, 2014 ..... | 57          |
| Sec. G-16. Board of trustees to compute City’s annual contribution .....   | 57          |
| Sec. G-17. Refunds for certain Members .....   | 58          |
| Sec. G-18. Employer Contribution .....   | 58          |
| ARTICLE H. MISCELLANEOUS .....   | 59          |
| Sec. H-1. Recall of Retirees during emergencies .....  | 59          |
| ARTICLE I. DEFERRED RETIREMENT OPTION PLAN .....   | 60          |
| Sec. I-1. General provisions .....   | 60          |
| Sec. I-2. Conversion to Retirement Allowance .....   | 60          |
| Sec. I-3. Investment of DROP assets .....  | 60          |
| Sec. I-4. Distribution of amounts credited to DROP Account .....   | 61          |
| Sec. I-5. Death of Member while participating in the DROP program .....  | 61          |
| Sec. I-6. Disability of Member While Participating in the DROP Program .....   | 62          |
| Sec. I-7. Cost Neutrality .....  | 62          |
| ARTICLE J. PARTICIPANT ANNUITY SAVINGS FUND LOAN PROGRAM .....   | 64          |
| Sec. J-1. Participant Annuity Savings Fund Loan Program .....  | 64          |

**TABLE OF CONTENTS**  
(continued)

|   | <b>Page</b> |
|---|-------------|
| ARTICLE K. SPECIAL PLAN OF ADJUSTMENT PROVISIONS .....  | 67          |
| Sec. K-1. Benefit Changes implemented in accordance with the terms of the Plan Of Adjustment..... | 67          |
| Sec. K-2. Income Stabilization Benefits .....   | 67          |
| Sec. K-3. Restoration of Pension Benefits .....   | 70          |
| APPENDIX A .....  | 79          |
| ARTICLE IX, SECTION 24 OF STATE OF MICHIGAN CONSTITUTION .....                                    | 79          |
| CITY OF DETROIT CHARTER .....   | 80          |
| DETROIT CITY CODE .....   | 81          |

# COMPONENT II

**ARTICLE A. COMMON PROVISIONS OF THE POLICE  
AND FIRE RETIREMENT SYSTEM**

**Sec. A-1. Common Provisions**

Certain provisions of the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan described below are common to both Component I and this Component II as in effect July 1, 2014. Those provisions are set forth in the following Sections of Component I:

- (a) Article I (General Provisions);
- (b) Article II (Definitions):

Actuarial Equivalent or Actuarially Equivalent

Actuarially Equivalent Value

Administrative Board of Trustees

Administrative Rules and Regulations

Age; Attainment of

Board of Trustees or Board or Retirement Board

City

City Council or Council

Combined Plan

Component I

Component II

DFFA

DPLSA

DPCOA

DPOA

Detroit Police and Fire Retirement System or Retirement System

Fiscal Year

Internal Revenue Code or Code

Investment Committee

Medical Director

Notice to Members, Beneficiaries and Retirees;

Plan Actuary or Actuary;

Plan Document or Combined Plan Document;

Plan of Adjustment;

Plan Year;

Spouse;

Straight Life Retirement Allowance; and

Total Disability or Totally Disabled;

- (c) Article 13 (Limitation on Benefits and Contributions);
- (d) Article 14 (Retirement System Administration);
- (e) Article 15 (Management of Funds);
- (f) Article 16 (Investment of Retirement System Assets); and
- (g) Article 18 (Miscellaneous).

**ARTICLE B. FREEZE OF POLICE AND FIRE RETIREMENT SYSTEM  
AS OF JUNE 30, 2014**

**Sec. B-1. Freeze of Police and Fire Retirement System as of June 30, 2014.**

Notwithstanding anything in Chapter 47 of the 1984 Detroit City Code, or in Chapter 54, Article II of the 1964 Detroit City Code, or any ordinances, resolutions, or orders, or parts thereof, whether codified or not codified, or any collective bargaining agreement or other documents governing terms of employment to the contrary, effective as of June 30, 2014 (the "Freeze Date"):

- (a) No new employee hired by the City on or after July 1, 2014 shall become a Member who is eligible to accrue a benefit under the terms of the Police and Fire Retirement System in effect as of the Freeze Date;
- (b) No employee who is rehired by the City on or after July 1, 2014 and who received a distribution of his accumulated employee contributions prior to July 1, 2014, shall become a Member who is eligible to accrue a benefit under the terms of the Police and Fire Retirement System in effect as of the Freeze Date; provided, however, that if a Member who is entitled to a Frozen Accrued Benefit as defined in subsection (d) of this Section B-1 and who is rehired by the City on or after July 1, 2014 repays to the Police and Fire Retirement System in accordance with a payment schedule approved by the Board of Trustees the amount of accumulated employee contributions that he withdrew, then such Member shall be eligible to accrue service credit under this Component II following rehire solely for the purpose of determining the Member's eligibility for payment of his Frozen Accrued Benefit;
- (c) No Member shall make contributions to the Annuity Savings Fund under the Police and Fire Retirement System in effect as of June 30, 2014 with respect to payroll dates occurring on or after August 1, 2014 and all Member contributions made with respect to payroll dates occurring on or after August 1, 2014 shall be made to and in accordance with the terms of Component I of the Combined Plan;
- (d) Benefit accruals for Members with respect to service rendered prior to July 1, 2014 will be frozen based on a Member's years of service and Average Final Compensation and the pension multiplier formulae as of such Freeze Date ("Frozen Accrued Benefit");
- (e) Except as otherwise provided in this Section B-1, compensation of a Member shall be frozen effective as of the Freeze Date for purposes of determining the Member's Frozen Accrued Benefit. No compensation of any type earned by a Member after the Freeze Date shall be taken into consideration for purposes of determining the Member's Frozen Accrued Benefit under the Police and Fire Retirement System;
- (f) Any Member who, as of June 30, 2014, would have been eligible to elect to use a portion of the unused accrued sick leave that he could have received in cash upon retirement ("Cashable Sick Leave") to increase his Average Final Compensation if the Member had been eligible to retire and had elected to retire as of June 30, 2014,

shall have a one-time election to have the value of twenty-five percent (25%) of the Member's Cashable Sick Leave as of June 30, 2014 included in the computation of the Member's Average Final Compensation for purposes of determining the Member's Frozen Accrued Benefit ("Sick Leave Election"); provided, however, that the amount of the member's Cashable Sick Leave at the time the completed election form is received by the Retirement System is at least equal to the value of twenty-five percent (25%) of the Member's Cashable Sick Leave as of June 30, 2014 and, provided further that the completed election form is received by the Retirement System no later than the dates established by the City. A Member's Sick Leave Election shall be made in the manner set forth by the Board of Trustees and the Police and Fire Retirement System. Notwithstanding anything in this subsection (f) to the contrary, a Member's Sick Leave Election will be void and the determination of the Member's Average Final Compensation for purposes of calculating the Member's Frozen Accrued Benefit will not take into account any of the Member's Cashable Sick Leave, if (i) the electing Member would not have been eligible to receive an immediate service retirement benefit if he retired as of June 30, 2014, and (ii) the electing Member's employment with the City is terminated before the electing Member becomes eligible for an immediate service retirement benefit under the Police and Fire Retirement System;

- (g) Service earned after the Freeze Date shall be credited to a Member under this Component II solely for purposes of determining a Member's vesting in and eligibility for payment of his or her Frozen Accrued Benefit and to a rehired Member solely for purposes of determining the Member's eligibility for payment of his or her Frozen Accrued Benefit. Service credit for all Members for benefit accrual purposes under the terms of the Police and Fire Retirement System in effect as of the Freeze Date shall be frozen effective as of the Freeze Date and no Member shall earn service credit with respect to benefits payable under the terms of the Police and Fire Retirement System in effect as of the Freeze Date (except for vesting and benefit payment eligibility purposes) after the Freeze Date; and
- (h) The Deferred Retirement Option Plan ("DROP") shall remain in effect for all Members who have either enrolled in or elected to participate in the DROP as of June 30, 2014. Members also may elect to participate in the DROP after June 30, 2014 with respect to their Frozen Accrued Benefits; however, participation in DROP with respect to such Frozen Accrued Benefits shall be limited to five years.

The foregoing terms of Section B-1 shall be referred to as the "Freeze" of the provisions of the Police and Fire Retirement System as in effect on the Freeze Date and the provisions of Component II of the Police and Fire Retirement System shall be interpreted and construed by the Board of Trustees and the Police and Fire Retirement System to give full effect to the Freeze. To the extent that a conflict arises between this Section B-1 and the provisions of Chapter 54 of the 1964 Detroit City Code, or any Charter, ordinances, resolutions, or orders, or parts thereof, whether codified or not codified, or any collective bargaining agreement or other document governing terms of employment of an employee, the Board of Trustees and the Police and Fire Retirement System are directed to interpret any inconsistency or ambiguity to give full effect to the Freeze.

## ARTICLE C. DEFINITIONS

### Sec. C-1. Definitions.

Unless a different meaning is plainly required by context, for purposes of this Component II the following words and phrases have the meanings respectively ascribed to them by this Section C-1:

- (1) *Accrued Service* shall mean a Member's credited service for employment rendered before the date of an actuarial valuation of the Retirement System and before July 1, 2014.
- (2) *Accumulated Contributions* shall mean the sum of all amounts deducted from the compensation of a Member and credited to his individual account in the Annuity Savings Fund, together with Regular Interest, as provided in this Component II of the Combined Plan.
- (3) *Annuity* shall mean payments derived from the Accumulated Contributions of a Member.
- (4) *Annuity Reserve* shall mean the present value of all payments to be made on account of any Annuity, or benefits in lieu of any Annuity, computed on the basis of such mortality tables and Regular Interest as shall be adopted by the Board of Trustees.
- (5) *Average Final Compensation* shall mean:
  - a. With respect to an "Old Plan Member" (an employee described in Section F-2(a)) the current maximum salary for the rank(s), grade(s) or position(s) held by the Member over the sixty (60) months immediately preceding the earlier of: (i) the date his employment with the City last terminated and (ii) June 30, 2014. The salary shall be obtained from the official compensation schedule for the Fiscal Year of the earlier of the dates described in (i) or (ii) and an average shall be determined. A Member who retires on or after July 1, 2000 (for DPCOA and DFFA members) or July 1, 1998 (for all other Members) shall have the Member's most recent full longevity payment included in his Average Final Compensation.
  - b. With respect to a "New Plan Member" (an employee described in Section F-2(b)) the current maximum salary for the rank(s), grade(s) or position(s) held by the Member over the sixty (60) months immediately preceding the earlier of: (i) the date his employment with the City last terminated and (ii) June 30, 2014. The salary shall be obtained from the official compensation schedule for the Fiscal Year of the earlier of the dates described in (i) or (ii) and an average shall be determined. If more than one (1) rank, grade or position has been held over the sixty (60) month period, a weighted average is determined based on time spent in each rank, grade or position during this sixty (60) month period.

- (i) A Member who retires on or after July 1, 2000 (for DPCOA and fire equivalents) or July 1, 1998 (for all other Members) shall have the Member's most recent full longevity payment included in his Average Final Compensation.
  - (ii) Effective July 1, 2000, Average Final Compensation shall be calculated for members of the DPCOA, Executive members and their fire equivalents by using the current maximum salary for the rank(s), grade(s) or position(s) held by the Member over the thirty-six (36) months immediately preceding the earlier of: (i) the date his employment with the City last terminated and (ii) June 30, 2014.
- c. With respect to reduced duty disability retirements occurring on or after July 1, 1992, notwithstanding the provisions of Article F, Part B, Section F-8, for those Members who receive benefits under Article F, Part B, Section F-9(a), the Average Final Compensation used in the computation of the reduced duty disability allowance shall mean the maximum salary at the date of conversion to reduced duty disability retirement for the rank(s), grade(s), or positions(s) which were held by the Member over the sixty (60) months prior to his or her duty disability retirement.
  - d. Subject to Section B-1(f), for purposes of computing the Average Final Compensation received by a Member who retires on or after July 1, 2008 and prior to July 1, 2014, the Member shall have the option of adding the value of the three year average of twenty-five percent (25%) of the Member's unused accrued sick leave at the time of retirement to the earnings used in computing the Average Final Compensation.
  - e. The Average Final Compensation for "Old Plan" and "New Plan" Members represented by DFFA retiring on or after July 1, 1992 or on or after July 1, 2000 for Members represented by DPOA is calculated pursuant to paragraph (b) above. The salary is obtained from the Official Compensation Schedule for the Fiscal Year prior to the Member's elective date of retirement and an average shall be determined.
  - f. Effective July 1, 2000, for Members represented by DFFA with a parity relationship with the DPCOA Inspector, Average Final Compensation shall be calculated pursuant to paragraph (b)(ii) above. The salary is obtained from the Official Compensation Schedule for the Fiscal Year prior to the Member's elective date of retirement and an average shall be determined.
  - g. For Members represented by DFFA who have a parity relationship with the DPLSA and the DPCOA Inspector, who retire on or after July 1, 1998 and for those having a parity relationship with the DPOA who retire on or after July 1, 2000 and prior to July 1, 2014, the amount of the Member's

most recent full longevity payment shall be included in the definition of Average Final Compensation.

- h. Subject to Section B-1(f), all Members represented by DFFA who retire on or after July 1, 2008 and prior to July 1, 2014, may choose to receive the 3-year average of twenty-five percent (25%) of the unused accrued sick leave bank and have that sum included in the average compensation used to compute the Members' service Pension of their Retirement Allowance.
  - i. Subject to Section B-1(f), non-union uniformed Police and Fire executives represented by DPCOA who retire on or after January 15, 2010 and prior to July 1, 2014 may choose to receive the 3-year average of twenty-five percent (25%) of the unused accrued sick leave bank, and have that sum included in the Average Final Compensation used to compute the Member's service Pension of their Retirement Allowance.
  - j. Subject to Section B-1(f), a Member represented by DPLSA who retires on or after July 1, 2008 and prior to July 1, 2014 may choose to receive the 3-year average of twenty-five percent (25%) of eighty-five percent (85%) of his or her unused accrued sick leave bank, and have that sum included in the Average Final Compensation used to compute the Member's service Pension of their Retirement Allowance.
- (6) *Beneficiary* shall mean any person or persons (designated by a Member pursuant to procedures established by the Board) who are in receipt of a Retirement Allowance or Pension payable from funds of the Retirement System due to the participation of a Member.
- (7) *Decrement Probabilities* shall mean the probabilities of a Member's withdrawal from City employment, death while in the employ of the City, retirement from City employment with a Pension payable from funds of the Retirement System, and death after retirement.
- (8) *Final Compensation* shall mean the annual rate of earnable compensation of a Member at the earlier of (i) the time of termination of employment or (ii) June 30, 2014. Effective July 1, 1992 and prior to July 1, 2014, compensation shall also include the value of the percentage reduction in compensation for non-union employees, pursuant to ordinance, resolution or executive order. In cases of any doubt regarding these values, the decisions of the Board of Trustees shall be controlling to implement the intention that no non-union employee will suffer a diminution of Pension benefits computation due to reduction in compensation because of fiscal emergency and that Pension benefits with respect to Fiscal Years beginning July 1, 1992 and ending June 30, 2014 should always be computed as if no reduction in compensation occurred due to ordinance, resolution or executive order or directive.

- (9) *Fire Employees* (formerly referred to as “Firemen”) shall mean all employees of the Fire Department who have taken the oath of office as prescribed in Section 12 of Chapter XXI of Title IV of the 1918 Detroit City Charter employed therein prior to November 10, 1937, and who shall be in the employ of the Fire Department of the City of Detroit prior to the effective date of this amendment and restatement and, where the context requires, all persons who shall take the said oath of office and become members of the Fire Department thereafter.
- (10) *Fire Fighter* shall mean the rank in the Fire Department currently or previously classified by the civil service commission as Fire Fighter.
- (11) *Member* shall mean any member of the Retirement System who has not retired.
- (12) *Membership Service* shall mean the total service rendered as a Police Employee or Fire Employee prior to July 1, 2014.
- (13) *New Plan* shall mean the plan originally created by Title IX, Chapter VII, Article IV, Section 1(D) of the 1918 City of Detroit Charter as amended through June 30, 1974 and continued in effect through June 30, 2014 by Article 11, Section 102 of the City of Detroit Charter.
- (14) *Old Plan* shall mean the plan originally created by Title IX, Chapter VII, Article IV, Section 1(A) and (B) of the 1918 City of Detroit Charter as amended through June 30, 1974 and continued in effect through June 30, 2014 by Article 11, Section 102 of the City of Detroit Charter.
- (15) *Patrolman* shall mean the rank in the Police Department currently or previously known as patrolman.
- (16) *Pension* shall mean the portion of a Retirement Allowance which is paid for by appropriations made by the City.
- (17) *Pension Reserve* shall mean the present value of all payments to be made on account of any Pension, or benefit in lieu of any Pension, computed upon the basis of such mortality tables and Regular Interest as shall be adopted by the Board of Trustees.
- (18) *Police Employees* (formerly referred to as “Policemen”) shall mean all employees of the Police Department who have taken the oath of office as prescribed in Section 12 of Chapter XXI of Title IV of the 1918 Detroit City Charter, and who shall be in the employ of the Police Department of the City of Detroit prior to the effective date of this amendment and restatement and, where the context requires, all persons who shall take the said oath of office and become members of the Police Department thereafter.
- (19) *Prior Service* shall mean service in the military rendered prior to July 1, 2014 as provided in Section E-3.

- (20) *Regular Interest* shall mean, for a period of five years from the effective date of the Retirement System interest at four per centum per annum, compounded annually. For the subsequent five year period, and each five year period beginning thereafter but prior to July 1, 2013, Regular Interest shall be such rate of interest as the Board of Trustees, in its discretion, may determine and adopt. For Fiscal Years beginning on and after July 1, 2013:
- a. the annual rate of return for purposes of determining the Regular Interest to be credited to a Member's account in the Annuity Savings Fund shall not be less than zero and shall not be greater than the lesser of (i) 5.25% or (ii) the actual investment return net of expenses of the Retirement System's invested reserves for the second Fiscal Year immediately preceding the Fiscal Year in which the Regular Interest is credited; and
  - b. the rate(s) of Regular Interest adopted by the Board from time to time as necessary for the operation of the Retirement System on an actuarial basis shall not violate the Plan of Adjustment.
- (21) *Retiree* shall mean any Member who has retired with a Pension payable from funds of the Retirement System.
- (22) *Retirement* shall mean for any Member that such Member has retired, with a Pension payable from the funds of the Retirement System.
- (23) *Retirement Allowance* shall mean the sum of the Annuity and the Pension.
- (24) *Retirement System or System* shall mean the Police and Fire Retirement System of the City of Detroit created and established by Title IX, Chapter VII of the 1918 Charter of the City as amended through June 30, 1974 and continued in effect by the provisions of the July 1, 1974 City Charter, and as set forth in the Combined Plan effective as of July 1, 2014 and this amendment and restatement of the Combined Plan.
- (25) *Salary Factors* shall mean the ratio between a Member's rate of compensation as of the date of an actuarial valuation of the Retirement System and his rate of compensation as of the earlier of (i) the date of his Retirement and (ii) June 30, 2014.
- (26) *Service* shall mean service with the City as a Police Employee or Fire Employee.

The following terms shall have the meanings given to them in the Sections of this Combined Plan Document set forth opposite such term:

|                          |                   |
|--------------------------|-------------------|
| Accrued Liability Fund   | Section G-4(a)    |
| additional years         | Section F-9(a)(3) |
| Adjusted Pension Benefit | Section K-1(1)    |
| Annuity Reserve Fund     | Section G-3       |
| Annuity Savings Fund     | Section G-2(a)    |

|   |                           |
|---|---------------------------|
| ASF Excess Return   | Section G-2(f)            |
| Authority   | Section K-2(1)            |
| Cashable Sick Leave   | Section B-1(f)            |
| COLA  | Section K-3               |
| Deferred Retirement Option Plan (DROP)                        | Section B-1(h), Article I |
| Determination Date  | Section G-4(a)            |
| Disability Retirement Review Board                            | Section F-12(b)           |
| Eligible Pensioner  | Section K-2(5)            |
| Estimated Adjusted Annual Household Income                    | Section K-2(3)b           |
| Expense Fund  | Section G-7               |
| Federal Poverty Level   | Section K-2(6)            |
| Freeze  | Section B-1               |
| Freeze Date   | Section B-1               |
| Frozen Accrued Benefit  | Section B-1(d)            |
| Funding Conditions  | Section K-1(1)            |
| Funding Proceeds  | Section G-4(a)            |
| Funding Target  | Section K-3(2)(a)         |
| GRS   | Section K-2(1)            |
| Income Stabilization Benefit                                  | Section K-2(2)            |
| Income Stabilization Benefit Plus                             | Section K-2(3)            |
| Income Stabilization Fund                                     | Section K-2(4)            |
| New Plan Member   | Section F-2(b)            |
| Old Plan Member   | Section F-2(a)            |
| Optional Forms  | Section F-23              |
| Option 1. Cash Refund Annuity                                 | Section F-23(a)(1)        |
| Option 2. Joint and Last Survivorship Retirement Allowance    | Section F-23(a)(2)        |
| Option 3. Joint and Seventy-Five Percent Survivor Allowance   | Section F-23(a)(3)        |
| Option 3(A). Modified Joint and Last Survivorship Allowance   | Section F-23(a)(4)        |
| Option 3(B). Joint and Twenty-Five Percent Survivor Allowance | Section F-23(a)(5)        |
| Participant Loan Program                                      | Section J-1               |
| Pension Accumulation Fund                                     | Section G-5               |
| Pension Funding Transaction                                   | Section G-4(a)            |
| Pension Improvement Factor (Escalator)                        | Section F-14              |
| Pension Reserve Fund  | Section G-6               |
| Pop-up Form   | Section F-23(b)(ii)       |
| Sick Leave Election   | Section B-1(f)            |
| Standard Form   | Section F-23(b)(i)        |
| State Treasurer   | Section K-2(1)            |
| Straight Life Retirement Allowance                            | Section F-23              |
| Survivors Benefit Fund  | Section G-10              |
| Transition Cost   | Section G-2(f)            |
| UAAL  | Section G-4(a)            |



## ARTICLE D. MEMBERSHIP

### Sec. D-1. Generally.

Subject to Section B-1, the membership of Component II of the Retirement System shall consist of the following:

- (a) All Police Employees and Fire Employees who were in Service on or after July 1, 1941, but prior to January 1, 1969; provided, however, that any Police Employee or Fire Employee who, on or before July 1, 1941, shall have been in the employ of the Police or Fire Department for a period of twenty years, or who shall have a total of twenty years of creditable Service, shall be excluded from the provisions hereof and shall retain for himself or herself, his or her wife, children, dependent mother and dependent sister all rights and privileges provided by Chapters XV and XXI of title IV of the 1918 Detroit City Charter, unless any such Police Employee or Fire Employee, on or before June 1, 1941, shall file with the City Controller his or her written election to become a Member of the Retirement System, in which event he or she shall be a Member; such excluded Police Employee not electing to become a Member, from and after July 1, 1941, while he or she remains an active member of the Police Department, shall pay five per cent of each salary payment into the fund for retired Police Employees, and any such excluded Fire Employee not electing to become a Member, from and after July 1, 1941, while he or she remains an active member of the Fire Department, shall pay five per cent of each salary payment into the Fire Department Pension and Retirement Fund, and such salary contributions shall hereafter be used toward the payments of Retirement Allowances provided for under Chapter XV, Section 14, subsections (1), (2), and (3) thereof. On retirement, the contributions of such excluded members shall cease.
- (b) All persons who became Police Employees or Fire Employees on or after July 1, 1941, but prior to January 1, 1969, and who are confirmed as Police Employees or Fire Employees according to the rules and regulations of the respective Departments shall thereupon become Members of the Retirement System, subject, however, to the following provisions:
  - (i) Any person who shall become a Police Employee or Fire Employee at an attained age of thirty-one years or more may become a Member of the Retirement System only by vote of the Board of Trustees who shall fix the rate of contribution of such Member on a basis recommended by the Actuary for the attained age of such Member.
  - (ii) Any appointive official of the Police Department or Fire Department appointed from the membership thereof shall be permitted to remain a Member of the Retirement System, paying contributions and entitled to benefits as though he had remained in the rank, grade or position held at the date of his appointment.

- (iii) Any Police Employee or Fire Employee who, prior to being confirmed, shall be killed or Totally Disabled as the result of the performance of active duty, shall be deemed to have been a Member of the Retirement System.
- (c) Any Member as defined in paragraph (a) or (b) of this Section D-1 who shall be transferred to a civilian position in his Department shall continue as a Member, subject to all the obligations of a Member.
- (d) All persons who became Police Employees or Fire Employees on or after January 1, 1969 and prior to July 1, 2014 and who are not individuals re-employed with the Police and Fire Departments on or after January 1, 1969 and prior to July 1, 2014, and who are confirmed as Police Employees or Fire Employees according to the rules and regulations of the respective Departments shall thereupon become Members of the Retirement System subject, however, to the following provisions:
  - (i) Any person who shall become a Police Employee or Fire Employee at an attained age of thirty-one years or more may become a Member of the Retirement System only by vote of the Board of Trustees who shall fix the rate of contribution of such Member on a basis recommended by the actuary for the attained Age of such Member.
  - (ii) Any appointive official of the Police Department or Fire Department appointed from the membership thereof shall be permitted to remain a Member of the Retirement System, paying contributions and entitled to benefits as though he had remained in the rank, grade or position held at the date of his appointment.
  - (iii) Any Police Employee or Fire Employee who, prior to being confirmed, shall be killed or Totally Disabled as the result of the performance of active duty, shall be deemed to have been a Member of the Retirement System.
  - (iv) Any Member as defined in Section D-1(a), (b), or (c) who was separated from Service by resignation or dismissal or discharge who subsequently again becomes a Member shall be considered a Member for all purposes under this Component II under Section D-1(a), (b), or (c) and shall not be considered a Member under Section D-1(d).
  - (v) Any Member as defined in Section D-1(d) who shall be transferred to a civilian position in his Department shall continue as a Member, subject to all the obligations of a Member.

**Sec. D-2. Membership election option prior to July 1, 2014.**

Any person who is a Member as defined in Section D-1(a), (b), or (c) who was in active service on January 1, 1969, shall have had the option to elect to become a Member of the Retirement System as defined in Section D-1(d) by filing his written election with the Board of Trustees on or before January 31, 1969, or any Retiree who retired on or before December 31, 1968, under the provisions of Article F, Part B, Section F-8, who returns to active service prior to July 1, 2014 shall have the option to elect to become a Member of this Retirement System as

defined in Section D-1(d), by filing his written election with the Board of Trustees on or before the earlier of (i) thirty days after his return to active service and (ii) June 30, 2014. The election shall be effective on the date that it is filed with the Board of Trustees.

**Sec. D-3. Cessation of membership.**

- (a) Should a Member die or become a Retiree or be separated from service by resignation, dismissal, or disability, he shall thereupon cease to be a Member.
- (b) Any person who became a Member under Section D-1(a), (b), or (c) and ceases to be a Member, as provided in Section D-3(a), and who becomes a Police Employee or Fire Employee prior to July 1, 2014, shall again become a Member of Component II of the Retirement System, under section D-1(a), (b), or (c) subject to the provisions of Article G, Section G-2(d).
- (c) Any person who became a Member under Section D-1(d) and ceases to be a Member, as provided in Section D-3(a), and who becomes a Police Employee or Fire Employee prior to July 1, 2014, shall again become a Member of Component II of the Retirement System under Section D-1(d), subject to the provisions of Article G, Section G-2(d).
- (d) Any Member of the Retirement System from the Fire Department who retires as a Member of the Retirement System and who is rehired prior to July 1, 2014 as a civilian Member of the Fire Department may elect on or before June 30, 2014 to again become a Member of Component II of the Retirement System.

## **ARTICLE E. SERVICE CREDITABLE.**

### **Sec. E-1. Members to file statement of service, etc.**

Under such rules and regulations as the Board of Trustees shall adopt, each Police Employee and Fire Employee who shall become a Member prior to July 1, 2014 shall file a detailed statement of all prior service rendered by him as an employee of the Police Department or Fire Department, for which he claims credit, and of such other facts as the Board of Trustees may require, for the proper operation of the Retirement System.

### **Sec. E-2. Credit for service.**

The Board of Trustees shall fix and determine by appropriate rules and regulations how much service in any year is equivalent to a year of service, but in no case shall less than six months' service constitute one year, nor shall more than one year of service be creditable for all service in one calendar year. The Board of Trustees shall not allow credit as service for any period of more than one month during which the Member was or shall be absent without pay provided that if a Member shall be transferred from his Department payroll to the payroll of any city, county or state government or the federal government, by his Department head, during peace times, then such Member shall continue to be a Member of the System and shall be required to make regular contributions into the Annuity Savings Fund; and provided further, that if a Member, so transferred, shall fail to make such contributions for three consecutive months, he shall cease to be a Member of the System four months (of 31 days each) after the due date of his first defaulted Annuity contribution; and provided further, that any Member who was or shall be suspended from duty and subsequently reinstated to duty without further disciplinary action, shall receive total credit for the time of such period or periods of suspension.

### **Sec. E-3. Employees in military service commencing prior to July 1, 2014.**

- (a) If a Member of the Retirement System was or shall be drafted, or enlisted or shall enlist into military, naval, marine, or other service of the United States government during time of war, or if a Member shall be drafted into such service during time of peace, and prior to the earlier of (i) ninety days from the date of his separation from such government service or from the date peace was or shall be established by treaty, whichever date was or shall be earlier, and (ii) June 30, 2014 resumed or shall resume employment as a Police Employee or Fire Employee, then such government service rendered prior to July 1, 2014 shall be credited to him as a Member of the Retirement System. During the period of such government service of a Member, his contributions to the Annuity Savings Fund shall be suspended and the balance in the Annuity Savings Fund, standing to his credit as of the last payroll date preceding his leave of absence from the service of his Department shall be accumulated at Regular Interest. Prior to July 1, 2014, even though the applicant may have been unable to satisfy all the foregoing requirements, the Board of Trustees had the power to grant the privileges provided for by this section in exceptional or extraordinary cases.
- (b) A Member on the City payroll on or after January 1, 1979 and prior to July 1, 2014 who, prior to employment in the City service, was called to or entered or is called to

or enters any full time military service of the United States during time of war, period of compulsory military service, or period of unusual emergency as defined in this ordinance, shall have the required period of active duty credited him as Membership Service, subject to the following conditions and limitations:

- (1) The Member files a written election with the Board of Trustees, before the earlier of (i) 180 days following the effective date of this provision or 180 days from the date of his first employment in the City service, whichever is most recent, and (ii) June 30, 2014, to claim military service credit under the provisions of this section. A Member who is included in a collective bargaining unit shall file a written election to claim military service credit with the Board of Trustees within 180 days following the date of a negotiated approval and acceptance of this section by his duly authorized bargaining agent as transmitted to the Board of Trustees by the Labor Relations Director or, in the case of Members hired subsequent to the transmittal of approval and acceptance by his duly authorized bargaining agent, within 180 days from the date of his first employment in the City service; provided that any such election is required to be filed prior to July 1, 2014.
- (2) The Member furnishes the Board of Trustees such information as the Board of Trustees determines necessary to verify the amount of military service claimed.
- (3) The Member pays to the Pension Accumulation Fund of the Retirement System an amount of five (5) percent of the Member's annual rate of compensation at the time of payment multiplied by the years or parts of years of military service claimed.
- (4) The required payment shall be made under one of the following options:
  - a. Payment in full within 30 days of the election to claim military service.
  - b. Payment in equal bi-weekly installments by payroll deduction over a 36 month period starting 30 days following the election to claim military service. Interest shall accrue during the period of installment payments at the compound rate of 5 percent per annum. Payments must be completed prior to application for retirement.
  - c. If a Member has sufficient funds in the principal portion of his Annuity, he may authorize the Board to transfer such funds to the Pension Accumulation Fund to meet the required payment.
- (5) In the event a Member, who has filed the required election of this benefit, and who would be eligible for a Pension in all respects except for paying the full amount, dies prior to completion of the payment required in paragraph (4) preceding, the person otherwise entitled to a Retirement Allowance may pay the full amount due within 30 days of the Member's death to become eligible for an additional Pension credit under this section.

- (6) Military service credited under the provisions of Section 54-30-3(c) of the 1964 Detroit City Code shall not be claimed or credited under the provisions of this section.
- (7) Military service which is or will be the basis of service credit under any other public employee retirement program shall not be claimed or credited under the provisions of this section.
- (8) In no case shall more than 3 years of pre-employment military service be credited a Member on account of military service. For the purpose of this limitation, military service credited pursuant to Section 54-30-3(a) of the 1964 Detroit City Code shall be combined with military service created pursuant to this section.
- (9) The required payments made to the Pension Accumulation Fund for military service credit pursuant to this section shall, upon application by the Member or his estate, be returned without interest to any Member who dies or leaves City employment prior to being eligible for a Pension.
- (10) Only honorable military service during the following periods shall be covered by this Section E-3(b):
  - World War II — December 8, 1941 to July 1, 1946.
  - Korean Conflict — June 27, 1950 to December 31, 1953.
  - Vietnam Conflict — August 5, 1964 to May 7, 1975.
- (11) The military service credit pursuant to this section shall not apply toward meeting the minimum service and age requirements for vesting, for a non-duty disability Pension or for a service Pension. Such service credit may be used in meeting the minimum time needed for an automatic Option Two Pension in case of death of a Member.
- (12) In no case shall benefits be based on the military service credit provided by this section unless the Member shall have been credited a minimum of eight years of service credit not including military service credit.
- (13) Special service, contractual, part time, seasonal and summer camp employees are not eligible for the military service credit.
- (14) In cases of doubt, the Board of Trustees will determine whether a Member is entitled to the benefits of this section consistent with the requirements and limitations herein.
- (15) Any member of DFFA, DPCOA or DPLSA who performed military service prior to employment by the City and membership in the Retirement System

may, prior to July 1 2014, claim service credit as a Member of the Retirement System for time spent in the military service.

- (16) Effective December 15, 2008, any member of DFFA, DPCOA or DPLSA who has performed any honorable military service may, prior to July 1, 2014, claim up to thirty-six (36) months service in the Pension time for time spent in the military. However, the Member will be required to purchase this military service credit as provided above.
- (17) Effective March 8, 2007, all DPOA bargaining unit members who have served in the military may, prior to July 1, 2014, purchase a maximum of three (3) years Pension time.

**Sec. E-4. Verification of service claimed.**

Subject to the above restrictions and to such other rules and regulations as the Board of Trustees may adopt, the Board of Trustees shall verify, as soon as practicable after the filing of such statements of service, the service therein claimed.

**Sec. E-5. Prior Service certificates.**

Upon verification of the statements of service, the Board of Trustees shall issue Prior Service certificates, certifying to each Member the length of Prior Service rendered, with which he is credited. A Prior Service certificate shall be final and conclusive for retirement purposes as to such service; provided, however, that within one year from the date of issuance or modification of such certificate the Board of Trustees on its own motion or on the request of a Member may modify or correct the Prior Service certificate.

**Sec. E-6. Creditable service at retirement.**

Creditable service at retirement, on which the Retirement Allowance of a Member shall consist of the Membership Service rendered by him prior to July 1, 2014 and, if he has a Prior Service certificate in full force and effect as of July 1, 2014, the amount of service certified thereon.

**ARTICLE F. BENEFITS PROVIDED TO MEMBERS**

**Part A - Service Retirement Allowance**

**Sec. F-1. Petition for retirement, mandatory age.**

- (a) Any Member as defined in Article D, Section D-1 (a), (b), or (c) in service may file with the Board of Trustees his written application for retirement setting forth the date not less than fifteen days nor more than ninety days subsequent to the filing thereof, on which he or she desires to be retired; and provided the Board of Trustees shall determine that the Member, at the date so specified for his retirement will have a total of twenty-five years or more of creditable service he shall on the date specified be retired, notwithstanding that during such period of notification he may have separated from service.

Provided, further, that in the case of any Fire Fighter as defined in Article D, section D-1 (a), (b) or (c) having served twenty-five years or more of creditable service, upon recommendation of the Board of Fire Commissioners, the Fire Fighter shall be retired forthwith, by the Board of Trustees.

- (b) Any Members as defined in Article D, Section D-1 (d) in service may file with the Board of Trustees his written application for retirement setting forth the date not less than fifteen days nor more than ninety days subsequent to the filing thereof, on which he or she desires to be retired; and provided the Board of Trustees shall determine that the Member, at the date so specified for his retirement, will have a total of twenty-five years (effective as of March 8, 2007, twenty years for members of DPOA and their fire equivalents) or more of creditable service and has attained Age fifty-five, he shall on the date specified be retired, notwithstanding that during such period of notification he may have separated from service.

Provided, further, that, effective July 1, 1983 for members of DPOA and fire equivalents and June 30, 1986 for DPLSA and fire equivalents and new Members, a Member described in Article D, Section D-1(d) shall be eligible to retire upon attainment of twenty-five years (effective as of March 8, 2007, twenty years for members of DPOA and their fire equivalents) or more of creditable service, regardless of Age. Effective July 1, 1998 (June 30, 2001 for DPOA members and their fire equivalents), the time a Member is on layoff from service of the City shall be included in actual service rendered to the City for purposes of determining whether a Member has twenty-five years or twenty years of creditable service. The Pension benefit to which such Member is entitled shall be based only on his actual years of creditable service. Effective July 1, 1989, the minimum Age requirement for deferred Pensions payable for post 1969 Members represented by DPOA and hired before June 30, 1985 shall be eliminated.

Notwithstanding the foregoing provisions, effective October 15, 2014, a DPLSA member shall be eligible to terminate employment with the City and commence

receipt of a Retirement Allowance (or make a DROP election as provided in Article I) under this Component II provided the Member satisfies the following requirements:

| <u>Fiscal Year</u>  | <u>Age and Service</u> |
|---------------------|------------------------|
| 2015                | Age 45 and 24 years    |
| 2016                | Age 46 and 23 years    |
| 2017                | Age 47 and 23 years    |
| 2018                | Age 48 and 22 years    |
| 2019                | Age 49 and 23 years    |
| 2020 and thereafter | 25 years of service    |

- (c) Effective June 30, 2001, any Member represented by DPOA and fire equivalents who has been laid off shall be eligible to retire at what would have been the Member's 25<sup>th</sup> anniversary. To determine eligibility for retirement, the Member's actual service time and time on lay off shall be combined. To calculate the Member's Retirement Allowance for members of DFFA, however, only actual service time shall be used. For DFFA members having a parity relationship with the DPLSA and the DPCOA Inspector, only lay off time which occurred between July 1, 1973 and July 1, 1998 will be credited. Effective in accordance with the specific date and terms of the DPLSA award in Act 312 No. D98 F-0944, Members represented by DPCOA shall have the right to retire on their 25th anniversary date, notwithstanding any service time they may have lost due to any layoffs, as provided in such award.
- (d) Any Member represented by DPOA who was hired on or after July 1, 1985 and who leaves City employment after being vested shall not be eligible for Pension benefits until said individual reaches his or her sixty-second birthday.
- (e) Any Member of the Retirement System as defined in Article D, Section D-1(a), (b), (c), and (d) who shall reach the Age of sixty years shall be retired forthwith, or on the first day of the calendar month next succeeding that in which the Member shall have reached Age sixty. On the written request of the Member and of the Commissioner of Police or the Board of Fire Commissioners, as the case may be, the Board of Trustees may continue such Member in active service for a period of two years beyond his sixtieth birthday, and on the expiration of such period, on like request, may continue such Member for a further period of two years.
- (f) Any Member of the Retirement System who satisfies the requirements for a Pension as defined in Article F, Section F-5 shall be eligible upon ninety days notice to make an irrevocable election to receive an immediate Retirement Allowance, actuarially reduced for early commencement, in lieu of a deferred Retirement Allowance.
- (g) Any Member of the Retirement System who was in the service of the City on or after July 1, 1941 but prior to January 1, 1969 and who was still an active Member on July 1, 1983 for DPLSA and fire equivalents and July 1, 1986 for DPOA members and fire equivalents shall have the option of retiring under the Old Plan or the New Plan.

- (h) Pursuant to IRC 411(e), as in effect in 1974, an employee shall be 100 percent vested in his or her Retirement System accrued benefit upon attaining normal retirement hereunder while in service.

**Sec. F-2. Old Plan/New Plan**

Effective July 1, 1986, Members of the Retirement System as defined under the terms of the Retirement System in effect on July 1, 1977, who were in service on or after July 1, 1941 but prior to January 1, 1969, and are active Members on July 1, 1986 shall have the option of retiring under the Old Plan or the New Plan.

- (a) *Amount of allowance – Old Plan Members.* Upon his or her retirement from service, a Member as defined in Article D, Section D-1(a), (b), or (c) (“Old Plan Member”) shall receive a straight life Retirement Allowance which shall consist of the benefits provided in paragraphs (1) and (2) below; and he or she shall have the right to elect an option provided for in Part H of this Article F:

- (1) An Annuity which shall be the Actuarial Equivalent of the Member’s Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement; and
- (2) A Pension which, when added to the Member’s Annuity, will provide a straight life Retirement Allowance equal to two percent (2.0%) of his or her Average Final Compensation, multiplied by the number of years, and fraction of a year, of his or her creditable service, not to exceed twenty-five years; provided, that the Retirement Allowance of a Police Employee shall in no case exceed fifteen twenty-seconds of the maximum earnable compensation of a Patrolman and the Retirement Allowance of a Fire Fighter shall not exceed fifteen twenty-seconds of the maximum earnable compensation of a Fire Fighter (and if either or both of the said ranks shall be hereafter abolished, the equivalent thereof). The foregoing Pension limitation shall not apply to any Police Employee or Fire Employee who on July 1, 1941, shall be entitled to a certificate for twenty years or more of prior service and who remains under the provisions of Chapter XV or Chapter XXI of Title IV of the 1918 Detroit City Charter.

- (b) *Amount of allowance – New Plan Members.* Upon his retirement from service, a Member as defined in Article D, Section D-1(d) (“New Plan Member”) shall receive a straight life Retirement Allowance which shall consist of the benefits provided in paragraphs (1) and (2) below; and he shall have the right to elect an option provided for in Part H of this Article F:

- (1) An Annuity which shall be the Actuarial Equivalent of the Member’s Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his retirement; and
- (2) A Pension which, when added to his or her Annuity, will provide a straight life Retirement Allowance equal to:

- a. two and one-half percent (2.5%) of the Member's Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service, for the first twenty-five (25) years of such service; and
- b. two and one-tenths percent (2.1%) of the Member's Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service in excess of twenty-five (25) years, subject to a maximum of thirty-five (35) years.

**Sec. F-3. Pension Multiplier**

- (a) Notwithstanding Section F-2(a)(2) and F-2(b)(2), effective July 1, 1992 each Member who retires on or after that date shall be entitled to a Pension which, when added to the Annuity, will provide a straight life Retirement Allowance equal to 2.1% of his or her Average Final Compensation, multiplied by the number of years and fraction of a year, of his or her creditable service, not to exceed thirty-five (35) years of service for New Plan Members and twenty-five (25) years of service for Old Plan Members.
- (b) Effective July 1, 1997 or for DPCOA members the effective date of the CET-DPCOA, each Member who retires shall be entitled to a Pension which when added to the Annuity will provide a straight life Retirement Allowance equal to 2.5% (or 2.1% for DPCOA members) of his or her Average Final Compensation multiplied by the number of years and fraction of year of his or her creditable service for the first twenty-five (25) years or, in the case of a DPCOA member of his or her creditable service earned or accrued on or after the effective date of the CET-DPCOA. For Members represented by DFFA, DPCOA and DPLSA, the multiplier shall be 2.1% for each year of service over twenty-five (25) years. Maximum years of service for Pension credit shall be thirty-five (35) years for New Plan Members and twenty-five (25) years for Old Plan Members.
- (c) Effective September 1, 2011, each Member represented by DPOA who retires shall only be entitled to a Pension which, when added to the Annuity, will provide a straight life Retirement Allowance equal to 2.1% of his or her Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service earned or accrued on or after September 1, 2011. Hence, for the first twenty-five (25) years of service accrued on or after September 1, 2011, the multiplier shall no longer be 2.5%; rather, 2.1%. Maximum years of service for Pension credit shall be thirty-five (35) years for New Plan Members and twenty-five (25) years for Old Plan Members. Service credit accrued prior to September 1, 2011 will be unaffected by this Section F-3(c).
- (d) Each DPLSA member who retires shall only be entitled to a Pension which, when added to the Annuity, will provide a straight life Retirement Allowance equal to 2.1% of his or her Average Final Compensation multiplied by the number of years and fraction of a year of his or her creditable service earned or accrued following the date of the Act 312 Award in D09 G-0786. Hence, for the first twenty-five (25) years of

service accrued after the date of the Act 312 Award, the multiplier shall no longer be 2.5% as stated in paragraph (b) above. Maximum years of service for Pension credit shall be thirty-five (35) years for New Plan Members and twenty-five (25) years for Old Plan Members.

**Sec. F-4. Disposition of surplus benefits upon death of retired member.**

In the event a retired Member dies before he or she has received in straight life Retirement Allowance payments an aggregate amount equal to his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement, the difference between his or her said Accumulated Contributions and the said aggregate amount of straight life Retirement Allowance payments received by him or her shall be paid to such person or persons as he or she shall have nominated by written designation duly executed and filed with the Board of Trustees. If there is no such designated person or persons surviving the said deceased Retiree such difference, if any, shall be paid to his or her legal representative. No benefits shall be paid under this Section F-4 on account of the death of such a retired Member if he or she had elected Option 1, 2, 3, 3A or 3B provided for in Part H of this Article F.

**Sec. F-5. Retirement allowance for certain persons leaving City employment after eight years service (40 & 8).**

- (a) Should any DPLSA member or any fire equivalent who (1) has attained age forty years of Age, and (2) has acquired eight or more years of credited service, or any Member who terminates employment with the City on or after August 29, 2003 with ten or more years of credited service leave the employ of the Police Department or Fire Department prior to the date he or she would have first become eligible to retire as provided in this Part A, for any reason except his or her retirement or death, he or she shall be entitled to a Retirement Allowance computed according to Section F-2 (a) or (b) of this Article F, whichever is applicable, as said Section was in force as of the earlier of (i) the date his or her employment with the City last terminated or (ii) June 30, 2014; provided, that he or she does not withdraw his or her Accumulated Contributions from the Annuity Savings Fund. The Member's Retirement Allowance shall begin the first day of the calendar month next following the month in which his or her application for same is filed with the Board of Trustees, on or after the date he or she would have been eligible to retire had he or she continued in City employment. Notwithstanding the foregoing, prior to March 3, 2008 the Retirement Allowance of a DPOA member or a fire equivalent hired on or after July 1, 1985 shall not begin prior to the date on which the Member reaches his or her sixty-second birthday. Unless otherwise provided in this Component II, such person shall not receive service credit for the period of his or her absence from the City Police Department and/or Fire Department employ, nor shall his or her Beneficiary be entitled to any other benefit afforded in this Component II, except the benefits provided in Part A, Section F-2(a) or (b) or Part F of this Article F, whichever is applicable, subject to the above provisions, notwithstanding, his or her membership has terminated.

- (b) Effective August 28, 2003, for DPOA members and fire equivalents who terminate employment after ten (10) years of service shall be vested and shall have all options afforded to 40 & 8 Retirees.

**Sec. F-6. Reduced Early Pension Benefits (40 & 8 Vesting Retirees)**

- (a) Members who terminate employment and who are eligible for a Pension pursuant to Article F, Part A, Section F-5 of Component II (40 & 8) shall have the option of receiving an immediate, but reduced early Pension benefit in lieu of a deferred Pension.
- (b) This reduced early Pension benefit shall not result in an increase in employer contribution rates; therefore, the value of the Reduced Early Pension Benefit shall be the Actuarial Equivalent of the 40 & 8 Pension.
- (c) For employees represented by DFFA in ranks or classifications with a parity relationship to employees represented by the DPLSA and employees in higher ranks or classifications, upon termination, a vested employee must within 90 calendar days make an irrevocable election as to whether or not to take this option.
- (d) Individuals represented by DFFA, DPOA or DPLSA, who terminated employment prior to July 1, 1986, are not eligible for this option.
- (e) An employee who receives a lump sum payment for accumulated time upon termination is not allowed to have that time count towards his retirement service.
- (f) Since Members (other than DPOA and fire equivalents) are eligible to begin collecting their vested Pension as soon as they would have been eligible to retire had they continued their City employment, minimum retirement age (i.e., Age 55) shall not be a factor in computing the actuarially reduced Pension benefit.
- (g) All DFFA members, except those members in ranks or classifications with a parity relationship to employees represented by the DPOA, electing to receive the reduced early Pension benefits shall receive upon separation full pay for fifty percent (50%) of the unused sick bank amounts. This provision shall have no effect on a Member electing to receive the deferred 40 & 8 vested Pension who shall continue to be reimbursed for unused sick time in accordance with an applicable collective bargaining agreement.
- (h) Effective August 28, 2003, DPOA members and fire equivalents who terminate employment after ten (10) years of service shall be vested and shall have all options afforded to 40 & 8 retirees.

## **Part B — Total Disability Pension and Retirement Allowances**

### **Sec. F-7. Duty disability.**

If a Member shall become Totally Disabled for duty by reason of injury, illness or disease resulting from performance of duty and if the Board of Trustees shall find such injury, illness or disease to have resulted from the performance of duty, on written application to the Board of Trustees by or on behalf of such Member or by the head of his Department such Member shall be retired; notwithstanding that during such period of notification he or she may have separated from service; provided, the Medical Director, after examination of such Member shall certify to the Board of Trustees his or her Total Disability. If said Member was separated from service after filing of the written application, and he or she had attained twenty-five years or more of service prior to the date of separation, the Board of Trustees, shall retire said Member, under this Part B.

### **Sec. F-8. Duty disability benefits; members in service on or after July 1, 1941 but prior to January 1, 1969.**

- (a) A Member, as defined under Article D, Section D-1(a), (b), or (c), shall receive the following benefits:
  - (1) Each such Member shall receive a disability Pension of fifty percent (50%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation at the time of disability retirement. On the date that a Member, who retired under Section F-7 and who receives benefits under this Section F-8, would have accrued twenty-five years of creditable service had the Member continued in active service, or on the date that the Member reaches age sixty, whichever comes first, the Member shall be eligible for optional benefits as provided Part H of this Article F.
  - (2) In addition to the disability Pension provided for in Section F-8(a)(1), any Member who receives a disability Pension pursuant to Section F-8(a)(1) and has not accrued a total of twenty-five (25) years of creditable service as of the date of the Member's disability retirement shall receive a supplemental disability payment in the amount of sixteen and two-thirds percent (16-2/3%) of the Member's Average Final Compensation at the earlier of (i) the time of disability retirement or (ii) June 30, 2014. This supplemental payment shall terminate upon the expiration of the period when a Member who retired under Section F-7 of this Part B and who receives benefits under Section F-8(a)(1) would have accrued twenty-five years of creditable service had the Member continued in active service, or on the date that the Member reaches Age sixty, whichever comes first.

Effective July 1, 1992 for DPLSA members, the Average Final Compensation used in this computation shall mean the current maximum salary for the rank(s), grade(s) or position(s) which would have been held by the Member over the sixty months prior to the earlier of (i) the date of retirement (reduced disability/service retirement when the Member would have attained a total of twenty-five years of

credited service) had he or she continued working in that classification which he or she held at the time of his or her disability or (ii) June 30, 2014. For Members who begin receiving such benefits on or after July 1, 1998 and before July 1, 2014, the amount of the Member's most recent full longevity payment shall be included in the definition of Average Final Compensation.

Effective July 1, 1992 for DFFA and DPOA members, the Average Final Compensation used in this computation shall be the highest average annual compensation that would have been received by such a Member had he or she continued working in the classification he or she held at the time of his or her disability, during any period of five consecutive years, selected by the Member, contained within the last ten years immediately preceding the earlier of (i) expiration of the period when the Member would have attained a total twenty-five years of creditable service and (ii) June 30, 2014.

Effective July 1, 2000, the Average Final Compensation used in this computation shall mean the current maximum salary, including the annual longevity payment provided above, for the rank(s), grade(s) or position(s) which would have been held by the Member over the thirty-six (36) months prior to the earlier of (i) retirement or (ii) June 30, 2014.

- (3) In the case of a Member retired under Section F-8 who receives benefits under F-8(a)(1) and F-8(a)(2), the Accumulated Contributions standing to the Member's credit at the date of retirement shall continue to be held in the Annuity Savings Fund and Regular Interest shall be credited thereto. If such Member dies before the date upon which the Member would have achieved a total of twenty-five years of creditable service had the Member continued in active service and before such Member reaches Age sixty, the balance of the member's Annuity Savings Account including interest thereon shall be paid as provided in Part D and Part E of this Article F.
- (b) This Section shall be applicable to those Members receiving benefits on the date of adoption of this Section who are not covered by the arbitration decision regarding the DPOA which became effective July 1, 1995, or the arbitration decision regarding the DPLSA which became effective June 30, 1998.
- (c) This Section does not rescind any substantive rights of disability retirees from the Retirement System who retired prior to the July 1, 1995 arbitration award, or the substantive rights of disability retirees from the DPLSA who retired prior to the June 30, 1998 arbitration award.
- (d) This Section does not amend any computations used to determine disability benefits payable under this Section F-8, or result in an increase or decrease in such disability benefits.

**Sec. F-9. Duty disability benefits; members beginning service on or after January 1, 1969 and becoming disabled prior to the dates set forth in Section F-10.**

- (a) A Member, as defined under Article D, Section D-1(d), who retired under Section F-7, shall receive the following benefits:
- (1) Each such Member shall receive a disability Pension of fifty percent (50%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation at the earlier of (i) the time of disability retirement or (ii) June 30, 2014. On the date that a Member who retired under Section F-7 of this Part B and who receives benefits under this Section would have accrued twenty-five years of creditable service had the Member continued in active service, or on the date that the Member reaches Age sixty, whichever comes first, the Member shall be eligible for optional benefits as provided Part H of this Article F.
  - (2) In addition to the disability Pension provided for in Section F-8(a)(1) of this Part B, any Member who receives a disability Pension pursuant to Section F-8(a)(1) of this Part B and who has not accrued a total of twenty-five years or more of creditable service as of the date of the Member's disability retirement shall receive a supplemental disability payment in the amount of sixteen and two-thirds percent (16-2/3%) of the Member's Average Final Compensation at the earlier of (i) the time of the Member's disability retirement and (ii) June 30, 2014. This supplemental payment shall terminate when a Member who retires under Section F-7 and who receives benefits under Section F-8(a)(1) would have accrued twenty-five years of creditable service had he or she continued in active service or on the date that the Member reaches Age sixty, whichever comes first.
  - (3) In addition to the disability Pension provided for in Section F-8, any Member who receives a disability Pension pursuant to Section F-8(a)(1) and who has accrued more than twenty-five years ("additional years") of creditable service as of the earlier of (i) the date of the Member's disability retirement and (ii) June 30, 2014 shall receive another supplemental disability payment equal to two percent (2%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation as of the earlier of such dates, multiplied by the number of additional years of creditable service the Member has accrued; provided, however, that such supplemental disability payment shall not exceed twenty percent (20%), or such other higher percentage that is in effect and applies to such Member, of the Member's Average Final Compensation.
  - (4) In the case of a Member who retires under Section F-7 and who receives benefits described under Section F-8(a)(1) through (3), the Accumulated Contributions standing to the Member's credit at the date of disability retirement shall continue to be held in a separate fund in the Annuity Savings Fund and Regular Interest shall be credited thereto. If such Member dies prior

to the time when the Member would have achieved a total of twenty-five years of creditable service had the Member continued in active service and before such Member reaches Age sixty, the amount of the Member's Accumulated Contributions so set aside and interest thereon shall be paid as provided in Part D and Part E of this Article. F

- (5) The amendment of Section F-8(a)(1) shall not result in an increase or decrease in the amount of disability benefits payable to Members.
- (b) This Section shall be applicable to those Members receiving benefits on the effective date of this Section F who are not covered by the arbitration decision regarding the DPOA which became effective July 1, 1995, or the arbitration decision regarding the DPLSA which became effective June 30, 1998. This Section does not rescind any substantive rights of disability retirees from the Retirement System who retired prior to the July 1, 1995 arbitration award, or the substantive rights of disability retirees from DPLSA who retired prior to the June 30, 1998 arbitration award.
- (c) This Section does not amend any computations used to determine benefits under Section F-8 of this Part, or result in an increase or decrease in such benefits.

**Sec. F-10. Duty Disability benefits; DFFA, DPOA and DPLSA members beginning service on or after January 1, 1969 and becoming disabled on or after the dates set forth below.**

- (a) This Section F-10 shall be applicable to:
  - (1) DFFA employees who file applications for disability retirement on or after July 1, 1995 and who have a parity relationship with the DPOA and on or after June 30, 1998, for DFFA employees with a parity relationship with the DPLSA and the DPCOA Inspector;
  - (2) all DPLSA employees who file applications for disability retirement on or after June 30, 1998; and
  - (3) all DPOA members who file applications for disability retirement on or after July 1, 1995.
- (b) A Member who retires as a result of duty disability shall receive for a period of twenty-four months the sum of:
  - (i) a basic benefit equal to 50% of the Member's Final Compensation at the earlier of (i) the time his or her duty disability retirement begins or (ii) June 30, 2014; and
  - (ii) a supplemental benefit equal to 16-2/3% of the Member's Final Compensation at the earlier of (i) the time his or her duty disability retirement begins or (ii) June 30, 2014.

On July 1st of each year, the benefits determined under paragraphs (i) and (ii) above then payable will each be increased by adding to said amounts the product of the initial amount of said benefit which was computed at the time the duty disability retirement began and the applicable Pension Improvement Factor (Escalator).

- (c) After a Member receives benefits hereunder for a period of twenty-four months, the Board will determine whether the Member is disabled from any occupation. If the Member is disabled from any occupation, the Member shall continue to receive the benefit provided in paragraphs (b)(i) and (b)(ii) until such time as the Member would have attained twenty-five years of creditable service had he continued in active Service with the City. At that time, the Member shall continue to receive the benefit described in paragraph (b)(i) above; however, benefits described in paragraph (b)(ii) above will cease. If the Member is not disabled from any occupation, he shall continue to receive the benefit described in paragraph (b)(i) above; benefits described in paragraph (b)(ii) will cease.
- (d) Duty disability retirement benefits shall continue to be paid to a Member on duty disability retirement after the Member has attained twenty-five years of creditable service, to the earlier of (i) the Member's attainment of Age sixty-five, or (ii) termination of disability as determined by the Board. Upon termination of disability or attainment of Age sixty-five, a Member with twenty-five years of creditable service shall be eligible to receive a service retirement benefit. The amount of such service retirement benefit shall be the same amount which would have been payable if the conversion from duty disability retirement to service retirement had occurred at the date of attaining twenty-five years of creditable service. In the event that the examinations and/or investigations conducted by the Police Department result in a determination that a DPOA Member is not qualified for reappointment as a Police Employee, for medical reasons, disability benefits will be continued.
- (e) If a Member on duty disability retirement returns to active service and within a twenty-four month period re-qualifies for duty disability retirement for the same or related reasons he or she had been retired, then the disability shall be deemed a continuation of the prior disabling condition and the period of the return to work will not have caused the Member to be entitled to a new initial determination of benefit amounts as set forth in paragraph (b) above. Instead, such Member will return to retirement at the point he or she had reached in sub-paragraphs (b), (c) or (d) above as if there had not been a break in his or her period of placement on duty disability retirement.
- (f) Disability retirement benefits shall continue to be considered benefits provided by the City pursuant to the 1918 Detroit City Charter, as amended, which are paid instead of and not in addition to any benefits under the State Workers' Disability Compensation Act.
- (g) Survivor benefit coverage applicable to active Members shall be continued during the period a Member is eligible for a duty disability benefit. Upon conversion to a service retirement benefit as provided in paragraph (d), automatic survivor benefit

coverage shall terminate. At that time, the Member shall have the right to elect an optional form of payment in the same manner as if he or she had retired from active membership on the conversion date.

(h) Pension Credit While on Duty Disability Status

- (1) While eligible to receive duty disability benefits, Pension service credit shall continue to accrue, but not beyond June 30, 2014.
- (2) The accrual of Pension service credit will cease on the earlier of (i) the date the Member has twenty-five years of creditable service, or (ii) June 30, 2014.

(i) Earnings Offset

- (1) In the event that a recipient of a duty disability retirement benefit receives earned income from gainful employment during a calendar year, the amount of the Member's disability benefit payable during the next subsequent Fiscal Year will be adjusted so it does not exceed the difference between (i) the Member's base salary at the date of disability, increased by 2.25% times the number of full years from the date of disability to the year in which the earnings offset is applied, and (ii) the amount of remuneration from gainful employment during the prior calendar year.
- (2) The earnings test shall be based on information the Board may periodically require from a duty disability benefit recipient or has secured from other reliable sources. Furnishing such information shall be a condition for a Member's continued eligibility for a duty disability benefit.

- (j) The withdrawal provision of the Retirement System will continue to apply to Members on duty disability. If a duty disability recipient elects annuity withdrawal after attaining twenty-five years of creditable service, the applicable benefit reduction will offset the duty disability benefit until the conversion date, after which it will offset the converted service retirement benefit.

**Sec. F-11. Non-duty disability.**

- (a) On written application to the Board by or on behalf of a Member or by the head of his Department, a Member, who becomes Totally Disabled for duty by reason of injury, illness or disease not resulting from the performance of duty as determined by the Board of Trustees, shall be retired by the Board of Trustees. If said Member was separated from service after the filing of the written application and had attained twenty-five years or more of creditable service prior to the date of separation, the Board shall retire said Member, under this Part B.
- (b) A Member retired under paragraph (a) above shall receive the following applicable benefits:

- (1) If such Member has less than five years of creditable service at the time of his or her disability retirement, his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund shall be returned to the Member, or at his or her option, he or she shall receive a cash refund annuity which shall be the Actuarial Equivalent of his or her Accumulated Contributions.
- (2) If such Member has five or more years of creditable service at the time of his or her disability retirement, he or she shall receive a disability Retirement Allowance computed in accordance with the provisions of this Article F, Part A, Section F-2(a) or (b), whichever is applicable, and he or she shall have the right to elect an Option provided for in Part H of this Article F. The Member's Straight Life Retirement Allowance shall not be less than twenty per cent of his or her Average Final Compensation. Such Retirement Allowance shall be subject to Parts I and K of this Article F.
- (3) If a Member receiving non-duty disability benefits has any Accumulated Contributions standing to his or her credit in the Annuity Savings Fund when the Member would have attained twenty-five years (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) of creditable service, such Member may withdraw the balance of such contributions at that time.

**Sec. F-12. Disability retirement procedures.**

- (a) The Board shall establish procedures for determining whether a Member is disabled. Such procedures shall be consistent with any collective bargaining agreements between the City and the unions covering Police Employees and Fire Employees.
- (b) If a Member is determined to be disabled, the Board or its designee will examine the pension file, including the submissions of the Member and the Police or Fire Department, to determine if there is any dispute as to whether the disability "resulted from the performance of duty" within the meaning of the Combined Plan. If it is undisputed that the disability did result from the performance of duty, the Board will grant duty disability retirement benefits. If it is undisputed that the disability did not result from the performance of duty, the Board will grant non-duty disability retirement benefits, provided the Member meets the other conditions of eligibility. If the performance of duty issue is in dispute, the Board will refer the matter to arbitration by a member of the Disability Retirement Review Board ("DRRB"). The decision of the DRRB member as to whether the disability resulted from the performance of duty shall be final and binding upon the Member, the Department and the Board. The DRRB shall consist of three qualified arbitrators who will be individually assigned in rotating order to decide the matters referred to arbitration by the Board. The three members of the DRRB shall be disinterested persons qualified as labor arbitrators and shall be selected in accordance with agreements between the City and the unions representing Members. The procedure for the termination of DRRB members and the selection of new DRRB members also shall be carried out in

accordance with the agreements between the City and the unions representing Members.

- (c) The hearing before a member of the DRRB will be conducted in accordance with the following procedures:
- (1) The Member and the City will have the right to appear in person or otherwise may be represented by counsel if they wish and will be afforded an equal opportunity to present evidence relevant to the issues;
  - (2) A court reporter will be present and make a stenographic record of the proceedings;
  - (3) The hearing will be closed to the public, except that the Member may select one person to be with him or her in the hearing room; provided, however, that person may not testify;
  - (4) The witnesses will be sequestered;
  - (5) The witnesses will be sworn by the court reporter and testify under oath;
  - (6) The Member may not be called by the City as an adverse witness;
  - (7) The DRRB member will apply the rules of evidence and follow the procedures which are customarily applied and followed in labor arbitration cases;
  - (8) If the Member wishes to have an employee of the City released from duty to appear as a witness on his or her behalf, the Member may so inform the Board in writing which, in turn, will submit a written request to the appropriate Department for the release of the employee for the purpose of so testifying;
  - (9) The DRRB member will afford the parties an opportunity for the presentation of oral argument and/or the submission of briefs;
  - (10) The DRRB member will issue a written decision containing credibility resolutions as necessary, findings of fact and conclusions with respect to all relevant issues in dispute;
  - (11) The authority of the DRRB member is limited to deciding whether or not the Member's disability "resulted from the performance of duty" within the meaning of the Combined Plan. The DRRB member shall have no authority to add to, subtract from, modify or disregard the terms of the Combined Plan; and
  - (12) The costs associated with the hearing, including the arbitrator's fees and expenses and the court reporter's fees and expenses, will be paid by the Retirement System.

- (d) If a disability retiree is determined by the Board or its delegate to no longer be disabled, he or she may appeal that determination within seven (7) days thereof by filing a written request with the Board for a re-examination. The Board or its delegate shall promptly arrange for such re-examination. The Member's disability benefits will be continued pending that final and binding medical finding, and if the finding is that the Member is no longer disabled, his or her disability benefits will be further continued while the Police or Fire Department conducts such examinations and/or investigations as necessary to determine whether the Member is qualified for reappointment to active duty. In the event that the examinations and/or investigations conducted by the Police Department result in a determination that a Member represented by DPLSA is not qualified, for medical reasons, for reappointment to active duty, disability benefits will be continued.
- (e) The Board of Trustees shall not act upon or grant the application filed by a Police Employee or Fire Employee who, although he or she is not capable of performing the full duties of a Police Employee or Fire Employee, has not suffered any diminishment of his or her base wages or benefits because he or she is either:
  - (1) regularly assigned to a position, the full duties of which he or she is capable of performing; or
  - (2) assigned to a restricted duty position, unless the Police Department or Fire Department advises that it intends to seek a disability retirement for the Police Employee or Fire Employee in the foreseeable future.
- (f) The provisions in paragraph (e) above are not intended to and will not:
  - (1) affect the right of a Member to seek a disability retirement when no restricted duty position is available; or
  - (2) restrict in any way the existing authority of the Chief of Police or the Fire Commissioners to seek a duty or non-duty disability retirement for a Member or for that Member at that time to request a duty or non-duty disability retirement.
- (g) DPCOA and DPLSA members who are retired on disability Pensions pursuant to this Part B shall be entitled to lump sum payments of all accumulated time from the date that the Board of Trustees determines that they are entitled to such a Pension. These members shall not be required to utilize such time delaying their retirement dates.

**Part C — Escalation and Change in Compensation, Rank**

**Sec. F-13. Generally.**

Subject to the Plan of Adjustment, if hereafter the rate of compensation of the rank, grade or position on which the service Retirement Allowance, disability Pension or disability Retirement Allowance of a Member who was hired prior to July 1, 1969 or is a Beneficiary of such a Member as defined in Article D, Section D-1(a), (b), or (c) is based shall be changed, his

or her service Retirement Allowance, disability Pension, or disability Retirement Allowance shall be changed proportionately, and if such rank, grade, or position shall have been abolished, his or her service Retirement Allowance, disability Pension, or disability Retirement Allowance shall be changed in proportion to the change made in the compensation of the existing rank, grade, or position most nearly approximating the rank, grade, or position so abolished.

**Sec. F-14. Increase of Benefits; Pension Improvement Factor (Escalator).**

On and after July 1, 1969, and the first of July of each year thereafter until July 1, 1992, the Pension portion of any Retirement Allowance or death benefit of a Member or Beneficiary of a Member as defined in Article D, Section D-1(d), which is paid or payable under this Component II shall be increased at the rate of two per cent (2.0%) per annum computed on the basis of the amount of the Pension received at the time of retirement.

On or after July 1, 1992 and the first of July each year thereafter until July 1, 2014, the Pension portion of any Retirement Allowance or death benefit of a Member or Beneficiary of a Member as defined in Article D, Section D-1(d), (including those Members who opt to retire under the New Plan provisions) shall be increased at the rate of two and twenty-five one-hundredths per cent (2.25%) per annum computed on the basis of the amount of the Pension received at the time of retirement.

Effective for Members who retire on or after July 1, 1997 (July 1, 1998 for DPCOA members, DPLSA members and DFFA members with a parity relationship with DPCOA and July 1, 2001 for DPOA members and their fire equivalents), the Pension Improvement Factor (Escalator) described in this Section shall be re-computed each Fiscal Year ending before July 1, 2014 on the basis of the amount of Pension received in the previous Fiscal Year (i.e., the 2.25% per annum escalation amount shall be compounded).

Pension benefits for DPCOA members under Component II based on service rendered after November 30, 2012 shall not be subject to any escalation amounts.

The Pension portion of any Retirement Allowance or death benefit of a Member, or Beneficiary of a Member as defined in Article D, Section D-1(d) of the Combined Plan provisions, and Article 51.G. of the DPLSA collective bargaining agreement or Article 3.K. of the DPOA collective bargaining agreement (to include those Members who opt out to retire under the New Plan provisions) earned after April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members), shall not be increased whatsoever, per annum or otherwise. The Pension portion of any Retirement Allowance or death benefit of a Member, or Beneficiary of a Member as defined herein, accrued prior to April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members), shall still be increased as provided herein. Hence, Pension benefits earned based on service rendered after April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members) will no longer receive the 2.25% per annum escalation amount. The 2.25% per annum escalation amount shall continue to apply to Pension benefits earned based on service rendered before April 1, 2011 (for DPLSA members) or September 1, 2011 (for DPOA members).

**Sec. F-15. Payment.**

Except as provided in the Plan of Adjustment, the escalation factor contained in Section F-14 above shall be payable to the Member or Beneficiary of a Member as defined in Article D, Section D-1(d), notwithstanding any Retirement Allowance or Pension amount limitation provisions in this Component II to the contrary.

**Part D — Death Benefits.**

**Sec. F-16. Generally.**

If a Member, or a Retiree who was a Member, is killed in the performance of his or her duty or dies as the result of illness contracted or injuries received while in the performance of his or her duty and such death, illness or injuries resulting in death, is found by the Board of Trustees to have resulted from the performance of his or her duty, the following applicable benefits shall be paid, subject to Part I, Section F-25, of this Article F.

- (a) The Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her death shall be paid to such person or persons as he or she shall have nominated by written designation duly executed and filed with the Board of Trustees. If there is no such designated person surviving, his or her said Accumulated Contributions shall be paid to his or her legal representative, subject to paragraph (e) of this Section F-16.
- (b) A Member's surviving spouse shall receive a Pension of five-elevenths of the maximum earnable compensation for the rank of Patrolman or Fire Fighter as the case may be determined as of the earlier of (i) the date of death or (ii) June 30, 2014. If his or her child or children under Age eighteen years also survive the deceased Member each such child shall receive a Pension of one-tenth of such maximum earnable compensation as of the earlier of (i) the date of death or (ii) June 30, 2014; provided, that if there are more than two such surviving children under Age eighteen years, each such child's Pension shall be an equal share of seven thirty-thirds of such maximum earnable compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child his or her Pension shall terminate and there shall be a redistribution by the Board of Trustees to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's Pension exceed one-tenth of such maximum earnable compensation. In no case shall the total of the Pensions, provided for in this paragraph (b), payable on account of the death of a Member exceed two-thirds of the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, determined as of the earlier of (i) the date of the Member's death or (ii) June 30, 2014.

Effective July 1, 1986, widows of Police Department or Fire Department employees who have been receiving a flat monthly benefit of \$300.00 should receive an increase of \$500.00 per month thereby making the flat monthly benefit \$800.00.

- (c) If no spouse survives the deceased Member or if his or her surviving spouse dies or remarries before his or her youngest unmarried surviving child attains Age eighteen

years, his or her unmarried child or children under age eighteen years shall each receive a Pension of one-fourth of the maximum earnable compensation for the rank of Police Employee or Fire Employee, as the case may be as of the earlier of (i) the date of the Member's death or (ii) June 30, 2014; provided that if there are more than two such surviving children under Age eighteen years, each such child's Pension shall be an equal share of one-half of such maximum earnable compensation. Upon the death, marriage, adoption, or Attainment of Age eighteen years of any such child his or her Pension shall terminate and there shall be a redistribution by the Board of Trustees to the deceased Member's remaining eligible children, if any; provided, that in no case shall any such child's Pension exceed one-fourth of the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be determined as of the earlier of (i) the date of the Member's death, or (ii) June 30, 2014.

- (d) If there is no surviving spouse and if there are no children under Age eighteen years surviving such deceased Member and if he or she leaves surviving either a father or mother or both, whom the Board of Trustees shall find to be actually dependent upon such Member for financial support, such dependent father and mother shall each receive a Pension of one-sixth of the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be determined as of the earlier of (i) the date of the Member's death, or (ii) June 30, 2014.
- (e) If a Member dies intestate, without having designated a person or persons, as provided in sub-section (a) of this section, and without heirs, the amount of his or her Accumulated Contributions in the Annuity Savings Fund, not to exceed a reasonable sum, to be determined by the Board of Trustees, shall be used to pay his or her burial expenses, provided he or she leave no other estate sufficient for such purpose; any balance credited to such Member in the Annuity Savings Fund, and not used for burial expenses shall remain a part of the funds of the Retirement System and shall be credited to the Pension Accumulation Fund.
- (f) If the maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, is subsequently changed, the Pensions provided in this Section F-16 for beneficiaries of Members as defined in Article D, Section D-1(a), (b), or (c) shall be proportionately changed; provided, however, that no increases shall be made after June 30, 2014.
- (g) The maximum earnable compensation for the rank of Patrolman or Fire Fighter, as the case may be, to be used in computing the Pensions provided in this Section for beneficiaries of Members as defined in Article D, Section D-1(d) shall be the maximum earnable compensation of the rank of Patrolman or Fire Fighter as established by the City's budget for the Fiscal Year in which occurs the earlier of (i) the date of the Member's death, or (ii) June 30, 2014.

## Part E — Nonduty Death.

### Sec. F-17. Payment of Accumulated Contributions.

If a Member, or a Member who retires after June 30, 1965, under Part B, Section F-7 of this Article F, dies and no Pension or Pensions become payable under this Component II on account of his or her death, the Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of death shall be paid to such person or persons as he or she shall have nominated by written designation duly executed and filed with the Board of Trustees. If there is no such designated person or persons surviving the said Member, his or her said Accumulated Contributions shall be paid to his or her legal representative. If such Member dies intestate, without having designated a person as above provided, and without heirs, his or her said Accumulated Contributions not to exceed a reasonable sum to be determined by the Board of Trustees, shall be used to pay his or her burial expenses, provided he or she leaves no other estate sufficient for such purpose; and any balance credited to such Member in the Annuity Savings Fund not so used for burial expenses shall be transferred to the Survivors Benefit Fund.

### Sec. F-18. Allowances to surviving spouses.

Upon the death of a Member, or a Member who retires after June 30, 1965, under Part B, Section F-7 of this Article F, and such death is found by the Board of Trustees not to have resulted from the performance of his or her duty, the applicable Retirement Allowances provided in paragraphs (a), (b), (c) and (d) of Section F-1 shall be paid from the Survivors Benefit Fund, to the extent of available funding, and shall be subject to paragraphs (e), (f) and (g) of Section F-1.

- (a) His or her surviving spouse shall receive a Retirement Allowance computed in the same manner in all respects as if the said Member had (1) regularly retired on the earlier of (i) the day preceding the date of his or her death, or (ii) June 30, 2014, notwithstanding that he or she might not have acquired twenty-five years of creditable service, in the case of a Member as defined in Article D, Section D-1(a), (b), or (c), or notwithstanding that he or she might not have acquired twenty-five years of service or more and had not attained age fifty-five, in the case of a Member as defined in Article D, Section D-1(d); (2) elected Option 2 provided for in Part H of this Article F; and (3) nominated his or her surviving spouse as joint Beneficiary; provided, that in no case shall the Retirement Allowance payable to such joint Beneficiary be less than twenty per cent of said Member's Average Final Compensation as of the earlier of (i) the Member's date of death, and (ii) June 30, 2014. If a Member who had less than twenty-five years of creditable service dies prior to July 1, 2001, the Retirement Allowance payable to the surviving spouse shall be terminated in the event the surviving spouse remarries.
- (b) His or her unmarried child or children under Age eighteen years shall each receive a Retirement Allowance of one-seventh of the annual maximum earnable compensation of the rank of a Patrolman or a Fire Fighter, as the case may be determined as of the earlier of (i) the Member's date of death, and (ii) June 30, 2014; provided, that if there are more than two such children, each child shall receive a Retirement

Allowance of an equal share of two-sevenths of said annual maximum earnable compensation. Upon any such child's adoption, marriage, death or Attainment of Age eighteen years, whichever occurs first, his or her Retirement Allowance shall terminate, and there shall be a redistribution by the Board of Trustees to the deceased Member's remaining eligible children under Age eighteen years; provided, that in no case shall the Retirement Allowance payable to any such child exceed one-seventh of the said annual maximum earnable compensation.

- (c) If, at the time of the said Member's death, there shall be neither a surviving spouse nor children eligible for a Retirement Allowance provided for in this Section F-18, each of his or her parents shall receive a Retirement Allowance of one-seventh of the annual maximum earnable compensation of a Patrolman, or a Fire Fighter, as the case may be determined as of the earlier of (i) the Member's date of death, and (ii) June 30, 2014; provided, that the Board of Trustees finds that such parent was dependent upon the said Member for at least fifty per cent of his or her financial support. Upon the remarriage of any such parent, his or her Retirement Allowance shall thereupon terminate.
- (d) In the event all the Retirement Allowances, provided for in this Section F-18, payable on account of the death of a Member, terminate before there has been paid an aggregate amount equal to the said Member's Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of death, the difference between his or her said Accumulated Contributions and the said aggregate amount of Retirement Allowances shall be paid to such persons as the said Member shall have nominated by written designation duly executed and filed with the Board of Trustees. If there are no such designated person or persons surviving the said Member such difference, if any, shall be paid to his or her legal representative.
- (e) In no case shall any Retirement Allowance be paid under this Section F-18 on account of the death of a Member if any benefits are paid under Part D of this Article F on account of his or her death. The Retirement Allowance provided for in this Section F-18 shall be subject to Part I of this Article F.
- (f) All benefits provided in this Part E for Beneficiaries of Members as defined in Article D, Section D-1(a), (b), or (c) shall be based on the maximum earnable compensation of the rank of Patrolman or Fire Fighter, as the case may be determined as of the earlier of (i) the Member's date of death, or (ii) June 30, 2014. If a Member died before July 1, 2014 and the compensation of such rank shall be changed prior to July 1, 2014, the benefits provided shall be changed proportionately. All benefits provided in this Part E for Beneficiaries of Members as defined in Article D, Section D-1(d) shall be based on the maximum earnable compensation of the rank of Patrolman or Fire Fighter as established in the City's budget for the year of the earlier of (i) the Member's death or (ii) June 30, 2014.
- (g) In the event a Member has withdrawn his or her Accumulated Contributions from the Annuity Savings Fund and has not returned in full all amounts due the fund by him or her, the survivors benefits provided in paragraphs (a), (b), (c) and (d) of this Section

shall be reduced to the proportion that the Member's Accumulated Contributions standing to his or her credit in the Annuity Savings Fund, at the time of his or her death bears to the amount his Accumulated Contributions would have been had he or she not made a withdrawal from the Annuity Savings Fund.

**Part F — Termination of Membership Otherwise than  
by Retirement, Death or Becoming a Beneficiary.**

**Sec. F-19. Payment of benefits.**

If the membership of a Member as defined in Article D, Section D-1(a), (b), or (c) shall terminate for any reason other than retirement, his or her becoming a Beneficiary, or death, the Member shall be paid the Accumulated Contributions standing to the credit of his or her individual account in the Annuity Savings Fund, such payment to be made within ninety days after such termination of membership; provided, however, that if a Member eligible for retirement shall resign or be dismissed from service, the Board of Trustees, on the written petition of such Member filed within one year from his or her separation from service and prior to the withdrawal of his or her Accumulated Contributions in the Annuity Savings Fund, shall grant such Member service retirement benefits computed in accordance with Article F, Part A, Section F-2(a), subject to the provisions of Part G of this Article F.

**Sec. F-20. Payment of benefits.**

If the membership of a Member as defined in Article D, Section D-1(d) shall terminate for any reason other than retirement, his or her becoming a Beneficiary or death, he or she shall be paid the Accumulated Contributions standing to the credit of his or her individual account in the Annuity Savings Fund, such payment to be made within ninety days after such termination of membership; provided, however, that if a Member having twenty-five or more years of service and having attained age fifty-five shall resign or be dismissed from service, the Board of Trustees, on the written petition of such Member filed within one year from his or her separation from service and prior to the withdrawal of his Accumulated Contributions in the Annuity Savings Fund, shall grant such Member service retirement benefits computed in accordance with Article F, Part A, Section F-2(b), subject to the provisions of Part G of this Article F.

**Sec. F-21. Deferred vested benefits.**

A Member (i) whose employment is terminated before August 28, 2003 and who is credited with eight or more years of creditable service and has attained Age forty, or (ii) whose employment is terminated after August 27, 2008 and who is credited with ten or more years of creditable service, but in each case less than twenty-five years (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) of creditable service shall be eligible to receive a full Retirement Allowance under Component II beginning on the date upon which the Member would have been eligible to commence a full Retirement Allowance had he or she continued in the service of the City until such date. Alternatively, such Member may elect to receive an actuarially reduced early Retirement Allowance at any time following his or her termination of employment with the City.

**Part G — Conviction of Felony.**

**Sec. F-22. Forfeiture of rights.**

If a Member or retiree as defined in Article D, Section D-1(a), (b), (c) or (d) shall be convicted of by a court of competent jurisdiction or enters a nolo contendere plea accepted by a court for a felony against the City arising out of his or her service as an employee of the City and while a Member of the Retirement System, the court may order the forfeiture of all or a portion of the rights of the Member to benefits hereunder, except the return of his or her Accumulated Contributions, as provided in the *Public Employee Retirement Benefits Forfeiture Act, MCL 38.2701, et. seq.* In such case, the Retirement System shall pay to an individual, if any, who would otherwise be a Beneficiary of the Member or retiree whose retirement benefit is being forfeited under this Section F-22 an Actuarially Equivalent monthly retirement allowance at the Age that the Member or Retiree would have become eligible for unreduced retirement benefits under the Retirement System.

**Part H — Option Elections.**

**Sec. F-23. Generally.**

- (a) Prior to the first payment of any Retirement Allowance normally due, except a disability Pension payable under Part B, Sections F-8 and F-11 of this article, a Member may elect to receive his or her Retirement Allowance as a Straight Life Retirement Allowance payable throughout the Member's life; or the Member may elect to receive the Actuarial Equivalent, as of the date of the Member's retirement, of his or her Straight Life Retirement Allowance in a reduced Retirement Allowance payable throughout the Member's life and nominate a joint Beneficiary, in accordance with the provisions of Options 1, 2, 3, 3(A) or 3(B) as follows:
- (1) **OPTION 1. *Cash Refund Annuity.*** Under Option 1, a Member will receive a reduced Retirement Allowance. If a Member who selected Option 1 dies before full payment of the Annuity has been received, the person or persons nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees shall receive in a single payment the difference between the present value of the Member's Annuity on the date the Member retired, minus the amount of Annuity payments already paid to the Member. If there is no such designated person(s) surviving the retired deceased Member, such difference, if any, shall be paid to the Member's legal representative.
  - (2) **OPTION 2. *Joint and Last Survivorship Retirement Allowance.*** Under Option 2, upon a Member's death, payment of a reduced Retirement Allowance shall be continued through the life of and paid the person having an insurable interest in the Member's life and nominated by written designation duly executed by the Member and filed with the Board of Trustees prior to the first payment of the Member's Retirement Allowance is due.
  - (3) **OPTION 3. *Joint and Seventy-Five Percent Survivor Allowance.*** Under Option 3, upon a Member's death, payment of seventy-five percent (75%) of

the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the person having an insurable interest in the Member's life and nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees prior to the date the first payment of the Retirement Allowance is due.

(4) OPTION 3(A). *Modified Joint and Last Survivorship Allowance.* Under Option 3(A), upon a Member's death, payment of one-half (50%) of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the person having an insurable interest in the Member's life and nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees prior to the date the first payment of the Retirement Allowance is due.

(5) OPTION 3(B). *Joint and Twenty-Five Percent Survivor Allowance.* Under Option 3(B), upon a Member's death, payment of twenty-five percent (25%) of the Member's reduced Retirement Allowance shall be continued throughout the life of and paid to the person having an insurable interest in the Member's life and nominated by that Member's written designation duly executed by the Member and filed with the Board of Trustees prior to the date the first payment of the Retirement Allowance is due.

(b) The Joint and Survivor Optional Forms of Payment provided under Options 2, 3, 3(A) and 3(B) shall be made available in either the standard form or the pop-up form, as follows:

(i) *Standard Form.* Under the Standard Form, the reduced Retirement Allowance shall be paid throughout the lifetime of the Retiree.

(ii) *Pop-up Form.* Under the Pop-up Form, the reduced allowance shall be paid throughout the lifetime of the Retiree and the designated Beneficiary. In the event of the death of the designated Beneficiary during the lifetime of the Retiree, the amount of the allowance shall be changed to the amount that would have been payable had the Retiree elected the Straight Life Form of Payment. The actuarial cost of the change in benefit shall be borne by the Member who seeks change in his or her election.

In addition, a Member may elect to have all or part of his Accumulated Contributions paid to the Member in a single sum or used to purchase an annuity contract from an insurance company of his or her choice in which case, any annuity payments attributable to such amount under the Retirement System shall not be payable from the Annuity Reserve fund but shall be the responsibility of the insurance company. A Member's Retirement Allowance shall be reduced by the actuarial equivalent of the amount so paid or used.

(c) This Section does not rescind any substantive rights of disability retirees from the Retirement System who retired prior to the arbitration decision regarding DPOA

members that became effective on July 1, 1995, or the arbitration decision regarding DPLSA members that became effective on June 30, 1998.

- (d) This Section does not amend any computations used to determine benefits under Part B, Sections F-8 and F-11 of this Component II, or result in an increase or decrease in such benefits.
- (e) Retirees of the Retirement System shall be entitled to change their Pension option from either Option 2, Option 3, Option 3(A) or Option 3(B) to a Straight Life Retirement Allowance after they have commenced collection of the Pension if the Member's Beneficiary predeceases the Member. The actuarial cost of the change in benefit shall be borne by the Member who seeks change in his option election. The pop-up option shall be based upon the investment return assumption as recommended by the Plan Actuary and adopted by the Board of Trustees.

**Sec. F-24. Disposition of surplus benefits upon death of Member and Beneficiary.**

In the event a Member elected Option 2, 3, 3(A) or 3(B) provided for in Section F-23 of this Part H and both the Member and his or her designated joint Beneficiary die before there has been paid in Retirement Allowances an aggregate amount equal to his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her retirement, the difference between his or her said Accumulated Contributions and the said aggregate amount of Retirement Allowances paid shall be paid to the said retired Member's legal representative.

**Part I — Pension Offset by Compensation Benefits.**

**Sec. F-25. Generally.**

Any amounts which may be paid under the provisions of any workmen's compensation, or pension, or similar law to a Member, or to the dependents of a Member on account of any disability or death, shall be offset against and payable out of funds provided by the City under the provisions of the Retirement System on account of the same disability or death. In case the present value of the total commuted benefits under said workmen's compensation, pension, or similar law, is less than the Pension Reserve or benefits otherwise payable from the funds provided by the City under this Retirement System, then the present value of the commuted payments shall be deducted from the Pension Reserve, and such benefits as may be provided by the Pension Reserve, so reduced, shall be payable under the provisions of the Retirement System.

**Part J — Monthly Payments.**

**Sec. F-26. Generally.**

Unless otherwise herein provided, all benefits payable under this Retirement System shall be paid in equal monthly installments.

**Part K — Re-Examination of Beneficiaries.**

**Sec. F-27. Authority of Board.**

- (a) Once each year during the retirement of a Member on a disability Pension or a disability Retirement Allowance and at least once in every three year period thereafter the Board of Trustees shall require any disability retiree, if he or she would not then be eligible for a service Retirement Allowance had he or she remained in active service, to undergo a medical examination at a place to be fixed by the Board of Trustees. If the retiree shall be required to travel more than twenty miles to reach such place, the Board of Trustees shall pay his or her reasonable traveling expenses. Should such disability retiree refuse to submit to such examination, his or her disability Pension or disability Retirement Allowance may be discontinued until he or she shall submit to such examination and should such refusal continue for one year, all of the Member's rights in and to a Pension may be revoked by the Board of Trustees. If, on medical examination of a Beneficiary, the Board of Trustees determines that the retiree is physically able and capable of resuming active duty, he or she shall be restored to such duty and his or her other disability Pension or disability Retirement Allowance shall cease. Such Member so restored to active duty shall be returned to duty in a rank or grade equivalent to or higher than the rank or grade in which he or she was serving at the time of his or her last retirement and his or her compensation shall be that provided for the rank or grade in which he or she is restored to service. It shall be the duty of the Commissioner of Police or the Board of Fire Commissioners to restore such Member to duty forthwith.
- (b) If the Board of Trustees determines that a disabled Old Plan Member is engaged in a gainful occupation, paying more than the difference between his or her Final Compensation as of the earlier of (i) the date of disability or (ii) June 30, 2014 and his or her disability Pension, or disability Retirement Allowance, the amount of his or her Pension shall be reduced to an amount, which together with the amount earned by the Member, shall equal the amount of such Final Compensation. If the Board of Trustees determines that a disabled New Plan Member is engaged in a gainful occupation, paying more than the difference between his or her base salary at the earlier of (i) the time of disability or (ii) June 30, 2014, increased by two and twenty-five one hundredths percent (2.25%) for each full year from the date of disability and his or her disability Pension, or disability Retirement Allowance, the amount of his or her Pension shall be reduced to an amount, which together with the amount earned by him or her, shall equal the amount of such final compensation. Should his or her earnings be later changed, the amount of his or her Pension may be further modified in like manner.
- (c) A disability retiree who shall be reinstated to active service prior to July 1, 2014 as provided in this Section, shall from the date of such restoration again become a Member of the Retirement System, and he or she shall contribute to the Retirement System thereafter in the same manner and at the same rate as he or she paid prior to his or her disability retirement. A disability retiree who shall be reinstated to active service after June 30, 2014, shall from the date of such restoration become an active

Member of the Retirement System and shall accrue future benefits pursuant to Component I. He or she shall contribute to the Retirement System at the rate required of active Members pursuant to Component I. Any Prior Service and Membership Service on the basis of which his or her service was computed at the time of his or her disability retirement shall be restored to full force and effect, and he or she shall be given service credit under Component I or Component II, as applicable, for the period of time he or she was in retirement due to such disability, except in the case of nonservice connected disability.

### **Part L — Withdrawal of Accumulated Contributions**

#### **Sec. F-28. Member With Twenty or Twenty-Five Years of Service.**

Effective July 1, 1982, a Member with twenty-five years or more of creditable service (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) shall be allowed to withdraw either a portion or the full amount of his or her Accumulated Contributions, one time only, whether or not the Member retires. A Member shall make such election prior to the receipt of his or her first retirement benefit check.

#### **Sec. F-29. Disabled Member**

A Member who is receiving disability benefits (duty or non-duty) from the Retirement System and who has twenty-five years (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) or more of creditable service shall have the right to withdraw the full amount of his or her Accumulated Contributions. If such Member withdraws his or her Accumulated Contributions, his or her retirement benefit shall be actuarially reduced to reflect such withdrawal.

#### **Sec. F-30. Optional Annuity Withdrawal**

- (a) A Member shall have the right to elect to receive on the effective date of his or her service retirement a partial or total refund of his or her Accumulated Contributions. If a Member makes such an election, an Annuity payable under any Retirement Allowance or reduced Retirement Allowance shall be reduced proportionally. If the total Accumulated Contributions are withdrawn, no Annuity shall be payable.

The limitation of fifteen twenty-seconds of the maximum earnable compensation of a Police Employee and Fire Employee continues in effect. For purposes of determining the fifteen twenty-seconds limitation, a computation based on the Annuity which is an Actuarial Equivalent of the Accumulated Contributions standing to a Member's credit in the Annuity Savings Fund prior to any partial or total refund will be used.

On or after July 1, 1974, Members or former Members who are entitled to begin to receive the 40 & 8 benefit provided under Section F-6 will be entitled to the annuity refund withdrawal option.

On or after July 1, 1974, non-duty disability retirees represented by DFFA, DPCOA and DPLSA who retired pursuant to Article D, Section D-1(a), (b) or (c) prior to

having twenty-five years of service credit, shall be entitled to the annuity refund withdrawal option on the date he or she would have had twenty-five years of service credit had he or she continued as an active employee. Said option shall only apply to the balance of Accumulated Contributions, if any, remaining to such retiree's credit in accordance with the existing annuity refund provisions.

Survivor benefit beneficiaries as defined in Title IX, Chapter VII, Article VI, Part E, Section 2, parts (a), (b) and (c) of the 1918 City Charter in effect as of June 30, 1974, and continued in effect by Section 11-102 of the City Charter shall be entitled to the annuity withdrawal refund option subject to the same rules that would have been applicable to the deceased Member or Members had he or she not died. Said option shall only apply to the balance of Accumulated Contributions, if any, remaining to the applicable former Member's credit.

In any case of doubt, the Board of Trustees shall decide whether a Member or Beneficiary is entitled to an annuity refund withdrawal option.

- (b) A Member shall have the right on or after the effective date of his becoming eligible for a full service Retirement Allowance (Members who have either twenty or twenty-five years of creditable service depending upon the applicable bargaining unit) to elect to receive a partial or total refund of his or her Accumulated Contributions to the Annuity Savings Fund. If a Member makes such an election, an Annuity payable under any Retirement Allowance or reduced Retirement Allowance shall be reduced proportionally. If the total Accumulated Contributions are withdrawn, no Annuity shall be payable.

If a Member makes such an election, the Retirement Allowance shall be reduced to reflect the value of the Annuity withdrawn. The amount of the Annuity at the time of such election shall be the amount used at the time of retirement for purposes of computing the Retirement Allowance.

All members (except DPOA members retiring prior to July 1, 1982) who complete their required years of service, shall have the right to withdraw all or part of their Accumulated Contributions whether they choose to retire or not.

Effective July 21, 2000 for DFFA members having a parity relationship with the DPOA and for the DPCOA Inspector, and effective July 1, 2003 for DPLSA members, and effective July 21, 2000 for DPOA members, a Member who has elected to retire and elected to withdraw his or her Annuity for the purposes of calculating his or her Retirement Allowance (thereby lowering the Retirement Allowance), may nevertheless choose to leave the Annuity in the Retirement System collecting regular annuity interest with the option of a one-time withdrawal of the Annuity funds at a later date.

For a DPCOA, DPLSA or DFFA member or an employee with a parity relationship with the DPLSA and for the DPCOA Inspector who retires on or after July 1, 1990, and who has made or makes an election to receive a total or partial refund of his or

her accumulated contribution to the Annuity Savings Fund, there shall be no reduction of Retirement Allowances due to the portion of withdrawal representing interest credits. For members of DFFA and DPLSA, this Subsection shall be controlled by the requirements of the Act 312 arbitration award issued June 25, 1990 (MERC Case No. B89 C-0622, page numbers 22 and 23).

Effective January 15, 2010 for members of DPCOA and fire equivalents, or December 15, 2008 for DPLSA and fire equivalents, or March 8, 2007 for DPOA members and fire equivalents, a Member who retires and elects to leave a balance in the Annuity Savings Fund shall have the option of receiving a quarterly payment of interest earnings only or to take periodic withdrawals of principal, in addition to a one time complete withdrawal. Members of DPCOA and DPLSA and their fire equivalents must make their elections a minimum of thirty days before the beginning of a quarter; quarter defined as beginning March 1, June 1, September 1, and December 1.

An employee represented by DFFA, DPCOA or DPLSA who is entitled to a Retirement Allowance under Article F, Part A, Section F-5 of the Retirement System and who leaves the employ of the Police or Fire Department of the City on or after July 1, 1982 shall have the right to elect to receive on the effective date of termination a partial or total refund of his Accumulated Contributions. The Pension portion of his Retirement Allowance shall be computed as if the Member had not withdrawn his or her Accumulated Contributions from the Annuity Savings Fund until the date he or she was eligible to retire had he or she continued in City employment.

- (c) Effective in accordance with the specific date and terms of the DPOA award in Act 312 No. D98 E-0840 (Chairman Donald F. Sugerman, dated July 21, 2000), a DPOA member shall have the right to leave his or her withdrawn Annuity in the Pension system and accumulating interest, as provided therein.

**ARTICLE G. METHOD OF FINANCING.**

**Sec. G-1. General.**

The funds of the Retirement System shall be the Annuity Savings Fund, Annuity Reserve Fund, Pension Accumulation Fund, Pension Reserve Fund, Expense Fund and the Survivors Benefit Fund.

**Sec. G-2. Annuity Savings Fund.**

- (a) The Annuity Savings Fund shall be the fund in which shall be accumulated at Regular Interest, the contributions deducted from the compensation of Members to provide for their Annuities. Subject to Section B-1(c), the contributions of a Member as defined in Article D, Section D-1(a), (b) or (c) shall be five percent of a Member's compensation until the Member has acquired twenty-five years of creditable service. Subject to Section B-1(c), the contribution of a Member as defined in Article D, Section D-1(d) shall be five percent of his or her compensation until he or she has acquired at least twenty-five years of creditable service (effective as of March 8, 2007, twenty years for DPOA members and fire equivalents) and attained age fifty-five. No Member shall have the option of choosing to receive the compensation required to be contributed hereunder directly instead of having such amounts paid by the City to the Annuity Savings Fund.
- (b) The City shall cause the contributions provided for in paragraph (a) above to be deducted from the compensation of each Member on each and every payroll, for each and every payroll period, from the date of his or her entrance in the System to the earlier of (i) the date he or she ceases to be a Member or (ii) the last payroll date occurring in July 2014.
- (c) The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any Member shall be reduced thereby. Every Member shall be deemed to consent and agree to the deductions made and provided for herein, and payment of his or her salary or compensation, less said deduction, shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payments, except as to the benefits provided under this Retirement System. The amounts to be deducted shall be deducted by the City Treasurer and when deducted shall be paid into the Annuity Savings Fund and shall be credited to the individual account of the Member from whose compensation said deduction was made.
- (d) If, under the provisions of this Component II, any person shall withdraw or be paid any part or all of his Accumulated Contributions and shall thereafter again become a Member on or before June 30, 2014, he or she shall, in addition to the contributions provided for in paragraph (a) above, redeposit in the Annuity Savings Fund, by an increased rate of contribution to be determined by the Board of Trustees, or by a single payment, such amount that his or her Accumulated Contributions at the date of

his or her eligibility for retirement will be the same amount it would have been had no withdrawal or payment been made therefrom.

- (e) Except as is otherwise provided in this Component II, upon the death or retirement of a Member, his or her Accumulated Contributions shall be transferred from the Annuity Savings Fund to the Annuity Reserve Fund.
- (f) In any Plan Year during the period beginning on or after July 1, 2014 and ending June 30, 2023 in which the annual rate of return credited to the accounts of Members investing in the Annuity Savings Fund as provided in paragraph (a) is less than the actual rate of return net of expenses of the Retirement System's invested assets for the second Plan Year immediately preceding the Plan Year in which the annual rate of return is credited ("ASF Return Excess"), an amount equal to the value of the ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component I of the Combined Plan and shall be used to fund the Transition Cost relating to Component I. The Transition Cost is a measure of the liability that Component I of the Retirement System has at its inception; due to the fact that at its inception, Members in Component I of the Retirement System receive vesting and eligibility credit under Component I for service that was earned prior to July 1, 2014 and is otherwise credited to Members under Component II of the Retirement System, as such Transition Cost is calculated by the Plan Actuary. In the event there is an ASF Return Excess for a Plan Year following the Plan Year in which such transfers have fully funded the Transition Costs relating to Component I, fifty percent (50%) of such ASF Return Excess shall be transferred to the Pension Accumulation Fund maintained under Component II and the remaining fifty percent (50%) of such ASF Return Excess shall be transferred to Component I and credited to the Rate Stabilization Fund maintained under Component I. "Transition Cost" shall be determined by the Plan Actuary.

**Sec. G-3. Annuity Reserve Fund.**

The Annuity Reserve Fund shall be the fund from which shall be paid all Annuities payable as provided in this Component II, except Annuities which are payable from the Survivors Benefit Fund. Should a disability retiree be restored to active service, his or her Annuity Reserve at the time shall be transferred from the Annuity Reserve Fund to the Annuity Savings Fund and credited to his or her individual account therein.

**Sec. G-4. Alternative Financing Method.**

Except as provided regarding the Survivors Benefit Fund, the Pension Accumulation Fund shall be the fund in which shall be accumulated reserves for the Pensions and other benefits payable from contributions made by the City, and from which transfers shall be made as provided in this section.

- (a) *Accrued Liability Fund.* Pursuant to *Ordinance No. 05-05*, which authorized the creation of the Detroit Police and Fire Retirement System Service Corporation, the City entered into a transaction ("the Pension Funding Transaction") to obtain funds as

an alternative to those available through the traditional funding mechanism described in Section G-5. The proceeds generated by the Pension Funding Transaction (or any Additional Pension Funding Transaction, as described below) that were deposited into the Retirement System will be termed the "Funding Proceeds." The Funding Proceeds were deposited into a new Fund in the Retirement System called the Accrued Liability Fund. The purpose of the Funding Proceeds is to fund all or part of the heretofore unfunded accrued liabilities ("UAAL") of the Retirement System. The Funding Proceeds are the assets of the Retirement System and will be applied, together with all other assets of the Retirement System, to fund the Retirement System's obligation to pay accrued benefits, as adjusted in the Plan of Adjustment.

This Accrued Liability Fund shall contain only the Funding Proceeds of the Pension Funding Transaction, and any earnings thereon. Prior to Fiscal Year 2013, funds were transferred each Fiscal Year (or monthly portion thereof) from the Accrued Liability Fund to the Pension Accumulation Fund as provided in the documents governing the Retirement System, including *Ordinance No. 5-05*.

- (b) As soon as practicable following the effective date of the Plan of Adjustment, any amounts remaining credited to the Accrued Liability Fund shall be transferred to the Pension Accumulation Fund and the Accrued Liability Fund shall cease to exist.

**Sec. G-5. Contributions to and payments from Pension Accumulation Fund.**

Contributions to and payments from the Pension Accumulation Fund shall be made as follows:

- (a) For Fiscal Years commencing prior to July 1, 2014, upon the basis of such assumptions as to future financial experiences as the Board of Trustees shall from time to time adopt, the Actuary annually computed the City's contribution, expressed as a percent of active Member contributions, to provide the Pension Reserves covering the Pensions or other City-financed benefits to which Members might be entitled or which might be payable at the time of their discontinuances of City employment; provided, such contribution percents shall not be less than amounts which, expressed as percents of active Member compensation will remain level from generation to generation of Detroit citizens. Upon the retirement or death of a Member, the Pension Reserve for any benefits payable on his or her behalf shall be transferred from the Pension Accumulation Fund to the Pension Reserve Fund, to the extent of there being assets in the Pension Accumulation Fund.
- (b) For Fiscal Years commencing prior to July 1, 2014, the Board of Trustees annually ascertained and reported to the Mayor and the Council the amount of contributions due the Retirement System by the City, and the Council may have appropriated and the City may have paid such contributions to the Retirement System during the ensuing Fiscal Year. When paid, such contributions were credited to the Pension Accumulation Fund.

- (c) For Fiscal Years commencing after June 30, 2014, the City shall make contributions to the Pension Accumulation Fund only as provided in the Plan of Adjustment.

**Sec. G-6. Retiree payments from Pension Reserve Fund; reinstatement of disability retirees to active service.**

Except as to the Survivor's Benefit Fund, the Pension Reserve Fund shall be the fund from which shall be paid Pensions on account of Members. Should a disability retiree be reinstated to active service, the Member's Pension Reserve, at that time, shall be transferred from the Pension Reserve Fund to the Pension Accumulation Fund.

**Sec. G-7. Expense Fund.**

The Expense Fund shall be the fund to which shall be credited all money provided by the City, if any, to pay the administration expenses of Component II, and from which shall be paid all the expenses necessary in connection with the administration and operation of Component II.

**Sec. G-8. Appropriations prior to July 1, 2014.**

- (a) The Board of Trustees shall certify the amount of the appropriation necessary to pay to the various funds of Component II of the Retirement System the amounts payable by the City as enumerated in this Component II, according to legal budget procedure.
- (b) To cover the requirements of Component II prior to July 1, 2014, such amounts as shall have been necessary to cover the needs of Component II prior to July 1, 2014 shall be paid into the Pension Accumulation Fund and the Expense Fund by special appropriations or transfers to the Retirement System; provided, however that no transfers can be made from the Accrued Liability Fund other than the annual transfer of the scheduled amortizing amount, or transfers under special circumstances pursuant to Section G-4 (as in effect prior to July 1, 2014).

**Sec. G-9. Maintenance of reserves.**

The maintenance of the Annuity Reserves in the Annuity Reserve Fund and the Pension Reserves in the Pension Reserve Fund are hereby made obligations of the Pension Accumulation Fund. All income, interest, and dividends derived from deposits and investments authorized by this Component II, which are not required for the allowance of interest to the funds of the Retirement System as provided herein, shall be credited to the Pension Accumulation Fund. Prior to July 1, 2014, the moneys credited to the Accrued Liability Fund were credited to the Pension Accumulation Fund only to the extent authorized pursuant to the terms of the Retirement System as in effect prior to July 1, 2014. Any contributions by the City to the System from any fund impressed by law with a certain and definite purpose shall be accounted for separately.

**Sec. G-10. Survivors Benefit Fund.**

- (a) The Survivors Benefit Fund shall be the fund in which shall be accumulated, at Regular Interest, the reserves for survivors benefits provided for in Article F, Part E, Section F-18, hereof, and from which such benefits shall be paid, but only to the

extent sufficient assets are credited to the fund at the time a claim for benefits is made. In the event there are insufficient assets credited to the Survivor's Benefit Fund to pay the benefits provided under this Section G-10, such benefits thereafter shall be payable from the Pension Reserve Fund.

- (b) After June 30, 1965 and prior to July 1, 1986, each Member shall contribute to the Survivors Benefit Fund one per cent of his or her compensation paid by the City until he or she has acquired twenty-five years of creditable service. The City shall cause the said contributions to be deducted from the Member's compensation, on each and every payroll, for each and every payroll period so long as he or she remains a Member and has not acquired twenty-five years of creditable service. Each and every Member shall be deemed to consent and agree to the said deductions. Said contributions, when deducted, shall be credited to the Survivors Benefit Fund and shall in no case become a part of the said Member's Accumulated Contributions, nor be subject to refund.
- (c) Each Member who retires after June 30, 1965, under Part B, Section F-7 of Article F shall, prior to July 1, 1986, contribute to the Survivors Benefit Fund one per cent of his or her final compensation as defined until he or she would have had a total of twenty-five years of creditable service had he or she continued in active service. The Retirement System shall cause the said contribution to be deducted from the Pension of each such retired Member on each and every retirement roll, for each and every retirement roll period, so long as he or she is receiving a Pension under Part B, Section F-8(a) of Article F. Each and every such retired Member who is receiving a Pension under Part B, Section F-8(a) of Article F shall be deemed to consent and agree to said deductions. Said contributions, when deducted, shall be credited to the Survivors Benefit Fund and shall in no case become a part of said Member's Accumulated Contributions, nor be subject to refund.
- (d) Effective July 1, 1986, the contributions, required by Article G, Section G-10(b) and G-10(c), to the Survivors Benefit Fund were eliminated for union members. For Fiscal Years ending prior to July 1, 2014, the City shall make the contributions necessary to maintain the benefit level by contributing that amount necessary to replace the contributions of members of DFFA and DPOA to the Survivor's Benefit Fund.
- (e) For Fiscal Years ending prior to July 1, 2014, upon the basis of such mortality and other tables of experience, and Regular Interest, as the Board of Trustees shall from time to time adopt, the Actuary shall annually compute the liabilities for benefits being paid from the Survivors Benefit Fund. The Board of Trustees shall report to the Mayor and the Council the amount of contributions to be made by the City to the Survivors Benefit Fund, and the Council shall appropriate and the City shall pay such amount to the Retirement System during the ensuing Fiscal Year. When paid, such appropriations shall be credited to the Survivors Benefit Fund. For Fiscal Years commencing prior to July 1, 2014, if the balance in the fund is not sufficient to fully cover the liabilities so computed, the City shall appropriate and pay, in the ensuing Fiscal Year, the amount of such insufficiency. For Fiscal Years commencing on and

after July 1, 2014, the City shall not make any contributions to the Survivor's Benefit Fund.

- (f) Upon the death of a Member, on whose account survivors benefits become payable as provided in Article F, Part B, Section F-8, hereof, his or her Accumulated Contributions standing to his or her credit in the Annuity Savings Fund at the time of his or her death shall be transferred from the Annuity Savings Fund to, and shall become a part of, the Survivors Benefit Fund, notwithstanding any provisions in this Component II to the contrary.

**Sec. G-11. Computation of Annuity and Pension Reserve liabilities for Members, Retirees and Beneficiaries.**

In computing the Annuity and Pension Reserve liabilities for Members, retirees and beneficiaries, the Board of Trustees shall cause the following annual Decrement Probabilities, Salary Factors and interest assumption to be used.

- (a) The annual Decrement Probabilities and Salary Factors to be used in evaluating the Annuity and Pension liabilities for Members shall be as shown in Tables 1 and 2 hereinafter set forth.
- (b) The total of active Member annual compensation shall be assumed to increase three percent per annum, compounded annually.
- (c) The mortality assumption for retirees and beneficiaries shall be the mortality rates contained in the 1971 group annuity male mortality table, without setback for men and set back five years for women.
- (d) The investment return assumption shall be five percent per annum, compounded annually, for Fiscal Years commencing prior to July 1, 2014.
- (e) For Fiscal Years commencing on or after July 1, 2014, the Annuity and Pension Reserve liabilities shall be calculated in a manner which is consistent with the Plan of Adjustment.

**TABLE 1.**

**City of Detroit Policemen and Firemen  
Retirement System  
Active Member Annual**

**Probabilities  
and Salary Factors**

| Age | Withdrawal<br>from Service | Death<br>in Service | Salary<br>Factors |
|-----|----------------------------|---------------------|-------------------|
| 18  | .04120                     | .00098              | .10561            |
| 19  | .04090                     | .04099              | .11327            |
| 20  | .04030                     | .00100              | .12126            |
| 21  | .04000                     | .00101              | .12988            |
| 22  | .03960                     | .00102              | .13913            |
| 23  | .03910                     | .00103              | .14913            |
| 24  | .03890                     | .00104              | .15971            |
| 25  | .03840                     | .00105              | .17068            |
| 26  | .03800                     | .00107              | .18204            |
| 27  | .03700                     | .00108              | .19347            |
| 28  | .03600                     | .00111              | .20527            |
| 29  | .03480                     | .00113              | .21712            |
| 30  | .03340                     | .00117              | .22916            |
| 31  | .03200                     | .00121              | .24124            |
| 32  | .03000                     | .00126              | .25321            |
| 33  | .02730                     | .00133              | .26522            |
| 34  | .02370                     | .00143              | .27753            |
| 35  | .01990                     | .00154              | .29015            |
| 36  | .01500                     | .00168              | .30306            |
| 37  | .01160                     | .00184              | .31637            |
| 38  | .00850                     | .00204              | .32995            |
| 39  | .00600                     | .00227              | .34405            |
| 40  | .00390                     | .00252              | .35851            |
| 41  | .00210                     | .00281              | .37333            |
| 42  | .00090                     | .00313              | .38861            |
| 43  | .00000                     | .00348              | .40435            |
| 44  | .00000                     | .00387              | .42051            |
| 45  | .00000                     | .00429              | .43709            |
| 46  | .00000                     | .00475              | .45395            |
| 47  | .00000                     | .00526              | .47144            |
| 48  | .00000                     | .00582              | .48929            |
| 49  | .00000                     | .00643              | .50750            |
| 50  | .00000                     | .00710              | .52639            |
| 51  | .00000                     | .00783              | .54560            |
| 52  | .00000                     | .00864              | .56535            |

| Age | Withdrawal<br>from Service | Death<br>in Service | Salary<br>Factors |
|-----|----------------------------|---------------------|-------------------|
| 53  | .00000                     | .00953              | .58548            |
| 54  | .00000                     | .01051              | .60612            |
| 55  | .00000                     | .01157              | .62711            |
| 56  | .00000                     | .01270              | .64867            |
| 57  | .00000                     | .01392              | .67066            |
| 58  | .00000                     | .01520              | .69319            |
| 59  | .00000                     | .01656              | .71610            |
| 60  | .00000                     | .01802              | .73939            |
| 61  | .00000                     | .01959              | .76316            |
| 62  | .00000                     | .02133              | .78747            |
| 63  | .00000                     | .02322              | .81211            |
| 64  | .00000                     | .02526              | .83715            |
| 65  | .00000                     | .02750              | .86258            |
| 66  | .00000                     | .03000              | .88848            |
| 67  | .00000                     | .03277              | .91514            |
| 68  | .00000                     | .03584              | .94264            |
| 69  | .00000                     | .03919              | .97094            |
| 70  | .00000                     | .04278              | 1.00000           |

**TABLE 2.**

**City of Detroit Policemen and Firemen  
Retirement System  
Annual Probabilities of Age and Service  
Retirement Applicable to Members  
Who Are Eligible to Retire**

| Age | Probabilities<br>of Retirement |
|-----|--------------------------------|
| 45  | 25%                            |
| 46  | 25                             |
| 47  | 25                             |
| 48  | 25                             |
| 49  | 25                             |
| 50  | 25                             |
| 51  | 25                             |
| 52  | 25                             |
| 53  | 25                             |
| 54  | 20                             |
| 55  | 20                             |
| 56  | 15                             |
| 57  | 10                             |
| 58  | 15                             |
| 59  | 30                             |
| 60  | 100                            |

**Sec. G-12. Determination of City’s annual contribution — Disability Pension liabilities.**

For Fiscal Years commencing prior to July 1, 2014, the City’s annual contribution, expressed as a percent of active Member compensation, to finance disability Pensions shall be determined by dividing the average of the Pension Reserve liabilities for disability retirements incurred, during the three Fiscal Years ending with the date of the valuation by one percent of the active Members’ annual compensation used in the valuation.

**Sec. G-13. Determination of City’s annual contribution — Death Pension liabilities.**

For Fiscal Years commencing prior to July 1, 2014, the City’s annual contribution, expressed as a percent of active Member compensations, to finance death-in-service Pensions shall be determined by dividing the average of the Pension reserve liabilities for death-in-service claims incurred during the three Fiscal Years ending with the date of the valuation by one percent of the active Member’s annual compensations used in the valuation.

**Sec. G-14. Determination of City's annual contribution — Actuarial evaluation of annuity and Pension Reserve liabilities.**

The Annuity and Pension Reserve liabilities for Members, retirees and beneficiaries shall be actuarially evaluated as set forth in this Article G and the Plan of Adjustment.

**Sec. G-15. Determination of City's annual contribution — Service Pension liabilities for Fiscal Years commencing prior to July 1, 2014.**

- (a) The service Pension liabilities for Members shall be determined using the entry age-normal cost method of actuarial valuation.
- (b) The City's annual contribution, expressed as a percent of active Member compensations, to finance the prospective service Pension liabilities shall be determined by dividing the total of the individual annual normal costs of the active Members by one percent (1%) of the active Members' annual compensation used in the valuation.
- (c) The City's annual contribution, expressed as a percent of active Member compensation, to finance any unfunded Accrued Service Pension liabilities, including instances in which assets exceed liabilities, shall be determined by dividing such unfunded Accrued Service Pension liabilities by one percent (1%) of the present value of future compensation payable during a period of future years. Such period of future years shall be thirty years for the actuarial valuation as of June 30, 1974, decreasing one (1) year at each subsequent June 30th until a twenty year period is reached, which twenty year period shall be used in each subsequent actuarial valuation until June 30th, 2004 when the period shall again be thirty years.

**Sec. G-16. Board of trustees to compute City's annual contribution.**

Based upon the provisions of this Article, including any amendments, the Board of Trustees shall compute the City's annual contributions for Fiscal Years commencing prior to July 1, 2014, expressed as a percent of active Member compensation, to the Retirement System for the Fiscal Year beginning July 1, 1975, using actuarial valuation data as of June 30, 1974, and for each subsequent Fiscal Year prior to July 1, 2014 using actuarial valuation data as of the June 30th date which date is a year and a day before the first day of such Fiscal Year. The Board shall report to the Mayor and to the City Council the contribution percents so computed, and such contribution percents shall be used in determining the contribution dollars to be appropriated by the City Council and paid to the Retirement System. For each Fiscal Year beginning July 1, 1975 and each Fiscal Year thereafter and prior to July 1, 2014, such contribution dollars shall be determined by multiplying the applicable contribution percent for such Fiscal Year by the Member compensation paid for such Fiscal Year; provided that for the one Fiscal Year beginning July 1, 1975 and ending June 30, 1976, such Member compensation so used shall not exceed 106.09 percent of the active Members' annual compensation used in the actuarial valuation determining such contribution percent.

**Sec. G-17. Refunds for certain Members.**

Effective July 1, 1974, a Member who holds the rank of police inspector and above and who is not covered by a collective bargaining agreement shall, notwithstanding any other provisions of Component II to the contrary, have the right to elect to receive on the effective date of his or her service retirement a partial or total refund of his or her Accumulated Contributions. Effective as of March 8, 2007, a DPOA and fire equivalent retiree who elects not to withdraw his or her Accumulated Contributions as of the effective date of his or her service retirement shall have the option of receiving a quarterly payment of interest credited to his or her Accumulated Contributions or to receive periodic withdrawals of the contributions such Retiree made to Component II of the Retirement System. If a Member makes such an election, an Annuity payable under any Retirement Allowance or reduced Retirement Allowance shall be reduced proportionately. If the total Accumulated Contributions are withdrawn no Annuity shall be payable with respect to such withdrawn amounts.

**Sec. G-18. Employer Contribution**

Effective January 1, 1987 for members of DFFA and DPLSA or upon issuance of the 1986-89 Act 312 Award for members of DPOA, the employee contributions to the Annuity Fund, although designated as employee contributions, shall be paid by the City in lieu of contributions by the Employee. The Employee shall not have the option of choosing to receive the contributed amount directly instead of having them paid by the City to the Annuity Fund. There shall be no additional contribution expense to the City, and the amounts so contributed by the City on behalf of the Employee shall be treated, for tax purposes, as employer contributions and thus shall not be taxable to the Employee until these amounts are distributed or made available to the Employee.

This provision shall not affect the amount or benefit level of the Retirement Allowance, or the City's obligation with respect thereto.

**ARTICLE H. MISCELLANEOUS.**

**Sec. H-1. Recall of Retirees during emergencies.**

During an emergency declared by the Commissioner of Police or the Board of Fire Commissioners, the Commissioner or the Board of Fire Commissioners, as the case may be, shall have power, with the consent of a Retiree, to recall to active duty a Retiree for such period of service as the commissioner or the Board of Fire Commissioners shall deem advisable; provided, however, that the foregoing power shall not apply in the case of a Retiree who has reached the age of sixty-four years, and provided further, that any Retiree so recalled may, at any time, separate from active duty on his or her own application or by order of the Commissioner or the Board of Fire Commissioners. A Retiree so recalled shall serve in the rank at which he or she retired, or a higher rank, and shall receive the pay of such rank without deduction. On subsequent separation from active duty, such Retiree shall resume the Retiree status held by him prior to such recall.

**ARTICLE I. DEFERRED RETIREMENT OPTION PLAN.**

**Sec. I-1. General provisions.**

For periods on and after July 1, 2014, the Deferred Retirement Option Plan (“DROP”) Program under Component II shall be available to Members who are covered by collective bargaining agreements with the City that permit such Members to participate in the DROP program and non-union executives of the Police Department and the Fire Department.

- (a) In lieu of terminating employment and accepting a Retirement Allowance under the Component II, any Member of the Retirement System who is eligible for the DROP program and who is eligible to immediately receive a twenty-five year (or twenty year) Retirement Allowance may elect to participate in the DROP program and defer the receipt of his or her Retirement Allowance in accordance with the provisions of this Article I. Any such election shall be irrevocable.
- (b) Participation in the DROP program for Members for who elected to participate in the DROP program prior to July 1, 2014 shall be limited to ten years. Participation for Members who elect to participate in DROP program after June 30, 2014 shall be limited to five years. At the end of such five (or ten) year period of participation in the DROP program, the Member shall be retired from employment.

**Sec. I-2. Conversion to Retirement Allowance**

Upon the effective date of a Member’s participation in the DROP program, the Member shall cease to accrue a Retirement Allowance under Component I and shall elect a form of payment for his Retirement Allowance pursuant to Part H of Article F. Seventy-five percent (75%) of the monthly Retirement Allowance (including applicable variable Pension Improvement Factor (Escalator) increases) that would have been payable, had the Member elected to terminate employment with the City on the effective date of his or her DROP election and receive an immediate Retirement Allowance, shall be paid into a DROP Account established on behalf of the Member under the Retirement System or in an entity selected by the Board.

**Sec. I-3. Investment of DROP assets**

- (a) ING was previously selected by the Board as the DROP administration and investment entity for Members who elect to participate in the DROP program. ING shall continue to be the DROP administration and investment entity, unless and until such time as the Board terminates the agreement with ING as provided in paragraph (d) or determines that it is administratively feasible for the DROP program to be administered and invested under the Retirement System.
- (b) As soon as possible after July 1, 2014, the Board shall determine whether it is administratively feasible for the DROP program to be administered and the assets in DROP accounts to be invested under the Retirement System. If the Board determines that it is feasible to administer the DROP program under the Retirement System, the Board shall promptly take appropriate steps to implement such decision.

- (c) If amounts credited to DROP accounts are invested under the Retirement System, such amounts shall be comingled with the assets of the Retirement System for investment purposes and shall be invested by the Trustees. A Member's DROP account shall be credited with annual earnings at a rate equal to seventy-five percent (75%) of the actual net earnings rate of the assets of the Retirement System; however, in no event shall the earnings rate applied to a Member's DROP account for any Plan Year be less than zero percent (0%) nor greater than seven and three-quarters percent (7.75%).
- (d) The Board of Trustees entered into an administrative services agreement with ING. Such agreement shall remain in effect until such time as it is terminated by the Board as provided therein.
- (e) The Board of Trustees may replace ING with a trust type vehicle or the Board may determine that amounts subject to a DROP election will be invested with Retirement System assets as provided above.
- (f) Any fees associated with the maintenance of DROP Accounts outside of the Retirement System shall be paid by the Members by means of deduction from their DROP Accounts.

**Sec. I-4. Distribution of amounts credited to DROP Account**

A Member shall not receive a distribution of amounts credited to his DROP Account prior to his termination of employment with the City. Upon termination of employment, a Member who is a participant in the DROP program shall receive, at his or her option either a lump sum payment from the DROP Account equal to the amount then credited to the DROP Account or an annuity based upon the amount credited to his DROP Account. In addition, one hundred percent (100%) of the Member's monthly Retirement Allowance that otherwise would have been paid upon the Member's retirement had he or she not elected to participate in the DROP program (together with any applicable variable Pension Improvement Factor (Escalator) increases) shall commence to the Member in accordance with the form of payment selected by the Member at the commencement of his or her participation in the DROP program. Termination of employment includes termination of any kind, such as resignation, retirement, discharge or disability.

**Sec. I-5. Death of Member while participating in the DROP program**

If a Member dies while participating in the DROP program, a lump sum payment equal to the Member's DROP Account balance shall be paid to the Beneficiary named by the Member, or if no Beneficiary has been designated, to the Member's estate; provided, notwithstanding anything to the contrary herein, the Member's adjusted DROP Account balance under Component II upon the Member's death while participating in the DROP program shall not be less than total system DROP payments into his or her account (not including earnings and losses). In addition, one hundred percent (100%) of the Member's Retirement Allowance (together with any applicable variable Pension Improvement Factor (Escalator) increases) that would have been paid to the Member but for the Member's decision to participate in the DROP

program will be restored. Survivor benefits, if any, shall be paid in accordance with the payment option elected by the deceased Member at the time the Member elected to participate in the DROP program.

#### **Sec. I-6. Disability of Member While Participating in the DROP Program**

If a Member becomes Totally Disabled while participating in the DROP program and while still an Employee and his employment with the City is terminated because he is Totally Disabled, such Member (a) shall be immediately retired and one hundred percent (100%) of the Retirement Allowance) that would have been paid to the Member but for the Member's decision to participate in the DROP program (together with any applicable variable Pension Improvement Factor (Escalator) increases) will commence in accordance with the payment option selected by the Member at the commencement of the Member's participation in the DROP program as provided in Section I-2, and (b) shall be entitled to receive payment of the funds in his DROP Account (in the form of a lump sum or other form of payment described in Part H of Article F). Such Member shall not be entitled to disability retirement benefits under Article F hereof.

#### **Sec. I-7. Cost Neutrality**

- (a) The DROP program shall be effective only for as long as it is cost-neutral to the City, provided however, that the DROP program shall continue during the pendency of proceedings, described in paragraph (2) below, designed to restore the Retirement System to cost neutrality.
- (b) If the City contends that the DROP program is not cost-neutral, including, but not limited to, making the City's annual contribution to the Retirement System higher than it would be if the DROP program was not in effect, the Board and the City, along with the Plan Actuary as well as an actuary appointed by the City (who will be an associate or a fellow of the Society of Actuaries and a member of the American Academy of Actuaries) shall meet and confer in good faith regarding the cost. If the Board and the City are unable to reach an agreement as to cost, the matter shall be submitted to a third, independent, actuary, chosen or agreed upon by the Plan Actuary and the City's actuary. This actuary, when rendering a decision, will be limited to ordering implementation of changes necessary to make the DROP program cost-neutral. Upon the implementation of changes necessary to make the DROP program cost-neutral, Members shall have thirty days to elect to either (a) retire from active employment with the City or (b) withdraw from the DROP program and resume active participation in Component I of the Retirement System. The Board shall notify DROP participants of these changes prior to implementation. Those DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for any time that they were participating in the DROP program (under either Component I or Component II). Those not making either election shall remain participants in the DROP program.
- (c) In the event the DROP program cannot be changed to restore cost neutrality, it shall be discontinued and Members participating in the DROP program at that time shall have the option to either (i) retire or (ii) continue active employment with the City

and resume active participation in Component I of the Retirement System. DROP participants resuming participation in Component I of the Retirement System shall not accumulate Credited Service for the time during which such DROP participants participated in the DROP program (under Component I or Component II).

## ARTICLE J. PARTICIPANT ANNUITY SAVINGS FUND LOAN PROGRAM

### Sec. J-1. Participant Annuity Savings Fund Loan Program

A Participant Annuity Savings Fund Loan Program (Participant Loan Program) will be established and available to bargaining unit Members. Its terms will be as follows:

- (a) Any loans granted or renewed shall conform to the requirements of Section 72(p) of the Internal Revenue Code. Such loan program shall be established in writing by the Board of Trustees in conformity with the terms of the Combined Plan document and applicable collective bargaining agreements, and must include, but need not be limited to the following:
  - (1) The identity of the administrator of the Participant Loan Program;
  - (2) A procedure to apply for loans, the amount of loan that will be approved or denied, and limitations, if any, on the types and amount of loans offered;
  - (3) The procedure under the program for determining a reasonable rate of interest;
  - (4) The events constituting default and the steps that will be taken to preserve plan assets.
- (b) The Participant Loan Program shall be contained in a separate written document copies of which shall be made available in the offices of the Retirement System for Members. The Board of Trustees is authorized to adopt rules and regulations, from time to time, to govern the administration and the operation of this program. Copies of the rules shall also be made available to prospective participating Members of the Retirement System in the offices of the Retirement System.
- (c) Subject to the rules and procedures established by the Board, loans may be made to Members from such Member's contributions to the Annuity Savings Fund. Former Members, spouses of Members, and Beneficiaries are not eligible to receive any loans from the Retirement System. Subject to rules and procedures established by the Board, a Member who has been in the Retirement System for twelve (12) months or more is eligible to apply for a loan. No Member shall have more than two (2) outstanding loans from the Retirement System (Component I and/or Component II) at any time. A Member who has previously defaulted on a loan under either Component I or Component II of the Combined Plan shall not be eligible for a loan from the Retirement System.
- (d) A Member who has satisfied applicable rules and procedures may borrow from his or her Annuity Savings Fund account an amount, which does not exceed fifty percent (50%) of the Member's vested accumulated balance, up to fifteen thousand dollars (\$15,000.00) reduced by the excess, if any, of: (1) the highest outstanding balance of loans from the Retirement System during the one (1) year period ending on the day before the date on which the loan is made (under both Component I and Component II), or (2) the outstanding balance of loans from the Retirement System on the date on

which the loan is made (under both Component I and Component II), whichever is less. The minimum loan amount shall be one thousand dollars (\$1,000.00).

- (e) In addition to such rules and procedures that are established by the Board, all loans shall comply with the following terms and conditions:
  - (1) Loan applications shall be in writing.
  - (2) All loans shall be memorialized by a promissory note made to the Retirement System and properly executed by the Member.
  - (3) Loan shall be repaid by equal payroll deductions over a period not to exceed five (5) years, or, where the loan is for the purpose of buying a principal residence, a period not to exceed fifteen (15) years. In no case shall the amount of the payroll deduction be less than twenty dollars (\$20.00) for any two-week period.
  - (4) Each loan granted under Component II shall be made against the assignment of the Member's entire right, title, and interest in and to the Annuity Savings Fund supported by the Member's collateral promissory note for the amount of the loan, including interest payable to the order of the Board of Trustees.
  - (5) Each loan shall bear interest at a rate determined by the Board. The Board shall not discriminate among Members in its determination of interest rates on loans. Loans initiated at different times may bear different interest rates, where, in the opinion of the Board, the difference in rates is supported by a change in market interest rates or a change in the Retirement System's current assumed rate of return. The loan interest rate shall bear a reasonable relationship to market rates for secured loans of a similar duration and shall bear a reasonable relationship to the costs to the Retirement System of administering the Retirement System. The loan interest rate shall be calculated in a manner that will not negatively affect the City's costs relating to the Retirement System or the return to Members.
  - (6) Loan repayments shall be suspended under this Retirement System as permitted by Section 414(u)(4) of the Internal Revenue Code. A Member who has an outstanding loan balance from the Retirement System who is absent from employment with the City, and who has satisfied the requirements of Section 414(u) of the Internal Revenue Code shall not be required to make loan repayments to the Retirement System during said periods of absence.
- (f) Any loans granted or renewed shall be made and administered pursuant to the participant loan program and Section 72(p) of the Internal Revenue Code and the regulations thereunder.
- (g) A Member's outstanding loan balance shall be considered a directed investment by the Member and interest payments shall be credited to the Member's account balance (provided that the interest credited shall be reduced appropriately to cover the

administrative cost of the loan program and avoid negatively affecting the City's costs or the Retirement System's investment returns), and shall not be part of net investment income or part of the Member's account balance for the purpose of allocation of net investment income under Article G.

- (h) No distributions shall be made to a Member, former Member, or Beneficiary until all loan balances drawn on the applicable vested accumulated balance and applicable accrued interest have been repaid or offset against the distributable Annuity Savings Fund account balance.
- (i) The Retirement System shall include, in its annual report to all Members, an accounting of the loan program established by this section, which contains the number and amount of loans made, the costs of administering the program, the amount of payments made including interest received by the Retirement System, the amount of loans outstanding, including any defaults or delinquencies, and an evaluation as to whether the interest charged in the Fiscal Year covered the costs of administering the program.

## ARTICLE K. SPECIAL PLAN OF ADJUSTMENT PROVISIONS

### Sec. K-1. Benefit Changes implemented in accordance with the terms of the Plan Of Adjustment

Notwithstanding anything in Articles A, C, D or E to the contrary, as of the effective date of the Plan of Adjustment and during the period that ends no earlier than June 30, 2023, the following changes in benefits provided under Component II of the Combined Plan shall be implemented:

- (1) Elimination or Reduction in Pension Improvement Factor (Escalator). With respect to all Pension benefits payable on or after the effective date of the Plan of Adjustment, the Pension Improvement Factor (Escalator) that will be applied to the monthly Pension benefit of a Member, Retiree, surviving Beneficiary or vested former employee will be equal to 1.0125%; provided, however, that the Board and the Investment Committee shall determine on the effective date of the Plan of Adjustment and not less frequently than annually thereafter that the “Funding Conditions” as defined herein have been satisfied, and in the event that such Funding Conditions have not been satisfied then the Pension Improvement Factor (Escalator) that will be applied to the monthly Pension benefit of a Member, Retiree, surviving Beneficiary or vested former employee will be reduced in proportion to the funding which is not received by the Retirement System (“Adjusted Pension Benefit”).

For purposes of this Section K-1, the term “Funding Conditions” shall mean that (i) Class 10 and Class 11 voted in favor of the Plan of Adjustment in accordance with the procedures for such vote under the Plan of Adjustment, (ii) the Plan of Adjustment is confirmed by the U.S. Bankruptcy Court, and (iii) the funds that are pledged to be contributed to the Retirement System pursuant to the terms of the State Contribution Agreement and the DIA Settlement Documents have been received.

- (2) Effect of Payment Default. In the event that all or a portion of the funds pledged to be contributed to the Retirement System pursuant to the terms of the DIA Settlement Agreement are not received by the Retirement System, the Board shall proportionately reduce the Pension Improvement Factor (Escalator) to be applied to the monthly Pension benefit of any retirees, surviving beneficiaries, employees and former employees to the extent of such default.

### Sec. K-2. Income Stabilization Benefits

- (1) The provisions of this Section K-2 shall become effective only if each of the Conditions Precedent (as that term is defined in the State Contribution Agreement) have been met to the satisfaction of the Authority and the Treasurer, unless any one or more of such conditions are waived in writing executed by the Authority and the Treasurer.

- (2) Beginning not later than 120 days after the Effective Date, Component II of the Combined Plan shall pay, in accordance with this Section K-2, an annual supplemental pension income stabilization benefit (“Income Stabilization Benefit”) to each Eligible Pensioner (as defined in Section G-3(5)) equal to the lesser of either (i) the amount needed to restore an Eligible Pensioner’s reduced annual pension benefit to 100% of the amount of the annual pension benefit that the Eligible Pensioner received from the Retirement System in 2013; or (ii) the amount needed to bring the total annual 2013 household income of the Eligible Pensioner up to 130% of the Federal Poverty Level for 2013. The Income Stabilization Benefit as determined under this Section K-2(2) will not increase after the date on which the Income Stabilization Benefit is determined. The Income Stabilization Benefit payable to an Eligible Pensioner will terminate immediately at such time as the Eligible Pensioner ceases to qualify as an Eligible Pensioner.
- (3) To the extent an Eligible Pensioner’s Estimated Adjusted Annual Household Income (as defined in this Section K-2) in any calendar year after the first year that the Eligible Pensioner receives a benefit under this Section K-2 is less than 105% of the Federal Poverty Level in that year, the Eligible Pensioner will receive an additional “Income Stabilization Benefit Plus” benefit commencing as of the next following July 1.
- a. The Income Stabilization Benefit Plus benefit for a calendar year will be equal to the lesser of either (i) the amount needed to restore 100% of the Eligible Pensioner’s Pension benefit, as increased by any Pension Improvement Factor (Escalator), under Component II of the Combined Plan; or (ii) the amount needed to bring the Eligible Pensioner’s Estimated Adjusted Annual Household Income in that calendar year up to 105% of the Federal Poverty Level in that year.
- b. An Eligible Pensioner’s “Estimated Adjusted Annual Household Income” for any year will be the sum of (i) the Eligible Pensioner’s 2013 total household income (per his or her (or in the case of a minor child, his or her legal guardian’s) 2013 income tax return or equivalent documentation), less the Pension benefit paid to the Eligible Pensioner by the Retirement System in 2013, as adjusted for inflation or Social Security COLA increases; (ii) the Adjusted Pension Benefit that is payable to the Eligible Pensioner for that year as determined under Section K-1, (iii) any pension restoration payment to the Eligible Pensioner as determined under Section K-3; and (iv) the Eligible Pensioner’s Income Stabilization Benefit.
- (4) A separate recordkeeping fund called the “Income Stabilization Fund” shall be established by the Board for the sole purpose of paying the Income Stabilization Benefits and Income Stabilization Benefits Plus to Eligible Pensioners. Any funds received by the Retirement System that is designated by the City as UTGO Bond Tax Proceeds or a contribution to the Income Stabilization Fund shall be

credited by the Board to the Income Stabilization Fund. The assets credited to the Income Stabilization Fund will be invested on a commingled basis with assets of the Retirement System and will be credited with a pro-rata portion of the earnings and losses of the Retirement System. Amounts credited to the Income Stabilization Fund may not be used for any purpose other than the payment of Income Stabilization Benefits and Income Stabilization Benefit Plus benefits to Eligible Pensioners, except as expressly provided in Section K-2(6).

- (5) For purposes of this Section K-2, an “Eligible Pensioner” is a retiree or surviving spouse who is at least 60 years of age or a minor child receiving survivor benefits, each as of the effective date of the Plan of Adjustment, whose benefit will be reduced as provided in Section K-1, and who is eligible to receive Income Stabilization Benefits because (i) such individual is receiving monthly pension benefits from the Retirement System as of the effective date of the Plan of Adjustment, and (ii) such individual has a total annual household income equal to or less than 140% of the federal poverty level in 2013 (per his or her (or in the case of a minor child, his or her legal guardian’s) 2013 income tax return or equivalent documentation).
- a. An eligible individual must apply for an Income Stabilization Benefit in accordance with procedures established by the Authority and provide such substantiation of the individual’s aggregate annual household income as is required by the State in its sole discretion.
  - b. The initial determination of Eligible Pensioners, and amount of the Income Stabilization Benefit payable to each Eligible Pensioner shall be made by the State in its sole discretion. The State shall transmit the list of Eligible Pensioners to the Investment Committee and the Board. The Board, with the assistance of the Investment Committee shall be responsible for administering the Income Stabilization Fund and annually certifying to the State Treasurer that it has administered the requirements for eligibility and payment of benefits with respect to Eligible Pensioners in accordance with the terms of the State Contribution Agreement.
  - c. After the initial determination of Eligible Pensioners is made, no new individuals will be eligible to receive an Income Stabilization Benefit or an Income Stabilization Benefits Plus benefit at any time in the future.
  - d. An Eligible Pensioner will cease to be an Eligible Pensioner as of the earlier of (i) the Eligible Pensioner’s death or (ii) with respect to any minor child receiving survivor benefits, the date the minor child reaches the age of 18 years.
- (6) For purposes of this Section K-2, the “Federal Poverty Level” means the poverty guidelines published each year in the Federal Register by the United States Department of Health and Human Resources.

- (7) In the event that, in 2022 (provided that the State has not issued a Certificate of Default (as defined in the State Contribution Agreement) with respect to the Retirement System at any time prior to 2022), it is the opinion of at least 75% of the independent members of the Investment Committee that the assets of the Income Stabilization Fund exceed the Income Stabilization Benefits and Income Stabilization Benefits Plus benefits anticipated to be made to Eligible Pensioners by the Retirement System in the future (“Excess Assets”), the Investment Committee may, in its sole discretion, recommend to the Board that all or a portion of the Excess Assets, in an amount not to exceed \$35 million, be used to fund the Adjusted Benefits payable by the Retirement System. The Investment Committee shall have the right to engage professional advisers to assist in making this determination and such expenses shall be paid by the Retirement System.
- (8) In the event that any funds remain in the Income Stabilization Fund on the date upon which there are no Eligible Pensioners under the Retirement System, such funds shall be used to fund the Adjusted Benefits payable by the Retirement System.

**Sec. K-3. Restoration of Pension Benefits**

The following rules shall govern how Pension Improvement Factor (Escalator) (“COLA”) benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the confirmation order issued by the Bankruptcy court in *In Re City of Detroit, Michigan*, Case No. 13-53846. The pension restoration process shall be supervised, and restoration decisions undertaken by the Investment Committee and in accordance with the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto. The pension restoration program shall be deemed a part of this Component II, but in the event of any conflict between the language set forth herein and the pension restoration agreement attached to and made a part of the Plan of Adjustment (“Pension Restoration Agreement”), the terms of the Pension Restoration Agreement will govern.

(1) *Waterfall Classes.*

There will be three Waterfall Classes:

- a. Waterfall Class 1 – Retirees, in retirement benefit pay status as of June 30, 2014, and their surviving spouses and Beneficiaries.
- b. Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving spouses and Beneficiaries, and who are in pay status as of the end of the Fiscal Year prior to the year in which the restoration decision is made.
- c. Waterfall Class 3 – All retirees, surviving spouses, and beneficiaries in pay status and all other Members who as of June 30, 2014 are not in retirement benefit pay status.

(2) *Restoration of Benefits Through June 30, 2023.*

- a. Each year in conjunction with the annual actuarial valuation report, the Plan Actuary will project the funded ratio of the Retirement System as of 2023 based upon the market value of plan assets relative to the actuarial accrued liabilities (the “Funded Level”). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses (administrative and investment), future employer contributions as set forth in the Plan of Adjustment (subject to conditions in the Plan of Adjustment), and such other actuarial assumptions as utilized by the Plan Actuary. For purposes of restoration of benefits through June 30, 2023, the Funding Target will be a 75% funded ratio, and the Restoration Target will be a 78% funded ratio, both projected to June 30, 2023. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded. Each year, if the Plan Actuary projects that the Funded Level as of 2023 (excluding Restoration Reserve Account assets to avoid double counting) exceeds the Restoration Target (i.e., exceeds 78%), a credit of assets for bookkeeping purposes will be made into a new notional Restoration Reserve Account. The notional credit will be an amount equal to the excess of assets above the amount projected to be needed to satisfy the Restoration Target. Once the Restoration Reserve Account is established, each year thereafter, Restoration Account assets will be credited with interest in an amount equal to the net return on Retirement System investments but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses and any required transfer to the PFRS Pension Reserve Fund as provided herein.
  
- b. Actual restoration payments and restoration credits will work as follows: each year, in conjunction with the preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the Plan Actuary will determine whether there are sufficient funds in such account to restore COLA benefits in a minimum incremental amount of 10% or more. For example: if a retiree’s then current COLA benefit is a 1.0% annual compounded COLA, the minimum incremental restoration would increase the COLA benefit to 1.225%. COLA restoration only will occur if the funding level in the Restoration Reserve Account can fund 100% of the COLA increase over the actuarially-projected lives of the eligible recipient Waterfall Class. If the Plan Actuary certifies that the Restoration Reserve Account as of the end of the prior Fiscal Year satisfies the required funding level for one or more increments of restoration, then in the next immediate Fiscal Year actual COLA restoration payments will be made to PFRS Waterfall Class 1 members in such increments until an amount sufficient to fund 66% of the value of their future COLA payments (e.g., a 1.5% compound COLA, or as otherwise applicable) has been funded. At that juncture, and to the

extent that additional assets in the Restoration Reserve Account would fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), Waterfall Class 2 members will receive COLA restoration, until an amount sufficient to fund 66% of the value of their future COLA payments has been funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account would fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), Waterfall Class 3 members will receive COLA restoration on a pro-rata basis. For Waterfall Class 3 members who are in pay status at that time of restoration, they will receive COLA payments; for active employees at the time of restoration, they will receive credits granting them a right upon retirement to receive COLA restoration equal to the 10% increments that are fully funded to Waterfall Class 3 members. For example: assume there are sufficient assets credited to the Restoration Reserve Account as of the end of a Fiscal Year to fully fund 66% of the value of the COLA for all Waterfall Class 1 and Class 2 members for their actuarially projected lives. To the extent additional assets remain in the Restoration Reserve Account to fully fund at least a 10% COLA increment for Waterfall Class 3 members for their actuarially projected lives, then (i) all retirees would receive a restoration payment of 76% of the value of their COLAs (their having already received by virtue of their membership in Waterfall Classes 1 and 2 an increase to 66% of the value of their COLAs) and also a 10% COLA increment would be credited to eligible active employees which would be included in their benefit payments upon retirement (thus causing their COLAs to increase in value from 45% to 55%). Restoration amounts actually paid from the Restoration Reserve Account will be debited from such account. Restoration payments will be calculated and paid on a prospective basis only.

- c. Once restoration payments and credits begin, as long as the Restoration Reserve Account continues to have assets to fund 100% of an incremental COLA restoration amount for such Waterfall Class for their actuarially projected lives, the restoration payments and credits will continue; provided, however, that in the event the Restoration Reserve Account, after having sufficient assets to fund 100% of two or more increments, falls below 100% for the second or greater increment, the annual amounts to pay such second or greater increment can continue until the Restoration Reserve Account lacks any assets to fund such additional increment. For example, assume a 10% increment in Waterfall Class 1 requires \$10 million in assets to be fully funded for the Waterfall Class members' actuarially projected lives, and that based on Fiscal Year 2018 results the Restoration Reserve Account has assets of \$22 million so as to fund two increments of restoration in Fiscal Year 2019. Assume further that in the following year the Restoration Reserve Account drops in value to \$17 million; in such event two increments could still be paid, and the second

increment would cease being paid only if the value of assets in the Restoration Reserve Account dropped to or below \$10 million (in the event they dropped below \$10 million, the first increment also would cease being paid). For purposes of restoration reduction, restoration increments will be taken away in reverse order in which they were granted (i.e. last in, first out).

- d. If the Funded Level (excluding Restoration Reserve Assets) projected to 2023 falls below 76% (hereinafter, "Restoration Reserve Suspension Trigger"), then, until such time as the projected Funded Level in 2023 is 76% or above, further interest credits to the notional Restoration Reserve Account will cease notwithstanding the actual net Retirement System investment returns for the Fiscal Year in question. Furthermore, if the Funded Level projected to 2023 falls below the Funding Target (i.e., 75%) then restoration payments to retirees and credits to active employees in the following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the Pension Reserve Fund in sufficient amounts to restore the projected Funded Level in 2023 to 75%; (2) following such transfer, the remaining assets in the Restoration Reserve Account shall be applied to make restoration payments in accordance with and pursuant to the same mechanism described in paragraph c.
- e. In connection with preparation of the actuarial report for Fiscal Year 2023, the Plan Actuary will determine whether the Retirement System has satisfied the Permanent Restoration Target, which shall be 78%. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers, the Funded Level as of June 30, 2023 has satisfied the Permanent Restoration Target (i.e., 78%), then the residual amounts, if any, in the Restoration Reserve Account (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of COLA restoration payments for one or more Waterfall Classes for their actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Fund and the applicable incremental COLA payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.
- f. Following receipt of the actuarial reports for 2019, and in the event that the projected Funded Level of the Retirement System as of 2023 is less than 76%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2023, or (ii) an amount of annual administrative expenses until 2023 equal to the average

annual normal course administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2023 Funded Level to 76%.

(3) *Restoration of Benefits from July 1, 2023 to June 30, 2033.*

- a. If and to the extent that all COLA payments have not been restored as of June 30, 2023 pursuant to Section (2)(e), then during this period and for purposes of variable restoration, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth below, all projected as of June 30, 2033:

| <u>2023 Funded Level</u> | <u>2033 Funding Target/Restoration Target</u> |
|--------------------------|---|
| 78%                      | 81%/84%                                       |
| 77%                      | 80%/83%                                       |
| 76%                      | 79%/82%                                       |
| 75%                      | 78%/81%                                       |
| 74% or lower             | 3% >than 2023 Funded Level %/81%              |

2033 Permanent Restoration Target - Same as 2033 Restoration Target

2033 Restoration Reserve Suspension Trigger – 1% higher than the projected Funding Target for all time periods

- b. The same rules for restoration payments that applied during the period ending June 30, 2023 shall apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers to the Pension Reserve Fund in the event the 2033 Funded Level falls below the 2033 Funding Target), except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan Actuary shall project investment returns through June 30, 2033 using the then current investment return assumption which is assumed to be net of expenses (administrative and investment), and the then applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the Plan Actuary shall assume, merely for purposes of determining whether the Restoration Target is satisfied, that

the annual City contribution amount shall be the annual amount necessary to fund the Retirement System based upon an amortization of the actual 2023 UAAL (using the market value of assets) over 30 years (hereinafter, the “2023 UAAL Amortization”) and in such manner that the resulting annual contributions would achieve the applicable Funding Target (pursuant to paragraph b) as of 2033. Such projected, hypothetical contributions shall be for purposes only of making restoration determinations, and shall not necessarily be the actual contributions made or required to be made by the City or recommended during such period; all of which shall be determined independent of the restoration calculation process. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded.

- c. To the extent that the City’s actual contributions to the Retirement System in any of the Fiscal Years 2024 (i.e., the year ending June 20, 2024) through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in the Retirement System called the Extra Contribution Account. In determining pension restoration during the period from Fiscal Year 2024 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected Funded Level for purposes of determining whether the Retirement System has attained the Restoration Target or the Permanent Restoration Target. To the extent that the City’s actual contributions in any of the Fiscal Years 2024 through 2033 are less than the City’s projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Pension Reserve Fund.
- d. Each year, in addition to the notional credit of amounts that exceed the amount necessary to satisfy the Restoration Target, existing notional Restoration Account assets will be credited with interest equal to the net return on Retirement System investments; however, such interest shall not exceed the then investment return assumption. In the event of net losses on the Retirement System’s investments, the notional assets credited to the Restoration Reserve Account will be reduced to reflect such losses.
- e. In connection with preparation of the actuarial report for Fiscal Year 2033, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target (i.e., the 2033 Restoration Target). Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the funding level as of June 30, 2033 has satisfied the applicable Permanent Restoration Target, then the residual amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and

which fully fund one or more increments of COLA restoration payments for one or more Waterfall Classes, shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Fund and the applicable incremental COLA payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.

- f. Following receipt of the actuarial report for 2028, and in the event that the projected Funded Level as of 2033 is less than 79%, the Plan Actuary shall revisit the restoration calculations that it made during each of the prior four (4) years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2033, or (ii) an amount of annual administrative expenses until 2033 equal to the average annual normal course administrative expenses in the prior four (4) years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the Restoration Reserve Account than actually were transferred during such look back period, then the Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the applicable look-back period) or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the applicable look-back period); or (iii) the amount required to increase the projected 2033 Funded Level to 79%.

(4) *Restoration of Benefits from July 1, 2033 to June 30, 2043.*

- a. If and to the extent that all COLA payments have not been restored pursuant to Section (3)(f) as of June 30, 2033, then during the period ending June 30, 2043 and for purposes of variable restoration, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth below, all projected as of June 30, 2043.

| <u>2023 Funded Level</u> | <u>2043 Funding Target/Restoration Target</u> |
|--------------------------|---|
| 78%                      | 84%/87%                                       |
| 77%                      | 83%/86%                                       |
| 76%                      | 82%/85%                                       |
| 75%                      | 81%/84%                                       |
| 74% or lower             | 3% > than 2023 Funded Level %/84%             |

2043 Permanent Restoration Target - Same as 2043 Restoration Target

2043 Restoration Reserve Suspension Trigger – 1% higher than the projected Funding Target for all time periods

- b. The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and the making of notional asset transfers from the Restoration Reserve Account to the Pension Reserve Fund in the event the 2043 Funded Level falls below the 2043 Funding Target) and shall be rolled forward. For example, for purposes of determining whether the 2043 Restoration Target has been satisfied, the Plan Actuary shall project annual contributions using the same 2023 UAAL Amortization. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded, and no Extra Contribution Account assets shall be included for purposes of determining whether the Funded Level meets the Restoration Target or Permanent Restoration Target, including any additions to such account after 2033.
- c. In connection with preparation of the annual actuarial valuation report for Fiscal Year 2043, the Plan Actuary will determine whether the Retirement System has satisfied the applicable Permanent Restoration Target, as set forth in paragraph a above. Transfers from the Restoration Reserve Account for credit to the Pension Reserve Fund may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the Funded Level as of June 30, 2043 is equal to or greater than the applicable Permanent Restoration Target, then the residual amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), shall be transferred from the Restoration Reserve Account and credited to the Pension Reserve Fund and the applicable incremental COLA payments shall be permanently restored for the applicable Waterfall Class and shall no longer be variable from year to year.

(5) *Modification of the Pension Restoration Program.*

If at any time after July 1, 2026, the Investment Committee by vote of five of its seven Members, or the Board of Trustees by a greater than 66% vote, determines that a change in relevant circumstances has occurred, or there was a mutual mistake of fact in developing the Pension Restoration Agreement attached to and made a part of the Plan of Adjustment, such that the continued operation of the Pension Restoration Agreement and this Section K-3 without amendment will: (a) materially harm the long-term economic interests of the City or Retirement System; (b) materially impair the City's ability to fully fund over a reasonable period the then existing frozen benefit liabilities; or (c) materially hinder the Restoration Program, if as of that juncture (and for purposes of applying this subsection K-3(5)(a)) annual funding levels (excluding the Extra Contribution Account) had materially exceeded the applicable Restoration Targets for a substantial period yet

without any material actual restoration of benefits as contemplated herein having been made, the Investment Committee or the Board, as the case may be, shall provide written notice to the other entity of such a determination and of the need to amend the Pension Restoration Agreement and this Section K-3 (it being understood that the post-Chapter 9, 40-year amortization period (to 2053) to fully fund frozen liabilities is, unless the relevant facts demonstrate otherwise, presumptively reasonable). The Investment Committee and the Board shall then meet to negotiate amendments to the Pension Restoration Agreement that address the identified risk of harm or impairment, but which also considers the Agreement's objective of providing pension restoration. Such negotiations shall take into account reasonable actions the City has pursued or could pursue to mitigate such harm or impairment. Any such amendments shall require the approval of a majority vote of the combined members of the Investment Committee and Board (persons who sit on both the Board and Investment Committee shall have one vote). Such parties shall consult with the Mayor, City Council and the Governor in connection with such negotiation.

If the Board, acting through a majority, and the Investment Committee, acting through a majority, cannot agree to such amendments within the 90-day period following the provision of such notice by the determining party, then the Board and Investment Committee shall proceed to mediation upon demand from either the Board or the Investment Committee. In this regard, within 30-days following expiration of the 90-day period the Board and the Investment Committee shall each select a mediator from the list of approved mediators for the United States District Court for the Eastern District of Michigan. The two selected mediators shall appoint a third neutral mediator from the approved list. Each party shall furnish a written statement to the mediators within 30 days of selection of the neutral mediator. Representatives of the Mayor and the Governor shall be consulted in connection with such mediations. If following a 90-day mediation period following submission of the written statements the matter is not settled, then either the Investment Committee or the Board can file an action in the United States District Court for the Eastern District of Michigan asking it to declare, *inter alia*, whether or in what manner to amend the Pension Restoration Agreement and this Section K-3.

**APPENDIX A**

The following provisions shall also have general applicability to the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan:

**MCLS Const. Art. IX, § 24 (2003)**

**§ 24. Public pension plans and retirement systems, obligation.**

Sec. 24. The accrued financial benefits of each pension plan and retirement system of the state and its political subdivisions shall be a contractual obligation thereof which shall not be diminished or impaired thereby.

Financial benefits arising on account of service rendered in each Fiscal Year shall be funded during that year and such funding shall not be used for financing unfunded accrued liabilities.

**Relevant Provisions of  
January 1, 2012  
City of Detroit Charter**

**ARTICLE 11.  
RETIREMENT PLANS**

**Sec. 11-101. City's Duties.**

1. The City shall provide, by ordinance, for the establishment and maintenance of retirement plan coverage for city employees.
2. Financial benefits arising on account of service rendered in each Fiscal Year shall be funded during that year and that funding shall not be used for financing unfunded accrued liabilities.
3. The accrued financial benefits of active and retired city employees, being contractual obligations of the city, shall in no event be diminished or impaired.

**Sec. 11-102. Continuation of Existing Plans.**

The retirement plans of the city existing when this Charter takes effect, including the existing governing bodies for administering those plans, the benefit schedules for those plans and the terms for accruing rights to and receiving benefits under those plans shall, in all respects, continue in existence exactly as before unless changed by this Charter or an ordinance adopted in accordance with this article.

**Relevant Provisions of the  
Detroit City Code**

**Sec. 47-1-2. Detroit Police and Fire Retirement System.**

Notwithstanding any collective bargaining agreement or other documents governing terms of employment to the contrary, effective as of July 1, 2014, the Detroit Police and Fire Retirement System shall hereinafter be memorialized in a separate written document entitled "Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan," which shall comprise the exclusive terms of the Detroit Police and Fire Retirement System and be kept in the Office of the City Clerk for the City of Detroit.

### **Collective Bargaining Agreements.**

Except to the extent otherwise provided in the Plan of Adjustment, under Michigan Law if there is any conflict between the Retirement System provisions and collective bargaining agreement provisions, the terms of the collective bargaining agreement control.

- (a) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Police Officers Association with respect to police officers covered by said collective bargaining agreement.
- (b) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Police Lieutenants and Sergeants Association.
- (c) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Police Command Officers Association.
- (d) The Board of Trustees shall administer the Retirement System consistent with the pension provisions of the 2014-2019 collective bargaining agreement between the City of Detroit and the Detroit Fire Fighters Association.

EXHIBIT I.A.292

RESTORATION TRUST AGREEMENT

**CITY OF DETROIT PENSION RESTORATION TRUST**

THIS TRUST AGREEMENT, entered into effective \_\_\_\_\_, 2014, by and among, the City of Detroit (“Detroit” or the “City”) acting by and through [Kevyn Orr acting as the appointed Emergency Manager pursuant to PA 436, M.C.L. §141.1541 et seq./Mayor Michael E. Duggan] and each member of the Board of Trustees named herein.

WITNESSETH:

WHEREAS, Detroit filed a voluntary petition for relief under chapter 9 of the Bankruptcy Code on July 18, 2013 in the United States Bankruptcy Court for the United States Bankruptcy Court Eastern District of Michigan, Case No. 13-53846 (the “Court”);

WHEREAS, pursuant to the Plan for the Adjustment of Debts of the City of Detroit (as confirmed by the Court, the “Plan of Adjustment”), the City agreed to establish a trust upon the Effective Date of the Plan of Adjustment (i) to hold the DWSD CVR (as defined in the Plan of Adjustment) and enforce rights related to its terms, and to consult with the trustees and investment committee of the Police and Fire Retirement System for the City of Detroit (“PFRS”) and the General Retirement System for the City of Detroit (“GRS”), respectively in connection with General Restoration and Special Restoration relating to the DWSD CVR, each as defined below;

WHEREAS, Detroit hereby establishes this City of Detroit Pension Restoration Trust (the “Trust”);

WHEREAS, the Board of Trustees shall be responsible for maintaining and administering this Trust and managing the property held by this Trust;

WHEREAS, the members of the Board of Trustees are willing to exercise the authority and rights of consultation granted to it herein with regard to the Trust; and

NOW THEREFORE, in consideration of the premises and the covenants contained herein, Detroit and the members of the Board of Trustees agree as follows:

**ARTICLE I  
DEFINITIONS**

Section 1.1 Board of Trustees or Board. The Board of Trustees is the body described in Article VII to which Detroit has delegated responsibility for: (i) maintaining and administering this Trust and managing the property held by this Trust; and (ii) exercising the duties and responsibilities of the Board of Trustees set forth in this Trust Agreement. The Board of Trustees shall be constituted in accordance with Article VII and shall have the duties and authorities described in Article V.

Section 1.2 Code. Means the Internal Revenue Code of 1986, as amended, and any successor statute thereto.

Section 1.3 Beneficiaries. Means the beneficiaries of this Trust, which beneficiaries shall be the GRS, the PFRS and the participants in GRS and PFRS entitled to the benefits of the Restoration Plan.

Section 1.4 DWSD CVR. Has the meaning given to that term in the Plan of Adjustment.

Section 1.5 General Restoration. Means the potential restoration or replacement of benefit reductions imposed by the Plan of Adjustment pursuant to the terms of the Restoration Plan.

Section 1.6 GRS. Means the General Retirement System for the City of Detroit.

Section 1.7 Holder of Pension Claims. Has the meaning given to that term in the Plan of Adjustment.

Section 1.8 Plan of Adjustment. Means the Plan for the Adjustment of Debts of the City of Detroit, as confirmed by order of the Court dated [---], a copy of which is attached hereto as Exhibit A.

Section 1.9 PFRS. Means the Police and Fire Retirement System for the City of Detroit.

Section 1.10 Qualifying DWSD Transaction. Has the meaning given to that term in the Plan of Adjustment.

Section 1.11 Restoration Plan. Means the general rules governing pension benefit restoration to the PFRS and the GRS as set forth in Exhibit II.B.3.q.ii.C and Exhibit II.B.3.r.ii.C of the Plan of Adjustment. A copy of the Restoration Plan is attached hereto as Exhibit B.

Section 1.12 Retiree Committee. Has the meaning given to that term in the Plan of Adjustment.

Section 1.13 Special Restoration. Means the potential restoration or replacement of benefit reductions imposed by the Plan of Adjustment in connection with a Qualifying DWSD Transaction, as described in Section IV.F of the Plan of Adjustment.

Section 1.14 Trust Agreement. This agreement as it may be amended hereafter from time to time by the parties hereto.

Section 1.15 Trust or Trust Fund. The City of Detroit Pension Restoration Trust established by this Trust Agreement, comprising all property or interests in property held by, or under the custody and control of, the Board from time to time under this Trust Agreement.

**ARTICLE II  
ESTABLISHMENT OF TRUST**

Section 2.1 Purpose. The Trust is established to receive and hold the DWSD CVR and enforce rights related to its terms, and to consult with the trustees and investment committee of the PFRS and the GRS, respectively in connection with General Restoration and Special Restoration relating to the DWSD CVR.

Section 2.2 Receipt of Funds. The Board shall accept all sums of money and other property contributed to the Trust by Detroit pursuant to Article III. The Board shall hold, manage and administer the Trust Fund without distinction between principal and income.

Section 2.3 Inurement and Reversion Prohibited. At no time shall any part of the principal or income of the Trust Fund be used for, or diverted to, any purpose other than distributing proceeds from the DWSD CVR in the manner described by Section IV.F of the Plan of Adjustment. Nothing in this Trust Agreement shall be construed in such a way as to prohibit the Board from using the assets of the Trust Fund to pay reasonable fees and other expenses and obligations incurred in maintaining and administering the Trust or to maintain a reserve of funds needed to pay reasonable fees and expenses expected to be incurred in the future.

Section 2.4 No Residual Interest. Detroit shall not have any legal or equitable interest in the assets of the Trust Fund at any time, including following the termination of the Trust.

**ARTICLE III  
CONTRIBUTIONS TO THE TRUST FUND**

Section 3.1 Detroit Contributions. The Board will accept the City's contribution of the DWSD CVR to the Trust Fund pursuant to the Plan of Adjustment. Apart from the contribution of the DWSD CVR (and any amounts payable to the Trust Fund pursuant to the terms of the DWSD CVR), Detroit shall have no further obligation to contribute to the Trust.

**ARTICLE IV  
PAYMENTS FROM THE TRUST FUND**

Section 4.1 Payments from the Trust Fund.

(a) Subject to paragraph (b) below, the Board shall within a reasonable time after receiving proceeds from the DWSD CVR distribute such proceeds (less the amount retained by the Trust Fund in the sole discretion of the Board to pay reasonable fees and expenses previously incurred or expected to be incurred to maintain and administer the Trust) directly to the GRS and PFRS in the manner described in Section IV.F of the Plan of Adjustment.

(b) The Board may retain or withhold all or any part of any payment as the Board in the exercise of its reasonable discretion may deem proper, to protect the Board and the Trust against any liability or claim on account of any income or other tax whatsoever; and with all or any part of any such payment so retained or withheld, may discharge any such liability. Any part of any such payment so retained or withheld by the Board that may be determined by

the Board to be in excess of any such liability will upon such determination by the Board be paid to the GRS and PFRS in the manner described in Section IV.F of the Plan of Adjustment.

Section 4.2 Excessive Payments. If the payment of any distributions under the Trust is determined to have been excessive or improper, and the recipient thereof fails to make repayment to the Board or Board's agent of such excessive or improper payment upon the Board's request, the Board shall deduct the amount of such excessive or improper payment from any other benefits thereafter payable to such person. Until repaid to the Board or Board's agent, the amount of said excessive or improper payment shall not be included in the Trust Fund.

## **ARTICLE V BOARD POWERS AND DUTIES**

Section 5.1 Powers of the Board Generally. The Board has whatever lawful powers are required to discharge its obligations and to accomplish any of the purposes of this Trust Agreement, including (but not limited to) the powers specified in the following Sections of this Article, and the powers and authority granted to the Board under other provisions of this Trust Agreement. The enumeration of any power herein shall not be by way of limitation, but shall be cumulative and construed as full and complete power in favor of the Board.

Section 5.2 Powers Exercisable by the Board. The Board is authorized and empowered to exercise the following powers at its discretion in satisfaction of the duties imposed on it under this Trust Agreement:

(a) To place securities orders, settle securities trades, hold securities in custody, deposit securities with custodians or securities clearing corporations or depositories or similar organizations, and other related activities as shall be necessary and appropriate in performing its duties under this Trust Agreement. Trades and related activities conducted through a broker shall be subject to reasonable fees and commissions established by the broker, which may be paid from the Trust Fund or netted from the proceeds of trades.

(b) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted.

(c) To cause any investment in the Trust Fund to be registered in, or transferred into, the name of any institutional custodian appointed by the Board, or the name of its nominee or nominees, or to retain such investments unregistered in a form permitting transfer by delivery, but the books and records of the Board shall at all times show that all such investments are part of the Trust Fund, and the Board shall be fully responsible for any misappropriation in respect of any investment held by its nominee or held in unregistered form; and shall cause the indicia of ownership to be maintained within the jurisdiction of the district courts of the United States;

(d) To receive, hold, invest and reinvest Trust Fund assets and income under provisions of law from time to time existing and in accordance with Article V;

(e) To exercise or abstain from exercising any option, privilege or right attaching to any Trust Fund assets;

(f) To make payments from the Trust Fund in accordance with Article IV and for the payment of expenses as provided in Section 5.5;

(g) To employ suitable agents and depositaries (domestic or foreign), public accountants, brokers, custodians, ancillary trustees, appraisers, legal counsel and other expert advisors as shall be necessary and appropriate, and to pay their reasonable expenses and compensation;

(h) To pay any income or other tax or estimated tax, charge or assessment attributable to any property or benefit out of such property or benefit in its sole discretion, or any tax on income of the Trust, if any, out of the Trust Fund;

(i) To file all reports and returns that are required to be made with respect to the Trust:

(j) To vote, in person or by general or limited proxy, at any election of any corporation in which the Trust Fund is invested, and similarly to exercise, personally or by a general or limited power of attorney, any right appurtenant to any investment held in the Trust Fund; and

(k) To accept, compromise or otherwise settle any obligations or liability due to or from the Trust as the Board hereunder, including any claim that may be asserted for taxes, assessments or penalties under present or future laws, or to enforce or contest the same by appropriate legal proceedings.

Notwithstanding the foregoing, the Board shall not (i) assign, transfer, convey or sell its interest in the DWSD CVR except for an assignment due to the appointment of successors to members of the Board in accordance with Section 7.2; and (ii) invest any assets in real estate or real estate securities

Section 5.3 Title to Trust Fund. All rights, title and interest in and to the Trust Fund shall at all times be vested exclusively in the Board.

Section 5.4 General Duties and Obligations of Board.

(a) In accordance with Article II but subject to Section 4.1, the Board shall hold all property received by it and any income and gains thereupon. In accordance with this Article, the Board shall manage, invest and reinvest the Trust Fund, shall collect the income therefrom, and shall make payments or disbursements in accordance with Section 4.1.

(b) The Board shall confer with the trustees and investment committee of the GRS and PFRS, respectively, with respect to the Special Restoration and General Restoration; provided, however, that the Board shall not have any right to initiate any enforcement

proceedings against the trustees or investment committee of either GRS or PFRS with respect to Special Restoration or General Restoration.

(c) The Board shall discharge its duties in the interests of the Beneficiaries and for the exclusive purpose of making distributions to the GRS and PFRS as provided in Section 4.1 and defraying reasonable expenses of administering the Trust and shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in conduct of an enterprise of like character and with like aims.

Section 5.5 Payment of Expenses. The Board shall apply the assets of the Trust Fund to pay all reasonable costs, charges, and expenses (including, but not limited to, all brokerage fees and transfer tax expenses and other expenses incurred in connection with the sale or purchase of investments, all real and personal property taxes, income taxes and other taxes of any kind at any time levied or assessed under any present or future law upon, or with respect to, the Trust Fund or any property included in the Trust Fund and all legal, actuarial, accounting and financial advisory expenses) reasonably incurred by the Board in connection with maintaining and administering the Trust, including attendance at meetings related thereto. The expenses of the Board shall constitute a lien on the Trust Fund.

Section 5.6 No Board Compensation. Except as provided in Section 5.5, the members of the Board shall serve without compensation.

## **ARTICLE VI BOARD ACCOUNTS**

Section 6.1 Records. The Board shall maintain accurate and detailed records and accounts of all investments, receipts, disbursements, and other transactions with respect to the Trust, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by interested persons at the principal office of the Trust.

Section 6.2 Annual Audit. The Trust Fund shall be audited annually by an independent firm of certified public accountants, and a statement of the results of such audit shall be provided to the Board and also made available for inspection by interested persons at the principal office of the Trust.

Section 6.3 No Interest by Beneficiaries. In no event shall any Beneficiary have any interest in any specific asset of the Trust Fund. At no time shall any account or separate fund be considered a savings account or investment or asset of any particular Beneficiary, or class of Beneficiaries, and no Beneficiary shall have any right to any particular asset which the Board may have allocated to any account or separate fund for accounting purposes.

Section 6.4 Accounting Year, Cash Basis. The accounting year of the Trust shall be the calendar year. All accounts of the Board shall be kept on a cash basis.

**ARTICLE VII  
COMPOSITION OF AND PROCEDURES FOR THE BOARD OF TRUSTEES**

Section 7.1 Number and Appointment of Members. The Board of Trustees shall consist of five (5) voting members. The Retiree Committee has selected the following initial members of the Board of Trustees:[\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.]

By execution of this Trust Agreement each Board member hereby acknowledges his or her appointment and acceptance of the duties and responsibilities set forth in this Trust Agreement.

Section 7.2 Term of Office. Each member of the Board shall serve a period of four years until the termination of the Trust, or if earlier, until his or her death, incapacity to serve hereunder, or resignation. In the event of a vacancy, the replacement Board member shall be appointed pursuant to procedures established by the Board.

Section 7.3 Resignation. A Board member may resign, and shall be fully discharged from further duty or responsibility under this Trust Agreement to the extent permitted by law, by giving at least ninety (90) days' advance written notice to the remaining Board Members stating a date when such resignation shall take effect, which notice or time period may be waived by the Board.

Section 7.4 Operation of the Board; Quorum. The Board shall select from among its members a chair and a vice chair. The Board shall hold regular meetings, and shall designate the time and place thereof in advance. The Board shall adopt its own rules of procedure and shall keep a record of proceedings. Each Board Member shall be entitled to one vote on each question before the Board. Three (3) members shall constitute a quorum at any meeting. A majority vote of the members present at a meeting of the Board at which a quorum exists shall be necessary for a decision by the Board.

Section 7.5 Reliance on Written Instruments. Each member of the Board shall be fully protected in acting upon any instrument, certificate or paper believed by him or her to be genuine and to be signed or presented by a duly authorized person or persons, and shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

Section 7.6 No Individual Liability on Contracts. The members of the Board shall not be liable personally for any debts, obligations, or undertakings contracted by them, or for the breach of any contracts. Such claims and obligations shall be paid out of the Trust; provided, however, that the Board shall not be exempt from personal liability for willful misconduct, intentional wrongdoing, breach of applicable fiduciary duty, negligence or fraud, and the Trust shall not indemnify the Board for such liabilities, or to the extent that application of this sentence would violate any law.

Section 7.7 City Not Liable for Conduct of Board. The Board is not, in its capacity as the Board of Trustees, an officer, agent, employee, or representative of Detroit. In its capacity as the Board of Trustees, the Board is a principal acting independently of the City, which shall not be liable for any act, omission, contract, obligation, or undertaking of the Trust, the Board or its officers, agents, or representatives.

Section 7.8 Liability Insurance. The Board may obtain and keep current a policy or policies of insurance, insuring the members of the Board from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act, or omission to act, in connection with the performance of their duties, responsibilities and obligations under this Trust Agreement or the Plan. To the extent permitted by applicable law, the premiums on such policies may be paid from the Trust Fund.

Section 7.9 Reimbursement for Defense of Claims. To the extent permitted by applicable law and not otherwise covered by liability insurance purchased by the Trust (without regard to any non-recourse rider purchased by the insured), the Board, employees of the Board and persons acting on the Board's behalf pursuant to an express written delegation (each separately, the "Indemnified Party") shall be reimbursed by the Trust Fund for reasonable expenses, including without limitation attorneys fees, incurred in defense of any claim that seeks a recovery of any loss to the Plan or Trust Fund or for any damages suffered by any party to, or beneficiary of this Trust Agreement (a) for which the Indemnified Party is adjudged not liable, or (b) which is dismissed or compromised in a final settlement, where the Board or, where required by applicable law, an independent fiduciary determines that the settling Indemnified Party was not primarily responsible (in such cases, all or only a portion of the settling Indemnified Party's reasonable expenses may be reimbursed, as directed by the Board or an independent fiduciary), provided that, the Board shall have the right to approve of the retention of any counsel whose fees would be reimbursed by the Trust Fund, but such approval shall not be withheld unreasonably.

## ARTICLE VIII AMENDMENT, TERMINATION AND MERGER

Section 8.1 Duration of the Trust. Unless terminated earlier pursuant to Section 8.3, this Trust Agreement shall terminate automatically on the earlier of: (a) the eighth anniversary of the Effective Date of the Plan of Adjustment if the City and the Board shall have agreed in writing that no Qualifying DWSD Transaction has occurred; or (b) the later of (i) written notice from GRS and PFRS of the death of the last individual who was a participant in such pension plans on the Effective Date of the Plan of Adjustment or (ii) the 90th anniversary of the effective date of this Trust Agreement.

Section 8.2 Amendment. The Trust Agreement may be amended at any time in writing by the Board or by Court order upon proper motion by the Board or the City, provided, however, that no amendment may impose a contribution obligation on the City beyond that specified in Section 3.1. No amendment to the Trust Agreement shall modify the responsibilities of the Board hereunder unless the Board has first consented to such amendment.

Section 8.3 Termination.

(a) Notwithstanding Section 8.1, the Trust and this Trust Agreement may be terminated at any time in writing by the Board with a copy of such written instrument to be provided to the City, or by Court order upon proper motion. Upon termination of this Trust Agreement, the assets of the Trust Fund, if any, shall be paid out at the direction of the Board to the GRS and PFRS as provided in Section IV.F of the Plan of Adjustment. Neither Detroit nor the Board shall have any beneficial interest in the Trust Fund. If the Trust Fund has assets at the time of its termination, it shall remain in existence only until all such assets have been distributed.

(b) Upon termination of the Trust pursuant to Section 8.1 or 8.3, the Board shall continue to have all of the powers provided in this Trust Agreement as are necessary or desirable for the orderly liquidation and distribution of the Trust Fund in accordance with the provisions hereof.

**ARTICLE IX  
MISCELLANEOUS**

Section 9.1 Rights in Trust Fund. No Beneficiary or other person shall have any right, title or interest in the Trust Fund or any legal or equitable right against the Board, the Board, or Detroit, except as may be otherwise expressly provided in this Trust Agreement.

Section 9.2 Non-Alienation. Except to the extent required by applicable law, the rights or interest of any Beneficiary to any future distributions under the provisions of the GRS or PFRS shall not be subject to attachment or garnishment or other legal process by any creditor of any such Beneficiary, nor shall any such Beneficiary have any right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he may expect to receive, contingent or otherwise, under GRS or PFRS.

Section 9.3 Controlling Laws. The Trust shall be construed and the terms hereof applied according to the laws of the state of Michigan to the extent not superseded by federal law.

Section 9.4 Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be considered as an original.

Section 9.5 Headings. The headings and subheadings of this Trust Agreement are for convenience of reference only and shall have no substantive effect on the provisions of this Trust Agreement.

Section 9.6 Notices. All notices, requests, demands and other communications under this Trust Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of receipt if served personally or by confirmed facsimile or other similar confirmed electronic communication; (b) on the first business day after sending if sent for guaranteed next day delivery by Federal Express or other next-day courier service; or (c) on the fourth business

day after mailing if mailed to the party or parties to whom notice is to be given by registered or certified mail, return receipt requested, postage prepaid, and properly addressed as follows:

If to the City:

**[insert name and address]**

If to the Board:

**[insert name and address]**

IN WITNESS WHEREOF, and as evidence of the establishment of the Trust created hereunder, the parties hereto have caused this instrument to be executed as of the date above first written.

**CITY OF DETROIT**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**MEMBERS OF THE BOARD OF TRUSTEES**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Acknowledged by me on the \_\_\_\_\_ day of \_\_\_\_\_,  
Signature \_\_\_\_\_  
Printed name \_\_\_\_\_

Notary public, State of Michigan, County of  
My commission expires \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Acknowledged by me on the \_\_\_\_\_ day of \_\_\_\_\_,  
Signature \_\_\_\_\_  
Printed name \_\_\_\_\_

Notary public, State of Michigan, County of  
My commission expires \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Acknowledged by me on the \_\_\_\_\_ day of \_\_\_\_\_,  
Signature \_\_\_\_\_  
Printed name \_\_\_\_\_

Notary public, State of Michigan, County of  
My commission expires \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Acknowledged by me on the \_\_\_\_\_ day of \_\_\_\_\_,

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Notary public, State of Michigan, County of \_\_\_\_\_

My commission expires \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Acknowledged by me on the \_\_\_\_\_ day of \_\_\_\_\_,

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Notary public, State of Michigan, County of \_\_\_\_\_

My commission expires \_\_\_\_\_

**EXHIBIT A**  
**PLAN OF ADJUSTMENT**

**EXHIBIT B**  
**RESTORATION PLAN**

**EXHIBIT C**  
**CONFIRMATION ORDER**

EXHIBIT I.A.298

RETIREE HEALTH CARE SETTLEMENT AGREEMENT

## SETTLEMENT AGREEMENT

Plaintiffs, the Official Committee of Retirees of the City of Detroit, Michigan (the “Committee”), Detroit Retired City Employees Association, Retired Detroit Police and Fire Fighters Association, and AFSCME Sub-Chapter 98, City of Detroit Retirees (collectively with the Committee, the “Plaintiffs”) and Defendants, the City of Detroit, Michigan (the “City”) and Kevyn Orr, individually and in his official capacity as Emergency Manager of the City of Detroit, Michigan (collectively with the City, the “Defendants”), hereby enter into this Settlement Agreement as of the 14<sup>th</sup> day of February, 2014 (the “Agreement”), which contains the following terms:

### I. GENERAL PROVISIONS

1. **Agreement Modifies March 1, 2014 Plan.** The City agrees to make the changes listed in Part II herein to the City of Detroit Retiree Health Care Plan for the period March 1, 2014 through December 31, 2014. The changes enumerated in Part II are modifications to the City of Detroit Retiree Health Care Plan described in the 2014 Health Care Plan Options Booklet (“Booklet”) distributed approximately January 2, 2014. These modifications are premised on the terms summarized in the Booklet going into effect on March 1, 2014, subject only to the modifications set forth in this Agreement, which resolves the Plaintiffs’ claims in Adversary Proceeding No. 14-04015 (the “Adversary Proceeding”).

2. **Modifications Will Not Decrease Benefits Offered in March 1, 2014 Plan.** None of the modifications in Part II reduces or eliminates any of the benefits in the City of Detroit Retiree Health Care Plan for the period March 1, 2014 through December 31, 2014 as described in the Booklet, except as specified in Part II(4)(a) and (b) below.

3. **Effective Date of Plan Modifications.** The modifications listed in Part II of this Agreement shall be effective with the beginning of the plan on March 1, 2014 unless otherwise noted in the Agreement.

4. **Aggregate Caps.** Unless specifically noted below, there is no cap on the amount that the City will spend to fulfill the modifications listed in Part II. For the two modifications listed in Part II(3)(a)/(b) and (d)/(e) that expressly include capped funds of \$2,500,000 and \$3,000,000, respectively, the City shall aggregate those caps to a total of \$5,500,000 such that if one capped fund is exhausted the City must draw from the other capped fund to the extent that the other capped fund has not been exhausted.

5. **Conditions on Agreement.** This Agreement, and the additional benefits set forth herein, are conditioned upon the City receiving debtor in possession financing that can be used for quality of life purposes on or before May 1, 2014 (the “DIP”). In the event the DIP is not in effect on or before May 1, 2014 and the City is unable to otherwise perform under this

Agreement, this Agreement shall be null and void and the parties shall be returned to their respective positions.

## II. MODIFICATIONS TO THE CITY'S RETIREE HEALTH CARE PLAN FOR THE PERIOD MARCH 1, 2014 THROUGH DECEMBER 31, 2014

### 1. Modification of Dental and Vision Coverage.

(a) Dental Coverage. The City will make available an additional dental benefits option in addition to the dental benefits coverage option described in the Booklet. The additional option will be offered by Golden Dental Inc. ("Golden"). The premium charged for this group coverage option will be no greater than \$23.73 per month for single coverage, \$38.83 per month for two-person coverage, and \$57.17 per month for family coverage, and the benefits will be as described in Exhibit 1 hereto; provided, however, that the amount charged to the retiree shall be increased to include an additional administrative charge, which administrative charge shall not exceed 20% of the applicable premium. The enrolling retiree will be fully responsible to pay the premium associated with this dental option, including the additional administrative charge, and the City shall allow the retirees to utilize the pension reduction feature for payment of the monthly premium. The City will use Reasonable Efforts to have such coverage effective June 1, 2014, including taking Reasonable Efforts to notify retirees by mail of this option as soon as practicable, and taking Reasonable Efforts to minimize the administrative charge. Reasonable Efforts, as used in this Agreement, requires the City to use good faith and reasonable diligence in light of its capabilities.

(b) Vision Coverage. The City will make available an additional vision benefits option in addition to the vision benefits coverage option described in the Booklet. The additional option will be offered by Heritage Vision Plans, Inc. ("Heritage"). The premium for this group coverage option will be no greater than \$6.95 per month for single coverage and \$13.75 per month for 2 or more person coverage; provided, however, that the amount charged to the retiree shall be increased to include an additional administrative charge, which administrative charge shall not exceed 20% of the applicable premium. The option shall be a national network vision option similar to the option that the City provides to active employees. The enrolling retiree will be fully responsible to pay the premium associated with this vision option, including the additional administrative charge, and the City shall allow the retirees to utilize the pension reduction feature for payment of the monthly premium. The City will use Reasonable Efforts to have such coverage effective June 1, 2014, including taking Reasonable Efforts to notify retirees by mail of this option as soon as practicable, and taking Reasonable Efforts to minimize the administrative charge.

### 2. Modifications for Retirees Eligible for Medicare.

(a) Extension of Enrollment Deadline to Opt Out of Medicare Advantage Plan Coverage. For retirees of the City who are enrolled in Medicare and receive

coverage under a City-sponsored Medicare Advantage Plan through February 28, 2014, the date to opt out of such coverage was extended to February 7, 2014. Such retirees may opt out by hand delivery (no later than close of business February 7) or first-class mail delivery (post-marked on or before February 7) of the designated opt out form to the City Benefits Administration Office at Suite 1026, 2 Woodward Avenue, Detroit MI 48226. Retirees were permitted to request the designated opt out form by calling the City's Benefit Administration Customer Service Line or contacting the City Benefits Administration Office at the address above. The City will use Reasonable Efforts to process any such opt outs for which it receives timely notice in a manner so as to eliminate such Medicare Advantage Plan coverage effective March 1, 2014. To the extent the City is not able to process the timely sent opt out notices in a manner so as to eliminate such coverage effective March 1, 2014, such coverage shall be eliminated effective April 1, 2014. Retirees who did not opt out by February 7, 2014 will be enrolled in a City-sponsored Medicare Advantage Plan as described in the Booklet.

- (b) **HRA Contribution for Medicare-Eligible Retirees Who Opt Out.** For each Medicare-eligible retiree who opted out of coverage under the City-sponsored Medicare Advantage Plans on or prior to February 7, 2014, the City shall automatically enroll such retiree in a City-sponsored Health Reimbursement Arrangement ("HRA"). The HRA shall be administered by Flex Plan, Inc. The City will provide each electing enrollee with a vested \$115 monthly contribution credit to his or her HRA during the remainder of 2014, which will carry forward until used by the retiree or otherwise forfeited under terms to be negotiated by the parties hereto. The City will make all Reasonable Efforts to implement the HRA credits effective May 1, 2014, retroactive to March 1, 2014. The initial monthly credit for May 2014 shall be in an amount equal to the total of \$115 multiplied by the number of months starting March 2014 for which the enrolled retiree did not have Medicare Advantage Plan coverage (e.g., if John Smith had City-sponsored Medicare Advantage Plan coverage until February 28, 2014, the initial monthly credit for May 2014 will be \$345, covering March, April, and May; thereafter, the payments shall be \$115 per month for each month in 2014).
- (c) **Medicare Advantage Plan Catastrophic Drug Expenses.** Each of the Medicare Advantage Plans sponsored by the City for the period March 1, 2014 through December 31, 2014 include Medicare Part D prescription drug coverage, under which, once the \$4,550 out-of-pocket threshold is met, the participant's cost sharing obligation is limited to the greater of 5% of the cost of the prescription, or \$2.55 per prescription for generic and preferred multi-source drugs or \$6.35 per prescription for all other prescription drugs; provided, that the participant's cost sharing obligation shall never be greater than the cost sharing that applied prior to the participant meeting such threshold. For each participant who meets the \$4,550 out-of-pocket threshold while enrolled in one of the City's Medicare Advantage Plans during the period March 1, 2014 through December 31, 2014, the City will reimburse the amount of this cost sharing obligation to the related

retiree. For the avoidance of doubt, participant means both retiree and any retiree's spouse who is covered by the City's Medicare Advantage Plans.

**3. Modifications for Retirees Not Eligible for Medicare.**

**(a) Additional Stipend to Retirees With \$75,000 or Lower Household Income Who Acquire Health Care Coverage on an Exchange.**

The City will provide non-duty disabled retirees who are not eligible for Medicare a \$125 stipend that they may use to purchase health care coverage. The City will increase this stipend by \$50 for any non-Medicare eligible retiree who either (i) was enrolled in the City's retiree health program on December 31, 2013 or (ii) transitioned from active City benefits to retiree City benefits on or after November 1, 2013; but only to the extent such retiree described in (i) or (ii) above meets the following requirements:

- i) Not eligible for Medicare or Medicaid;
- ii) Not eligible for a benefit under Part II(4);
- iii) Not a duty-disabled retiree (duty-disabled retirees are eligible for higher stipends as provided for in the Booklet);
- iv) Under 65 years old (non-Medicare eligible retirees age 65 and older may receive an increased stipend under Part II(3)(c) below);
- v) Household income is \$75,000 or less, as demonstrated by satisfaction of the process set forth in Part II(3)(b);
- vi) Does not acquire a City-offered group health plan as set forth in Part II(3)(f); and
- vii) Purchases or is covered by a health insurance policy acquired through a health insurance exchange ("Exchange") established pursuant to the Patient Protection and Affordable Care Act.

**(b) Process to Obtain Additional \$50 Monthly Stipend.**

- i) The City will retain Aon Hewitt to administer the eligibility process for the additional \$50 monthly stipend set forth above in Part II(3)(a). Retirees will be given a 30-day notice period, to expire no later than April 30, 2014, during which they shall provide to Aon Hewitt the following:

- (1) Submission of having purchased an insurance policy through an Exchange that covers such retiree. Such submission shall include information necessary to validate the retiree's eligibility, including the name of the insurer, monthly premium amount, and the amount of federal

subsidy, if any, that the retiree is to receive in connection with such Exchange-acquired coverage; and

- (2) If the proof of Exchange-acquired coverage shows that the retiree's premium does not also include a federal subsidy amount, such retiree shall also submit a copy of his or her most recently filed federal income tax return with proof of filing, but in no event a return prior to the 2011 tax year. If such federal income tax return shows household income in excess of \$75,000 and the retiree believes that household income in 2013 was below \$75,000, the retiree shall also submit – along with a copy of the most recently filed federal income tax return – proof sufficient for Aon Hewitt to conclude that his or her household income in 2013 was less than \$75,000.
- ii) Aon Hewitt shall submit to the City its list of retirees eligible for the additional \$50 monthly stipend and the monthly stipends shall be paid to the approved eligible retirees beginning in the month of June 2014 or as soon thereafter as administratively practical, with payments retroactive to March 1, 2014. For example, if the first payment is made in June 2014, it will be in the amount of \$200 for the months of March, April, May, and June; thereafter, the payments shall be \$50 per month for each succeeding month in 2014. The list provided by Aon Hewitt shall be final and no changes shall be made to such list for the remainder of 2014.

*The City shall cap the amount that it pays for this additional \$50 stipend during the period from March through December 2014 at \$3,000,000. In the event that there are more retirees meeting the requirements in Part II(3)(a) and (b) (i.e., retirees listed on the final list) than can be paid in full for \$3,000,000, each retiree will have his or her stipend amount reduced pro rata, unless there are additional funds that can be used as detailed in Part I(4).*

- (c) **Additional Payment to Non-Medicare Eligible Retirees Age 65 and Older.**  
The City will increase the stipend that it gives non-Medicare eligible retirees who are 65-years-old and older to \$300/month. For such purposes, a non-Medicare eligible retiree is any retiree age 65 or older who is not – directly or through his or her spouse – eligible to automatically enroll in and obtain premium-free coverage under Part A of Medicare as evidenced by a denial letter from the Centers for Medicare and Medicaid Services (“CMS”). Retirees who have previously submitted such a letter to the City will not be required to resubmit it. Non-Medicare eligible retirees who are duty-disabled will not be eligible for this increase because their stipend is already \$300 or more. The City will coordinate with Blue Cross Blue Shield of Michigan to determine the number of non-Medicare eligible retirees who are eligible for this \$300 stipend. The increased stipend will apply for each month from March 2014 through December 2014. The City will make all Reasonable Efforts to implement the \$300 increased

monthly stipend beginning April 1, 2014, with payment of the increased amount over the stipend otherwise paid for prior months being retroactive to March 1, 2014; thereafter, the stipend shall be \$300 per month for each succeeding month in 2014. Such eligible retirees will not receive any other stipend amounts from the City that are described in the Booklet or this Agreement.

(d) **\$125 Monthly Stipend For City Retirees' Spouses Who are Under Age 65, With \$75,000 or Lower Household Income, and Are Enrolled in Health Care Coverage on an Exchange.**

The City will provide a \$125 stipend to certain married retirees whose spouses either (i) were enrolled in the City's retiree health program on December 31, 2013 or (ii) transitioned from active City benefits to retiree City benefits on or after November 1, 2013; but only to the extent such spouse described in (i) or (ii) above meets the following requirements:

- i) Not eligible to enroll in one of the City's Medicare Advantage Plans;
- ii) Not eligible for Medicaid;
- iii) Not eligible for a benefit under Part II(4);
- iv) Under 65 years old;
- v) Household income is \$75,000 or less, as demonstrated by satisfaction of the process set forth in Part II(3)(e);
- vi) Does not acquire a City-offered group health plan as set forth in Part II(3)(f); and
- vii) Purchases or is covered by a health insurance policy acquired through an Exchange.

(e) **Process to Obtain \$125 Monthly Spouse Stipend.**

- i) The City will retain Aon Hewitt to administer the eligibility process for the \$125 monthly spouse stipend. Retirees will be given a 30-day notice period, to expire no later than April 30, 2014, during which they shall provide to Aon Hewitt the following proof:
  - (1) Submission of proof that their spouse is covered under an insurance policy purchased through an Exchange, including information necessary to validate the retirees' eligibility, including the name of the insurer, monthly premium amount, and the amount of federal subsidy, if any, that the spouse is to receive in connection with such Exchange-acquired coverage; and
  - (2) If the proof of Exchange-acquired coverage shows that the spouse's premium does not also include a federal subsidy

amount, such retiree shall also submit a copy of his or her most recently filed federal income tax return with proof of filing, but in no event a return prior to the 2011 tax year. If such federal income tax return shows household income in excess of \$75,000 and the retiree believes that household income in 2013 was below \$75,000, the retiree shall also submit – along with a copy of the most recently filed federal income tax return – proof sufficient for Aon Hewitt to conclude that his or her household income in 2013 was less than \$75,000.

ii) Aon Hewitt shall submit to the City its list of retirees who are eligible for this \$125 monthly stipend and the monthly stipends shall be paid to the approved married retirees beginning in the month of June 2014 or as soon thereafter as administratively practical, with payments retroactive to March 1, 2014. For example, if the first payment is made in June 2014, it will be in the amount of \$500 for the months of March, April, May, and June; thereafter, the payments shall be \$125 per month for each succeeding month in 2014. The list provided by Aon Hewitt shall be final and no changes shall be made to such list for the remainder of 2014, except as follows:

- (1) if an eligible retiree ceases to be married (whether by death or divorce), the retiree’s spouse will cease to be eligible for this stipend and the retiree shall be removed from the list effective as of the month immediately following such event; and
- (2) if a retiree’s spouse transitions from active City benefits to retiree City benefits during 2014 and meets the eligibility provisions described in Part II(3)(d) and is approved as eligible pursuant to the process described in Part II(3)(e), the related retiree shall be added to the list effective as of the month in which the transition to retiree City benefits occurs, provided there is sufficient availability under the Aggregate Caps as described below.

*The City will cap the amount that it pays for spousal stipends at \$2,500,000.* In the event that there are more retirees initially satisfying the requirements in Part II(3)(e) (*i.e.*, retirees listed on the first list submitted by Aon Hewitt to the City) than can be paid in full for \$2,500,000, each such retiree will have his or her stipend amount reduced pro rata, provided that if there are additional funds that can be used as detailed in Part I(4), each such retiree will only have his or her stipend amount reduced pro rata to the extent the aggregate amount is not sufficient to satisfy the full amount of such stipends. Retirees who become eligible for this spousal stipend during the year, as described above, shall only be eligible for a stipend to the extent there is sufficient availability under the

Aggregate Caps detailed in Part I(4). The addition or removal of retirees from the list shall not impact the amount of the stipend being paid to other eligible retirees.

- (f) **City Group Plan.** In 2014, the City agrees to contract with Blue Cross Blue Shield of Michigan to offer a fully-insured group health plan option to retirees who are not eligible for Medicare. Such plan option shall be reasonably equivalent to the coverage offered by the City to active employees in 2014. The enrolling retiree will be fully responsible to pay the monthly premium associated with this option. The premium cost to retirees of such policy will include the cost to the City of enrollment and administration related to this policy option, so that the City will not incur any additional expense in offering this policy. The parties will use Reasonable Efforts to have such coverage effective May 1, 2014. The City shall provide a monthly stipend of \$100 to each retiree who enrolls in the City group plan, beginning with the May 1, 2014 payment. No other stipend amounts from the City that are described in the Booklet or this Agreement shall be available to retirees enrolling in this group option, unless either (i) the retiree is duty-disabled, in which case, he or she will instead receive the stipend available to duty-disabled retirees described in the Booklet, or (ii) the retiree is eligible for the stipend described in Part II(3)I, in which case, he or she will instead receive such stipend.

**4. Modifications for Retirees Below the Federal Poverty Level.**

- (a) **Coverage for Michigan Resident Retirees Eligible For Medicaid Coverage On or After April 1, 2014.** The parties recognize that CMS has approved the State of Michigan's request to operate the "Healthy Michigan" program for adults who will become eligible for Medicaid under Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act, and that on April 1, 2014 Michigan will provide Medicaid coverage to all adults residing in the State with income up to and including 133% of the Federal Poverty Level. "Federal Poverty Level" means the applicable poverty guideline based on state of residence and household size issued annually by the U.S. Department of Health and Human Services. For those retirees who are eligible for Medicaid under the scheduled April 1, 2014 expansion, the City will facilitate their transition in the following manner: Within 10 days of the effective date of this Agreement, the City shall contact by letter those non-Medicare eligible retirees, who, according to the Retirement Systems' records, reside in Michigan and whose annual pension income is in an amount less than 100% of the Federal Poverty Level. Such retirees will be given a 30 day opportunity to submit to Aon Hewitt proof that their income falls below the Federal Poverty Level. Upon receipt by Aon Hewitt of a list of such retirees falling below the Federal Poverty Level, the City shall provide payment to such retirees of the amount equal to the value of the federal subsidy for the month of March that they would have received in connection with the second lowest cost Exchange-purchased silver plan, had such retiree, and to the extent the retiree is married, such retiree's spouse, been eligible for such subsidy for the month of March 2014 for such plan based on a determination of household income at 100% of the Federal Poverty Level. A similar payment will be made by the City in

connection with insurance coverage for April 2014 if such retiree and spouse are not covered by Medicaid. To the extent that the Medicaid expansion rules in Michigan have not provided such retirees the opportunity to migrate into the Michigan Medicaid program by May 1, 2014, the City shall cease its continued payment but the parties agree to negotiate in good faith an additional reasonable accommodation to such retirees that balances the City's and such retirees' interests. *Retirees eligible for payments under this subsection are not eligible for any other payment offered by the City as set forth in the Booklet or as set forth in this Agreement.*

- (b) **Coverage for Non-Medicare Eligible Retirees in States that Have Not Expanded Medicaid.** The City recognizes that not all States have chosen to expand Medicaid coverage in accordance with Title II of the Patient Protection and Affordable Care Act, and certain non-Medicare eligible retirees residing outside the State of Michigan whose incomes fall below 133% of the Federal Poverty Level will not be eligible for Medicaid coverage. Accordingly, in connection with such retirees, the City will pay a monthly amount equal to the lesser of: (1) the second lowest cost monthly premium for a silver plan for such retiree and spouse purchased through an Exchange in their place of residence; or (2) the ratable monthly amount necessary to increase the retiree's annual household income to 100% of the Federal Poverty Level. Within 10 days of the effective date of this Agreement, the City shall contact by letter those retirees, who, according to the Retirement Systems' records, reside in states that do not provide Medicaid coverage to adults up to the Federal Poverty Level, and whose annual pension income is in an amount less than 100% of the Federal Poverty Level. Such retirees will be given a 30 day opportunity to submit to Aon Hewitt proof that their income falls below the Federal Poverty Level. The City shall commence such payments as soon as reasonably practicable after receiving a list of such retirees from Aon Hewitt. *Retirees eligible for payments under this subsection are not eligible for any other payment offered by the City as set forth in the Booklet or as set forth in this Agreement.*

### III. RELEASES, FUTURE LEGAL PROCEEDINGS, AND MISCELLANEOUS

1. **Future Claims in City Plan Confirmation Proceedings.** This Agreement is entered into without prejudice to any party to this litigation with respect to any issue involving the rights, claims, obligations, and payments of health care and other post-employment benefits ("OPEB"); provided that the City will not seek to recover directly from the retirees any postpetition OPEB payments made to or on behalf of retirees. Each party expressly reserves its rights on OPEB issues in connection with negotiations of a plan of adjustment, and the Plaintiffs are free to pursue, and the City to oppose, their position that the postpetition OPEB payments the City made to or on behalf of retirees were a business necessity.

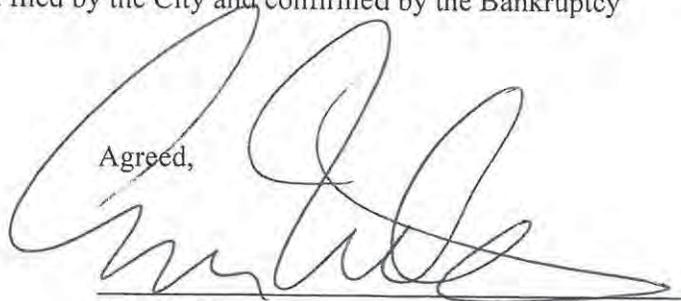
2. **Release.** Following the execution of this Agreement, the Plaintiffs will promptly dismiss the lawsuit – which solely addresses 2014 retiree health care benefits – with prejudice; provided, however, that any party to the lawsuit may bring an action in the Bankruptcy Court to enforce the terms of this Agreement resolving the lawsuit (an "Enforcement Action") and if the

conditions contained in the last sentence of Part I(5) occur, then Plaintiffs are free to reinstate the Adversary Proceeding. Solely for purposes of an Enforcement Action, the City consents, pursuant to 11 U.S.C. § 904, to the Bankruptcy Court's hearing and deciding such Enforcement Action.

3. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall be treated as an original.

4. **Good Faith.** As evidenced by the undersigned acknowledgment of Judge Wiley Daniel, Mediator, this Agreement was negotiated and entered into by all parties in good faith.

5. **Plan of Adjustment.** The terms of this Agreement, including Part III(4), shall be incorporated into any plan of adjustment filed by the City and confirmed by the Bankruptcy Court in 2014 in this bankruptcy case.

Agreed,  
  
Evan Miller, attorney for Defendants

\_\_\_\_\_  
Sam J. Alberts, attorney for the Committee

\_\_\_\_\_  
Brian O'Keefe, attorney for Detroit Retired City Employees Association and Retiree Police and Fire Fighters Association

\_\_\_\_\_  
Richard Mack, attorney for AFSCME Sub-Chapter 98, City of Detroit Retirees

Acknowledged:

\_\_\_\_\_  
Judge Wiley Daniel, Mediator

conditions contained in the last sentence of Part I(5) occur, then Plaintiffs are free to reinstate the Adversary Proceeding. Solely for purposes of an Enforcement Action, the City consents, pursuant to 11 U.S.C. § 904, to the Bankruptcy Court's hearing and deciding such Enforcement Action.

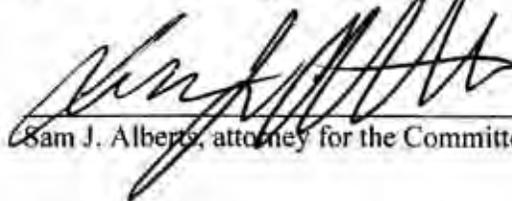
3. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall be treated as an original.

4. **Good Faith.** As evidenced by the undersigned acknowledgment of Judge Wiley Daniel, Mediator, this Agreement was negotiated and entered into by all parties in good faith.

5. **Plan of Adjustment.** The terms of this Agreement, including Part III(4), shall be incorporated into any plan of adjustment filed by the City and confirmed by the Bankruptcy Court in 2014 in this bankruptcy case.

Agreed,

\_\_\_\_\_  
Evan Miller, attorney for Defendants

  
\_\_\_\_\_  
Sam J. Alberts, attorney for the Committee

\_\_\_\_\_  
Brian O'Keefe, attorney for Detroit Retired City Employees Association and Retiree Police and Fire Fighters Association

\_\_\_\_\_  
Richard Mack, attorney for AFSCME Sub-Chapter 98, City of Detroit Retirees

Acknowledged:

\_\_\_\_\_  
Judge Wiley Daniel, Mediator

conditions contained in the last sentence of Part I(5) occur, then Plaintiffs are free to reinstate the Adversary Proceeding. Solely for purposes of an Enforcement Action, the City consents, pursuant to 11 U.S.C. § 904, to the Bankruptcy Court's hearing and deciding such Enforcement Action.

3. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall be treated as an original.

4. **Good Faith.** As evidenced by the undersigned acknowledgment of Judge Wiley Daniel, Mediator, this Agreement was negotiated and entered into by all parties in good faith.

5. **Plan of Adjustment.** The terms of this Agreement, including Part III(4), shall be incorporated into any plan of adjustment filed by the City and confirmed by the Bankruptcy Court in 2014 in this bankruptcy case.

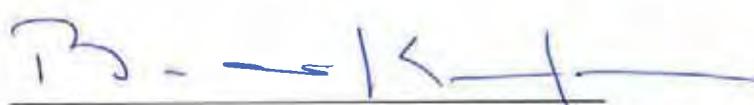
Agreed,

---

Evan Miller, attorney for Defendants

---

Sam J. Alberts, attorney for the Committee



---

Brian O'Keefe, attorney for Detroit Retired City Employees Association and Retiree Police and Fire Fighters Association

---

Richard Mack, attorney for AFSCME Sub-Chapter 98, City of Detroit Retirees

Acknowledged:

---

Judge Wiley Daniel, Mediator

conditions contained in the last sentence of Part I(5) occur, then Plaintiffs are free to reinstate the Adversary Proceeding. Solely for purposes of an Enforcement Action, the City consents, pursuant to 11 U.S.C. § 904, to the Bankruptcy Court's hearing and deciding such Enforcement Action.

3. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall be treated as an original.

4. **Good Faith.** As evidenced by the undersigned acknowledgment of Judge Wiley Daniel, Mediator, this Agreement was negotiated and entered into by all parties in good faith.

5. **Plan of Adjustment.** The terms of this Agreement, including Part III(4), shall be incorporated into any plan of adjustment filed by the City and confirmed by the Bankruptcy Court in 2014 in this bankruptcy case.

Agreed,

---

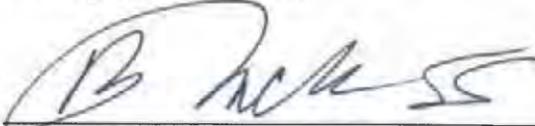
Evan Miller, attorney for Defendants

---

Sam J. Alberts, attorney for the Committee

---

Brian O'Keefe, attorney for Detroit Retired City Employees Association and Retiree Police and Fire Fighters Association



---

Richard Mack, attorney for AFSCME Sub-Chapter 98, City of Detroit Retirees

Acknowledged:

---

Judge Wiley Daniel, Mediator

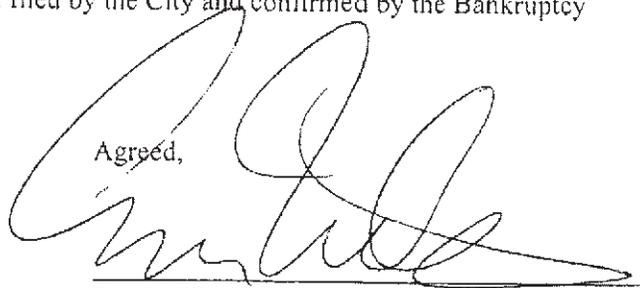
conditions contained in the last sentence of Part I(5) occur, then Plaintiffs are free to reinstate the Adversary Proceeding. Solely for purposes of an Enforcement Action, the City consents, pursuant to 11 U.S.C. § 904, to the Bankruptcy Court's hearing and deciding such Enforcement Action.

3. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall be treated as an original.

4. **Good Faith.** As evidenced by the undersigned acknowledgment of Judge Wiley Daniel, Mediator, this Agreement was negotiated and entered into by all parties in good faith.

5. **Plan of Adjustment.** The terms of this Agreement, including Part III(4), shall be incorporated into any plan of adjustment filed by the City and confirmed by the Bankruptcy Court in 2014 in this bankruptcy case.

Agreed,



Evan Miller, attorney for Defendants

\_\_\_\_\_  
Sam J. Alberts, attorney for the Committee

\_\_\_\_\_  
Brian O'Keefe, attorney for Detroit Retired City Employees Association and Retiree Police and Fire Fighters Association

\_\_\_\_\_  
Richard Mack, attorney for AFSCME Sub-Chapter 98, City of Detroit Retirees

Acknowledged:



Judge Wiley Daniel, Mediator

**EXHIBIT 1**

(See next page)



January 2014

## Certificate of Coverage City of Detroit Retirees

**CLASS I**

**Diagnostic and Preventive:**

Exams, X-Rays, Prophylaxis, Fluoride -up to age 19 **100%**

**CLASS II**

**Restorative:**

Fillings, Root Canals, Routine Extractions **100%**

**CLASS III**

**Prosthetics:**

Crowns, Bridges, Partials, Dentures, Space Maintainers **80%**

**CLASS IV**

**Specialty Care:**

Periodontics  
Endodontics  
Oral Surgery **70%**

**ORTHODONTICS** (Interceptive excluded)

Lifetime Benefit Maximum: Dependents up to age 19 **\$3,000**

Lifetime Benefit Maximum: Subscriber and Spouse **\$3,000**

**Out-Of-Area Emergency Coverage \$100 reimbursement**

**Annual Maximum:** \$1,600.00

**Annual Renewal:** 07/01

**Membership Card Reads:** Detroit Retirees

| Rate Type     | Current Rates |
|---------------|---------------|
| Single Person | \$23.73       |
| Family of two | \$38.83       |
| Family        | \$57.17       |

EXHIBIT I.A.305

SCHEDULE OF SECURED GO BOND DOCUMENTS

**SCHEDULE OF SECURED GO BOND DOCUMENTS**

| Secured GO Bond Documents   | Series of Secured GO Bonds   | Balance as of Petition Date         |
|---|--|-------------------------------------|
| <p>Resolution of the City Council adopted February 23, 2010</p> <p>Finance Director's Order dated March 11, 2010</p> <p>Master Debt Retirement Trust Indenture dated as of March 1, 2010, as supplemented and amended (the "<u>Master Indenture</u>"), between the City of Detroit and U.S. Bank National Association, as trustee</p>   | <p align="center">Distributable State Aid<br/>General Obligation Limited<br/>Tax Bonds, Series 2010</p>  | <p align="center">\$252,475,366</p> |
| <p>Resolution of the City Council adopted July 20, 2010</p> <p>Finance Director's Order dated December 9, 2010</p> <p>Master Indenture</p>  | <p align="center">Distributable State Aid<br/>Second Lien Bonds<br/>(Unlimited Tax General<br/>Obligation), Series 2010(A)<br/>(Taxable-Recovery Zone<br/>Economic Development<br/>Bonds – Direct Payment)</p> | <p align="center">\$101,707,848</p> |
| <p>Resolution of the City Council adopted March 27, 2012</p> <p>Finance Director's Order dated March 28, 2012 (Series 2012(A2) and Series 2012(B2))</p> <p>Finance Director's Order dated July 3, 2012 (Series 2012 (A2) and Series 2012(B2))</p> <p>Finance Director's Order dated August 16, 2012 (Series 2012(A2-B), Series 2012 (A2) and Series 2012(B2))</p> <p>Master Indenture</p> | <p align="center">Self Insurance Distributable<br/>State Aid Third Lien Bonds<br/>(Limited Tax General<br/>Obligation), Series 2012(A2)</p>  | <p align="center">\$39,254,171</p>  |
| <p>Resolution of the City adopted March 27, 2012</p> <p>Finance Director's Order dated August 16, 2012 (Series 2012(A2-B), Series 2012 (A2) and Series 2012(B2))</p> <p>Master Indenture</p>  | <p align="center">Self Insurance Distributable<br/>State Aid Third Lien<br/>Refunding Bonds (Limited<br/>Tax General Obligation),<br/>Series 2012(A2-B)</p>  | <p align="center">\$31,037,724</p>  |

| Secured GO Bond Documents   | Series of Secured GO Bonds  | Balance as of Petition Date |
|---|---|-----------------------------|
| <p>Resolution of the City Council adopted March 27, 2012</p> <p>Finance Director's Order dated March 28, 2012 (Series 2012(B))</p> <p>Finance Director's Order dated July 3, 2012 (Series 2012(B))</p> <p>Finance Director's Order dated August 16, 2012 (Series 2012(B))</p> <p>Master Indenture</p>   | <p>General Obligation Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation), Series 2012(B)</p> | <p>\$6,469,135</p>          |
| <p>Resolution of the City Council adopted March 27, 2012</p> <p>Finance Director's Order dated March 28, 2012 (Series 2012(A2) and Series 2012(B2))</p> <p>Finance Director's Order dated July 3, 2012 (Series 2012 (A2) and Series 2012(B2))</p> <p>Finance Director's Order dated August 16, 2012 (Series 2012(A2-B), Series 2012 (A2) and Series 2012(B2))</p> <p>Master Indenture</p> | <p>Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(B2)</p>                        | <p>\$54,055,927</p>         |

EXHIBIT I.A.332

STATE CONTRIBUTION AGREEMENT

**EXECUTION VERSION**

**CONTRIBUTION AGREEMENT**

This Contribution Agreement (“Agreement”), dated as of \_\_\_\_\_, 2014, is made by and among the Michigan Settlement Administration Authority, a Michigan body public corporate (the “Authority”), the General Retirement System of the City of Detroit, the Police and Fire Retirement System of the City of Detroit and the City of Detroit (the “City”).

**RECITALS**

A. The City filed a voluntary petition for relief under chapter 9 of the Bankruptcy Code on July 18, 2013 (the “Chapter 9 Case”) in the United States Bankruptcy Court for the Eastern District of Michigan (the “Court”).

B. During the course of the Chapter 9 Case, the City has asserted that the City’s Police and Fire Retirement System (the “PFRS” or a “System”) and the General Retirement System (the “GRS” or a “System” and collectively with the PFRS, the “Systems”) are underfunded.

C. During the course of the Chapter 9 Case, there have been suggestions that the State of Michigan (the “State”) may be obligated to pay all or a portion of the underfunding of pension benefits payable to retirees, a suggestion the State vigorously disputes.

D. As part of the mediation process in the Chapter 9 Case, the mediators asked the State and other parties to assist in reducing the amount of underfunding in the PFRS and GRS pension funds by providing settlement funds for the benefit of pensioners that would not be otherwise available.

E. As part of its determination that the City was eligible to file the Chapter 9 Case, the Court determined that pension obligations of the City can be impaired or diminished in the Chapter 9 Case and are not protected from such impairment or diminution by the State Constitution.

F. In support of confirmation of the City’s Fourth Amended Plan of Adjustment dated May 5, 2014 (as may be further amended from time to time, the “Plan”), the State has agreed, subject to satisfaction of the terms and conditions set forth herein and in the Plan, to make a contribution to the GRS and PFRS in return for releases from, among others, the GRS and PFRS as set forth in the Support and Release Agreement entered into by the State and each of the Systems in connection with this matter.

G. On June 20, 2014, the Authority was established as the disbursement agent for the State with respect to the State Contribution (as defined below).

H. Capitalized terms used in this Agreement but not defined have the same meanings as set forth in the Plan.

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. State Contribution. On the later of (a) the date on which the Conditions Precedent have been satisfied, and (b) 60 days after the Effective Date of the Plan, the Authority shall disburse \$98,800,000 to GRS and \$96,000,000 to PFRS (collectively, the “State Contribution”) for the purpose of increasing the assets of the PFRS and GRS. The total aggregate State Contribution is equal to the net present value of \$350,000,000 payable over 20 years determined using a discount rate of 6.75%, which results in a total contribution by the State of \$194,800,000. The State Contribution shall only be used to fund payments to holders of GRS Pension Claims and PFRS Pension Claims, each as defined in the Plan.

2. Governance Requirements of the GRS and PFRS. At all times during the 20 year period following the disbursement of the State Contribution to the GRS and PFRS, the GRS and PFRS each must establish an investment committee (the “Investment Committee”) for the purpose of making recommendations to, and approving certain actions by, the respective System's board of trustees and/or making determinations and taking action under and with respect to Investment Management, as set forth in the terms and conditions enumerated on **Exhibit A** and **Exhibit B**, respectively, each attached to and incorporated by reference into this Agreement. Further, the Emergency Manager for the City and any subsequently appointed emergency manager for the City, appointed under PA 436 or under any successor or replacement statutes to PA 436, shall not seek to exercise any powers granted under section 12(1)(m) of PA 436 (or equivalent provision under any successor or replacement statute) against the Board of GRS or the Board of PFRS until the earlier of (a) one year following entry of an order confirming the Plan, and (b) December 31, 2015.

3. Income Stabilization Funds and Income Stabilization Payments. The City, GRS and PFRS shall establish an income stabilization program and amend the governing documents for GRS and the governing documents for PFRS to include the following:

- a. A supplemental pension income stabilization payment (the “Income Stabilization Payments”) payable on an annual basis beginning not later than 120 days after the Effective Date, to each Eligible Pensioner equal to the lesser of (a) the amount needed to restore the Eligible Pensioner’s reduced pension benefit to the amount of the pension benefit that the Eligible Pensioner received from GRS or PFRS in 2013, or (b) the amount needed to bring the total annual household income of the Eligible Pensioner up to 130% of the Federal Poverty Level in 2013.
- b. In addition, to the extent an Eligible Pensioner’s Estimated Adjusted Annual Household Income in any calendar year is less than 105% of the Federal Poverty Level in that year, the Eligible Pensioner will receive an additional benefit (“Income Stabilization Benefit Plus”). The Income Stabilization Benefit Plus shall be equal to the lesser of either (a) 100% restoration of pension benefits, including escalators and cost of living adjustments; or (b) the amount needed to bring the Eligible Pensioner’s Estimated Adjusted Annual Household Income in that calendar year up to 105% of the Federal Poverty Level in that year.

- c. An Eligible Pensioner’s “Estimated Adjusted Annual Household Income” shall be calculated as follows: (i) the annual pension benefit amount paid in 2013 shall be subtracted from the Eligible Pensioner’s 2013 total household income (per their (or in the case of minor children, their legal guardian’s) 2013 income tax returns or equivalent documentation) as adjusted for inflation or Social Security COLA increases to create a base additional income amount, plus (ii) the following three items as applicable, (x) the reduced pension benefit that GRS will pay the Eligible Pensioner for that year, (y) any GRS pension restoration due to an improved GRS funding level, and (z) the Eligible Pensioner’s Income Stabilization Benefit. Notwithstanding the foregoing, Income Stabilization Payments, including the Income Stabilization Benefit Plus, under both GRS and PFRS shall not exceed \$20 million in aggregate.
- d. A separate recordkeeping sub-account called the “Income Stabilization Fund” will be set up under each of GRS and PFRS for the sole purpose of paying the Income Stabilization Payments to Eligible Pensioners. The assets credited to the sub-accounts will be invested on a commingled basis with the applicable System’s assets and will be credited with a pro-rata portion of the System’s earnings and losses.
- e. Amounts credited to the Income Stabilization Fund, including the Assigned UTGO Bond Tax Proceeds, may not be used for any purpose other than the payment of Income Stabilization Payments to Eligible Pensioners, except as expressly provided in subparagraph (f) below.
- f. In 2022, provided that the State has not issued a certificate of default with respect to a System at any time prior to 2022, the Investment Committee for that System shall conduct a valuation to determine the Income Stabilization Payments anticipated to be made from the System in the future, in order for the System to fulfill the obligation to make Income Stabilization Payments (the “Estimated Future Liability”). In the event that 75% of the independent members of the Investment Committee determine that the GRS or PFRS Income Stabilization Fund is credited with assets in excess of its Estimated Future Liability (the “Excess Assets”), the Investment Committee may, in its sole discretion, recommend to the Board of Trustees that the Excess Assets, but not more than \$35 million, be used to fund each System’s payment of Adjusted Pension Amounts. The Investment Committee shall have the right to engage professionals to assist in this task as necessary, and such expenses shall be paid by the Systems. If any funds remain in the GRS or PFRS Income Stabilization Fund on the date upon which no Eligible Pensioners under their respective System are living, the remainder of each System’s Income Stabilization Fund shall be used to fund each System’s payment of Adjusted Pension Amounts.

- g. “Eligible Pensioners” are those retirees or surviving spouses who are at least 60 years of age or those minor children receiving survivor benefits from GRS or PFRS, each as of the Effective Date, whose pension benefit from GRS or PFRS will be reduced by the confirmed Plan, and who have a total household income equal to or less than 140% of the Federal Poverty Line in 2013 (per their (or in the case of minor children, their legal guardian’s) 2013 income tax returns or equivalent documentation). No new persons will be eligible to receive an Income Stabilization Payment at any time in the future, and any minor child receiving survivor benefits shall cease to be an Eligible Pensioner after he or she turns 18 years of age.
- h. The initial determination of Eligible Pensioners, and the amounts of Income Stabilization Payments payable to Eligible Pensioners shall be made by the State in its sole discretion. The State shall transmit the list of Eligible Pensioners to the Investment Committee and the Board of Trustees of GRS and PFRS, as applicable. The Board of Trustees, with the assistance of the Investment Committee of GRS and PFRS, shall be responsible for properly administering the respective Income Stabilization Fund and annually certifying to the Treasurer that it has properly administered the requirements for eligibility and payment of benefits with respect to Eligible Pensioners.

4. Conditions Precedent. The Authority’s obligations under this Agreement are not effective or enforceable until each of the following conditions (the “Conditions Precedent”) have been met to the satisfaction of the Authority and the Treasurer, unless any one or more of such conditions are waived in a writing executed by the Authority and the Treasurer:

- a. The Authority receives the State Contribution from the State.
- b. An endorsement of the Plan by the Official Retiree Committee which will include a letter from the Official Retiree Committee as part of the Plan solicitation package recommending to Classes 10 and 11 a vote in favor of the Plan, or equivalent assurances from member organizations representing a majority of retirees in the respective classes.
- c. Cessation of all litigation, including the cessation of funding of any litigation initiated by any other party, as it relates to the City (a) challenging PA 436 or any actions taken pursuant to PA 436, including but not limited to, a dismissal with prejudice of the cases set forth on **Exhibit D**, or (b) seeking to enforce Article IX, Section 24 of the Michigan Constitution; provided, however, (i) until the State Contribution is received by the Systems, the Systems agree to stay any pending litigation described in this subparagraph, and (ii) that as a condition precedent to the GRS and the PFRS dismissing any pending litigation described in this subparagraph that they are prosecuting, the GRS and the PFRS have the right to receive written confirmation from the Authority

that the Authority is prepared and authorized to disburse the State Contribution in accordance with this Agreement and the Plan, subject only to the dismissal by the GRS and PFRS of any pending litigation described in this subparagraph that they are prosecuting.

- d. Active support of the Plan by, a release of and covenant not to sue the State from, and an agreement not to support in any way (including funding) the litigation described in subparagraph 4(c) by the parties listed on **Exhibit C**, or equivalent assurance of litigation finality (which, as to the Systems, shall be deemed satisfied by the execution of the Support and Release Agreement to be entered into by the State and each of the Systems in connection with this matter).
- e. Classes 10 and 11 accept the Plan.
- f. By December 31, 2014, the Court enters a final, non-appealable order confirming the Plan that includes, at a minimum, the following:
  - i. A release of the State and State Related Entities by each holder of a Pension Claim of all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities.
  - ii. A requirement that the governing documents of GRS and the governing documents of PFRS be amended to include:
    - a) the governance terms and conditions set forth in Paragraph 2, Exhibit A and Exhibit B of this Agreement; and
    - b) the Income Stabilization Payments and Income Stabilization Fund described in Paragraph 3 of this Agreement.
  - iii. Approval of, and authority for the City to enter into, the UTGO Settlement.
  - iv. A requirement that the City irrevocably assigns the right to receive not less than an aggregate amount of \$20,000,000 of the payments on the Reinstated Stub UTGO Bonds to the Income Stabilization Funds of the GRS and PFRS. Such payments will be made to the Income Stabilization Funds in the form of annual installment payments over a 14 year period, pursuant to a payment schedule approved by the State.

- v. Approval of, and authority for the City to enter into, the DIA Settlement.
- vi. Agreement to and compliance with MCL 141.1561 and cooperation with the transition advisory board appointed pursuant to MCL 141.1563, or compliance with any new legislation that is enacted regarding post-bankruptcy governance.
- g. Evidence satisfactory to the State of an irrevocable commitment by:
  - i. The Foundations to fund \$366,000,000 (or the net present value thereof) as part of the DIA Settlement; and
  - ii. The DIA Corp. to fund \$100,000,000 (or the net present value thereof) as part of the DIA Settlement.
- h. The Plan Effective Date occurs on or before April 1, 2015.

5. Non-occurrence of Conditions Precedent. If the Conditions Precedent are not met to the satisfaction of the Authority and the Treasurer on or before April 1, 2015, upon written request of the Treasurer, the Authority shall remit the State Contribution to the Department and shall have no further obligations under this Agreement.

6. Default by GRS and PFRS; Cure Period; Remedies.

- a. A System will be in default if the System has not materially complied with any of the terms and conditions set forth in (i) the Plan, (ii) the Governing Documents, or (iii) this Agreement, including, but not limited to, failing to make the required Income Stabilization Payments or using funds in the Income Stabilization Fund for unauthorized purposes. For the purposes of this Agreement, “Governing Documents” shall mean, (x) for the GRS, the Combined Plan for the General Retirement System of the City of Detroit, Michigan, and (y) for the PFRS, the Combined Plan for the Police and Fire Retirement System of the City of Detroit, Michigan. Notwithstanding subparagraph ‘e’ below, there shall not be an event of default for purposes of this paragraph 6 unless and until the Treasurer delivers to the alleged defaulting System a written notice declaring and specifically identifying the facts of an alleged default (the “Default Notice”). Nothing herein shall prohibit the subject System from contesting the alleged default; provided, however, until the contest over the alleged default is resolved, the subject System may not include its State Contribution, as adjusted for earnings and losses, for purposes of determining whether benefits reduced by the Plan may be restored.
- b. In the event of a default by a System, the System shall have 100 days after receiving the Default Notice in accordance with subparagraph ‘a’ above (the “Cure Period”) to cure such default by remedying the damages sustained as a result of the default, as well as making any delinquent

Income Stabilization Payments, and restoring any funds improperly removed from any other fund maintained by the System, including the Income Stabilization Fund, as applicable. Prior to the expiration of the Cure Period, at least six of the seven total aggregate votes of the Investment Committee for the defaulting System must certify to the Treasurer that (i) the default has been cured, and (ii) that no material damages have been caused by the default that have not otherwise been remedied (the “Cure Certification”). During the Cure Period, the defaulting System may not include its State Contribution, as adjusted for earnings and losses, for purposes of determining whether benefits reduced by the Plan may be restored.

- c. If the Investment Committee for the defaulting System provides the Cure Certification to the Treasurer in accordance with subparagraph ‘b’ above, then the default will be deemed cured and the defaulting System may once again include its State Contribution, as adjusted for earnings and losses, for purposes of determining whether benefits reduced by the Plan may be restored.
- d. If the Investment Committee for the defaulting System fails to provide the Cure Certification to the Treasurer in accordance with subparagraph ‘b’ above, then no portion of the total State Contribution to the defaulting system, as adjusted for earnings and losses, may be taken into consideration by the System during the remainder of the 20 year period following the date of such default for purposes of determining whether benefits reduced by the Plan may be restored. Notwithstanding the foregoing, if at any time during or after the Cure Period the Investment Committee certifies by a simple majority vote, that (i) the default has been cured; and (ii) that no material damages have been caused by the default that have not otherwise been remedied, then the Treasurer may consent to the defaulting System once again including its State Contribution, as adjusted for earnings and losses, for purposes of determining whether benefits reduced by the Plan may be restored, which consent shall not be unreasonably withheld.
- e. Each Investment Committee shall provide compliance reports to the Treasurer on a semi-annual basis and at such other times as the Treasurer reasonably may request (each, a “Compliance Report”) that certifies that the Investment Committee is not aware of any defaults, or, if the Investment Committee is aware of a default, specifically identifying the facts of such default. After review of a Compliance Report, the Treasurer shall provide to the System either a certificate of compliance or a Default Notice.
- f. Notwithstanding the foregoing, in the event of a default, the Treasurer and the Authority shall have the right to pursue all available legal and

equitable remedies against the Board of Trustees for the defaulting System, the Investment Committee, or any other person.

7. Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

8. Governing Law/Jurisdiction. This Agreement shall be construed in accordance with the laws of the State of Michigan, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws. The Bankruptcy Court of the Eastern District of Michigan shall have exclusive jurisdiction over any action or proceeding solely with respect to this Agreement, and each party, to the extent permitted by law, agrees to submit to such jurisdiction and to waive any defense based on venue or jurisdiction of such court.

9. Amendment. This Agreement may be amended, modified, superseded or canceled, and any of the terms, covenants, representations, warranties or conditions hereof may be waived only by an instrument in writing signed by each of the Parties.

10. Limitation of Liability. The obligation to make the State Contribution is not a general obligation or indebtedness of the State or the Authority and is subject to satisfaction of the conditions described herein. Furthermore, neither the State nor the Authority has any liability or obligation arising from or related to the contributions and funding of the Income Stabilization Fund of each System. Notwithstanding anything contained herein to the contrary, no State Related Entity or board member of the Authority shall have any liability for the representations, warranties, covenants, agreements or other obligations of the State or the Authority hereunder or in any of the certificates, notices or agreements delivered pursuant hereto.

11. Severability. If any one or more of the covenants, agreements or provisions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, the invalidity of any such covenants, agreements and provisions shall in no way affect the validity or effectiveness of the remainder of this Agreement, and it shall continue in force to the fullest extent permitted by law.

12. Headings. Any headings preceding the text of the several articles and sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

[Remainder of Page Intentionally Left Blank – Signatures on Following Page]

**MICHIGAN SETTLEMENT ADMINISTRATION  
AUTHORITY**

By: \_\_\_\_\_  
Title: Authorized Officer

**GENERAL RETIREMENT SYSTEM OF THE  
CITY OF DETROIT**

By: \_\_\_\_\_  
Title: Authorized Officer

By: \_\_\_\_\_  
Title: Authorized Officer

**POLICE AND FIRE RETIREMENT SYSTEM OF  
THE CITY OF DETROIT**

By: \_\_\_\_\_  
Title: Authorized Officer

By: \_\_\_\_\_  
Title: Authorized Officer

**CITY OF DETROIT**

By: \_\_\_\_\_  
Title: Emergency Manager

**EXHIBIT A – GRS Governance Terms**

*In re City of Detroit, Michigan*

INVESTMENT COMMITTEE GOVERNANCE  
FOR GENERAL RETIREMENT SYSTEM

|                             |   |
|-----------------------------|---|
| <p>PREAMBLE</p>             | <p>This document was prepared to set forth the pension governance requirements under the State Contribution Agreement (as that term is defined in the City’s Fourth Amended Plan for the Adjustment of Debts of the City of Detroit, as amended from time to time) applicable to the General Retirement System of the City of Detroit (GRS).</p>  |
| <p>SCOPE OF SETTLEMENT</p>  | <p>The GRS is currently administered by a ten (10) member Board of Trustees (the “Board”) that is vested with the fiduciary authority for the general administration, management and operation of the Retirement System. The Board currently makes all administrative, actuarial and investment related decisions for the GRS. Upon the Effective Date under the POA, but subject to consummation of the State Contribution Agreement, there shall be established, by appropriate action and amendments to governing documents, an Investment Committee (“IC”) at GRS which shall be vested with the authority and responsibilities as outlined herein for a period of twenty (20) years after the Effective Date of the POA. All administrative, managerial, and operational matters not addressed in this Term Sheet shall continue to be addressed by the Board in the ordinary course of its affairs.</p>   |
| <p>INVESTMENT COMMITTEE</p> | <p>The IC shall consist of seven (7) voting members consisting of:</p> <ul style="list-style-type: none"> <li>i. Five (5) Independent Members;</li> <li>ii. One (1) Employee Member; and</li> <li>iii. One (1) Retiree Member.</li> </ul> <p>Collectively, or individually, “Members” or “Member.”</p> <p>At least two (2) of the five (5) Independent Members of the committee shall be residents of the State of Michigan. None of the Independent Members shall be a party in interest as defined by MCL 38.1132d (4) to the City or the GRS.</p> <p>Each Independent Member of the IC shall have expert knowledge or extensive experience with respect to either: (a) economics, finance, or institutional investments; or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one (1) of the IC Independent Members shall satisfy the requirements of (a) above and at least one (1) of the IC Independent Members shall satisfy the requirements of (b) above.</p> <p>The five (5) initial IC Independent Members shall be selected by mutual agreement of the appropriate representatives of the State, the City and the Board, in consultation with the Foundation for Detroit’s</p> |

Future. The initial Independent Members and their terms of office will be as follows: Ken Whipple (2 years), David Sowerby (3 years), Robert Rietz (4 years), Doris Ewing (5 years) and Kerrie VandenBosch (6 years). Successor Independent Members shall be recommended by a majority of the remaining Independent Members and confirmed by the Board and the State Treasurer in consultation with the Foundation for Detroit's Future, in accordance with such rules and regulations as may be adopted by the IC, provided such rules and regulations are not inconsistent with the POA and this agreement. In the event the Board and the State Treasurer cannot agree on the successor Independent Member within thirty (30) days of the receipt of the recommendation of the IC, the remaining Independent Members of the IC shall appoint the successor Independent Member.

If no mutual agreement is reached as to the selection of one or more of the initial IC Independent Members by the time of confirmation of the City's Plan of Adjustment, then the Bankruptcy Court shall select the Independent Members necessary to fill the five (5) initial IC Independent Member positions for which no agreement has been reached.

In the event the Bankruptcy Court selects the initial Independent Members as described immediately above, successor Independent Members shall be appointed in the same manner as the Independent Member being replaced, as described immediately above, after three (3) weeks' notice to the Board of the individuals chosen, in accordance with such rules and regulations as may be adopted by the IC, provided such rules and regulations are not inconsistent with the POA and this agreement.

The Employee Member shall be an employee-elected Member from the Board appointed by the Board. The initial Employee Member will be June Nickleberry.

The Retiree Member shall be a retiree-elected Member from the Board appointed by the Board. The initial Retiree Member will be Thomas Sheehan.

The terms of office of the initial IC Independent Members shall be staggered at the time of appointment so that Independent Members shall have varying initial terms of office, with one each having a 2, 3, 4, 5 and 6 year term. Each initial Independent Member shall serve until the expiration of his/her initial term. After the initial term of office, the term of office of the IC Independent Members shall be six years. Each successor Independent Member shall be selected in accordance with the provisions above and shall serve until his or her death, incapacity, resignation or removal in accordance with the paragraph below. Upon expiration of his or her term of office, an Independent Member shall continue to serve until his or her successor is appointed. Nothing herein shall bar an initial Independent Member from becoming a successor Independent Member after his/her initial

|  |   |
|--|---|
|  | <p>term.</p> <p>The terms of office of the Employee Members and Retiree Members of the IC shall conform to their respective terms of office on the Board.</p> <p>A Member may be removed by the remaining Members for any of the following reasons: (a) the Member is legally incapacitated from executing his or her duties as a Member of the IC and neglects to perform those duties, (b) the Member has committed a material breach of GRS provisions, policies or procedures and the removal of the Member is in the interests of the system or its participants or its participants' beneficiaries, (c) the Member is convicted of a violation of law and the removal shall be accomplished by a vote of the IC in accordance with the voting procedures in this agreement, (d) if the Member holds a license to practice and such license is revoked for misconduct by any State or federal government, or (e) if an IC Member shall fail to attend scheduled meetings of the IC for four (4) consecutive meetings, unless in each case excused for cause by the remaining Members attending such meetings, the Member shall be considered to have resigned from the IC, and the IC shall, by resolution, declare the office of the Member vacated as of the date of adoption of such resolution. In addition, a Member of the IC may have voting privileges temporarily suspended by a 70% or higher vote of the other members if the Member is indicted or sued by a State or federal government for an alleged violation of the law that relates to his or her service on the IC, or for other alleged financial crimes, including fraud. Any vacancy occurring in the office of Member shall be filled within sixty (60) days following the date of the vacancy, for the unexpired portion of the term, in the same manner in which the office was previously filled.</p> <p>All members of the IC shall be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the IC, including but not limited to the purchase of insurance, shall be payable out of the assets of the GRS. The IC may retain actuarial, legal counsel, audit or other professional or support personnel to provide advice to the IC as it deems reasonably necessary to perform its functions and such parties or persons may be reasonably compensated from the assets of the Plan; such engagements shall not be subject to the approval of the Board.</p> <p>The IC shall be an investment fiduciary to the GRS. An IC Member or other fiduciary under the GRS shall discharge his or her duties with respect to the GRS in compliance with the provisions of Public Act 314 of 1965, as amended. An IC Member shall discharge his or her duties with the care, skill, and caution under the circumstances then prevailing which a prudent person, acting in a like capacity and familiar with those matters, would use in the conduct of an activity of like character and purpose. Members of the IC shall comply with all Board governance policies and procedures, including the Ethics and</p> |
|--|---|

|   |  |
|---|--|
|   | Code of Conduct Policies, unless such compliance violates the Member's fiduciary duties or conflicts with the terms and conditions of this agreement.  |
| IC MEETINGS                                 | <p>The IC shall meet at least once every other month. The Members shall determine the time for the regular meetings of the IC and the place or places where such meetings shall be held. The Secretary or his or her designee shall be responsible for giving notice of the time and place of such meetings to the other Members.</p> <p>Notice and conduct of all meetings of the IC, both regular and special, shall be held within the City of Detroit and in accordance with applicable law including the Michigan Open Meetings Act (MCL §15.261 <u>et seq.</u>).</p> <p>The IC shall adopt its own rules of procedure and shall keep a record of its proceedings. Five (5) Members shall constitute a quorum at any meeting of the IC, so long as at least three (3) Independent Members are present. Each Member shall be entitled to one vote on each question before the IC and at least four (4) concurring votes shall be necessary for a decision of the committee except as otherwise provided in this Term Sheet.</p>  |
| INVESTMENT COMMITTEE<br>-<br>RESPONSIBILITY | <p>The IC shall serve in a fiduciary capacity with respect to the Investment Management of all GRS Plan Assets, determination of the investment return assumption, and Board compliance with benefit plan provisions, as set forth more fully below. The IC shall have all the powers as a fiduciary under the first sentence of MCL §38.1133(5) and (6).</p> <p>All Investment Management decisions approved by the Board shall require a recommendation by an affirmative vote of the IC, in accordance with the provisions of this agreement. All actions and recommendations of the IC shall be forwarded to the Board for consideration and are subject to Board approval. The Board shall take no action with respect to any matter for which the IC has responsibility and authority, including the Investment Management matters described in the next paragraph, unless and until such action has been approved by affirmative vote of the IC. If (a) the Board fails to approve or disapprove an Investment Management decision that has been recommended by an affirmative vote of the IC, and such failure continues for 45 days after the date that the recommendation was made to the Board, or (b) the Board disapproves an Investment Management decision within such 45-day period but fails to provide to the IC within such 45-day period a detailed written response outlining the reasons for such disapproval, then the IC and the Chief Investment Officer are authorized to implement the decision. If the Board disapproves an Investment Management decision within such 45-day period and provides to the IC within such 45-day period a detailed written</p> |

response outlining the reasons for such disapproval, then the IC shall have 45 days after the receipt of the Board response to either (a) withdraw the recommended Investment Management decision, or (b) request, in writing, a conference with the Board to be held within ten (10) days, but not less than five (5) business days, of such request by the IC, unless a later date is agreed to in writing by the Board and the IC, to discuss the disapproval by the Board described in the written response. Any such conference shall be conducted with at least three (3) Independent Members present in person or by phone. Within ten (10) days of the commencement of the conference, or twenty (20) days following the IC's request for a conference if no conference is held, the IC shall either withdraw the recommended Investment Management decision or provide the Board a written explanation of the IC's decision to proceed with the recommended Investment Management decision. After delivery of such written explanation by the IC, the IC and the Chief Investment Officer are authorized to implement the decision. Any action taken by the Board or the IC in violation of the terms of this agreement shall constitute an ultra vires act and the IC or the Board, whichever is applicable, is granted the express right to seek to preliminarily enjoin such violation of the breaching party without the need to show irreparable harm.

“Investment Management” with respect to plan assets shall mean:

1. Developing an Investment Policy Statement with sound and consistent investment goals, objectives and performance measurement standards which are consistent with the needs of the Plan.
2. Within 120 days after the Effective Date of the POA, all of the plan assets not already under qualified management, if any, must be managed by qualified managers selected by the IC.
3. Evaluating, retaining, terminating, and selecting qualified managers to invest and manage the plan assets.
4. Reviewing and affirming or rejecting the correctness of any and all calculations, actuarial assumptions and/or assessments used by the Plan Actuary including, but not limited to, (i) those underlying the restoration of pension benefits, funding levels and amortization thereof, all in accordance with the Pension Restoration Program attached to the City's Plan of Adjustment, (ii) those underlying the determination of annual funding levels and amortization thereof, and (iii) on or after fiscal year 2024 the recommended annual contributions to GRS in accordance with applicable law.
5. In accordance with approved actuarial work as provided in the immediate preceding paragraph and based on the annual actuarial valuation reports and

|  |  |
|--|--|
|  | <p>any other projections or reports as applicable from the Plan Actuary or other professional advisors, the determination of the extent of restoration of pension benefits, including but not limited to the payment of a portion of the 4.5% reduction in base monthly pension amounts and the payment of lost COLA payments, all in conformance to the Pension Restoration Program between the City and the Board attached to the Plan of Adjustment.</p> <ol style="list-style-type: none"> <li>6. Communicating the investment goals, objectives, and standards to the investment managers; including any material changes that may subsequently occur.</li> <li>7. Determining and approving the Plan's investment and asset allocation guidelines, taking into account the appropriate liquidity needs of the Plan.</li> <li>8. Any interpretation of Plan documents, existing law, the POA or other financial determination that could affect funding or benefit levels.</li> <li>9. Taking whatever corrective action is deemed prudent and appropriate when an investment manager fails to perform as expected.</li> <li>10. Complying with the provisions of pertinent federal, state, and local laws and regulations, specifically Public Act 314 and Plan Investment Guidelines.</li> <li>11. Reviewing and approving, prior to final issuance, the annual audit and all financial reports prepared on behalf of the GRS and meet and confer with the Plan's outside auditor or other professional advisors as necessary prior to approving the annual audit or other financial reports.</li> <li>12. Causing an asset/liability valuation study to be performed for GRS every three (3) years, or as requested by the IC or Board.</li> </ol> <p>The IC shall give appropriate consideration to and have an understanding of the following prior to the adoption of the investment guidelines and asset allocation policies, the selection of manager(s), and/or the adoption of investment return assumptions:</p> <ol style="list-style-type: none"> <li>1. The fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets.</li> <li>2. The objective to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the Pension Restoration Program, to the extent that is prudent and consistent with the overall funding, liquidity needs and actuarial</li> </ol> |
|--|--|

|                                     |  |
|-------------------------------------|--|
|                                     | <p>assumptions governing the Plan.</p> <p>3. The liquidity needs of the GRS Plan.</p>  |
| CHIEF INVESTMENT OFFICER (CIO)      | <p>The IC shall evaluate and select the CIO, set and approve any and all compensation for, and terms of employment of, the CIO. With respect to plan assets, the CIO shall report directly to the IC and the Executive Director of the Board. The CIO shall be responsible for assisting the IC and the Board in overseeing the GRS's investment portfolio.</p> <p>The initial CIO is Ryan Bigelow [subject to State due diligence.]</p>   |
| PLAN ACTUARY                        | <p>The current Plan Actuary is Gabriel Roeder Smith &amp; Company. In the event the Board desires to retain a new actuary, the Board and IC shall collectively participate in the evaluation and selection of a qualified Plan Actuary. The Plan Actuary shall be responsible for assisting the Board and IC in performing its actuarial duties and shall comply with all requests for information or modeling requested by the IC, and shall attend meetings of the IC as requested, so as to allow the IC to perform satisfactorily the rights and duties set forth herein. Furthermore, the Board shall not act on any recommendation made by the Plan Actuary based on any calculation, assumption or assessment rejected by the IC.</p> <p>Nothing herein shall be interpreted as limiting the IC's authority to engage an actuarial consulting firm other than the Plan Actuary to perform actuarial services deemed necessary to fulfill its fiduciary duties to the GRS and other duties to GRS as set forth herein.</p> |
| CONSISTENCY WITH PLAN OF ADJUSTMENT | <p>Nothing herein shall be interpreted as permitting the IC or the Board to alter or depart from the requirements set forth in the confirmed Plan of Adjustment.</p>   |

DETROIT 56620-1 1315511v11

**EXHIBIT B – PFRS Governance Terms**

*In re City of Detroit, Michigan*

INVESTMENT COMMITTEE GOVERNANCE  
FOR POLICE AND FIRE RETIREMENT SYSTEM

|                      |   |
|----------------------|---|
| PREAMBLE             | This document was prepared to set forth the pension governance requirements under the State Contribution Agreement (as that term is defined in the City’s Fourth Amended Plan for the Adjustment of Debts of the City of Detroit, as amended from time to time) applicable to the Police and Fire Retirement System of the City of Detroit (PFRS).  |
| SCOPE OF SETTLEMENT  | The PFRS is currently administered by a seventeen (17) member Board of Trustees (the “Board”) that is vested with the fiduciary authority for the general administration, management and operation of the Retirement System. The Board currently makes all administrative, actuarial and investment related decisions for the PFRS. Upon the Effective Date under the POA, but subject to consummation of the State Contribution Agreement, there shall be established, by appropriate action and amendments to governing documents, an Investment Committee (“IC”) at PFRS which shall be vested with the authority and responsibilities as outlined herein for a period of twenty (20) years after the Effective Date of the POA. All administrative, managerial, and operational matters not addressed in this Term Sheet shall continue to be addressed by the Board in the ordinary course of its affairs.   |
| INVESTMENT COMMITTEE | <p>The IC shall consist of nine (9) voting members consisting of:</p> <ul style="list-style-type: none"><li>i. Five (5) Independent Members;</li><li>ii. Two (2) Employee Members; and</li><li>iii. Two (2) Retiree Members.</li></ul> <p>Collectively, or individually, “Members” or “Member.”</p> <p>At least two (2) of the five (5) Independent Members of the committee shall be residents of the State of Michigan. None of the Independent Members shall be a party in interest as defined by MCL 38.1132d (4) to the City or the PFRS.</p> <p>Each Independent Member of the IC shall have expert knowledge or extensive experience with respect to either: (a) economics, finance, or institutional investments; or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one (1) of the IC Independent Members shall satisfy the requirements of (a) above and at least one (1) of the IC Independent Members shall satisfy the requirements of (b) above.</p> <p>The five (5) initial IC Independent Members shall be selected by mutual agreement of the appropriate representatives of the State, the</p> |

City and the Board, in consultation with the Foundation for Detroit's Future. The initial Independent Members and their terms of office will be as follows: Rebecca Sorenson (2 years), Joseph Bogdahn (3 years), Robert C. Smith (4 years), McCullough Williams III (5 years) and Woodrow S. Tyler (6 years). Successor Independent Members shall be recommended by a majority of the remaining Independent Members and confirmed by the Board and the State Treasurer in consultation with the Foundation for Detroit's Future, in accordance with such rules and regulations as may be adopted by the IC, provided such rules and regulations are not inconsistent with the POA and this agreement. In the event the Board and the State Treasurer cannot agree on the successor Independent Member within thirty (30) days of the receipt of the recommendation of the IC, the remaining Independent Members of the IC shall appoint the successor Independent Member.

If no mutual agreement is reached as to the selection of one or more of the initial IC Independent Members by the time of confirmation of the City's Plan of Adjustment, then the Bankruptcy Court shall select the Independent Members necessary to fill the five (5) initial IC Independent Member positions for which no agreement has been reached.

In the event the Bankruptcy Court selects the initial Independent Members as described immediately above, successor Independent Members shall be appointed in the same manner as the Independent Member being replaced, as described immediately above, after three (3) weeks' notice to the Board of the individuals chosen, in accordance with such rules and regulations as may be adopted by the IC, provided such rules and regulations are not inconsistent with the POA and this agreement.

The Employee Members shall consist of one active police member and one active fire member from the Board, appointed by the Board. The initial Employee Members will be Mark Diaz and Sean Neary.

The Retiree Members shall consist of one retiree-elected police member and one retiree-elected fire member from the Board, each receiving a pension from PFRS and appointed by the Board. The initial elected Retiree Members will be Michael Simon and Louis Sinagra.

Each of the four (4) uniformed Members shall have one-half (1/2) vote.

The terms of office of the initial IC Independent Members shall be staggered at the time of appointment so that Independent Members shall have varying initial terms of office, with one each having a 2, 3, 4, 5 and 6 year term. Each initial Independent Member shall serve until the expiration of his/her initial term. After the initial term of office, the term of office of the IC Independent Members shall be six years. Each successor Independent Member shall be selected in

|  |  |
|--|--|
|  | <p>accordance with the provisions above and shall serve until his or her death, incapacity, resignation or removal in accordance with the paragraph below. Upon expiration of his or her term of office, an Independent Member shall continue to serve until his or her successor is appointed. Nothing herein shall bar an initial Independent Member from becoming a successor Independent Member after his/her initial term.</p> <p>The terms of office of the Employee Members and Retiree Members of the IC shall conform to their respective terms of office on the Board.</p> <p>A Member may be removed by the remaining Members for any of the following reasons: (a) the Member is legally incapacitated from executing his or her duties as a Member of the IC and neglects to perform those duties, (b) the Member has committed a material breach of PFRS provisions, policies or procedures and the removal of the Member is in the interests of the system or its participants or its participants' beneficiaries, (c) the Member is convicted of a violation of law and the removal shall be accomplished by a vote of the IC in accordance with the voting procedures in this agreement, (d) if the Member holds a license to practice and such license is revoked for misconduct by any State or federal government, or (e) if an IC Member shall fail to attend scheduled meetings of the IC for four (4) consecutive meetings, unless in each case excused for cause by the remaining Members attending such meetings, the Member shall be considered to have resigned from the IC, and the IC shall, by resolution, declare the office of the Member vacated as of the date of adoption of such resolution. In addition, a Member of the IC may have voting privileges temporarily suspended by a 70% or higher vote of the other members if the Member is indicted or sued by a State or federal government for an alleged violation of the law that relates to his or her service on the IC, or for other alleged financial crimes, including fraud. Any vacancy occurring in the office of Member shall be filled within sixty (60) days following the date of the vacancy, for the unexpired portion of the term, in the same manner in which the office was previously filled.</p> <p>All members of the IC shall be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the IC, including but not limited to the purchase of insurance, shall be payable out of the assets of the PFRS. The IC may retain actuarial, legal counsel, audit or other professional or support personnel to provide advice to the IC as it deems reasonably necessary to perform its functions and such parties or persons may be reasonably compensated from the assets of the Plan; such engagements shall not be subject to the approval of the Board.</p> <p>The IC shall be an investment fiduciary to the PFRS. An IC Member or other fiduciary under the PFRS shall discharge his or her duties with respect to the PFRS in compliance with the provisions of Public Act</p> |
|--|--|

|  |  |
|--|--|
|  | <p>314 of 1965, as amended. An IC Member shall discharge his or her duties with the care, skill, and caution under the circumstances then prevailing which a prudent person, acting in a like capacity and familiar with those matters, would use in the conduct of an activity of like character and purpose. Members of the IC shall comply with all Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance violates the Member's fiduciary duties or conflicts with the terms and conditions of this agreement.</p>  |
| <p>IC MEETINGS</p>                                   | <p>The IC shall meet at least once every other month. The Members shall determine the time for the regular meetings of the IC and the place or places where such meetings shall be held. The Secretary or his or her designee shall be responsible for giving notice of the time and place of such meetings to the other Members.</p> <p>Notice and conduct of all meetings of the IC, both regular and special, shall be held within the City of Detroit and in accordance with applicable law including the Michigan Open Meetings Act (MCL §15.261 <u>et seq.</u>).</p> <p>The IC shall adopt its own rules of procedure and shall keep a record of its proceedings. Five (5) Members shall constitute a quorum at any meeting of the IC, so long as at least three (3) Independent Members are present. Each Member shall be entitled to one vote on each question before the IC and at least four (4) concurring votes shall be necessary for a decision of the committee, except as otherwise provided in this Term Sheet.</p>   |
| <p>INVESTMENT COMMITTEE<br/>-<br/>RESPONSIBILITY</p> | <p>The IC shall serve in a fiduciary capacity with respect to the Investment Management of all PFRS Plan Assets, determination of the investment return assumption, and Board compliance with benefit plan provisions, as set forth more fully below. The IC shall have all the powers as a fiduciary under the first sentence of MCL §38.1133(5) and (6).</p> <p>All Investment Management decisions approved by the Board shall require a recommendation by an affirmative vote of the IC, in accordance with the provisions of this agreement. All actions and recommendations of the IC shall be forwarded to the Board for consideration and are subject to Board approval. The Board shall take no action with respect to any matter for which the IC has responsibility and authority, including the Investment Management matters described in the next paragraph, unless and until such action has been approved by affirmative vote of the IC. If (a) the Board fails to approve or disapprove an Investment Management decision that has been recommended by an affirmative vote of the IC, and such failure continues for 45 days after the date that the recommendation was made to the Board, or (b) the Board disapproves an Investment Management decision within such 45-day period but fails to provide to the IC within</p> |

such 45-day period a detailed written response outlining the reasons for such disapproval, then the IC and the Chief Investment Officer are authorized to implement the decision. If the Board disapproves an Investment Management decision within such 45-day period and provides to the IC within such 45-day period a detailed written response outlining the reasons for such disapproval, then the IC shall have 45 days after the receipt of the Board response to either (a) withdraw the recommended Investment Management decision, or (b) request, in writing, a conference with the Board to be held within ten (10) days, but not less than five (5) business days, of such request by the IC, unless a later date is agreed to in writing by the Board and the IC, to discuss the disapproval by the Board described in the written response. Any such conference shall be conducted with at least three (3) Independent Members present in person or by phone. Within ten (10) days of the commencement of the conference, or twenty (20) days following the IC's request for a conference if no conference is held, the IC shall either withdraw the recommended Investment Management decision or provide the Board a written explanation of the IC's decision to proceed with the recommended Investment Management decision. After delivery of such written explanation by the IC, the IC and the Chief Investment Officer are authorized to implement the decision. Any action taken by the Board or the IC in violation of the terms of this agreement shall constitute an ultra vires act and the IC or the Board is granted the express right to seek to preliminarily enjoin such action without the need to show irreparable harm.

“Investment Management” with respect to plan assets shall mean:

1. Developing an Investment Policy Statement with sound and consistent investment goals, objectives and performance measurement standards which are consistent with the needs of the Plan.
2. Within 120 days after the Effective Date of the POA, all of the plan assets not already under qualified management, if any, must be managed by qualified managers selected by the IC.
3. Evaluating, retaining, terminating and selecting qualified managers to invest and manage the plan assets.
4. Reviewing and affirming or rejecting the correctness of any and all calculations, actuarial assumptions and/or assessments used by the Plan Actuary including, but not limited to, (i) those underlying the restoration of pension benefits, funding levels and amortization thereof, all in accordance with the Pension Restoration Program attached to the City's Plan of Adjustment, (ii) those underlying the determination of annual funding levels and amortization thereof, and (iii) on or after fiscal year 2024, the recommended annual contributions to PFRS in accordance with applicable law.

5. In accordance with approved actuarial work as provided in the immediate preceding paragraph and based on the annual actuarial valuation reports and any other projections or reports as applicable from the Plan Actuary or other professional advisors, the determination of the extent of restoration of pension benefits, including but not limited to the payment of lost COLA payments, all in conformance to the Pension Restoration Program between the City and the Board attached to the Plan of Adjustment.
6. Communicating the investment goals, objectives, and standards to the investment managers; including any material changes that may subsequently occur.
7. Determining and approving the Plan's investment and asset allocation guidelines, taking into account the appropriate liquidity needs of the Plan.
8. Any interpretation of Plan documents, existing law, the POA or other financial determination that could affect funding or benefit levels.
9. Taking whatever corrective action is deemed prudent and appropriate when an investment manager fails to perform as expected.
10. Complying with the provisions of pertinent federal, state, and local laws and regulations, specifically Public Act 314 and Plan Investment Guidelines.
11. Reviewing and approving, prior to final issuance, the annual audit and all financial reports prepared on behalf of the PFRS and meet and confer with the Plan's outside auditor or other professional advisors as necessary prior to approving the annual audit or other financial reports.
12. Causing an asset/liability valuation study to be performed for PFRS every three (3) years, or as requested by the IC or Board.

The IC shall give appropriate consideration to and have an understanding of the following prior to the adoption of the investment guidelines and asset allocation policies, the selection of manager(s), and/or the adoption of investment return assumptions:

1. The fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets.
2. The objective to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the Pension Restoration Program, to the

|                                     |  |
|-------------------------------------|--|
|                                     | <p>extent that is prudent and consistent with the overall funding, liquidity needs and actuarial assumptions governing the Plan.</p> <p>3. The liquidity needs of the PFRS Plan.</p>   |
| CHIEF INVESTMENT OFFICER (CIO)      | <p>The IC shall evaluate and select the CIO, set and approve any and all compensation for, and terms of employment of, the CIO. With respect to plan assets, the CIO shall report directly to the IC and the Executive Director of the Board. The CIO shall be responsible for assisting the IC and the Board in overseeing the PFRS's investment portfolio.</p> <p>The initial CIO is Ryan Bigelow [subject to State due diligence.]</p>  |
| PLAN ACTUARY                        | <p>The current Plan Actuary is Gabriel Roeder Smith &amp; Company. In the event the Board desires to retain a new actuary, the Board and IC shall collectively participate in the evaluation and selection of a qualified Plan Actuary. The Plan Actuary shall be responsible for assisting the Board and IC in performing its actuarial duties and shall comply with all requests for information or modeling requested by the IC, and shall attend meetings of the IC as requested, so as to allow the IC to perform satisfactorily the rights and duties set forth herein. Furthermore, the Board shall not act on any recommendation made by the Plan Actuary based on any calculation, assumption or assessment rejected by the IC.</p> <p>Nothing herein shall be interpreted as limiting the IC's authority to engage an actuarial consulting firm other than the Plan Actuary to perform actuarial services deemed necessary to fulfill its fiduciary duties to the PFRS and other duties to PFRS as set forth herein.</p> |
| CONSISTENCY WITH PLAN OF ADJUSTMENT | <p>Nothing herein shall be interpreted as permitting the IC or the Board to alter or depart from the requirements set forth in the confirmed Plan of Adjustment.</p>   |

DETROIT 56620-1 1315534v8

## EXHIBIT C

1. General Retirement System
2. Police and Fire Retirement System
3. AFSCME
4. UAW
5. Detroit Police Officers Association
6. Detroit Police Command Officers Association
7. Detroit Police Lieutenants and Sergeants Association
8. Detroit Fire Fighters Association
9. Retired Detroit Police and Fire Fighters Association
10. Retired Detroit Police Members Association
11. Detroit Retired City Employees Association
12. Official Retirees Committee
13. City of Detroit

## EXHIBIT D

Cases to be dismissed:

1. GRS et al. v. Emergency Manager of Detroit (Ingham County Circuit Court)
2. Webster et al. v. State of Michigan, Governor, and State Treasurer (Ingham County Circuit Court)
3. Detroit Library Commission v. Governor, State Treasurer, and Detroit Public Schools Emergency Manager (Ingham County)
4. Flowers et al. v. Governor, State Treasurer, and State of Michigan (Ingham County Circuit Court)
5. DPOA v. City of Detroit (Michigan Court of Appeals)

The settling parties will not attempt to amend to include the City of Detroit or its Emergency Manager as a defendant, or collaterally or retroactively attack the Detroit bankruptcy or actions of Detroit or its EM, or otherwise participate, support, fund or appeal in the following cases:

1. Phillips et al v. Governor and State Treasurer (E.D. Mich.)
2. Michigan AFSCME Council 25 v. Governor, State Treasurer, et al. (E.D. Mich.)
3. NAACP v. Governor, State Treasurer, and Secretary of State (E.D. Mich.)
4. Robert Davis/Citizens United Against Corrupt Government v. Governor, State of Michigan, Dept. of Treasury, Dept. of State Police, et al. (Ingham County Circuit Court)
5. Robert Davis/Citizens United Against Corrupt Government v. Michigan Department of Treasury and Carla Robert (Wayne County Circuit Court)
6. Robert Davis v. Local Emergency Financial Assistance Loan Board (Ingham Court)
7. Robert Davis v. Weatherspoon, Governor, Attorney General, and State Treasurer (E.D. Mich.)
8. Allen Park Retirees v. EM Parker, City of Allen Park (Wayne Circuit)
9. Allen Park Retirees v. State (Court of Claims)
10. Deborah Moore-El v. Snyder (E.D. Mich.)
11. Faith, et al. v. Snyder (E.D. Mich.)
12. Sarella Johnson, et al. v. Snyder (E.D. Mich.)
13. United Retired Government Employees (URGE) et al. v. Governor, et al. (E.D. Mich.)

DETROIT 56620-1 1314985v13

EXHIBIT I.A.340

FORM OF SYNCORA DEVELOPMENT AGREEMENT

**DEVELOPMENT AGREEMENT**  
**OPTION TO PURCHASE AND DEVELOP LAND**  
**BY AND BETWEEN**  
**CITY OF DETROIT**  
**AND**  
**PIKE POINTE HOLDINGS, LLC**

**THIS AGREEMENT** (referred to herein as the “Agreement”) is entered into as of the \_\_\_\_ day of September, 2014 (the “Effective Date”), by and between the City of Detroit, a Michigan public body corporate (the “City”), acting through its Planning & Development Department (“PDD”), whose address is 2300 Cadillac Tower, Detroit, Michigan 48226, and Pike Pointe Holdings, LLC, a Delaware limited liability company (“Developer”), whose address is [ \_\_\_\_\_ ]. The City and Developer are sometimes referred to in this Agreement as a “Party” and, collectively, as the “Parties.”

**Recitals:**

A. In consideration of the Parties’ various contractual arrangements entered into contemporaneously herewith, including without limitation, extension of the lease of the Windsor Tunnel between the City and affiliates of Developer, and the mutual desire of the Parties to promote economic growth in the City (the “Arrangement”), the City has agreed to grant an option to Developer to acquire various parcels of land located in the City of Detroit as described in the attached **Exhibit A** (each a “Property” and, collectively, the “Properties”). Unless otherwise set forth herein, references in this Agreement to a Property shall apply only to the applicable Property and not the other Properties.

B. If Developer exercises its option with respect to one or more of parcels of the Property as set forth herein, Developer shall develop such Property in accordance with the terms and provisions of this Agreement.

Accordingly, the Parties agree as follows:

**Section 1. TERMS OF OPTION**

(A) Grant of Option. The City hereby grants to Developer an option (the “Option”) to, from time to time, acquire any or all of the Properties from the City upon the terms and conditions set forth in this Agreement. The Option shall be effective for five (5) years from the Effective Date, except with respect to that certain Property located at 2200 Franklin for which the Option shall be effective for seven (7) years from the Effective Date (the “Option Period”). The Parties agree and acknowledge that the sole and exclusive consideration for the Option and any subsequent acquisition of any Property hereunder is deemed to be the Arrangement, the sufficiency of which is hereby acknowledged. The City shall cause to be recorded and maintained of record against the Properties in the appropriate land records for the duration of the Option Period the memorandum of option attached hereto as **Exhibit B**. Notwithstanding the foregoing, the Option Period may be extended for a period not to exceed two (2) years upon written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed (the “Option Extension”). For purposes of the Option Extension, it shall be unreasonable for the City to withhold consent thereto to the extent that, (i) on the date of Developer’s request therefor, development in the immediate vicinity of the Property has materially decreased or the general economic condition of the City or geographic region in which the Property is located has deteriorated, in either instance from and after the Effective Date to such a level that it would not be economically feasible for the Developer to pursue development of the Property and/or (ii) the Option Extension is reasonable given the complexity of the development contemplated by the Developer. Any dispute between the Parties with regard to a request for Option Extension which cannot be resolved by the Parties within sixty (60) days following the Developer’s request therefor shall be brought in the Bankruptcy Court for so long as it has jurisdiction, and thereafter in the United States District Court for the Eastern District of Michigan; provided, that if the United States District Court for the Eastern District of Michigan does not have jurisdiction, then such legal action, suit or proceeding shall be brought in such other court of competent jurisdiction located in Wayne County, Michigan; provided, further, by execution and delivery of this Agreement, each of the Parties irrevocably accepts and submits to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding and specifically consents to the jurisdiction and authority of the Bankruptcy Court to hear and determine all such actions, suits, and proceedings under 28 U.S.C. §157(b) or (c), whichever applies.

(B) Diligence Notice. If the Developer desires (in its sole discretion) to undertake Due Diligence Activities (as hereinafter defined) with respect to one or more of the Properties, the Developer shall, from time to time, give prior written notice of its intent thereof to the City not less than sixty (60) days prior to the expiration of the Option Period (each, a “Diligence Notice”). The Developer shall be entitled to deliver any number of Diligence Notices with respect to the various Properties during the Option Period; provided, however, that any such Diligence Notice shall indicate reference to the Property the Developer intends to subject to the Due Diligence Activities hereunder.

(C) Condition of Property.

(1) Due Diligence Activities. Subject to the requirements of Section 2 below, upon delivery of the Diligence Notice to the City with respect to any Property, Developer shall have a period commencing on the date of the Diligence Notice and continuing through and including the date that is sixty (60) days prior to the expiration of the Option Period (the “Due Diligence Period”) to conduct its due diligence activities on any Property that is the subject of a Diligence Notice. For purposes of this Agreement, “Due Diligence Activities” include but are not limited to the following:

(a) such physical inspections, surveys, soil borings and bearing tests, possible relocation of utilities, and such environmental due diligence on or for the Property as Developer deems appropriate, all of which shall be completed at Developer’s expense;

(b) investigations, environmental site assessments, including Phase I and Phase II site assessments, sampling and testing of soil, groundwater, surface water, soil vapors, indoor air, and building materials (such as Asbestos and lead-based paint), and/or a Baseline Environmental Assessment, (“BEA”), as defined in Part 201 of the Natural Resources and Environmental Protection Act (“NREPA”), being MCL 324.20101 *et seq.*, and such other investigations and assessments as Developer may deem needed in its sole discretion to determine the condition of the Property and the Property’s compliance with Environmental Law and any other federal, state and local laws, rules, regulations and orders relating in any way to protection of human health, the environment and natural resources, all of which shall be completed at Developer’s expense; and

(c) a review of the title evidence, survey, entitlements, and payment of taxes and assessments, all of which shall be completed at Developer’s expense.

(d) a review of financing sources related to Developer’s proposed development and use of the Property, or any other matter that in Developer’s sole discretion is relevant to Developer’s acquisition of the Property.

(e) a review of all City Information and all publicly-available information with respect to the Property.

(f) a review of available public and private utilities and public accesses necessary for the proposed development of the Property.

(f) application and procurement of any zoning, site plan, elevation, special land use, environmental, conditional use or other municipal approvals or permits, or variances therefrom, required or appropriate for the proposed development of the Property. The City hereby authorizes the Developer to submit and apply for all such approvals, permits, and variances upon the commencement of the Due Diligence Period.

(2) City Information. The City shall use reasonable efforts to make available to Developer all information in the City's (or the City's agencies' or departments') possession or control related to the applicable Property within thirty (30) days following delivery to the City of a Diligence Notice for the applicable Property, including but not limited to existing leases, licenses, permits, approvals, contracts, warranties, title searches and policies, surveys, appraisals, environmental audits, Phase I environmental site assessments, Phase II reports or other testing or sampling data, asbestos surveys, reports, specifications, from the Planning, Building, Assessing, Environmental Affairs and Fire Departments, notices of violations of applicable laws, regulations and ordinances or other documents in the City's possession or control related to the applicable Property (collectively, the "City Information"). The City shall cooperate with the Developer and use reasonable efforts to facilitate the Developer's Due Diligence Activities, all at no material incremental cost to the City, including providing information, coordinating with tenants or other third party users of the Property as applicable, and executing such documentation as may be reasonable and necessary for Developer's access to the site and completion of the Due Diligence Activities including the preparation of a BEA.

(3) Insurance. Prior to entering onto any Property for any Due Diligence Activities, Developer or its contractors shall maintain the insurance coverage and comply with the insurance requirements specified in the City's Right-of-Entry, a form of which is attached as **Exhibit C** (the "Right-of-Entry").

(4) Indemnity. Developer shall defend, indemnify and hold harmless the City from and against any loss, liability, cost or expense incurred by the City to the extent resulting from Developer's (including its duly authorized employees, agents, engineers or other representatives) negligence or willful acts occurring in connection with the Due Diligence Activities; provided, however, that (i) in the event Developer provides an Objection Notice or otherwise elects not to proceed to Closing, the Developer shall in no circumstance have any obligation or liability with respect to any conditions pre-existing at the Property including without limitation any environmental condition, soil or groundwater contamination or other environmental conditions that may discovered in the course of the Developer's Due Diligence Activities and thereafter disclosed to the City as required hereunder, except to the extent such conditions are materially exacerbated due to the negligence or willful acts of Developer or any of its duly authorized employees, agents, engineers or other representatives, and (ii) the Developer shall not be responsible for any loss, liability, cost, or expense resulting from the discovery of any adverse information or condition regarding the applicable Property or from the City's (or the City's agencies' or departments') negligence or misconduct.

(5) Results of Due Diligence Activities. If Developer concludes, in Developer's sole discretion, that a particular Property is satisfactory, then Developer shall so

notify the City in writing on or before the last day of the Due Diligence Period, by sending an “Election Notice,” and the parties shall proceed to closing the applicable Property subject to other terms and conditions of this Agreement. If Developer concludes, in Developer’s sole discretion, that, for any reason or for no reason, a particular Property is not satisfactory, then Developer shall so notify the City in writing on or before the last day of the Due Diligence Period, by sending a “Rejection Notice,” and the parties shall not proceed to Closing with respect to the applicable Property at such time. In the event the Developer issues a Rejection Notice with respect to any Property, Developer may not later elect to re-commence Due Diligence Activities with respect to the same Property and the Option granted hereunder with respect to such Property will be thereafter deemed released and of no further force or effect. If Developer concludes, in Developer’s sole discretion, as a result of the Due Diligence Activities that the condition of the Property is not satisfactory but Developer wants the City to cure such unsatisfactory conditions, then Developer shall notify the City in writing on or before the last day of the Due Diligence Period, by sending an “Objection Notice” setting forth with reasonable specificity the particular condition of the applicable Property which is unacceptable to Developer (each such condition referred to as a “Defect”). The City shall have the right, but not the obligation, within sixty (60) days of the Objection Notice (the “City Cure Period”), to cure such Defects; provided, however, that the City shall be required to cure any liens or encumbrances (collectively, a “Mandatory Cure”) (x) in favor of the City or any agency or department of the City or (y) result from a violation of Section 5(G) of this Agreement. If the City is unable or unwilling to cause any or all of the Defects (other than Mandatory Cures which the City shall be obligated to cure) during such City Cure Period, Developer shall have the right to either (i) elect not to exercise the Option with respect to the applicable Property by sending written notice to City of such election within two (2) days after the expiration of the City Cure Period, in which event the Developer may later elect to commence Due Diligence Activities with respect to the same Property by delivery of a Diligence Notice pursuant to the terms of Section 1(B) above; or (ii) waive its objection to such Defects and accept the Property subject to those Defects (Developer being deemed to have elected this option (ii) if it fails to make the election in the preceding option (i)). If Developer fails to provide an Election Notice or an Objection Notice within the Due Diligence Period, then Developer shall be deemed to have delivered a Rejection Notice with respect to the applicable Property. Notwithstanding any provision herein to the contrary, the City agrees to (1) cooperate with the Developer in clearing title to the Property to the extent that the title related Defects described in the Objection Notice are within the reasonable control of the City to address or eliminate and (2) cure all Mandatory Cure Defects. In the event that the expiration of the City Cure Period for a particular Property occurs (or would occur) after the expiration of the Option Period, the Option Period shall be extended for such Property until the date that is fifteen (15) days after the expiration of the applicable City Cure Period.

(6) As Is Condition of Property; City Cooperation. From time to time with respect to each Property, subject to the earliest to occur of (i) delivery by Developer of an Election Notice, (ii) written notice to Developer that the City has cured all Defects set forth in an Objection Notice provided prior to the expiration of the City Cured Period, or (iii) waiver by Developer of any Defects, each pursuant to Section 1(C)(5) above, closing of the transactions contemplated hereby with respect to a particular Property (each, a “Closing”) shall be on an “as-is, where-is” basis and the Developer shall take the applicable Property as it finds it at Closing

other than a matter resulting from a violation of the covenant set forth in Section 5(G) of this Agreement. The City makes no implied or express representations or warranties of any kind as to its condition, including its environmental condition and any other condition that may adversely affect the development, or its fitness for absolutely any purpose whatsoever. By proceeding to Closing after completion of its Due Diligence Activities, Developer will acknowledge that it is satisfied with the condition of the applicable Property, except as otherwise provided in this Agreement. By accepting title to the applicable Property at Closing, Developer shall be deemed to have waived any right to object to the status of title or to the condition of the applicable Property, regardless of the result of any Due Diligence Activities, and shall be deemed to have declared its full satisfaction with the status of title to and condition of the applicable Property, except as otherwise provided in this Agreement.

(7) Release of City from Liability. Upon Closing on any particular Property, Developer shall release the City and its officials, employees, and agents (but not any third party) from any and all claims or causes of action the Developer may have against the City for any liability, injury or loss as a result of any physical defects in or physical conditions of the applicable Property, including but not limited to any surface, subsurface, latent or patent conditions whether naturally occurring or by action of any party, including but not limited to environmental condition, other than a matter resulting from a violation of the City's covenant set forth in Section 5(G)(ii) of this Agreement.

(8) Security of Properties. In the event that a Property is vacant or otherwise not being utilized by the City, without imposing any liability or obligation with respect thereto, commencing on the commencement of Due Diligence Activities with respect to such Property, Developer shall have the right, but not the obligation, in its sole and absolute discretion, at Developer's cost and expense, to undertake any actions it deems reasonably necessary to secure the Property and prevent damage or unauthorized access to the applicable Property, including, without limitation, installing and maintaining fencing and/or signage on the applicable Property. As a condition to Developer exercising its right hereunder to secure any Property, the Developer must first obtain a general liability policy of insurance in connection with such activities in form and amount reasonably satisfactory to the City, with the City named as an additional insured thereto. In addition, Developer shall not be deemed to be in control of or operating the applicable Property as a result of Developer's undertaking of any security measures with respect to this section. Notwithstanding the foregoing, in exercising its right to secure the Property provided for herein, Developer shall not be deemed to have warranted to the City the effectiveness of the security measures so implemented.

(D) Manner of Conveyance. At the Closing, the applicable Property shall be conveyed to Developer (or its designee) by one or more quit claim deeds substantially in the form of the deed set forth in **Exhibit D** (the "Deeds") using legal descriptions approved by Developer and the City.

(E) Brokerage and Finder's Fees and Commission. Developer will defend and indemnify the City and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind that the City or Developer may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents claiming by, through or under Developer incident to this Agreement and the transaction contemplated hereby or any litigation

or similar proceeding arising therefrom unless the City has a written agreement with a broker, finder or agent providing for such payment in which case the City shall be responsible for such broker, finder or agents' commissions, fees, judgments or expenses. To the maximum extent permitted by applicable law, the City will defend and indemnify the Developer and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind that the City or Developer may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents claiming by, through or under the City incident to this Agreement and the transaction contemplated hereby or any litigation or similar proceeding arising therefrom unless the Developer has a written agreement with a broker, finder or agent providing for such payment in which case the Developer shall be responsible for such broker, finder or agents' commissions, fees, judgments or expenses.

(F) Taxes And Assessments.

(1) Property on Tax Rolls at Closing. All taxes and assessments which (i) have become a lien upon the Property or part thereof prior to the date of Closing, and (ii) have been discovered and specifically identified by Developer prior to the applicable Closing, shall be paid by the City and shall be a Mandatory Cure; provided, however, that all current property taxes shall be prorated and adjusted to the date of Closing on a due date basis. From and after each Closing, Developer shall be solely responsible for all taxes, liens, and assessments that become due and payable for the period after the applicable Closing against the applicable Property it acquires hereunder or any part thereof, whenever assessed, levied, or due, and shall have no claim against the City on account thereof.

(2) Approval of Requests for Economic Incentives/Entitlements and Land Use Approvals.

(i) The City agrees to consider any requests by Developer or its designee for any development or economic inducements (including tax abatements, tax credits, tax increment financing, grants, loans, cost reimbursements and like development incentives) for which any of the Properties are eligible, whether or not such requests are made as part of Developer's Due Diligence Activities or thereafter. The City also agrees to cooperate with and support Developer or its designee in any request to procure such development or economic inducements from other governmental authorities (whether or not related to or controlled by City).

(ii) The City agrees to consider requests or applications by Developer or its designee for approvals relating to zoning, site plans, special use permits, uses, variances or other municipal approvals that are necessary or appropriate to develop the Properties, provided that if the requests pertain to any of the Properties other than 1300 Beaubien, such requests are for uses that are consistent with the SD4 zoning classification as of the Effective Date or otherwise are consistent with residential, parking, retail or commercial uses permitted within the SD4 zoning classification as currently in effect or other uses suitable for the location.

(iii) The following shall apply to any consideration or cooperation by the City with respect to any formal requests made by Developer or its designee to the City, described in subsections (i) or (ii) of this Section: (a) the City agrees to process such requests pursuant

to its ordinary processes for the applicable requests, (b) the City shall not unreasonably withhold, condition or delay approvals of the applicable requests, and shall not unreasonably impede or interfere with development activities consistent with this Agreement, (c) the City shall not discriminate against Developer or its designee in the consideration or approval of such requests on account of the Arrangement, the events leading up to the Arrangement or this Agreement, and (d) the City shall use reasonable efforts to facilitate such requests, taking into consideration other similar requests for approvals or inducements, as applicable, of third parties granted by the City for similarly situated developments and uses as those contemplated by Developer for the Property; provided, however, the City shall process such requests pursuant to all then applicable rules, regulations, statutes and similar requirements.

(G) Inability to Convey. Subject to the Developer's rights under Section 6(D) below, if, for any reason, the City is unable to convey title to a particular Property to the Developer upon exercise of the Option and Developer's election to proceed to Closing with respect to the applicable Property pursuant to the terms of this Agreement, which shall include (i) if the City (or an agency or department of the City) does not own title to such Property, (ii) there is a Defect that is not cured or removed as of the Closing and such Defect materially hinders Developer's ability to develop the applicable Property in an economically viable manner, (iii) there are any uncured Mandatory Cure items, or (iv) if Developer determines that the scope or expense of any environmental remediation necessary to develop the applicable Property would make the development thereof, as contemplated by the Developer, economically unfeasible, the Developer and the City shall mutually agree upon alternate consideration commensurate to the undeveloped, fair-market value of the applicable Property (the "Alternate Consideration"); provided, however, that such value shall assume that any applicable Defects have been removed; provided, further, that, with respect to the applicable Property, the reasonable, actual and out-of-pocket acquisition and development costs incurred by Developer or its designee after the Effective Date and prior to the date upon which Developer or its designee obtains actual knowledge of the existence of the particular Defect or condition of such Property giving rise to Alternate Consideration, including, without limitation, costs associated with Due Diligence Activities, remediation activities, and architect, engineering, and design activities, shall be included in the amount of Alternate Consideration to the extent Alternate Consideration is required pursuant to Section 1(G)(i) or 1(G)(iii) above.

To the extent the Parties do not agree on the Alternate Consideration within sixty (60) days of establishing that Alternative Consideration is required, then, within thirty (30) days thereafter, the Developer and the City shall deliver to each other Developer's or City's, as the case may be, determination of the Alternate Consideration (which shall be in the form of an alternate parcel of real property or cash payment amount). Within ten (10) days after each Party delivers to the other party such Party's determination of the Alternate Consideration, the Developer and the City shall each appoint one disinterested appraiser having the qualifications set forth herein. Each such appraiser must be a Member of the Appraisal Institute (MAI) and have at least ten (10) years of experience appraising commercial or industrial property in the Detroit metropolitan area as a MAI appraiser. If either the Developer or the City fails to appoint an appraiser within such ten (10) day period, the appraiser appointed by the Developer or the City, as the case may be, shall appoint an appraiser having the qualifications set forth herein. As promptly as possible, but in no event later than thirty (30) days after the appointment of both

appraisers, the appraisers shall notify the Developer and the City in writing of their determination of which of the Developer's or the City's determination more closely approximates Alternate Consideration (all as valued as of the determination date). The Alternate Consideration so selected by the two appraisers will constitute the Alternate Consideration for purposes of this section, and will be binding upon the Developer and the City. If the two appraisers are unable to agree as to the Alternate Consideration, then the two appraisers shall promptly agree upon and appoint a third appraiser having the qualifications set forth herein. The third appraiser shall, within thirty (30) days of appointment, determine which of the two determinations of the Developer or the City more closely approximates Alternate Consideration, and shall notify the Developer and the City thereof. The Alternate Consideration selected by the third appraiser will constitute the Alternate Consideration for purposes of this section, and will be binding upon the Developer and the City. To the extent the Alternate Consideration selected by the appraisers hereunder is real property, (i) such real property shall be reasonably acceptable to Developer, and (ii) the City may elect in its sole discretion to satisfy such Alternate Consideration in the form of a cash payment to the Developer in an amount equal to the appraisers' determination of the cash value of the Alternate Consideration selected. To the extent the Alternate Consideration to be given to the Developer hereunder is real property, the City shall be deemed to have granted Developer an option with respect to such Alternative Consideration property pursuant to the same terms as this Agreement; provided, however, that the time periods with respect to such option, including without limitation, the Option Period, shall commence upon the date that such new option with respect to the Alternative Consideration is granted to Developer and not as of the Effective Date.

(H) Use of the Properties During the Due Diligence Period. Commencing on the commencement of the Due Diligence Period, Developer shall have the right (but not the obligation), in its sole discretion, to elect to utilize all or a portion of the Properties identified on Schedule 1(H) prior to acquiring title of the Use Property for the operations of a surface lot parking facility and ancillary uses (collectively, the "Parking Use") by providing thirty (30) days' prior written notice thereof to City (a "Use Notice"). The Use Notice shall identify the Properties that will be used by Developer for the Parking Use (collectively, the "Use Property"). Developer's right to utilize the Use Property for the Parking Use shall commence as a license from the City upon the expiration of thirty (30) days following the delivery of the Use Notice to the City. Developer shall have the right to enter into an agreement with a third party to operate the Parking Use on the Use Property. Developer shall pay all costs associated with the Parking Use of the Use Property (including all federal, state and local taxes and charges as may be applicable thereto; however, Developer shall not be responsible for ad valorem property taxes during the Use Period) and shall receive all revenue with respect thereto. In the event that Developer delivers a Use Notice, Developer shall be required to deliver an Election Notice with respect to the Use Property; provided however, Developer shall have the right to elect at what point during the Due Diligence Period such Election Notice is given by providing written notice of such election prior to the expiration of the Due Diligence Period. The period between a Use Notice and Closing shall be referred to herein as the "Use Period." If Developer fails to deliver such election prior to the expiration of the Due Diligence Period, Developer shall be deemed to have delivered an Election Notice with respect to the Use Property on the last day of the Due Diligence Period. Developer shall maintain such commercially reasonable insurance as is customary for operations similar to the Parking Use on the Use Property and shall defend,

indemnify and hold harmless the City from and against any loss, liability, cost or expense incurred by the City to the extent resulting from the Parking Use; provided, however, that the Developer shall not be responsible for any loss, liability, cost, or expense resulting from the City's (or of the City's agencies' or departments') negligence or misconduct. Developer shall at all times keep the Use Property clean and free of debris and shall not permit any area of the Use Property to be littered with refuse during the Use Period. The City disclaims all representations and warranties as to the condition of the Use Property, including, but not limited to, any implied or express warranty of fitness of the Use Property for the Parking Use. Developer covenants and agrees that it shall not use the Use Property during the Use Period in any manner which violates the laws of the United States of America, the laws of the State of Michigan or any ordinances or other regulations of any governing municipality or other political subdivision. Developer's use of the Use Property and any activities or actions of Developer or its designee in connection therewith shall not be deemed a violation of the City's covenants under Section 5(G) below.

## Section 2. ENVIRONMENTAL MATTERS

(A) Definitions. The following words and expressions shall, wherever they appear in this document, be construed as follows:

- (1) "Asbestos" shall have the meanings provided under the Environmental Laws and shall include, but not be limited to, asbestos fibers and friable asbestos as such terms are defined under the Environmental Laws.
- (2) "Environmental Claims" shall mean all claims, demands, suits, proceedings, actions, whether pending or threatened, contingent or non-contingent, known or unknown, including but not limited to investigations and notices by any governmental authority, brought under common law and/or under any of the Environmental Laws which can or do relate to the Property.
- (3) "Environmental Laws" shall mean all applicable federal, state, and local laws, rules, regulations, orders, judicial determinations and decisions or determinations by any judicial, legislative or executive body of any governmental or quasi-governmental entity, whether in the past, present or future, with respect to:
  - (i) the installation, existence, or removal of, or exposure to, Asbestos on the Property;
  - (ii) the existence on, or discharge from, or removal from the Property of Hazardous Materials; and
  - (iii) the effects on the environment of the Property or any activity conducted now, previously or hereafter conducted on the Property.

Environmental Laws shall include, but are not limited to, the following: (i) the Michigan Natural Resources and Environmental Protection Act, 1994 Public Act 451, as amended ("NREPA"); the Comprehensive Environmental Response,

Compensation, and Liability Act, 42 USC Sections 9601, et seq. (“CERCLA”); the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Resource Conservation and Recovery Act, 42 USC Sections 6901, et seq.; the National Environmental Policy Act, 42 USC Section 4321; the Toxic Substances Control Act, 15 USC Section 2601; the Hazardous Materials Transportation Act, 49 USC Section 1801; the Clean Air Act, 42 USC Sections 7401, et seq.; and the regulations promulgated in connection therewith; (ii) Environmental Protection Agency regulations pertaining to Asbestos (including 40 CFR Part 61, Subpart M); Occupational Safety and Health Administration Regulations pertaining to Asbestos (including CFR Sections 1901.1001 and 1926.58) as each may now or hereafter be amended; and (iii) any Michigan state and local laws and regulations pertaining to any Hazardous Materials.

(4) “Hazardous Materials” shall mean any of the following as defined by the Environmental Laws: Asbestos; hazardous wastes; solid wastes; toxic or hazardous substances, wastes or contaminants (including but not limited to polychlorinated biphenyls (PCBs), paint containing lead and urea formaldehyde foam insulation), and sewage.

(B) The City and Developer acknowledge and agree that some of the parcels to be transferred may be “facilities” pursuant to Part 201 of NREPA, whether or not as yet discovered to be such, and that given the number of parcels being transferred, the 100-year period over which the parcels were developed, numerous changes in uses, and the City’s lack of knowledge about the condition or history of most of the parcels, it may not be practicable or possible to identify all pre-existing contamination or conditions on the parcels which may strictly violate Environmental Laws. Further, the City and Developer acknowledge that although the Developer can give its general undertaking to comply with Environmental Laws with regard to its conduct of future activities on the parcels, at the time of Closing, neither City nor Developer will be able to estimate exactly what such compliance may involve with regard to existing contamination and other existing conditions on the parcels that may violate Environmental Laws. The City acknowledges that the Developer may conduct a BEA and CERCLA “All Appropriate Inquiry” assessment activities respecting the Property, the results of which assessments may be reported to federal and state authorities at such time as Developer issues an Election Notice to proceed to Closing with respect to such Property, in order to seek the associated protections from liability with respect to pre-existing environmental conditions at the Property (“Liability Protection”), or such earlier date as required pursuant to Environmental Laws or in order to preserve Liability Protection.

(C) The City shall authorize the Developer, through a fully executed Right-of-Entry (in the form attached), to enter upon the applicable Property during the Due Diligence Period to, subject to the conditions set forth herein, undertake environmental remediation activities approved by the City hereunder, and make soil boring and bearing tests, undertake such surveying and environmental due diligence activities as Developer deems appropriate, including without limitation sampling and testing of soil, soil vapor, surface water, groundwater, indoor air, and the installation of groundwater wells, provided such do not materially and permanently interfere with demolition or site improvement activities of the City or the rightful use of the

Property by a tenant in possession or other third party, if any. All such testing and remediation shall be done at Developer's expense. Developer shall at all times during the Due Diligence Period comply with the terms and provisions of the Right-of-Entry, and Developer's right to enter upon the applicable Property is subject to execution of such Right-of-Entry. To the extent any provision of such Right-of-Entry conflicts with the terms set forth herein, the terms of this Agreement shall govern. Developer shall upon request submit to the City a copy of each final survey or environmental testing report generated as a result of such activities. Developer shall give prior written notice to the City to inspect, investigate and/or remediate the condition of the Property during the Due Diligence Period, including any investigation of the environmental condition (each such notice referred to herein as an "Investigation Notice"). To the extent the Investigation Notice includes a request to perform any environmental remediation activities upon the applicable Property, prior to undertaking such remediation, the Developer shall submit to the City in writing (i) the scope of remediation activities contemplated by the Developer, (ii) evidence of commercially reasonable insurance appropriate for the scope of remediation contemplated by the Developer, and (iii) evidence that the Developer has the financial resources to complete the scope of remediation contemplated, each of which shall be subject to the prior written approval of the City, which approval shall not be unreasonably withheld, conditioned or delayed. Upon written request of Developer, the City shall provide an electronic mail address for delivery of any Investigation Notice; provided, Developer shall mail a copy of any Investigation Notice sent via electronic mail to the City pursuant to the provisions of Section 4 below. Developer shall use all commercially reasonable efforts to minimize damage to the Property in connection with such entry and shall restore the Property to substantially the condition existing prior to such entry, provided that the City acknowledges that soil borings and groundwater well sampling may be conducted, and it may not be practicable to fully restore the Property to the exact same condition. Developer shall indemnify, defend and hold the City harmless from and against any and all loss, cost, liability and expense, including reasonable attorney fees and litigation costs, suffered or incurred by the City as a result of the Developer's (including any of its duly authorized employees, agents, engineers or other representatives) negligent acts or omissions or willful misconduct occurring in connection with the activities conducted in accordance with the Right-of-Entry; provided however that (A) in the event Developer provides an Objection Notice or otherwise elects not to proceed to Closing, the Developer shall in no circumstance have any indemnity obligation or other liability with respect to any environmental conditions pre-existing at the Property including without limitation any soil or groundwater contamination or other environmental conditions that may be discovered in the course of the Developer's Due Diligence Activities and thereafter disclosed to the City as required hereunder, except to the extent such environmental conditions are materially exacerbated due to the negligence or willful misconduct of Developer or any of its duly authorized employees, agents, engineers or other representatives, and (B) in no event shall Developer have any indemnity obligation or other liability with respect to any loss, cost, liability or expense incurred by the City as the result of the gross negligence or willful misconduct of the City or its agents.

(D) In the event Developer elects to proceed to take title to any Property, upon the Closing, Developer takes such Property as it finds it, "AS IS", and the City makes no express or implied representations or warranties as to its fitness for absolutely any purpose whatsoever, including but not limited to any warranty that the Property is fit for the Developer's purpose or

regarding the presence or absence of Hazardous Materials at, on, in, under, about, or from the Property and compliance with the Property with Environmental Laws. Developer acknowledges that neither the City nor any agent or employee of the City has made any representation, warranty or agreement, either express or implied, and Developer has not relied on any representation, warranty or agreement of any kind made by the City or any agent or employee of the City, concerning (a) the physical or environmental condition of the Property, or (b) the presence or absence of any condition, substance or material, including but not limited to any waste material, equipment or device at, on, in, under, about, or from the Property. Developer agrees that the disclosures of the City concerning the Property and its condition are intended to satisfy any duties the City may have under the law, including but not limited to the statutes, Environmental Laws, and common law. Developer shall rely solely on its own due diligence with respect to such inquiries, investigations and assessments. By executing this Agreement, Developer acknowledges that it is satisfied with the condition of the Property, subject only to its Due Diligence Activities, including but not limited to inspection of the Property, review of title, and the results of the tests, investigations and surveys permitted under this Agreement. If, prior to Closing, Developer fails to undertake such investigations and/or obtain such test results and surveys, or fails to object to the condition of the Property based on the results of its Due Diligence Activities, and Developer thereafter elects to proceed to Closing, Developer shall thereupon be deemed to have waived any right to object to the condition of the Property and shall be deemed to have declared its full satisfaction therewith.

(E) Upon Closing on any particular Property, subject to the City's covenant set forth in Section 5(G)(ii) below, Developer, for itself and its successors and assigns, expressly waives and releases all Environmental Claims (whether for personal injury, property damage or otherwise) that Developer may have against the City and its officials, employees and agents in connection with or related to such Property or any aspect thereof except for Environmental Claims arising out of actions by the City of its employees or agents that caused the release or threatened release of hazardous substances on the parcels being transferred. Upon Closing on any particular Property, Developer releases and discharges the City from all Environmental Claims that Developer may have against the City in connection with or arising out of the present condition of the Property.

(F) Intentionally omitted.

(G) Subject to the City's covenant set forth in Section 5(G)(ii) below, after the Closing with respect to a Property, the City shall have no obligation or liability to Developer whatsoever to undertake any cleanup or other remedial action that may be required in connection with the Property under any Environmental Law, or to comply with any other federal, state or local requirement to attend to the physical condition of the Property.

(H) At its sole cost and expense, with respect to an applicable Property for the period commencing on the applicable Closing and ending on the applicable Commencement of Construction, Developer shall: (a) comply with all Environmental Laws; (b) pay when due the cost of Developer's compliance with the Environmental Laws resulting directly or indirectly out of environmental conditions caused or permitted by Developer during its period of ownership, use, possession or development of the Property; and (c) keep the Property free of any lien

imposed pursuant to the Environmental Laws resulting out of Developer's ownership, use, possession, or development of the Property.

(I) During the earliest of the date that Developer (a) receives title to the Property, (b) receives possession of the Property or (c) performs any removal or remedial activities on the Property, Developer shall comply with all Environmental Laws and will undertake to complete any further investigation and remediation of the environmental conditions, if any, necessary to permit the intended use of the Property in accordance with the Environmental Laws. As between the City and Developer but not as to third parties, Developer assumes the risk of liability for any and all Hazardous Materials, whether known or unknown, which may have been or may be present in, at, on, under about or from the Property except for hazardous materials released by the City or its agents, employees, or contractors.

(J) Notwithstanding anything to the contrary which may be contained in this Agreement, Developer represents and warrants and covenants to the City for the period after Developer's commencement of ownership, use, possession or development of the Property and terminating upon the Commencement of Construction at an applicable Property, as follows:

(i) Developer shall not directly or indirectly use or allow the use of the Property for the purpose of storing any Hazardous Materials Developer brings into the Property, nor shall Developer directly or indirectly use the Property in a manner which will cause or increase the likelihood of causing the release of such Hazardous Materials onto or from the Property, other than those Hazardous Materials which are necessary and commercially reasonable for the conduct of Developer's development activities or the business operated on the Property and which Hazardous Materials shall be, handled and disposed of in compliance with all Environmental Laws and industry standards and in a commercially reasonable manner.

(ii) Developer shall promptly notify the City of any claims or litigation against the Developer by any person (including any governmental authority), concerning the presence or possible presence of Hazardous Materials contamination at the Property or concerning any violation or alleged violation of the Environmental Laws by the Developer respecting the Property, and shall furnish the City with a copy of any such communication received by Developer.

(iii) Developer shall notify the City promptly and in reasonable detail in the event that Developer becomes aware of or suspects the presence of Hazardous Materials contamination or a violation of the Environmental Laws at the Property.

(iv) If Developer's operations at the Property violate the Environmental Laws so as to subject Developer or the City to a formal notice of violation by a governmental agency alleging a violation of the Environmental Laws, Developer shall promptly investigate the underlying circumstances and notify the City within fourteen (14) days of the results of its investigation. If Developer determines that an ongoing violation by Developer is occurring or did occur, Developer shall, to

the extent required by Environmental Laws, cease or cause a cessation of or take other actions to address those aspects of the use or operations causing the violation and shall remedy and cure in compliance with the Environmental Laws any conditions arising therefrom to the extent required by Environmental Laws at its own cost and expense. If Developer disputes that its activities are violating Environmental Laws, it shall expeditiously appeal and prosecute an appeal of the notice of violation or take other commercially reasonable actions to dispute such notice.

**Section 3. CLOSING**

(A) Time and Place of Closing. The closing with respect to a particular Property shall take place at the office of the PDD, or such other location designated by the City and acceptable to Developer. Each Closing will take place within fifteen (15) days following the earliest to occur of (i) delivery by Developer of a Election Notice with respect to a particular Property, (ii) written notice to Developer that the City has cured all Defects set forth in an Objection Notice provided prior to the expiration of the City Cured Period with respect to a particular Property, or (iii) waiver by Developer of any Defects with respect to a particular Property, each pursuant to Section 1(C)(5) above. For the avoidance of doubt, no additional consideration shall be due from the Developer to the City at any Closing.

(B) Conditions to Closing. The City’s obligation to proceed with a Closing is conditioned on the fulfillment by Developer of each of the following conditions precedent:

a. Resolution of Developer’s Authority. Developer shall furnish to the City a certified copy of a resolution in form and substance as set forth on **Exhibit E**, duly authorizing the execution, delivery and performance of this Agreement and all other documents and actions contemplated hereunder with respect to a particular Property.

b. Intentionally Omitted.

c. Payment of Closing Costs. Developer shall have tendered payment of the closing costs payable by Developer, which shall include all title charges, escrow, closing and recording fees associated with any conveyance hereunder. For avoidance of doubt, the City shall not be responsible for any closing charges or transaction fees in connection with any Closing hereunder other than the payment of its own legal fees and expenses.

(C) Delivery of Deeds and Possession. The City will deliver to Developer at each Closing the Deeds with respect to the particular Property that is subject of such Closing to and possession of the applicable Property.

(D) Recording. Provided that Developer has complied with all conditions precedent as specified herein, the Deeds with respect to a particular Property shall be delivered at the applicable Closing for prompt recordation with the Register of Deeds of Wayne County, Michigan. Developer shall pay at each Closing all costs for recording the Deeds. Possession of the applicable Property shall be delivered to Developer at the applicable Closing.

**Section 4: NOTICES**

A notice, demand or other communication under this Agreement by either Party to the other shall be sufficiently given if it is dispatched by certified or registered mail, postage prepaid, return receipt requested, or sent by recognized overnight delivery service, or hand delivered, with receipt obtained, and addressed as follows:

If to Developer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to the City: Director  
Planning & Development Department  
65 Cadillac Square, Suite 2300  
Detroit, Michigan 48226

With a copy to (which copy shall not constitute notice):

Corporation Counsel  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226

All notices shall be deemed given on the day of mailing. Either Party to this Agreement may change its address for the receipt of notices at any time by giving notice thereof to the other as provided in this section. Any notice given by a Party hereunder must be signed by an authorized representative of such Party.

**Section 5: COVENANTS**

(A) Developer covenants for itself and its successors and assigns and every successor in interest to any Property constituting a part of the Properties, that from and after Closing on such Property, Developer and its successors and assigns shall develop such Property only to and in accordance with the uses specified in this Agreement, unless otherwise agreed in writing by the City. The uses specified in this Agreement are for development and use of such Property into parking facilities, residential housing, commercial, retail space or any other use suitable for the location, consistent with the City’s urban planning policies and the City’s comprehensive development plan in effect as of the date the Developer seeks zoning and land use approval for such development. Subject to force majeure delays, within fifteen (15) months following Closing (the “Commencement Deadline”) on any Property, the Developer shall achieve Commencement of Construction (as defined below) with respect to such Property. Following Commencement of Construction, the Developer shall diligently prosecute such development on the Property to substantial completion (which shall mean substantial completion of such development and all material improvements related thereto, exclusive of landscaping, punch list items and any tenant work for commercial or other space for which there are no tenants or for which the work is to be done by a tenant and any onsite or offsite work that is not commercially

necessary for occupancy) (the date upon which such substantial completion occurs referred to herein as the “Completion Date”). Subject to force majeure delays, the Completion Date shall occur within thirty nine (39) months following Closing for the applicable Property, or such longer period of time as may be reasonably necessary for Developer or its designee to actually achieve substantial completion of the applicable development or improvements, provided Developer is diligently pursuing such completion (the “Completion Deadline”). For purposes hereof, “force majeure delays” shall mean acts of God, terrorism, flooding, strikes, lockouts or other labor trouble, materially adverse weather conditions, fire or other casualty, governmental preemption in connection with an emergency, any rule, order or regulation of any governmental authority or any department or subdivision thereof and any other cause or event beyond the reasonable control of Developer (other than failure of Developer to secure necessary land use or zoning approvals from any governmental authority), or inability to secure materials, labor or access to the Property because of any such emergency, rule, order, regulation, war, civil disturbance, terrorist act or other emergency, or inability to secure materials, labor or access to the Property because of any other cause or event beyond the reasonable control of Developer (other than shortage of funds). In the event that the Developer elects to undertake environmental remediation of the Property after the Closing, “force majeure delays” also shall include the time reasonably necessary for the proper completion of all applicable remediation activities. In the event that Developer ceases, delays, or slows its development activities for a particular Property as a result of any claim or cause of action filed, threatened or asserted by the City (or any of its agencies or departments) and, (1) a court of competent jurisdiction dismisses such action or rules in favor of Developer with respect thereto or (2) the City withdraws its claims or causes of actions, the delay associated with such reduction or cessation in the development shall be deemed a “force majeure delay.” The Commencement Deadline and Completion Deadline shall be extended for a period of time equal to the number of days during which Developer is prevented from proceeding with the construction of the development at the Property by reason of force majeure, provided that (i) Developer is otherwise in material compliance with the terms and provisions of this Agreement, and (ii) Developer notifies the City of the events constituting such force majeure upon the later of (i) Closing with respect to the applicable Property and (ii) sixty (60) days after Developer has actual knowledge of their occurrence.

(B) For purposes of this Agreement, “Commencement of Construction” on a Property shall be deemed to have occurred when the Developer shall have commenced foundation or other equivalent site preparation work on the Property, which site preparation work may include renovation or demolition of existing buildings located on the Property, as applicable.

(C) If the development plan for a Property calls for development of improvements on the Property in two or more discrete phases, the requirements set forth in this Agreement relative to the Completion of Construction, as well as the remedies of the City applicable thereto, shall be satisfied upon Completion of Construction of the initial phase.

(D) Developer covenants and agrees that from and after Closing it will: (i) comply with all zoning requirements, and all other applicable state and federal statutes and regulations and local laws and ordinances applicable to the ownership, use and/or occupancy of the Property; and (ii) pay and discharge when due without penalty, and in all events before penalty for nonpayment attaches thereto, all taxes, assessments and governmental charges, including but not

limited to real estate taxes or assessments on the Property or any part thereof, except where the same may be contested in good faith.

(E) Certificate of Completion. The Developer shall give the City prompt written notice of the Completion Date. The City agrees that the PDD shall inspect the Property for purposes of issuance of the Certificate of Completion promptly following the Completion Date, and shall provide Developer with notice of any deficiencies in compliance with this Agreement, and an opportunity for cure and re-inspection. If, as of the Completion Deadline, PDD determines that Developer is in compliance with all provisions and requirements of this Agreement, PDD shall issue a “Certificate of Completion.” The Certificate of Completion shall be a conclusive acknowledgment by PDD of satisfaction by Developer of its obligations under this Agreement for the applicable Property or portion of the applicable Property addressed by the Certificate of Completion. The Certificate of Completion shall not, however, constitute evidence of compliance with or satisfaction of the requirements of any department, agency or entity with respect to any building, occupancy, or other permits, to the extent such departments are exercising their regulatory authority. The Certificate of Completion shall be in such form as can be recorded against the Property, or portion thereof, and shall release the Property, or portion thereof, from the City’s rights under this Agreement. The cost of recording the Certificate of Completion shall be the responsibility of Developer.

(F) Estate Conveyed. Notwithstanding anything contained in this Agreement to the contrary, the estate conveyed hereby shall be deemed to be a determinable fee and only upon the Commencement of Construction on the Property will the possibility of reverter retained by the City automatically expire as to that part of the applicable Property.

(G) City Covenants. During the Option Period and prior to a Closing with respect each Property, the City shall (i) maintain such Property in at least the same condition and repair (except for environmental condition and repair thereof, which is addressed in sub-clause (ii) below) as of the Effective Date, (ii) not, through its own action (or the action of any agency, department, employee, agent, or contractor), alter the environmental condition of the Property, as such exists as of the Effective Date, in a material and adverse manner, (iii) not “down zone” the Property or take zoning or land use action on the Property that would materially and adversely affect Developer’s ability to develop the Property for the uses otherwise permitted in this Agreement, and (iv) not execute or grant any lease, contract, agreement, lien, security interest, encumbrance, easement, or restriction with respect to such Property, or amend, modify, renew, extend or terminate any of the foregoing, without prior written consent of the Developer, which consent shall not be unreasonably withheld, conditioned or delayed.

## **Section 6: REMEDIES**

(A) City’s Remedies Prior to Conveyance. Except with respect to assignment to a Permitted Entity (as defined below), in the event that, prior to the conveyance of the Property, Developer assigns this Agreement or any right therein or in a Property without the prior written approval of the City, this Agreement and any rights of Developer in this Agreement, may, at the option of the City, be terminated by the City after thirty (30) days written notice and opportunity to cure provided by the City to Developer. Notwithstanding the foregoing, the Developer’s rights and obligations under this Agreement may be assigned: (i) to a wholly owned subsidiary

of Developer, or (ii) to a joint venture, limited liability company, partnership, limited partnership or other entity formed to develop or finance a Property or the Properties, provided that the Developer retains a direct or indirect interest in such entity (any such assignee being referred to as a "Permitted Entity"). In any case, the Developer shall provide written notice to the City of such assignment.

(B) City's Remedies Subsequent to Conveyance.

(1) Event of Default. If, prior to the issuance of a Certificate of Completion on a Property, Developer breaches any covenant set forth in Sections 5(A) or (D) hereof applicable to such Property and fails to cure such breach within ninety (90) days after written demand by the City, such an event shall be deemed to constitute an **Event of Default**, provided, however, that if the nature of Developer's default is such that more than the cure period provided is reasonably required for its cure, then Developer shall not be deemed to be in default and an Event of Default shall not have occurred if Developer commences such cure within said period and thereafter diligently pursues such cure to completion within two hundred seventy (270) days of City's initial written demand hereunder. Notwithstanding the foregoing, Developer shall have the right to dispute that an Event of Default has occurred or that an Event of Default has not been timely cured by written notice of dispute sent to the City ("Notice of Dispute"). In the event a Notice of Dispute is sent, the parties shall meet and in good faith work to resolve their differences. In the event the City and Developer cannot resolve their differences as to whether an Event of Default has occurred or has been cured, then the City shall not record a notice of an uncured and undisputed Event of Default as described in Section 6(B)(2) below without first bringing an action in a court of competent jurisdiction for a final judicial determination that an Event of Default occurred and was uncured. To the extent a court of competent jurisdiction deems that an Event of Default occurred prior to the Commencement of Construction and such cause of action was filed with the court of competent jurisdiction prior to the Commencement of Construction, irrespective of the date the court makes such determination, the City shall have all rights and remedies available to it hereunder as if such Event of Default was undisputed prior to the Commencement of Construction in the first instance. The City may, in its sole discretion, waive in writing any Default or Event of Default by Developer. Notwithstanding any provision contained herein to the contrary, any lender of Developer that has a security interest in a Property, shall have an additional notice and cure right that should provide such lender with a reasonable period of time after the expiration of any cure periods available to Developer in which to cure any Event of Default prior to the City enforcing its remedies hereunder.

(2) Right of Reverter. It is expressly understood and agreed between the Parties hereto that until the Commencement of Construction on a particular Property, the conveyance of such Property to Developer shall be construed and interpreted as the conveyance of a fee simple determinable, and that such conveyance shall endure only so long as subsequent to the conveyance and prior to the Commencement of Construction there has been no uncured or undisputed Event of Default with respect to such Property and such Event of Default results from a failure of the Commencement of Construction to have occurred prior to the Commencement Deadline (a "Reverter Event of Default"). In the event of an uncured and undisputed Reverter Event of Default and the City's recording of a notice thereof, after a judicial determination as required by Section 6(B)(1) above and written notice from the City to Developer of the City's election to enforce the reverter set forth in this Section, title to the applicable Property (and only

the applicable Property) shall revert in the City, except for parcels of Property previously conveyed where Commencement of Construction has already been achieved. Upon such reversion of title, the City shall have the right to re-enter and take immediate possession of the applicable Property. Upon an uncured and undisputed Reverter Event of Default as to a Property occurring prior to the Commencement of Construction and expiration of the cure period, this Agreement and any rights of Developer arising hereunder with respect to the Property subject to the reverter, may, at the option of the City, be terminated by the City by the City providing written notice of such termination to the Developer prior to the cure of such Reverter Event of Default, and the Developer shall thereafter have no further interest in the reverted Property. In such case Developer agrees to promptly execute and deliver a quit claim deed for any such portion of reverted Property to the City. While the right of reversion as to a Property automatically terminates upon Commencement of Construction on such Property, the City agrees to provide Developer with a written acknowledgement, in recordable form, that the Commencement of Construction has occurred and the City's right of reversion has terminated as to such Property.

(3) Intentionally Omitted.

(C) Rights and Remedies Cumulative. The rights and remedies of the City, whether provided by law or by this Agreement, shall be cumulative, and the exercise by the City of any one or more remedies shall not preclude the exercise by it, at the same or different times, of any other remedy for the same default or breach or any other default or breach by the Developer. No waiver made by either Party shall apply to obligations beyond those expressly waived in writing.

(D) Developer's Remedies. If the City breaches its obligations under this Agreement after reasonable notice and opportunity to cure, Developer shall have the right to seek injunctive relief, specific performance or other equitable remedies for the City's breach of this Agreement. In no event shall the Developer be entitled to monetary damages as a result of the City's breach of this Agreement, except to the extent such damages arise out of the City's uncured breach of the covenant set forth in Section 5(G) above.

(E) City's Representatives Not Individually Liable. No official or employee of the City shall be personally liable to Developer or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligations under the terms of this Agreement.

**Section 7: PROVISIONS NOT MERGED WITH DEEDS**

No provision of this Agreement is intended to or shall be merged into the Deeds transferring title to each Property from the City to Developer or any successor in interest, and any such Deeds shall not be deemed to affect or impair the provisions and covenants of this Agreement.

**Section 8: ENTIRE AGREEMENT; AMENDMENT**

This Agreement (including all exhibits, schedules or other attachments hereto) constitutes the complete and exclusive statement of the terms of the agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, promises, and arrangements, oral or written, between the Parties with respect to the subject matter hereof. This Agreement may be amended or modified only by an instrument in writing signed by both of the Parties.

**Section 9: GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without regard to conflicts-of-law principles that would require the application of any other law.

**Section 10: COUNTERPARTS**

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but together such counterparts shall constitute one and the same instrument.

**Section 11: AUTHORITY OF CITY.**

**Notwithstanding anything in this Agreement, in law or in equity, or otherwise to the contrary, this Agreement shall be of no force or effect and may not in any way be enforced against the City unless or until this Agreement and the transaction contemplated hereby have been: (i) approved in writing by the Emergency Manager for the City of Detroit, in accordance with Emergency Manager Order No. 5, (ii) either included in the Emergency Manager’s financial and operating plan or approved in writing by the Governor of the State of Michigan or his or her designee, in accordance with Section 12(1)(k) of Public Act 436 of 2012; and (iii) either included in the Emergency Manager’s financial and operating plan or approved in writing by the State Treasurer, in accordance with Section 15(1) of Public Act 436 of 2012.**

**Section 12: CITY AGENCIES AND DEPARTMENTS.** Whenever this Agreement requires an action or creates an obligation on behalf of the City, the City shall also be required, as applicable, to cause all of its agencies and departments to undertake such obligations.

(signatures on following pages)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

WITNESSES:

DEVELOPER

PIKE POINTE HOLDINGS, LLC, a Delaware limited liability company

Print: \_\_\_\_\_

By: \_\_\_\_\_

Print: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MICHIGAN )  
 ) ss.  
COUNTY OF WAYNE )

The foregoing instrument was acknowledged before me on September \_\_, 2014 by \_\_\_\_\_ the \_\_\_\_\_ of Pike Pointe Holdings, LLC, a Delaware limited liability company, on behalf of said company.

\_\_\_\_\_

Notary Public, Wayne County, Michigan  
Acting in Wayne County, Michigan  
My commission expires:

*[signatures continue on following page]*



**EXHIBIT A**  
**LEGAL DESCRIPTION**

1. The contiguous parcels of (2.701 acres):

1303 E Atwater .908

1365 E Atwater .220

1364 Franklin .337

1310 Franklin .145

1399 E Atwater .287

1325 E Atwater .707

1370 Gloin St .097

2. The contiguous parcels of (3.545):

2200 Franklin (3.545)

3. The contiguous parcels of (2.108 acres) :

2290 E Jefferson (1.199)

[2310 E Jefferson (.730)] **SUBJECT TO CITY APPROVAL**

301 Chene (.179)

4. 1300 Beaubien (Former Police HQ)

5. Parcel(s) mutually agreeable to the Parties which parcels shall:

a. have reasonably equivalent value to the aggregate value of 2263 E Atwater (2.812 acres) and 281 Chene St (.430 acres);

b. be consistent with the Developer's development scheme; and

c. be identified within forty-eight (48) hours following the September 15, 2014 bankruptcy court hearing related to the Arrangement.

[legal descriptions of the above parcels to be attached based on mutual agreement by the parties hereto following the Effective Date]

**EXHIBIT B**

**MEMORANDUM OF OPTION**

[the form of which shall be mutually agreed upon by the parties hereto promptly following the Effective Date hereof]

**EXHIBIT C**

**RIGHT OF ENTRY**

[the form of which shall be mutually agreed upon by the parties hereto promptly following the Effective Date hereof]

**EXHIBIT D**

**QUIT CLAIM DEED**

The City of Detroit, a Michigan public body corporate whose address is 2 Woodward Avenue, Detroit, MI 48226 (“Grantor”), quit claims to \_\_\_\_\_, a Michigan \_\_\_\_\_ (“Grantee”), whose address is \_\_\_\_\_, the premises located in the City of Detroit, Wayne County, Michigan, described as:

A/K/A \_\_\_\_\_ Ward: \_\_\_\_\_ Item(s):

(the “Property”), for the sum of \_\_\_\_\_ (\$\_\_\_\_\_), subject to and reserving to the City of Detroit its rights under public easements and rights of way, easements of record, applicable zoning ordinances, development plans pursuant to Act 344 of 1945 as amended (if any), and restrictions of record.

This Deed is given subject to the terms, covenants and conditions of a Development Agreement - Option to Purchase and Develop Land dated \_\_\_\_\_, 20\_\_ entered into by the parties hereto and which is incorporated herein by reference and a memorandum of which was recorded on \_\_\_\_\_, 20\_\_ in the Office of the Register of Deeds for the County of Wayne in Liber \_\_\_\_\_ on Pages \_\_\_\_\_ through \_\_\_\_\_ inclusive, none of the terms, covenants and conditions of which shall be deemed merged in this Deed. The covenants therein recited to be covenants running with the land are hereby declared to be covenants running with the land enforceable by the City as therein set forth until issuance of a Certificate of Completion.

The Grantor grants to the Grantee the right to make all divisions under Section 108 of the land division act, Act No. 288 of the Public Acts of 1967, as amended. This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan right to farm act.

This deed is dated as of \_\_\_\_\_.

CITY OF DETROIT,  
a Michigan public body corporate

By: \_\_\_\_\_

Print: \_\_\_\_\_

Its: \_\_\_\_\_

[acknowledgement on following page]

STATE OF MICHIGAN     )  
  ) ss.  
COUNTY OF WAYNE     )

The foregoing instrument was acknowledged before me on \_\_\_\_\_  
20\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of  
the City of Detroit, a Michigan public body corporate, on behalf of the City.

\_\_\_\_\_  
Print: \_\_\_\_\_  
Notary Public, Wayne County, Michigan  
Acting in Wayne County, Michigan  
My commission expires:

---

Pursuant to § 18-5-12 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this contract.

Approved by the City Council on.  
JCC pp \_\_\_\_\_ or Detroit Legal News,  
\_\_\_\_\_, on file in my office.

Finance Director

Approved by the City Law Department pursuant to Sec. 7.5-206 of the Charter of the City of Detroit.

Approved by Mayor on

Corporation Counsel

City Clerk

---

**This Instrument Drafted by:**

**When recorded, return to:**

Bruce N. Goldman  
Senior Assistant Corporation Counsel  
City of Detroit Law Department  
2 Woodward Avenue, Suite 500  
Detroit, MI 48226

Grantee

Exempt from transfer taxes pursuant to MCL § 207.505(h)(i) and MCL § 207.526(h)(i).

**EXHIBIT E**

**CERTIFICATE OF AUTHORITY FOR LIMITED LIABILITY COMPANY**

I, \_\_\_\_\_, Manager of \_\_\_\_\_, a \_\_\_\_\_ limited liability company (the "Company")

DO HEREBY CERTIFY that the following is a true and correct excerpt from [check appropriate box]

- the minutes of a meeting of the Members of the Company duly called and held on
- a consent in lieu of a meeting, with signed consents received from all of the [Members] of the Company on

and that the same is now in full force and effect:

“RESOLVED, that any [Manager of the Company], is hereby authorized to execute and deliver, in the name and on behalf of the Company, any agreement or other instrument or document in connection with any matter or transaction with the City of Detroit that shall have been duly approved; the execution and delivery of any agreement, document, or other instrument by any of such [Managers] to be conclusive evidence of such approval.”

I FURTHER CERTIFY that the following persons are [Managers]:

I FURTHER CERTIFY that any of the aforementioned managers of the Company are authorized to execute or guarantee and commit the Company to the conditions, obligations, stipulations and undertakings contained in the attached Agreement, and that all necessary approvals have been obtained in relationship thereto.

IN WITNESS WHEREOF, I have set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Print: \_\_\_\_\_  
Its: Manager

*Schedule 1(H)*

1365 E Atwater St, 48207

1325 E Atwater St, 48207

1399 E Atwater, 48207

1370 Gloin St, 48207

1310 Franklin St, 48207

1364 Franklin St, 48207

EXHIBIT I.A.344

FORM OF SYNCORA SETTLEMENT DOCUMENTS

## SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (this “Agreement”) is entered into as of September \_\_, 2014, among the City of Detroit, Michigan (the “City”), Syncora Guarantee, Inc. and Syncora Capital Assurance Inc. (collectively, “Syncora”). The City and Syncora are referred to herein each individually as a “Party” and collectively as the “Parties”.

**WHEREAS**, the Detroit General Retirement System Service Corporation, a Michigan nonprofit corporation (“DGRS”), and the Detroit Police and Fire Retirement System Service Corporation, a Michigan nonprofit corporation (“PFRS” and, together with DGRS, each a “Service Corporation” and collectively the “Service Corporations”) created each of (i) the Detroit Retirement Systems Funding Trust 2005 (the “2005 Pension Funding Trust”) pursuant to the Trust Agreement, dated June 2, 2005, among the Service Corporations and U.S. Bank National Association as trustee and (ii) the Detroit Retirement Systems Funding Trust 2006 (the “2006 Pension Funding Trust”) pursuant to the Trust Agreement, dated June 12, 2006, among the Service Corporations and U.S. Bank National Association as trustee;

**WHEREAS**, the 2005 Pension Funding Trust issued certain Taxable Certificates of Participation Series 2005 (the “2005 Pension Funding Securities”) and the 2006 Pension Funding Trust issued certain Taxable Certificates of Participation Series 2006 (the “2006 Pension Funding Securities” and collectively with the 2005 Pension Funding Securities, the “Certificates of Participation”);

**WHEREAS**, the Service Corporations are parties to swap transactions under certain ISDA Master Agreements referred to as the COP Swap Agreements;

**WHEREAS**, the City issued \$44,020,000 in General Obligation Bonds (Unlimited Tax), Series 2003-A;

**WHEREAS**, Syncora has issued insurance policies in respect of certain of the Certificates of Participation;

**WHEREAS**, Syncora has issued insurance policies in respect of certain of the Swap Agreements;

**WHEREAS**, Syncora has issued insurance policies in respect of certain of the General Obligation Bonds (Unlimited Tax), Series 2003-A;

**WHEREAS**, Syncora beneficially owns or insures Certificates of Participation in the amounts set forth herein;

**WHEREAS**, the Parties and their representatives have engaged in good faith, arm’s length settlement discussions regarding a consensual resolution of their disputes under or in respect of the Certificates of Participation and the COP Swap Agreements;

NOW, THEREFORE, in consideration of the foregoing and the promises, mutual covenants, and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**Section 1**            **Definitions and Interpretations.**

**1.1 Plan Definitions.** Capitalized terms used herein, but not otherwise defined, shall have the meaning ascribed to such terms in the POA.

**1.2 Additional Definitions.** The following terms have the respective meanings set forth below for all purposes of this Agreement.

“Class 9” means that class of claims associated with COPs as set forth in the Sixth Amended POA.

“POA” means that certain Plan for the Adjustment of Debts of the City of Detroit, as amended in accordance herewith.

“Sixth Amended POA” shall mean that certain Sixth Amended Plan for the Adjustment of Debts of the City of Detroit, as filed with the Bankruptcy Court.

**1.3 Other Definitional and Interpretive Provisions.** The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Sections and Schedules are to Sections and Schedules of this Agreement unless otherwise specified. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to “law”, “laws” or to a particular statute or law shall be deemed also to include any and all applicable law.

**Section 2**            **Plan.**

**2.1 Proofs of Claim.** The Parties agree Section 2, Section 4 and Section 5 hereof fully resolve, address, satisfy and discharge Proofs of Claim # 1352 and 1354; provided that, except as expressly provided to the contrary herein, this Agreement shall have no effect regarding any UTGO Claims asserted in such Proofs of Claim or otherwise held or insured by Syncora, and any such UTGO Claims shall receive the treatment provided for all UTGO Claims by the POA and the UTGO Settlement Agreement. The City shall not file or otherwise assert any objection to such Proofs of Claim.

**2.2 Voting.** All votes cast by Syncora to accept or reject the Sixth Amended POA shall be deemed to have been cast as accepting the POA.

**2.3 Approval.** The City shall (i) use its best efforts to seek approval of this Agreement in connection with confirmation of the POA, and (ii) seek a Confirmation Order, which Confirmation Order shall be in form and substance reasonably acceptable to Syncora (solely with respect to any terms thereof that affect the rights of Syncora or any Related Entity with respect to Syncora), that approves (A) this Agreement and all transactions contemplated hereby, (B) the Development Agreement and all transactions contemplated thereby, and (C) the assumption of the Tunnel Lease, as amended pursuant to the First Amendment to Lease dated as of \_\_\_, 2014 between the City of Detroit and the Detroit Windsor Tunnel LLC.

**2.4 Plan Support.**

(a) Syncora shall (i) use commercially reasonable efforts to support the City's efforts to seek approval of this Agreement in connection with confirmation of the proposed POA, (ii) support confirmation of the POA, and (iii) not object to confirmation of the POA and withdraw all objections, oppositions and reservations of rights to confirmation of the POA (collectively, the "Syncora Plan Objections"), including those objections filed with the Bankruptcy Court at ECF #'s 4679, 5706, 6009, 6651, 7041, 7150 and its participation in 7103 (A) without prejudice (and subject to Syncora's retaining the right to assert such objections in the event this Agreement is terminated) as soon as reasonably practicable after execution of this Agreement and (B) with prejudice as soon as reasonably practicable after Bankruptcy Court approval of this Agreement and confirmation of the POA.

(b) Without limiting the foregoing, Syncora shall withdraw all objections to the UTGO Settlement Agreement (including those contained in Syncora's objections to the Plan) (i) without prejudice (and subject to Syncora's retaining the right to assert such objections in the event this Agreement is terminated) as soon as reasonably practicable after execution of this Agreement and (ii) with prejudice as soon as reasonably practicable after Bankruptcy Court approval of this Agreement and confirmation of the POA. The City shall not alter or amend the treatment provided to holders of Allowed Class 8 Claims in the Plan.

(c) Without limiting the foregoing, Syncora shall not object to inclusion of the COP Swap Counterparties in the definition of "Exculpated Parties" under the POA.

**2.5 Plan Amendment.** The City shall not, without Syncora's prior written consent, amend the POA in a manner that (a) would have a materially adverse effect on Class 9 or (b) adversely affect Syncora.

**Section 3 Global Resolution; Litigation Support; Etc.**

**3.1 Global Resolution.** The Parties agree that this Agreement shall constitute a global resolution of all matters among the Parties as and to the extent set forth herein, and all litigation (including appeals) outstanding between the City and Syncora arising out of or related to the City's Chapter 9 Case shall be dismissed as and to the extent set forth herein.

**3.2 Withdrawal of Syncora Plan Objections.** Syncora shall withdraw the Syncora Plan Objections as set forth in Section 2.4 hereof.

**3.3 Stay and Withdrawal or Dismissal of Appeals.** As soon as reasonably practicable after execution of this Agreement, Syncora and the City shall file joint motions with the applicable courts requesting stays of those certain appeals styled: 2:14-cv-10501-BAF-PJK (PLA appeal); 2:14-cv-11995-BAF-PJK (PPF appeal); 2:14-cv-12062-BAF-PJK (COP Swap Settlement appeal); 2:13-cv-14305-BAF-PJK (property of the debtor appeal); and 2:14-cv-13044-BAF-PJK (Mediation Order Appeal) (collectively, the “Syncora Appeals”). As soon as reasonably practicable after Bankruptcy Court approval of this Agreement and the occurrence of the Effective Date with respect to the POA, Syncora will voluntarily dismiss with prejudice the Syncora Appeals.

**3.4 Litigation Support.** Syncora shall provide such reasonable, active support as may be reasonably requested by the City, the Litigation Trust or any successor plaintiffs in the COP Litigation.

**3.5 Retention of Counsel.** Syncora shall continue to retain Kirkland & Ellis LLP in connection with satisfying the support obligations set forth in Sections 2.4(a) and 3.2 hereof.

#### **Section 4 Class 9 Treatment.**

**4.1 Amendment to Sixth Amended POA.** The City shall amend the Sixth Amended POA as set forth on Schedule 1.

#### **Section 5 Swap Related Claims; Etc.**

**5.1 Swap Related Claims.** On the Effective Date or as soon thereafter as practical, the City shall pay the sum of \$5 million in full satisfaction of all of Claims filed or asserted against the City by Syncora relating to the COP Swap Agreements and any agreements related thereto, including the COP Swap Insurance Policies and the COP Swap Collateral Agreement.

#### **Section 6 Representations and Warranties.**

**6.1 Representations and Warranties of the City.** The City represents to Syncora that:

- (a) It is a municipal corporation of the State of Michigan.
- (b) It has the power to execute and deliver this Agreement and to perform its obligations hereunder and it has taken all necessary action to authorize such execution, delivery and performance.
- (c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets.
- (d) Other than (i) approvals by the City Council, the Emergency Loan Board, the State Treasurer, the execution of the Emergency Manager Order, and the approvals required by Section 19 of Act 436, and (ii) the approval of the Bankruptcy Court, all governmental and Emergency Manager consents and approvals that are required to have been obtained by it as of

the date of execution of this Agreement with respect to the execution, delivery and performance of this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

**6.2 Representations and Warranties of Syncora.** Syncora represents to the City that:

(a) It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and in good standing.

(b) It has the power to execute this Agreement, to deliver this Agreement and to perform its obligations under this Agreement and it has taken all necessary action to authorize such execution, delivery and performance.

(c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets.

(d) All governmental consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with.

(e) Syncora owns or insures COPs in the principal amount of \$299,155,000.00; Syncora paid insured principal claims in an amount not less than \$52,750,000.00; and, as of the Petition Date, Syncora paid insured interest claims in an amount not less than \$1,649,692.00.

(f) The *Stipulation by and Between the City of Detroit, Michigan and the COPs Creditors Regarding Certain Facts and the Admission of Certain Exhibits for the Confirmation Trial* remains in effect.

**Section 7 No Admission.**

This Agreement is a proposed settlement of claims and disputes among the Parties and is the product of good faith, arm's length negotiations among the Parties hereto. If this Agreement is terminated, this Agreement will not be an admission of any kind. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement and all negotiations relating hereto will not be admissible into evidence in any proceeding. However, this Agreement will be admissible into evidence in any proceeding to obtain court approval of this Agreement or to enforce or interpret the terms of this Agreement, and, subject to any otherwise applicable rules in the Federal Rules of Evidence (other than Federal Rule of Evidence 408), this Agreement may be admitted into evidence in any proceeding arising as a result of or in connection with a Party's breach of this Agreement or in which breach of this Agreement is alleged as a relevant fact. The admissibility of all negotiations related to this Agreement shall be governed by the *Mediation Order* [Docket No. 322] entered by the Bankruptcy Court, as the same has been amended and supplemented. Notwithstanding the foregoing, nothing herein shall limit the scope or effect of the Mediation Order.

**Section 8            Termination.**

Any Party may terminate this Agreement upon one Business Day’s prior written notice to the other Party if: (a) the Bankruptcy Court denies approval of this Agreement or the transactions contemplated hereby, the Development Agreement or the transactions contemplated thereby, or the assumption of the Tunnel Lease, as amended pursuant to the First Amendment to Lease dated as of \_\_\_, 2014 between the City of Detroit and the Detroit Windsor Tunnel LLC, or confirmation of the POA; (b) if the Confirmation Order is not in form and substance reasonably acceptable to Syncora (solely with respect to any terms thereof that affect the rights of Syncora or any Related Entity with respect to Syncora) or is vacated or reversed on appeal or, after entry, is modified without the terminating Party’s consent, in any matter considered by the terminating Party to be adverse to the terminating Party; or (c) the other Party is in material breach of any provision of this Agreement, and such breach is continuing and has not been cured within 5 Business Days.

In the event that this Agreement is terminated as set forth herein, then neither this Agreement, nor any document filed with the Bankruptcy Court with respect to the approval of this Agreement, will have any res judicata or collateral estoppel effect or be of any force or effect, and each of the Parties’ respective interests, rights, remedies and defenses will be restored without prejudice as if this Agreement had never been executed and the Parties will be automatically relieved of any further obligations under this Agreement. For the avoidance of doubt, in the event this Agreement is terminated, Syncora shall retain the right to make any arguments, objections, or other assertions (other than res judicata or collateral estoppel as set forth in the preceding sentence), pursue any litigation, appeals, or other disputes related to confirmation of the POA (or any other plan) or any other matter otherwise resolved by this Agreement.

**Section 9            Miscellaneous.**

**9.1 Execution of this Agreement.** This Agreement may be executed and delivered (by facsimile, PDF, or otherwise) in any number of counterparts, each of which, when executed and delivered, will be deemed an original, and all of which together will constitute the same agreement. Each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

**9.2 Binding Obligation; Successors and Assigns.** This Agreement is a legally valid and binding obligation of the Parties, enforceable in accordance with its terms, and will inure to the benefit of the Parties and their respective successors, assigns and transferees. This Agreement grants no rights to any third party.

**9.3 Complete Agreement; Interpretation.** This Agreement and the POA constitute the complete agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, among the Parties with respect thereto. This Agreement is the product of negotiation by and among the Parties. Any Party enforcing or interpreting this Agreement will interpret it in a neutral manner. There will be no presumption concerning whether to interpret this Agreement for or against any Party by reason of that Party

having drafted this Agreement, or any portion thereof, or caused it or any portion thereof to be drafted.

**9.4 Costs.** Each Party will bear its own costs and expenses (including legal and other professional fees and expenses) incurred in connection with all matters set forth herein, including in connection with Sections 2 and 3 of this Agreement. Syncora agrees to pay any Allowed Claim for COP Agent Fees held by the COP Agent in accordance with and as set forth in the POA.

**9.5 Amendment, Modification and Waiver.** This Agreement may be modified, altered, amended, or supplemented only by an agreement in writing signed by each Party. No waiver of any provision of this Agreement will be effective unless made in a writing signed by the Party making the waiver, nor will the waiver be extend to any other right, claim or remedy.

**9.6 Notices.** All notices and other communications required under this Agreement will be given in writing and delivered, if sent by telecopy, electronic mail, courier, or by registered or certified mail (return receipt requested) to the following addresses and telecopier numbers (or at such other addresses or telecopier numbers as will be specified by like notice):

If to the City:

City of Detroit, Michigan  
1200 Coleman A. Young Municipal Center  
2 Woodward Avenue  
Detroit, Michigan 48226  
Attention: CFO

with copies (which shall not constitute notice) to:

City of Detroit Law Department  
First National Building, Suite 1650  
660 Woodward Avenue  
Detroit, Michigan 48226  
Attention: Corporation Counsel

and

Jones Day  
222 East 41st Street  
New York, NY 10017-6702  
Attn: Corinne Ball (cball@JonesDay.com)

If to Syncora:

Syncora Guarantee, Inc.  
Syncora Capital Assurance Inc.  
Attn: Claude LeBlanc  
135 West 50th Street, 20th Floor

New York, NY 10020  
claude.leblanc@scaf.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP  
Attn: Ryan B. Bennett  
300 N. LaSalle  
Chicago, IL 60654  
rbennett@kirkland.com

Any notice given by delivery, mail, or courier will be effective when received. Any notice given by telecopier will be effective upon oral or machine confirmation of transmission. Any notice given by electronic mail will be effective upon oral or machine confirmation of receipt.

**9.7 Headings.** The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

**9.8 Governing Law and Jurisdiction.** THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN, WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICTS OF LAW THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. By its execution and delivery of this Agreement, each of the Parties hereby irrevocably and unconditionally agrees that any dispute with respect to this Agreement will be resolved by the Bankruptcy Court to the extent that the Bankruptcy Court then has jurisdiction and power to enforce the terms of this Agreement. Each of the Parties irrevocably consents to service of process by mail at the addresses listed for such Party in Section 9.6 hereof. Each of the Parties agrees that its submission to jurisdiction and consent to service of process by mail is made for the sole and express benefit of each of the other Parties to this Agreement.

**9.9 Waiver of Jury Trial.** TO THE EXTENT PERMITTED BY LAW, THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT.

[Signature Pages Follow]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

THE CITY OF DETROIT

By: \_\_\_\_\_  
Name:  
Title:

SYNCORA GUARANTEE, INC.

By: \_\_\_\_\_

Name:

Title:

SYNCORA CAPITAL ASSURANCE INC.

By: \_\_\_\_\_

Name:

Title:

TUNNEL LEASE AMENDMENT

**FIRST AMENDMENT TO LEASE**

THIS FIRST AMENDMENT TO LEASE (this “**Amendment**”) is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2014 (the “**Date Hereof**”), by and between the City of Detroit, a Michigan municipal corporation (the “**City**”), and Detroit Windsor Tunnel LLC, a Michigan limited liability company (“**Tenant**”).

RECITALS

A. The City, as landlord, and Tenant, as successor-in-interest to Detroit & Canada Tunnel Corporation (“**DCTC**”), as tenant, are parties to the Tube Lease, dated March 20, 1978 (the “**Tube Lease**”), whereby the City leases to Tenant the portion of the Detroit Windsor Tunnel (the entire such tunnel, the “**Tunnel**”) located in Detroit, which portion is more particularly defined in the Tube Lease and referenced herein as the “**Tube**.”

B. The City, as landlord, as successor-in-interest to Ford Motor Properties, Inc. as sublandlord, and Tenant, as tenant, as successor-in-interest to DCTC as subtenant, are parties to the Sublease, dated March 20, 1978 (the “**Plaza Lease**”; together with the Tube Lease, the “**Lease**”), whereby the City leases to Tenant certain property defined in the Plaza Lease as the “New Tunnel Plaza” (such premises, the “**Plaza Premises**”; together with the Tube, the “**Property**”).

C. The term of the Lease (the “**Term**”) expires on November 3, 2020, and the period commencing on the Effective Date through and including November 3, 2020 shall be referenced herein as the “**Existing Remainder Term**”.

D. The City desires to enter into a long-term agreement regarding the operation of the Property to assure that (i) the Tunnel will continue to provide to residents of Detroit and to other Tunnel passengers a safe and efficient route between Detroit and Windsor; (ii) the Property will be maintained and enhanced; and (iii), to promote such goals, there is transparency to the City regarding the operation of the Property.

E. In furtherance of the goals of the City, the Tenant desires to enter into a long-term agreement with the City regarding the leasing and operation of the Property.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Capitalized Terms; Effective Date. Any capitalized term used herein and not otherwise defined shall have the meaning ascribed to such term in the Plaza Lease. “**Effective Date**” means the first day of the month next succeeding the month in which occurs the Date Hereof.

2. Extension of Term. The term of the Tube Lease is extended for the period beginning November 4, 2020 and ending on December 31, 2040 (such period, the “**Extension Term**”), upon all the terms and conditions as contained in the Tube Lease and applicable during the Third Renewal Option (as defined in the Plaza Lease), except as amended hereby. The term

of the Plaza Lease is extended for the Extension Term, upon all the terms and conditions as contained in the Plaza Lease and applicable during the Third Renewal Option (as defined in the Plaza Lease), except as amended hereby.

3. Existing Term CapEx Credit; CapEx Schedule.

- (a) For any Capital Expenditures (as defined below) paid by Tenant during the Existing Remainder Term (the “**Existing Remainder Term Capital Expenditures**”), Tenant shall receive a credit equal to the amount of such Existing Remainder Term Capital Expenditures (a “**CapEx Credit**”) against the aggregate rentals payable by Tenant pursuant to Article IV of the Plaza Lease (such amounts, the “**Rent**”) during the Existing Remainder Term; *provided, however,* that the aggregate CapEx Credit to which Tenant is entitled pursuant to this Paragraph 3 shall not exceed the aggregate Rent payable by Tenant during the Existing Remainder Term. Tenant shall not claim a CapEx Credit for any Capital Expenditures paid in advance of the performance of the related work, other than for progress payments customary in the industry (or payments required due to emergency) without the City’s prior written approval, which shall not be unreasonably withheld, delayed or conditioned. Subject to Paragraph 5, Tenant may not take a CapEx Credit during the Extension Term for an Existing Remainder Term Capital Expenditure.
- (b) “**Capital Expenditures**” means (i) capital expenditures, as determined by generally accepted accounting principles consistently applied in the United States (“**GAAP**”), paid for work to or at the Plaza Premises and (ii) (x) while the Existing JOA (as defined herein) or any successor agreement between Tenant (or its affiliate) and the City of Windsor (or its instrumentality) (any such agreement, a “**D/W Agreement**”) is in effect, 50% of the total capital expenditures, determined in accordance with GAAP, paid by Tenant (or its affiliate) and the City of Windsor (or its instrumentality) pursuant to a D/W Agreement for work to or at all or any portion of the underground tube of the Tunnel (i.e., the tube from and including the Detroit portal to and including the Windsor portal; such tube, the “**Underground Portion**”); *provided, however,* that Capital Expenditures made to the Underground Portion while a D/W Agreement is in effect shall be made such that the Detroit side of the Underground Portion is in a condition commensurate with the condition of the Windsor side of the Underground Portion; or (y) if no D/W Agreement is in effect, 100% of the capital expenditures, determined in accordance with GAAP, paid by Tenant for work to or at all or any portion for the Tube.
- (c) Within ninety (90) days after the Effective Date, Tenant shall provide the City a detailed plan and schedule for the capital improvements planned to be made to the Tunnel during the year in which the Effective Date occurs and the approximately five (5) years following the Effective Date. On or before each January 31<sup>st</sup> during the Term, Tenant shall deliver to the City an annual update of such plan together with a plan for the succeeding five (5) years.

4. Extension Term CapEx Credit.

- (a) For any Capital Expenditures paid by Tenant during the Extension Term (the “**Extension Term Capital Expenditures**”), Tenant shall receive a CapEx Credit against the Rent payable by Tenant during the Extension Term equal to the amount of such Extension Term Capital Expenditures; *provided, however*, the aggregate CapEx Credit to which Tenant is entitled during the Extension Term pursuant to this Paragraph 4 shall not exceed \$8,000,000; and *provided, further*, that the annual CapEx Credit claimed by Tenant under this Paragraph 4 in any given calendar year of the Extension Term shall not exceed 75% of the Rent payable for such calendar year (but such annual limitation shall not in any way reduce the aggregate CapEx Credit to which Tenant is entitled under this Paragraph 4). If the Lease (as amended from time to time) terminates prior to December 31, 2040, other than due to a default by Tenant, then the City shall pay to Tenant, on thirty (30) days’ written notice from Tenant, the amount of CapEx Credits that have accrued to Tenant but have not been applied against the Rent.
- (b) No more than sixty (60) days prior to November 4, 2020, Tenant shall provide the City a high-level, strategic plan for the capital improvements that may be made to the Tunnel during the Extension Term to the extent such plan is known or is customary in the tunnel operations field.

5. CapEx Credit Documentation.

- (a) Tenant may offset the amount of any accrued but uncredited CapEx Credits against any monthly payments of Rent, subject to the limitations in Paragraphs 3 and 4. On or prior to the date of claiming any CapEx Credit (i.e., on or before the date of payment of any monthly installment of Rent, or if none is payable, on or before the date such monthly installment of Rent would otherwise have been payable) or requesting payment pursuant to the last sentence of Paragraph 4(a), Tenant shall submit to the City a notice setting forth the amount of the claimed CapEx Credit, together with reasonably detailed written documentation of the Capital Expenditures (and the work associated therewith) for which Tenant is entitled to a CapEx Credit (such notice, a “**CapEx Notice**”). Within five (5) days after receipt of any CapEx Notice, the City shall have the right to ask for reasonable additional information to verify such Capital Expenditures were paid and to determine the nature of work associated with such Capital Expenditure. If the City in good faith believes that a CapEx Credit was claimed for an expenditure that does not fall within the definition of “Capital Expenditure,” as such term is defined in Paragraph 3(b) above, then the City shall give Tenant notice thereof (a “**Dispute Notice**”) within fifteen (15) days after receipt of the applicable CapEx Notice, and the date on which Rent is due shall be extended by fifteen (15) days. If the City timely delivers a Dispute Notice, Tenant shall receive the portion of the CapEx Credit that is undisputed, if any, and shall pay the amount of disputed Rent, subject to the provisions of Article XVIII(2) of the Plaza Lease regarding disputed payments.

- (b) Notwithstanding anything to the contrary in the Lease, as amended hereby, if the City timely provides a Dispute Notice in connection with a CapEx Credit claimed for Existing Remainder Term Capital Expenditures, and if and to the extent such dispute is resolved in Tenant's favor, then the City shall promptly pay an amount equal to the formerly disputed CapEx Credit to Tenant, or at Tenant's option, Tenant may credit such formerly disputed CapEx Credit against the Rent next coming due; provided, however, if (i) the aggregate accrued but unapplied CapEx Credit to which Tenant is entitled under Paragraph 3, plus the formerly disputed CapEx Credit, exceed the aggregate Rent payable during the portion of the Existing Remainder Term commencing at the time the dispute is resolved; or (ii) at the time the dispute is resolved, the Existing Remainder Term has ended; then in addition to, and without in any way reducing, the CapEx Credits to which Tenant is entitled under Paragraph 4, Tenant may take such formerly disputed CapEx Credit as a credit against the Rents payable during the Extension Term. Notwithstanding the foregoing, in no event shall Tenant be entitled to aggregate CapEx Credits for the Existing Remainder Term Capital Expenditures in excess of the aggregate Rent payable during the Existing Remainder Term.
- (c) Notwithstanding anything to the contrary in the Lease, as amended hereby, if the City timely delivers a Dispute Notice in connection with a CapEx Credit claimed for Extension Term Capital Expenditures, and if and to the extent such dispute is resolved in Tenant's favor, then the City shall promptly pay an amount equal to the formerly disputed CapEx Credit to Tenant, or at Tenant's option, Tenant may credit such formerly disputed CapEx Credit against the Rent next coming due (in addition to, and not in limitation of, any CapEx Credit due under Paragraph 4). Notwithstanding the foregoing, in no event shall Tenant be entitled to aggregate CapEx Credits for Extension Term Capital Expenditures in excess of \$8,000,000.
- (d) The provisions of this Paragraph 5 shall survive the expiration or sooner termination of the Lease, as amended hereby.

6. Repair and Maintenance Standards. Notwithstanding anything to the contrary in the Lease, but subject to the casualty and condemnation provisions therein, Tenant shall maintain the Property in a good and safe condition and repair, in compliance with all applicable laws, and in accordance with the following sections of the Existing JOA (as defined below): Sections 8.1(d), (e) and (f), and the first grammatical paragraph of Section 8.1; Sections 8.3(a), (b) and (c); Section 8.4; Section 8.6; Section 9; Exhibit 8.1 and Sections 1, 2 and the first paragraph of Section 3 of Exhibit 9.1, provided that the second sentence of that first paragraph of Section 3 of Exhibit 9.1 shall be replaced with "The program shall include regular and customary cleaning and grounds maintenance." In the event that the Existing JOA is terminated or amended, these standards shall continue to apply (to the extent applicable).

7. Reporting. In addition to its reporting obligations under the Lease, but subject to Paragraph 10 hereof, Tenant shall deliver, at its sole cost and expense, the following reports and information to the City:

- (a) Within one hundred eighty (180) days following the end of each calendar year ending during the term of the Lease: (i) a copy of the audited balance sheets of Tenant at the end of each such calendar year and the related audited statements of income, calculation of annual rental, changes in equity and cash flows for such year, including, in each case, the notes thereto, together with the report thereon of the independent certified public accountants of Tenant, in each case in a manner and containing information consistent with Tenant's current practices and certified by Tenant's chief financial officer that such financial statements fairly present the financial condition and the results of operations, changes in equity and cash flows of Tenant as at the respective dates of and for the periods referred to in such financial statements, all in accordance with generally accepted accounting principles in the United States consistently applied; (ii) a report, in a format reasonably acceptable to the City, certified by the Tenant's chief financial officer, providing reasonably detailed information regarding any work associated with Capital Expenditures undertaken by the Tenant with respect to the Property, including such information as may be reasonably requested by the City, which shall include the type of work associated with such Capital Expenditures, the expected cost therefor, the expected completion date, the contractor engaged to perform such work associated with such Capital Expenditures, and any expected disruption of traffic in the Property as a result of the work associated with such Capital Expenditures; and (iii) a report, in a format reasonably acceptable to the City, detailing the amount of traffic through the Property on a weekly, monthly and quarterly basis, the make-up of that traffic and the Tenant's projections for the traffic in the upcoming calendar year and the Tenant's basis therefor;
- (b) Within thirty (30) days after the end of each six-month period, commencing with the six-month period ending June 30, 2015, a report, in a format reasonably acceptable to the City, detailing all material incidents that occurred in the Tunnel, including, but not limited to, vehicular accidents and hazardous material releases, but in each case only if such incidents materially impeded the normal operations of the Tunnel;
- (c) promptly after the occurrence thereof, an email report on any incident occurring in the Tunnel and causing material damage to property or injury to persons, if such incident results in the closure of any portion of the Tunnel for at least an hour;
- (d) within thirty (30) days after receipt by Tenant, a copy of (i) the engineering reports required by Sections 8.7 and 8.8 of the Joint Operating Agreement by and among the Corporation of the City of Windsor, the Windsor Tunnel Commission and Tenant (as successor-in-interest to DCTC and The Detroit and Windsor Subway Company, Ltd.) dated November 1, 1997 (the "**Existing JOA**"); or (ii) if the Existing JOA is amended or modified to change the requirements for those reports, (x) every year, an engineering report based on visual inspection of the Tunnel made by an independent, licensed engineer reasonably acceptable to Tenant and (y) every five (5) years a comprehensive engineering report on the Tunnel prepared by an independent, licensed engineer reasonably acceptable to

the City, which report shall include, but not be limited to, an analysis of the structural integrity of the Tunnel, a description of the current state of the Tunnel, including its fixtures and mechanical systems, recommended capital expenditures for the Tunnel and such other information as the City may reasonably request; and

- (e) Within thirty (30) days after such request, any information regarding the Property reasonably requested by the City, provided that such information is in the possession or control of Tenant.

8. Right to Inspect. The City shall have the right, upon at least three (3) business days' written notice to Tenant, at reasonable times, provided that such inspection does not unreasonably interfere with the normal operation of the Property (and as to any portion of the Property subleased as of the date hereof or subsequently subleased to a governmental authority, does not violate the applicable sublease) and at the City's sole cost and expense, to have the Property inspected by an engineer, who is (i) either employed directly by the City or with whom the City has contracted; and (ii) licensed and has at least ten (10) years' experience in engineering matters related to construction, maintenance and repair of infrastructure projects or tunnels. Inspections made pursuant to this Paragraph 8 may only be performed once in each calendar year, except such limitation shall not apply when Tenant is in default of its obligations under Paragraph 6 of this Amendment or any other of its obligations regarding the repair, maintenance and operation of the Tunnel. Tenant shall make the Property and a senior officer who is responsible for maintenance and/or operations of the Property reasonably available to such engineer for the purposes of such inspection and shall provide such engineer any documentation in Tenant's possession or control, reasonably requested by such engineer, subject to Paragraph 10. Without limiting any provision hereof, any such engineering inspections conducted by or on behalf of the City shall be performed in accordance with all applicable laws and with all reasonable operating rules and regulations applicable to the Property. The City shall cause any individual or firm performing an inspection pursuant to this Paragraph 8 to be bound by the confidentiality obligations of the City pursuant to the provisions of Paragraph 10 hereof.

9. Calculation of Net Operating Income. For the avoidance of doubt, in calculating "net operating income" as defined in Section IV(2)(b) of the Plaza Lease, Tenant shall not include any expenses that are not attributable to the operation, maintenance and repair of the Property or to Tenant's obligations under the Lease; and, to the extent Tenant or Tenant's affiliates incur costs that are only partially attributable to the Property, Tenant shall not include as an expense for Section IV(2)(b) of the Plaza Lease the portion of those costs that are not attributable to the Property. Allocations will be prepared consistent with GAAP and the specific methodology and allocation shall be reflected and set forth in the companies' audited financial statements.

10. Confidentiality.

- (a) Notwithstanding anything to the contrary in the Lease, no information or document provided by Tenant to the City pursuant to or in connection with the Lease, as amended hereby, shall be subject to any confidentiality restrictions, and the City may publicly disclose such information or disclose such information to

third parties as it deems appropriate in its sole discretion; *provided, however*, that Tenant shall have no obligation to deliver to the City (and Tenant may redact from information it delivers to the City) any Confidential Information (as defined below); and *provided, further*, that if Tenant delivers to the City any Confidential Information (and labels it as such), then the City shall not disclose such information to third parties (other than to its professional advisors, employees, third-party report providers, affiliates, officers, members, underwriters, agents, consultants, lenders, investors and legal counsel and as to those, only on a need-to-know basis, as reasonably determined by the City, provided such parties are bound by the confidentiality obligations of the City set forth in this Paragraph 10).

- (b) “**Confidential Information**” means information that (i) relates to maintaining national security and/or to maintaining security at the Tunnel; (ii) is required to be kept confidential by applicable law, regulation or order; or (iii) is a trade secret or is other information that is proprietary to Tenant (including, without limitation, information regarding Tenant’s proprietary toll and revenue collecting and accounting system and Tenant’s mobile app for express payments, and other technical and business information relating to Tenant’s proprietary ideas, patentable ideas, copyrights, and other proprietary systems and software).
- (c) If Tenant chooses to withhold Confidential Information from the City, Tenant shall promptly provide written notice that it has done so. The City, through its authorized representative, shall have the right, upon reasonable advance written notice to Tenant, to inspect any Confidential Information, which shall not be redacted, at the offices of Tenant within the City to verify during customary business hours that such information is Confidential Information and to review such Confidential Information, provided that the City may not make a copy of such Confidential Information.
- (d) Notwithstanding anything to the contrary in Lease (as amended hereby), in an effort to ensure that the City, Tenant and the City of Windsor can effectively and efficiently operate the Tunnel in an integrated and seamless manner, the City shall have the right to share with Windsor all information regarding the Tunnel it receives, and Tenant shall cause it and its affiliates to not restrict the City of Windsor, or its affiliates, from providing the City any information related to the Tunnel.
- (e) Nothing contained in this Lease (as amended hereby) shall be construed to limit or reduce the rights and powers of the State of Michigan or the United States of America.

11. Ineligible Parties. It shall be a default under the Lease, as amended hereby, if any Ineligible Party (as defined below) shall be involved in the operation, financing, construction or management of the Property or the improvements thereon, or if such Ineligible Party has a direct or indirect beneficial interest in Tenant. “**Ineligible Party**” means any individual or entity, or any entity controlled by, controlling or under common control with any individual or entity, maintaining a controlling interest in any crossing of the border between the State of Michigan

and Canada, such as any tunnel, bridge or other similar infrastructure; *provided, however* that the term “Ineligible Party” shall not include Pike Pointe Holdings, LLC; any entity controlled, controlling or under common control with Pike Pointe Holdings LLC; or Windsor.

12. Operation of an Integrated Tunnel. The parties acknowledge that it is in their respective and joint interests to cause the entire Tunnel to be operated in a harmonious and integrated manner. The City understands that to effect such operation, Tenant intends to negotiate a new or amended operating agreement with the City of Windsor (or an agency or instrumentality thereof), and that Tenant will negotiate such agreement in good faith (but that Tenant shall have no obligation to enter into such an agreement). The City also understands that achieving such purpose may require amendments to the Lease (as amended hereby) and agrees to be reasonable, and to act in good faith, in discussing and considering any such amendments. For avoidance of doubt, (i) Tenant will not have any obligation to enter into any such amendment that would (x) adversely affect (other than in a de minimis manner) its rights under the Lease, as amended hereby, (y) increase (other than in a de minimis manner) its obligations under the Lease, as amended from time to time or (z) decrease (other than in a de minimis manner) the City’s obligations under the Lease, as amended from time to time; and (ii) the City will not have any obligation to enter into any such amendment that would (x) adversely affect (other than in a de minimis manner) its rights under the Lease, as amended hereby, (y) increase (other than in a de minimis manner) its obligations under the Lease, as amended from time to time or (z) decrease (other than in a de minimis manner) Tenant’s obligations under the Lease, as amended from time to time.

13. Notices. Article XVIII(3) of the Plaza Lease and Article XV(3) of the Tube Lease are each amended and restated as follows:

3. All notices and other communications authorized or required hereunder, to be given to the City or the Tenant, shall be in writing and shall be given by hand delivery or by nationally recognized overnight courier to the following addresses:

If to the City, to

**The City of Detroit**  
Office of the Mayor  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1126  
Detroit, MI 48226  
Attn: Mayor

with a copy to (which will not constitute notice):

**The City of Detroit**  
Law Department  
Coleman A. Young Municipal Center  
2 Woodward Avenue, 5<sup>th</sup> Floor  
Detroit, MI 48226  
Attention: Corporation Counsel

If to Tenant, to

Detroit Windsor Tunnel LLC  
100 East Jefferson Avenue  
Detroit, MI 48226  
Attn: Neal Belitsky

with a copy to

Dykema Law Firm  
400 Renaissance Center  
Detroit, MI 48243  
Sherrie L Farrell, Esq.

Notices shall be effective if given by a party's attorneys. Any party may change its address for notices by a notice given in accordance with this section. Notices shall be deemed given and received on the date received, as evidenced by receipt.

14. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

15. Conflict. In the event the terms of the Lease conflict with the terms of this Amendment, the terms of this Amendment shall control and govern in all instances.

16. Full Force and Effect. The Lease, as modified hereby, remains in full force and effect.

17. Severability. If any provision of this Amendment or the application thereof to any person or circumstances shall, to any extent, be declared invalid, illegal or unenforceable by a court of competence jurisdiction, all other provisions and applications hereof shall remain in full force and effect.

18. Inter-Governmental Authority. Expressly subject and subordinate to the terms of the Lease (as amended hereby and as amended from time to time), the City may enter into an agreement with Windsor to establish an intergovernmental authority concerning the Tunnel. For avoidance of doubt, no such agreement shall adversely affect (other than in a de minimis manner) Tenant's rights nor increase (other than in a de minimis manner) its obligations under the Lease, as amended from time to time.

19. Memorandum of Lease. This Amendment shall not be recorded; *provided*, *however*, that upon the request of either party, the other party shall join in the execution of a memorandum or short form of the Lease, as amended hereby, which shall describe the parties, the Demised Premises, the term of the Lease, and special provisions and shall incorporate the Lease, as amended hereby, only by reference.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

**CITY:**

CITY OF DETROIT

By: \_\_\_\_\_

Name:

Title:

**TENANT:**

DETROIT WINDSOR TUNNEL LLC

By: \_\_\_\_\_

Name:

Title:

OPTION AGREEMENT

## OPTION AGREEMENT

THIS OPTION AGREEMENT (this “**Agreement**”) is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2014, by and between Pike Pointe Holdings, LLC (“**Pike Pointe**”) and the City of Detroit, a Michigan municipal corporation (the “**City**”).

### RECITALS

A. The City owns that certain parking garage, commonly known as the Grand Circus Parking Garage, located at 1600-01 Woodward Avenue, Detroit, Michigan, as more particularly described in Exhibit 1 (the “**Circus Garage**”).

B. The Detroit Building Authority (the “**DBA**”) had previously owned the Circus Garage and had leased it to the City pursuant to the Contract of Lease No. 2 by and between the City and the DBA, dated October 1985, (as amended, the “**DBA Lease**”).

C. The DBA Lease has previously terminated pursuant to its terms, and pursuant to the terms of the DBA Lease, title to the property leased thereunder, including the Circus Garage, reverted back to the City.

D. Syncora Capital Assurance Inc. and Syncora Guarantee Inc. (collectively, “**Syncora**”) own the entire beneficial interest in Pike Pointe.

E. Syncora, through one or more of its affiliates, including Pike Pointe, owns and operates certain public infrastructure projects.

F. In connection with the continued improvement of the City, the City desires to grant an option to Pike Pointe with respect to the possibility of negotiating and entering into a mutually agreeable concession agreement for the operation and maintenance of the Circus Garage pursuant to the terms of this Agreement, and Pike Pointe desires to accept such option.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Option. Pike Pointe shall have the option, in its sole discretion, to enter into a concession for the Circus Garage (the “**Option**”) on the terms set forth herein. In order to exercise the Option, Pike Pointe must deliver written notice to the City notifying the City that Pike Pointe has exercised the Option (the “**Exercise Notice**”), which Exercise Notice must be delivered within one (1) year from the effective date of the Seventh Amended Plan for the Adjustment of Debts of the City of Detroit, as it may be further amended and as modified (the “**Plan of Adjustment**”). After delivery of the Exercise Notice, the City and Pike Pointe shall promptly and in good faith, negotiate a concession agreement in accordance with the terms set forth in Exhibit 2; provided, however, that neither party shall be obligated to execute a concession agreement. If, within ninety (90) days following the delivery of the Exercise Notice, an agreement has not been reached between the City and Pike Pointe regarding the Circus Garage, either party may, by delivery of notice to the other party, terminate this Option, and thereafter Pike Pointe shall have no right with respect to the Circus Garage.

2. Failure to Exercise. If Pike Pointe fails to send the Exercise Notice within one (1) year after the effective date of the Plan of Adjustment, Pike Pointe will be deemed to have not exercised the Option and will have no further right to do so nor shall it have any interest in the Circus Garage. At such time, this Agreement and the Option will have no further force or effect.

3. Anti-Assignment. Pike Pointe may not assign to any third party (other than a wholly owned subsidiary or other affiliate of Syncora in which Syncora is the direct or indirect beneficial owner (a “**Pike Pointe Affiliate**”), any interest in this Agreement or the Option without the City’s prior written consent, which consent may be withheld in the City’s sole discretion. Any attempted assignment without the City’s consent shall be void ab initio and of no force and effect, and such purported transferee shall have no right to exercise the Option nor shall it have any interest in the Circus Garage. Notwithstanding anything to the contrary in this Agreement, Pike Pointe shall have no right to exercise the Option if, at the time of such exercise and the execution of the Concession Agreement, Syncora is not a direct or indirect beneficial owner of Pike Pointe.

4. Title to Circus Garage. The City shall cause the DBA to execute such documentation as is necessary to confirm the transfer of ownership of the Circus Garage to the City promptly after execution of this Agreement. The City shall retain title to the Circus Garage during such time as Pike Pointe has the right to exercise the Option and shall maintain the Circus Garage in at least the same condition and repair as of the date hereof.

5. Development Agreements. Pike Pointe hereby acknowledges that the City has entered into certain development agreements with third party developers, which agreements contemplate that those developers will have the right to use parking spots within the Circus Garage at fair market rates (as determined by Pike Pointe from time to time and consistent with the rates provided to other patrons of the Circus Garage), and Pike Pointe agrees that it shall execute leases, licenses or other usage agreements with such developers on those terms. The City will provide the material terms and conditions of those development agreements with respect to developers’ use of Circus Garage as soon as is reasonably practicable following execution of this Agreement.

6. Due Diligence Activities.

(a) Prior to delivery of the Exercise Notice, Pike Pointe shall have a period commencing on the date hereof and continuing through and including the date of the delivery of the Exercise Notice or the expiration or termination of this Option, whichever is sooner, (the “Due Diligence Period”) to conduct its due diligence activities on the Circus Garage, which shall not unreasonably interfere with the use and operation of the Circus Garage. For purposes of this Agreement, “Due Diligence Activities” include but are not limited to the following:

(A) such physical inspections, soil borings and bearing tests, surveys, and possible relocation of utilities on or for the Circus Garage as Pike Pointe deems appropriate, all of which shall be completed at Pike Pointe’s expense;

- (B) investigations, environmental site assessments, including Phase I and Phase II site assessments, sampling and testing of soil, groundwater, surface water, soil vapors, indoor air, and building materials (such as Asbestos and lead-based paint), and/or a Baseline Environmental Assessment, (“BEA”), as defined in Part 201 of the Natural Resources and Environmental Protection Act (“NREPA”), being MCL 324.20101 et seq., and such other investigations and assessments as Pike Pointe may deem needed in its sole discretion to determine the condition of the Circus Garage and the Circus Garage’s compliance with applicable law, all of which shall be completed at Pike Pointe’s expense; and
  - (C) a review of the title evidence, survey, entitlements, and payment of taxes and assessments, all of which shall be completed at Pike Pointe’s expense;
  - (D) a review of financing sources related to Pike Pointe’s proposed use of the Circus Garage, or any other matter that in Pike Pointe’s sole discretion is relevant to Pike Pointe’s use of the Circus Garage;
  - (E) a review of all City Information and all publicly-available information with respect to the Circus Garage;
  - (F) a review of available public and private utilities and public accesses necessary for the proposed use of the Circus Garage; and
  - (G) application and procurement of any zoning, site plan, elevation, special land use, environmental, conditional use or other municipal approvals or permits, or variances therefrom, required or appropriate for the proposed use of the Circus Garage. The City hereby authorizes Pike Pointe to submit and apply for all such approvals, permits, and variances upon the commencement of the Due Diligence Period.
- (b) Restoration of City Property. Promptly following completion of a Due Diligence Activity, Pike Pointe shall restore the Circus Garage and all property therein to the state in which it existed prior to the commencement of the Due Diligence Activity.
- (c) City Information. The City shall use reasonable efforts to make available to Pike Pointe all information in the City’s (or the City’s agencies’ or departments’) possession or control related to the Circus Garage within thirty (30) days following the effective date of the Plan of Adjustment, including but not limited to existing leases, licenses, permits, approvals, contracts, warranties, title searches and policies, surveys, appraisals, environmental audits, Phase I environmental site assessments, Phase II reports or other testing or sampling data, asbestos surveys, reports, specifications, from the Planning, Building, Assessing, Environmental

Affairs and Fire Departments, notices of violations of applicable laws, regulations and ordinances or other documents in the City's possession or control related to the Circus Garage, to the extent the City is not required by law or applicable agreement to keep such information confidential (collectively, the "**City Information**"). The City shall cooperate with Pike Pointe and use reasonable efforts to facilitate Pike Pointe's Due Diligence Activities, all at no material incremental cost to the City, including providing information, coordinating with third party users of the Circus Garage as applicable, and executing such documentation as may be reasonable and necessary for Pike Pointe's access to the site and completion of the Due Diligence Activities including the preparation of a BEA.

- (d) Insurance. Prior to entering onto the Circus Garage for any Due Diligence Activities, Pike Pointe or its contractors shall enter into a right-of-entry agreement regarding the entry into the Circus Garage to be reasonably agreed to by the City and Pike Pointe.
- (e) Indemnity. Pike Pointe shall defend, indemnify and hold harmless the City from and against any loss, liability, cost or expense incurred by the City to the extent resulting from Pike Pointe's (including its duly authorized employees, agents, engineers or other representatives) negligence or willful acts occurring in connection with the Due Diligence Activities; provided, however, that Pike Pointe shall in no circumstance have any obligation or liability with respect to any conditions pre-existing at the Circus Garage including without limitation any environmental condition, soil or groundwater contamination or other environmental conditions that may be discovered in the course of the Pike Pointe's Due Diligence Activities and thereafter disclosed to the City, except to the extent such conditions are materially exacerbated due to the negligence or willful acts of Pike Pointe or any of its duly authorized employees, agents, engineers or other representatives, and (ii) Pike Pointe shall not be responsible for any loss, liability, cost, or expense resulting from the discovery of any adverse information or condition regarding the Circus Garage or from the City's (or the City's agencies' or departments') negligence or misconduct.

7. Notices. All notices, demands and other communications given or delivered under this Agreement shall be given in writing to the address indicated below (or such other address as the recipient specifies in writing) and will be deemed to have been given when delivered personally, three (3) business days after mailed by certified or registered mail, return receipt requested and postage prepaid, or when delivery is guaranteed if sent via a nationally recognized overnight carrier, or when receipt is confirmed if sent via facsimile or other electronic transmission to the recipient with telephonic confirmation by the sending party.

[The City of Detroit  
Office of the Mayor  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1126  
Detroit, Michigan 48226

Facsimile: (313)224-4128  
Attention: Mayor ]

with a copy to (which will not constitute notice):

The City of Detroit  
Law Department  
Coleman A. Young Municipal Center  
2 Woodward Avenue, 5<sup>th</sup> Floor  
Detroit, Michigan 48226  
Telephone: (313)224-1352  
Facsimile: (313)224-5505  
Attention: Corporation Counsel

with a copy to (which will not constitute notice):

The City of Detroit  
Municipal Parking Department  
1600 W. Lafayette  
Detroit, Michigan 48216  
Telephone: (313)221-2500  
Facsimile: (313)221-2501  
Attention: Director of Municipal Parking

**[Pike Pointe]**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9. Time of Essence. Time is of the essence of this Agreement.

10. Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be declared invalid, illegal or unenforceable by a court of competence jurisdiction, all other provisions and applications hereof shall remain in full force and effect.

11. Merger of Prior Agreements. This Agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

12. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. By its execution and delivery of this

Agreement, each of the City and Pike Pointe irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter arising under or arising out of or in connection with this Agreement, or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding shall be brought in the Bankruptcy Court for so long as it has jurisdiction, and thereafter in the United States District Court for the Eastern District of Michigan; provided that if the United States District Court for the Eastern District of Michigan does not have jurisdiction, then such legal action, suit or proceeding shall be brought in such other court of competent jurisdiction located in Wayne County, Michigan. By execution and delivery of this Agreement, each of the City and Pike Pointe irrevocably accepts and submits to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding and specifically consents to the jurisdiction and authority of the Bankruptcy Court to hear and determine all such actions, suits, and proceedings under 28 U.S.C. §157(b) or (c), whichever applies.

13. Amendments. Except as otherwise provided herein, this Agreement may be amended or modified by, and only by, a written instrument executed by the parties hereto.

14. Captions. The captions used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

15. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their permitted respective successors, heirs, administrators and assigns.

16. No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

**CITY:**

CITY OF DETROIT

\_\_\_\_\_  
By:  
Its:

**TENANT:**

[PIKE POINTE]

\_\_\_\_\_  
By \_\_\_\_\_  
Its \_\_\_\_\_

**EXHIBIT 1**

**DESCRIPTION OF GRAND CIRCUS PARKING GARAGE**

Grand Circus is a three level underground parking structure, situated below the two parcels described below. Grand Circus includes all ramps, walkways, stairwells and other ingress and egress points to the parking structure existing as of the date hereof.

**Parcel 02001886: 1883 Woodward Ave**

Legal Description: W WOODWARD ALL THAT PT OF GOVERNOR AND JUDGES PLAN BOUNDED BY WOODWARD AVE, E ADAMS ST & PARK AVE A K A WLY PT OF GRAND CIRCUS PARK2/--- 357 IRREG

**Parcel 01004139: 1600 Woodward Ave**

Legal Description: E WOODWARD ALL THAT PT OF GOVERNOR & JUDGES PLAN BOUNDED BY WOODWARD AVE, E ADAMS AND WITHERELL STS A K A ELY PT OF GRAND CIRCUS PARK1/--- 357 IRREG

**EXHIBIT 2**

**CONCESSION AGREEMENT TERMS**

- 30 year term, structured as a concession agreement
- Pike Pointe (or a Pike Pointe Affiliate) is obligated to operate and maintain the Circus Garage during the term at its sole cost and expense and has the right to collect all parking revenue derived from the Circus Garage
- Pike Pointe (or a Pike Pointe Affiliate) shall be responsible, at its sole cost and expense, for all necessary capital expenditures to the Circus Garage, including, without limitation, \$13.5 million in capital expenditures during the first 5 years of the term.
- Rent to the City will be calculated as 25% of Free Cash Flow. Free Cash Flow is defined as revenue collected from the Circus garage minus operating expenses minus capital expenditures, which shall not include the \$13.5 million in initial capital expenditures made by Pike Pointe.
- No Rent shall be due to the City until Pike Pointe has received a return of 140% on its initial capital expenditures of \$13.5 million.
- Pike Pointe (or a Pike Pointe Affiliate) will enter into market-rate long term leases, licenses or usage agreements with the developers of properties adjacent to the Circus Garage pursuant to existing development agreements between the City and such developers.

**EXHIBIT I.A.354**

SCHEDULE OF UNLIMITED TAX GENERAL OBLIGATION BOND DOCUMENTS  
& RELATED UNLIMITED TAX GENERAL OBLIGATION BONDS

**SCHEDULE OF UNLIMITED TAX GENERAL OBLIGATION BOND  
DOCUMENTS & RELATED UNLIMITED TAX GENERAL OBLIGATION BONDS**

| Unlimited Tax General<br>Obligation Bond Documents   | Series of Unlimited Tax<br>General Obligation<br>Bonds | Balance as of Petition Date |
|--|--|-----------------------------|
| Resolution of the City Council adopted March 3, 1999<br>Finance Director's Order dated April 1, 1999   | Series 1999-A  | \$18,747,364                |
| Amended and Restated Resolution of the City Council<br>adopted April 6, 2001 and Supplement No. 1 to<br>Amended and Restated Resolution, adopted June 13,<br>2001 (collectively, " <u>2001 UTGO Resolution</u> ")<br>Finance Director's Order dated August 1, 2001 (" <u>2001<br/>UTGO Sale Order</u> ") | Series 2001-A(1)                                       | \$78,787,556                |
| 2001 UTGO Resolution<br>2001 UTGO Sale Order   | Series 2001-B  | \$4,063,616                 |
| Resolution of the City Council adopted July 24, 2002<br>Finance Director's Order dated August 2, 2002  | Series 2002  | \$6,745,767                 |
| Resolution of the City Council adopted September 19,<br>2003<br>Finance Director's Order dated October 9, 2003   | Series 2003-A  | \$34,908,150                |
| Bond Authorizing Resolution adopted June 14, 2004<br>(" <u>2004 UTGO Resolution</u> ")<br>Finance Director's Order dated August 27, 2004<br>(" <u>2004 UTGO Sale Order</u> ")  | Series 2004-A(1)                                       | \$39,872,258                |
| 2004 UTGO Resolution<br>2004 UTGO Sale Order   | Series 2004-B(1)                                       | \$38,206,678                |
| 2004 UTGO Resolution<br>2004 UTGO Sale Order   | Series 2004-B(2)                                       | \$736,241                   |
| Resolution of the City Council adopted July 6, 2005<br>(" <u>2005 UTGO Resolution</u> ")<br>Finance Director's Order dated December 5, 2005<br>(" <u>2005 UTGO Sale Order</u> ")   | Series 2005-B  | \$45,452,501                |
| 2005 UTGO Resolution<br>2005 UTGO Sale Order   | Series 2005-C  | \$18,671,105                |

| Unlimited Tax General<br>Obligation Bond Documents  | Series of Unlimited Tax<br>General Obligation<br>Bonds | Balance as of Petition Date |
|---|--|-----------------------------|
| Resolution of the City Council adopted November 17, 2006 (" <u>2008 UTGO Resolution</u> ")<br>Finance Director's Order dated May 30, 2008 (" <u>2008 UTGO Sale Order</u> ") | Series 2008-A  | \$59,487,564                |
| 2008 UTGO Resolution<br>2008 UTGO Sale Order  | Series 2008-B(1)                                       | \$28,982,532                |

**EXHIBIT I.A.360**

FORM OF UTGO SETTLEMENT AGREEMENT

## SETTLEMENT AGREEMENT

This Settlement Agreement (“**Agreement**”) is entered into as of July 18, 2014, among the City of Detroit (the “**City**”), Ambac Assurance Corporation (“**Ambac**”), Assured Guaranty Municipal Corp. and Assured Guaranty Corp. (together, “**Assured**”), and National Public Finance Guarantee Corporation (“**NPFG**”). In this Agreement, each of the City, Ambac, Assured, and NPFG is referred to individually as a “**Party**”; Ambac, Assured, and NPFG (including their successors and assigns) are referred to collectively as the “**Bond Insurers**”; and the City and the Bond Insurers are referred to collectively as the “**Parties**.”

### RECITALS

**WHEREAS**, as of the close of Fiscal Year 2013 (*i.e.*, June 30, 2013), the City had \$369.115 million in outstanding principal amount of unlimited tax general obligations bonds, excluding the 2010 Series A Bonds hereinafter mentioned (the “**Prior UTGO Bonds**”);

**WHEREAS**, more than 90% of the Prior UTGO Bonds are insured by one of the three Bond Insurers under financial guaranty insurance policies (the “**Bond Insurance Policies**”) that were issued contemporaneously with the respective Prior UTGO Bonds;

**WHEREAS**, the Governor of the State of Michigan determined on March 1, 2013 that a financial emergency existed in the City, and the Emergency Manager (together with any successors, the “**Emergency Manager**”) was appointed for the City on March 14, 2013;

**WHEREAS**, on July 18, 2013 (the “**Petition Date**”), the City filed a voluntary petition for relief under chapter 9 of title 11 of the United States Code (the “**Bankruptcy Code**”), thereby commencing Bankruptcy Case No. 13-53846 (the “**Bankruptcy Case**”) before the United States Bankruptcy Court for the Eastern District of Michigan (the “**Bankruptcy Court**”);

**WHEREAS**, as of the Petition Date, the balance due on the Prior UTGO Bonds, including prepetition interest accrued as of that date, was \$374,686,297;

**WHEREAS**, on October 1, 2013, the City defaulted on its obligation to make interest payments on the Prior UTGO Bonds in the amount of \$9,372,276 and the Bond Insurers paid claims and were subrogated to the rights of the owners for such payments, and the insurance documents contemplate the assignment of the Prior UTGO Bonds to the Bond Insurers upon payment of a claim;

**WHEREAS**, on April 1, 2014, the City defaulted on its obligations on the Prior UTGO Bonds to pay interest in the amount of \$9,372,276 and to pay principal in the amount of \$38,205,000, and the Bond Insurers paid claims and were subrogated to the

rights of the owners for such payments, and the insurance documents contemplate the assignment of the Prior UTGO Bonds to the Bond Insurers upon payment of a claim;

**WHEREAS**, on November 8, 2013, Assured and NPFPG filed an adversary proceeding against the City seeking declaratory relief with regard to their rights in respect of the Prior UTGO Bonds pending before the Bankruptcy Court (Adv. Proc. No 13-05309) (the “**Assured/NPFPG Action**”), and Ambac filed an adversary proceeding against the City seeking declaratory relief with regard to its rights in respect of, *inter alia*, the Prior UTGO Bonds pending before the Bankruptcy Court (Adv. Proc. No 13-05310) (the “**Ambac Action**”);

**WHEREAS**, on or about February 21, 2014, each of the Bond Insurers filed proofs of claim in the Bankruptcy Case (the “**UTGO Claims**”) asserting claims against the City for the full amount of principal and interest due under the documents pursuant to which the Prior UTGO Bonds were issued (including post-petition interest), amounts due the Bond Insurers for payments pursuant to the Bond Insurance Policies, and contractual reimbursements due for charges, fees, costs, losses, liabilities and expenses incurred by the Bond Insurers in connection with the Bond Insurance Policies; and

**WHEREAS**, the Parties have engaged in good faith and arms’ length negotiations regarding a consensual resolution of their disputes under or in respect of the Prior UTGO Bonds, the Assured/NPFPG Action, the Ambac Action, and the UTGO Claims;

**NOW, THEREFORE**, in consideration of the foregoing and the promises, mutual covenants, and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **ARTICLE I DEFINITIONS**

Section 1.1. **Recitals.** The recitals set forth above are incorporated by reference and are explicitly made a part of this Agreement.

Section 1.2. **Definitions.** In addition to the capitalized terms defined in the preamble and recitals, the following definitions shall apply to and constitute part of this Agreement and all schedules, exhibits and annexes hereto:

“**Act 436**” shall mean the Local Financial Stability and Choice Act of the State, Act 436 of 2012, Public Acts of Michigan, 2012.

“**Additional Bonds**” shall mean any unlimited tax general obligation bonds issued on a parity with the Prior UTGO Bonds, the UTGO Bonds and the 2010 Series A Bonds as to the Aggregate UTGO Tax Levy.

“**Additional DSA Debt**” has the meaning ascribed to it in Section 2.6(a).

“**Agreement to Deposit State Aid**” shall mean the agreement, dated as of the date of the issuance of the MFA Bonds, among the City, the State Treasurer and U.S. Bank National Association, as Master Trustee, providing for the deposit of Distributable State Aid payments by the State Treasurer directly into the funds and accounts held by the Master Trustee pursuant to the Master Indenture for purposes of retiring the Municipal Obligation for so long as the Municipal Obligation remains outstanding.

“**Aggregate UTGO Tax Levy**” shall mean all proceeds of the ad valorem tax millage levies, including delinquent millage payments received from Wayne County or otherwise, on account of unlimited tax general obligation bonds of the City, including the Prior UTGO Bonds (or after the Effective Date, the UTGO Bonds), the 2010 Series A Bonds and any Additional Bonds hereafter issued by the City.

“**Allowed Claim**” has the meaning ascribed to it in the Plan.

“**Ambac Action**” has the meaning ascribed to it in the recitals hereof.

“**Approval Motion**” shall mean a motion filed by the City with the Bankruptcy Court in accordance with Section 2.8(c), seeking entry of the Approval Order pursuant to Federal Rule of Bankruptcy Procedure 9019, which motion shall be in form and substance reasonably satisfactory to the Parties.

“**Approval Order**” shall mean an order of the Bankruptcy Court (other than the Plan Confirmation Order) approving the compromise and settlement set forth in this Agreement authorizing and directing the consummation of the transactions contemplated herein, which order shall be in a form and substance reasonably satisfactory to the Parties.

“**Assigned UTGO Bond Tax Proceeds**” has the meaning ascribed to it in Section 2.1(b)(i).

“**Assured/NPFG Action**” has the meaning ascribed to it in the recitals hereof.

“**Bankruptcy Case**” has the meaning ascribed to it in the recitals hereof.

“**Bankruptcy Code**” has the meaning ascribed to it in the recitals hereof.

“**Bankruptcy Court**” has the meaning ascribed to it in the recitals hereof.

“**Bond Insurance Policies**” has the meaning ascribed to it in the recitals hereof.

“**Bond Insurer Claims**” has the meaning ascribed to it in Section 2.1.

**“Bond Insurer Exculpated Parties”** means the Bond Insurers solely in their capacity as insurers of the Prior UTGO Bonds, and their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents, attorneys, advisors, accountants, restructuring consultants, financial advisors and investment bankers, solely in their capacity as such.

**“Claim”** shall mean a “claim” as defined in Section 101(5) of the Bankruptcy Code.

**“Class”** means each class of Claims established under the Plan.

**“Debt Millage Escrow Agreement”** shall mean an escrow agreement substantially in the form of Exhibit A hereto between the City and U.S. Bank National Association as escrow trustee providing, among other things, for the deposit and distribution of the Aggregate UTGO Tax Levy collected by the City, to be executed and delivered on the date of this Agreement.

**“Debt Millage Escrow Trustee”** has the meaning ascribed to it in Section 2.4(a).

**“Distributable State Aid”** shall mean the shared revenue payments that the City is entitled to receive from the State under the Michigan Constitution and the provisions of the Glenn Steil State Revenue Sharing Act, Act 140, Public Acts of Michigan, 1971, as amended (**“Act 140”**) in each City fiscal year ending June 30.

**“DSA Deposit”** has the meaning ascribed to it in Section 2.5(c).

**“DSA Deposit Date”** has the meaning ascribed to it in Section 2.5(c).

**“Deposit Date Balance Requirement(s)”** has the meaning ascribed to it in Section 2.5(c).

**“Deposit Date Balance Requirement for the Municipal Obligation”** has the meaning ascribed to it in Section 2.5(e).

**“DSA Escrow Funds”** has the meaning ascribed to it in Section 2.5(b).

**“DTC System”** shall mean the system maintained by the Depository Trust Company used for trading municipal securities.

**“Effective Date”** shall mean the effective date of any Plan.

**“Emergency Manager”** has the meaning ascribed to it in the recitals hereof.

**“Emergency Manager Order”** shall mean an order of the Emergency Manager in substantially the form attached hereto as Exhibit B.

**“Event of Default”** has the meaning ascribed to it in Section 4.1.

**“Existing DSA Debt”** has the meaning ascribed to it in Section 2.6(a).

**“Final Order”** shall mean an order or judgment including any associated findings of fact and conclusions of law of the Bankruptcy Court or other court of competent jurisdiction with respect to the applicable subject matter which has not been reversed, stayed, modified or amended and as to which (a) any right to appeal or seek certiorari, review, reargument, stay or rehearing has expired and no appeal or petition for certiorari, review, reargument, stay or rehearing is pending, or (b) an appeal has been taken or petition for certiorari, review, reargument, stay or rehearing has been filed and (i) such appeal or petition for certiorari, review, reargument, stay or rehearing has been resolved by the highest court to which the order or judgment was appealed or from which certiorari, review, reargument, stay or rehearing was sought or (ii) the time to appeal further or seek certiorari, review, reargument, stay or rehearing has expired and no such further appeal or petition for certiorari, review, reargument, stay or rehearing is pending; provided, however, that the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Federal Rule of Bankruptcy Procedure 9024 may be filed relating to such order shall not cause such order to not be a Final Order.

**“Financial Terms”** has the meaning ascribed to it in Section 2.2.

**“Hard Pay Instruments”** has the meaning ascribed to it in Section 2.11(a)(i).

**“Holders Restructured UTGO Bonds”** has the meaning ascribed to it in Section 2.1(a).

**“Holder”** shall mean the holder of a Claim under or evidenced by the Prior UTGO Bonds.

**“Impaired Financial Creditors”** has the meaning ascribed to it in Section 2.11(a).

**“Insurer Owned Restructured UTGO Bonds”** has the meaning ascribed to it in Section 2.1(a).

**“Master Indenture”** shall mean the Master Debt Retirement Trust Indenture dated as of March 1, 2010 by and between the City and U.S. Bank National Association, Detroit, Michigan, as Master Trustee, as supplemented by the First Supplemental Debt Retirement Trust Indenture dated as of March 1, 2010, by the Second Supplemental Debt Retirement Trust Indenture dated as of December 1, 2010, the Third Supplemental Debt Retirement Trust Indenture dated as of March 1, 2012, the Fourth Supplemental Debt Retirement Trust Indenture dated as of August 1, 2012 and by the Fifth Supplemental Debt Retirement Trust Indenture to be dated as of the first day of the

month of the issuance of the MFA Bonds, by and between the City and the Master Trustee.

“**Master Trustee**” shall mean U.S. Bank National Association, Detroit, Michigan, as trustee under the Master Indenture or any successor trustee appointed pursuant to the terms of the Master Indenture.

“**MFA Bonds**” has the meaning ascribed to it in Section 2.2.

“**Municipal Obligation**” has the meaning ascribed to it in Section 2.2.

“**Plan**” shall mean the chapter 9 plan of adjustment filed by the City and incorporating the terms and conditions set forth in this Agreement, in substantially the form of the draft thereof dated May 5, 2014, as such plan may be amended, modified or supplemented from time to time, which plan, as it relates to this Settlement Agreement, shall be in form and substance reasonably satisfactory to the Bond Insurers.

“**Plan Confirmation Order**” shall mean findings of fact and an order of the Bankruptcy Court confirming the Plan and meeting the requirements of Section 2.9 of this Agreement.

“**Plan Documents**” shall mean the Plan, the Plan Confirmation Order and any Plan related documents effectuating this Agreement.

“**Plan Instruments**” shall have the meaning ascribed to it in Section 2.11(a)(ii).

“**Prior UTGO Bonds**” has the meaning ascribed to it in the recitals hereof.

“**Pro Rata**” shall mean the proportion that a claim of one Holder of Restructured UTGO Bonds bears to the aggregate of all claims of all of the Holders of Restructured UTGO Bonds.

“**Restructured UTGO Bonds**” has the meaning ascribed to it in Section 2.1.

“**Series 2014 DSA Escrow Fund**” has the meaning ascribed to it in Section 2.5(d).

“**Settlement Escrow Agreement**” has the meaning ascribed to it in Section 2.8.

“**Settlement-Related Documents**” shall mean this Agreement, the Plan Documents, the Approval Order (if applicable), the Debt Millage Escrow Agreement, the Settlement Escrow Agreement, the Restructured UTGO Bonds, the Stub UTGO Bonds, the Municipal Obligation, the MFA Bonds and all documents related to the MFA Bonds

(other than a Bond Insurer's insurance policies related to the MFA Bonds, Restructured UTGO Bonds and the Stub UTGO Bonds), each of which shall be in form and substance reasonably satisfactory to the Parties (and, in the case of the Plan Documents, solely as they relate to this Agreement).

**"Shared Credit Rating Act"** shall mean the Shared Credit Rating Act, Act No. 227 of the Public Acts of 1985 of the State, as from time to time amended.

**"Soft Pay Instruments"** has the meaning ascribed to it in Section 2.11(a)(ii).

**"State"** shall mean the State of Michigan.

**"State Treasurer"** shall mean the State Treasurer of the State.

**"Stub UTGO Bonds"** has the meaning ascribed to it in Section 2.1(b).

**"Stub UTGO Challenge"** has the meaning ascribed to it in Section 6.3(b).

**"Syncora"** shall mean Syncora Capital Assurance Inc. and Syncora Guarantee Inc. as insurer of the Series 2003(A) Unlimited Tax General Obligation Bonds.

**"2010 Senior Bonds"** has the meaning ascribed to it in Section 2.3(d)(i).

**"2010 Series A Bonds"** shall mean the City's \$100,000,000 Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010 (A) (Taxable Recovery Zone Economic Development Bonds-Direct Payment).

**"Third Lien Bonds"** has the meaning ascribed to it in Section 2.3(d)(iii).

**"Top-Off Payments"** has the meaning ascribed to it in Section 2.11(b).

**"Trigger Event"** has the meaning ascribed to it in Section 2.11(b).

**"Trigger Payments"** has the meaning ascribed to it in Section 2.11(b).

**"UTGO Bond Tax Levy"** shall mean that portion of the Aggregate UTGO Tax Levy in the amount that was allocable to the Prior UTGO Bonds.

**"UTGO Bonds"** shall mean the Municipal Obligation and the Stub UTGO Bonds.

**"UTGO Claims"** has the meaning ascribed to it in the recitals hereof.

**"UTGO Litigation"** has the meaning ascribed to it in Section 2.13.

Section 1.3. Interpretation. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties hereto and no presumption or burden of proof will arise favoring or disfavoring any Party hereto because of the authorship of any provision of this Agreement.

Section 1.4. General Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires

(a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.

(b) All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to “generally accepted accounting principles” refer to such principles as they exist at the date of application there.

(c) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(d) The terms “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

(e) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(f) The term “person” shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or agency or political subdivision thereof.

## ARTICLE II SETTLEMENT TERMS

Section 2.1. Claim Treatment. The City hereby agrees that the total Allowed Claim relating to the Prior UTGO Bonds will be \$388,000,000, allocated as follows:

(a) \$287,560,790 of the Prior UTGO Bonds which mature on or after April 1, 2015 will be restructured and allocated (i) among the Holders of the Prior UTGO Bonds which mature on or after April 1, 2015 on a Pro Rata basis, as set forth on

Schedule 1a annexed hereto (the “**Holders Restructured UTGO Bonds**”) and (ii) the Bond Insurers and Syncora, as set forth on Schedule 1b (the “**Insurer Owned Restructured UTGO Bonds**”) and, together with the Holders Restructured UTGO Bonds, the “**Restructured UTGO Bonds**”), and the Restructured UTGO Bonds will be restructured by delivery of the Municipal Obligation to the MFA and the delivery by the MFA of the MFA Bonds as described in Section 2.2 below, which, as restructured through the MFA, will be a full faith and credit general obligation payable from all legally available resources and secured, to the extent permitted by law, including Section 12(1)(x) of Act 436, by a lien upon the UTGO Bond Tax Levy, and payable and further secured by a lien on Distributable State Aid as provided in Section 2.3(a)(iii); and

(b) The remainder of the Prior UTGO Bonds (the “**Stub UTGO Bonds**”) which mature on or after April 1, 2015, in the principal amount of \$43,349,210, will be reinstated and remain outstanding, and will be payable from the UTGO Bond Tax Levy, subject to the following terms and conditions:

(i) The Holders’ rights to the proceeds of the UTGO Bond Tax Levy in an amount equal to the principal and interest payable on the Stub UTGO Bonds (but subject to the prior rights of the holders of the Municipal Obligation) will be assigned under and pursuant to the Plan (without any consent or action on the part of, or additional consideration payable to, the Bond Insurers or the Holders) to a designee or designees of the City (the “**Assigned UTGO Bond Tax Proceeds**”), and such proceeds will not be paid to the paying agent for the UTGO Bonds.

(ii) The obligations of the Bond Insurers to the Holders of the Prior UTGO Bonds that are not Holders Restructured UTGO Bonds under the existing applicable Bond Insurance Policies shall be unchanged.

(c) The Bond Insurers shall be granted Allowed Claims for all amounts actually paid by the Bond Insurers to Holders of the Prior UTGO Bonds together with any policy advances made from and after the Effective Date by the Bond Insurers in respect of the Stub UTGO Bonds pursuant to this Agreement up to an aggregate amount of \$100.5 million (the “**Bond Insurer Claims**”), which Allowed Claims shall receive distributions only when and if the Most Favored Nations clause set forth in Section 2.11 becomes operative and only pursuant to the terms of such Most Favored Nations clause.

Section 2.2. Restructuring of Restructured UTGO Bonds by Delivery of Municipal Obligation to MFA and Delivery of MFA Bonds.

(a) On or before the Effective Date (i), the Restructured UTGO Bonds will be restructured as follows: By execution of the Emergency Manager Order the City will authorize the issuance and delivery of a local government municipal obligation (the “**Municipal Obligation**”) to the Michigan Finance Authority (“**MFA**”), in accordance with applicable law, (ii) the City will request the MFA to issue its Local Government Loan Program Revenue Bonds, Series 2014 (City of Detroit Unlimited Tax General Obligation Restructured Local Project Bonds) (the “**MFA Bonds**”), and (iii) the

MFA Bonds shall be distributed Pro Rata to the Holders of the Holders Restructured UTGO Bonds as set forth on Schedule 1a annexed hereto and among the Bond Insurers and Syncora as set forth on Schedule 1b annexed hereto. The Municipal Obligation and the MFA Bonds will have the same principal amount (rounded down for each denomination to the nearest whole dollar), interest rate, payment dates, amortization schedule, prepayment terms (including first call date) and other financial terms (other than the pledge of Distributable State Aid and the priority of payment from the UTGO Bond Tax Levy relative to the Stub UTGO Bonds) as the Restructured UTGO Bonds (the "**Financial Terms**"). The MFA Bonds will be limited obligations of the MFA, payable from and secured by (i) payments made by the City on the Municipal Obligation and all right, title and interest in and to the Municipal Obligation, which shall include, to the extent permitted by applicable law, including without limitation Section 12(1)(x) of Act 436, a lien on the portion of the UTGO Bond Tax Levy allocable to the Municipal Obligation, pledged by the City to secure the Municipal Obligation as required by Section 2.3(a), and (ii) a lien, made a statutory lien as provided by the Shared Credit Rating Act, on moneys in the funds and accounts established for the MFA Bonds under the authorizing resolution for such bonds, including payments pledged by the City and received and held by the MFA or its trustee for the MFA Bonds, which include, without limitation, all payments of (x) the proceeds of the UTGO Bond Tax Levy and (y) Distributable State Aid deposited as described in Sections 2.4 and 2.5.

(b) All documents relating to the Municipal Obligation and the MFA Bonds will be in form and substance reasonably satisfactory to the Bond Insurers. Such documentation will include that the Master Indenture will not be amended in any manner which adversely affects the MFA Bonds or the rights of the Bond Insurers. Each Bond Insurer will insure the Series of MFA Bonds relating to the Holders Restructured UTGO Bonds originally insured by such Bond Insurer set forth on Schedule 1a attached hereto by either (i) issuing a new bond insurance policy (and to the extent applicable canceling the existing policy), (ii) endorsing its existing Bond Insurance Policy or (iii) amending its existing Bond Insurance Policy.

(c) Each of the MFA Bonds will be freely transferable through the DTC System under a unique CUSIP identification number that is separate and distinct from the CUSIP identification number for the Stub UTGO Bonds or, if the DTC System is discontinued with respect to the MFA Bonds, in such other manner as is permitted in accordance with their terms.

(d) The paying agent for the Prior UTGO Bonds shall issue new certificates representing the Stub UTGO Bonds to the Holders in principal amounts representing the balance of each Holder's Prior UTGO Bonds not restructured through the delivery of the MFA Bonds.

### Section 2.3. The Municipal Obligation and Distributable State Aid.

The City agrees, with the cooperation of the MFA, to restructure the Restructured UTGO Bonds as the Municipal Obligation as of the Effective Date. The City covenants and agrees that:

(a) The Municipal Obligation:

(i) will be approved pursuant to the Emergency Manager Order and in accordance with all applicable laws;

(ii) will be payable from the unlimited tax full faith, credit and resources of the City and the UTGO Bond Tax Levy and secured, to the extent permitted by law, including without limitation Section 12(1)(x) of Act 436, by a lien granted by the City on the UTGO Bond Tax Levy pursuant to the Emergency Manager Order, the grant of which will be confirmed by the Bankruptcy Court in the Plan Confirmation Order (or, if applicable, the Approval Order);

(iii) also will be secured by and payable from a portion of the City's Distributable State Aid, subject to a statutory lien and trust as provided in section 15(2) of the Shared Credit Rating Act;

(iv) will have the same rights (other than priority) in and to the Distributable State Aid, and have the same protections (including, without limitation, a statutory lien to the same extent the 2010 Series A Bonds are secured by a statutory lien), as the 2010 Series A Bonds, except that the City's Deposit Date Balance Requirement (as defined in Section 2.5) with respect to the Municipal Obligation shall be as described in paragraph 2.5(e) below;

(v) will have the identical Financial Terms as the Restructured UTGO Bonds; and

(vi) will be pledged by the MFA to the bond trustee for the holders of the MFA Bonds pursuant to a resolution of the MFA authorizing the issuance of the MFA Bonds.

(b) The UTGO Bond Tax Levy shall be escrowed and used to pay the Municipal Obligation prior to the use of Distributable State Aid in the same manner as provided for the 2010 Series A Bonds, as described herein.

(c) Distributable State Aid will be pledged by the City and secured by a lien under the Master Indenture to be used for the purpose of paying principal of and interest on the Municipal Obligation and any additional bonds or other future obligations issued by the City and secured by Distributable State Aid.

(d) The lien on Distributable State Aid for the Municipal Obligation will be a fourth priority lien, subordinate, as of the MFA Bonds issuance date, only to the following:

(i) the first priority lien on Distributable State Aid for the City's \$249,790,000 Distributable State Aid General Obligation Limited Tax Bonds, Series 2010 (the "**2010 Senior Bonds**");

(ii) the second priority lien on Distributable State Aid for the City's 2010 Series A Bonds, which lien in favor of the 2010 Series A Bonds is subordinate to the lien in favor of the 2010 Senior Bonds; and

(iii) the third priority lien on Distributable State Aid for the City's third-lien limited tax general obligations bonds (the "**Third Lien Bonds**") securing the MFA's \$129,520,000 Local Government Loan Program Revenue Bonds, Series 2012C (City of Detroit Limited Tax General Obligation Local Project Bonds Third Lien), which lien in favor of the Third Lien Bonds is subordinate to the lien in favor of the 2010 Series A Bonds.

(e) The Emergency Manager shall issue the Emergency Manager Order in substantially the form attached hereto as Exhibit B.

Section 2.4. Escrow and Application of Aggregate UTGO Tax Levy.

(a) The City agrees that, pursuant to documentation in form and substance satisfactory to the Parties, proceeds of the Aggregate UTGO Tax Levy collected by the City will be segregated and transmitted no less often than as provided in the schedule of Statutory Tax Collection Distribution Dates published by the Bureau of Local Government Services of the Michigan Department of Treasury, and in any event, no less often than (x) bi-monthly during the period beginning each July 1 and ending the following March 31, and (y) monthly during the period beginning April 1 and ending the following June 30 of each year, to U.S. Bank National Association as escrow trustee (the "**Debt Millage Escrow Trustee**"), to be held and distributed pursuant to the terms and conditions of the Debt Millage Escrow Agreement. The Debt Millage Escrow Trustee shall be required to allocate the revenue pro rata, as required by the Debt Millage Escrow Agreement, among the outstanding UTGO Bonds, the 2010 Series A Bonds, and any Additional Bonds.

(b) Proceeds of the Aggregate UTGO Tax Levy allocated to the UTGO Bonds will be transferred promptly by the Debt Millage Escrow Trustee (i) first, for deposit to the Tax Levy Account held by the Master Trustee for the Municipal Obligation in an amount sufficient, together with funds already on deposit therein to pay debt service due on the Municipal Obligation on or before the April 1 following such deposit, together with any past due debt service on the Municipal Obligation, and (ii) second, to the assignee of the rights to payment from the Assigned UTGO Bond Tax Levy of amounts payable on the Stub UTGO Bonds on or before the April 1 following such deposit, an amount equal to the scheduled debt service on the Stub UTGO Bonds. Proceeds of the Aggregate UTGO Bond Tax Levy transferred to the Master Trustee for the purpose of paying debt service on the Municipal Obligation will be held in trust under applicable State law.

(c) Neither the Holders of the MFA Bonds nor the Bond Insurers will seek payment from the proceeds of the UTGO Bond Tax Levy in excess of the amounts necessary to pay the Municipal Obligation scheduled annual debt service

plus any amount necessary to pay past due Municipal Obligation debt service plus any amounts required by Section 2.14(b).

Section 2.5. Distributable State Aid and Flow of Funds.

(a) Pursuant to the Agreement to Deposit Distributable State Aid, the State Treasurer has agreed to deliver 100% of the Distributable State Aid due the City to the Master Trustee for deposit under the Master Indenture for as long as the Municipal Obligation is outstanding. Payments by the State Treasurer of Distributable State Aid will be deposited directly into the funds and accounts held by the Master Trustee in accordance with and as provided by the Agreement to Deposit Distributable State Aid and the Master Indenture. Distributable State Aid payments made to the Master Trustee for the purpose of paying debt service on the Municipal Obligation will be held in trust and subject to a statutory lien under applicable State law.

(b) The Master Trustee will be required to deposit all of the City's Distributable State Aid in the Debt Retirement Fund established under the Master Indenture and allocate and set aside Distributable State Aid into the various Distributable Aid Escrow Funds as provided in the Master Indenture, including, without limitation, the Series 2014 DSA Escrow Fund defined in Section 2.5(d) below (the "**DSA Escrow Funds**") created pursuant to one or more supplemental indentures to the Master Indenture for the purpose of accumulating Distributable State Aid in amounts required by such supplemental indentures to be deposited in the DSA Escrow Funds by the dates specified in such supplemental indentures to pay debt service on the bonds and obligations of the City secured by a pledge of Distributable State Aid.

(c) On each date that the State Treasurer deposits a payment of the City's Distributable State Aid (each a "**DSA Deposit**") with the Master Trustee (each a "**DSA Deposit Date**"), the Master Trustee shall set-aside such amounts as shall be sufficient to fund the minimum balances required to be on deposit in each DSA Escrow Fund to pay the then current annual principal and interest requirements on the related obligation as provided in the Master Indenture (each, a "**Deposit Date Balance Requirement**") and collectively the "**Deposit Date Balance Requirements**"). Any amounts remaining in the Debt Retirement Fund after the setting aside of the amounts necessary to satisfy the Deposit Date Balance Requirements of all DSA Escrow Funds, shall be released to the City for deposit to the General Fund of the City.

(d) On or before the Effective Date, the City pursuant to a supplemental indenture to the Master Indenture shall establish with the Master Trustee a Series 2014 DSA Escrow Fund (the "**Series 2014 DSA Escrow Fund**") for the purpose of accumulating Distributable State Aid in sufficient amounts to pay debt service on the Municipal Obligation. Moneys on deposit in the Series 2014 DSA Escrow Fund shall be held and withdrawn by the Master Trustee solely for the purpose of paying to the bond trustee for the holders of the MFA Bonds (as assignee of the MFA) the principal of and interest on the Municipal Obligation when due and payable, which payments will be used to make corresponding payments of principal and interest on the MFA Bonds. Within the

Series 2014 DSA Escrow Fund there shall be created three separate and segregated sub-accounts designated the “Distributable Aid Account,” the “Tax Levy Account,” and the “General Account.” Proceeds of the Aggregate UTGO Tax Levy allocated to the Municipal Obligation and transferred to the Master Trustee by the Escrow Agent pursuant to Section 2.4(b)(i) shall be deposited to the Tax Levy Account and used as described in subsection (f) below. That portion of Distributable State Aid necessary to pay the principal of and interest on the Municipal Obligation when due, shall be set aside and maintained in the Distributable Aid Account and used as described in subsection (e) below. All other moneys deposited to the Series 2014 DSA Escrow Fund from time to time by the City shall be set aside and maintained in the General Account and used as described in subsection (f) below.

(e) To the extent the Master Trustee does not have on deposit in the Tax Levy Account the required portions of principal and interest due on the next October 1 or April 1 on the first day of each month set forth below (the “**Deposit Date Balance Requirement for the Municipal Obligation**”), the Master Indenture will provide for the deposit of all, or such lesser amount as is necessary to correct the deficiency in the Deposit Date Balance Requirement for the Municipal Obligation, of that month’s distribution of Distributable State Aid into the Distributable State Aid Account of the Series 2014 DSA Escrow Fund (after all deposits to DSA Escrow Funds established to pay debt service on obligations of the City having priority over the Municipal Obligation) . The Deposit Date Balance Requirement for the Municipal Obligation will be as follows:

DEPOSIT DATE BALANCE REQUIREMENT

| MONTH OF DSA PAYMENT | PORTION OF NEXT MUNICIPAL OBLIGATION INTEREST PAYMENT | PORTION OF NEXT MUNICIPAL OBLIGATION PRINCIPAL PAYMENT |
|----------------------|---|--|
| November             | 1/3   | 4/6  |
| January              | 2/3   | 5/6  |
| March                | 100%  | 100%   |
| September            | 100%  | 3/6  |

(f) Amounts on deposit in the Series 2014 DSA Escrow Fund shall be withdrawn from the DSA Escrow Fund for the purpose of paying debt service on the Municipal Obligation when due to the bond trustee for the holders of the MFA Bonds (as assignee of the MFA), which payments will be used to make corresponding payments of principal and interest on the MFA Bonds. Amounts shall be debited first from the Tax Levy Account in an amount necessary to pay the principal of and interest on the

Municipal Obligation on the corresponding payment date, and thereafter, if the amount on deposit in the Tax Levy Account is not sufficient to make the payments required, the amount necessary to satisfy the deficiency shall be debited, first, from the Distributable Aid Account, and second, from the General Account.

Section 2.6. Additional Indebtedness. From and after the date of this Agreement and, pursuant to documentation in form and substance satisfactory to the Parties, until the MFA Bonds have been paid in full:

(a) the City shall not incur, or permit to be outstanding, debt secured by a lien on the Distributable State Aid that is senior to the lien securing the Municipal Obligation, other than debt secured by a lien on the Distributable State Aid on the date of this Agreement (“**Existing DSA Debt**”) and additional debt (“**Additional DSA Debt**”) secured on a second or third lien level so that the aggregate principal amount of (x) Existing DSA Debt (as of the effective date of this Agreement – i.e., \$479,310,000) plus (y) the Additional DSA Debt thereafter issued will not exceed \$560,000,000, provided that, with respect to any Additional Debt the existing financial covenants in the Master Indenture restricting the issuance of additional bonds under the Master Indenture are satisfied.

(b) Notwithstanding clause (a), the City may issue first, second or third lien refunding bonds secured pursuant to the Master Indenture so long as any such refunding issuance results in debt service savings by the City in each year that such refunding bonds will be outstanding (based upon the amortization schedule in effect prior to the time of such refunding) or, if the last maturity of the MFA Bonds is prior to final maturity of the refunding bonds then to be issued, then in each year during which the MFA Bonds are outstanding.

(c) The City shall not incur debt secured by a lien on the Distributable State Aid that is pari passu with the lien securing the Municipal Obligation.

(d) The City may incur debt secured by a lien on the Distributable State Aid that is junior and subordinate to the lien securing the Municipal Obligation.

Section 2.7. Levy and Collection of the Ad Valorem Debt Millage.

The Settlement-Related Documents will provide that:

(a) The City shall impose in each year a separate debt millage levy reasonably projected to be in an amount necessary to pay the debt service coming due on all unlimited tax general obligation bonds (including both the Municipal Obligation and the Stub UTGO Bonds) before the next annual tax levy, including any past due amounts, plus any amounts necessary to reimburse the City for other City funds used to pay prior debt service, less any millage proceeds or other funds already on deposit with the Debt Millage Escrow Trustee which are available to pay the debt service next

coming due. The City shall comply with applicable law in levying and collecting ad valorem millage levied to pay all unlimited tax general obligation bonds.

(b) The City shall certify annually not later than June 30 in each year that it has imposed the debt millage levy as required by and in accordance with Section 2.7(a). Such annual certification shall be in the form attached hereto as Exhibit C and shall be promptly provided to the Bond Insurers.

(c) The City shall furnish to the Bond Insurers promptly upon request such information reasonably requested by the Bond Insurers to confirm the imposition of the debt millage levy and to monitor collections. The Bond Insurers shall have the right to discuss such information with the City, and the City will use reasonable efforts to explain the collection process to the Bond Insurers, including the allocation methods used for partial property tax payments.

Section 2.8. Plan Effectiveness and Escrowing of Payments.

(a) If the Effective Date of the Plan does not occur on or prior to September 30, 2014 for any reason other than proximately by reason of the actions or positions taken by any of the executing Bond Insurers, or their failure to support the Plan as provided in Section 3.1 below, solely in their capacity as the insurers of the Prior UTGO Bonds and not in any other capacity (including, for the avoidance of doubt in their capacity as insurers of any other obligations of the City), the City will pay into an escrow to be established with the current paying agent for the Prior UTGO Bonds the pro rata portion of the October 2014 scheduled interest debt service payment and any pro rata payments of principal and interest due thereafter, which would otherwise be paid on the Restructured UTGO Bonds, as if the transaction contemplated by this Agreement (other than the MFA Bond issuance) had closed. Specifically, and for clarification of the City's obligation under this paragraph, the City will pay into escrow the pro rata portion of scheduled debt service payments on the \$287.56 million of Restructured UTGO Bonds due after September 30, 2014 through the Effective Date of the Plan, on the same terms and schedule as set forth in the current documents governing the Prior UTGO Bonds, which, subject to Section 2.8(b) below, such escrowed funds shall be released to the Bond Insurers on the Effective Date of the Plan. Such escrow shall be pursuant to the Settlement Escrow Agreement ("**Settlement Escrow Agreement**") in the form of Exhibit D attached hereto, which will be executed and delivered on the date of the execution and delivery of this Agreement.

(b) If the Plan is not effective by March 31, 2015, and the Bankruptcy Court has issued an Approval Order (that is not stayed pending appeal) approving the settlement embodied in this Agreement, then on [March 31, 2015] the monies in such escrow will be released to the Bond Insurers, and the City will make all subsequent debt service payments, including the payment due on April 1, 2015, directly to the paying agent for the Prior UTGO Bonds as if the Restructured UTGO Bonds transaction (other than the MFA Bond issuance) had closed. If an Approval Order is entered but is subject to a stay pending appeal, the City shall continue to pay into escrow

the scheduled debt service on the Prior UTGO Bonds for so long as such stay remains in effect, and shall release all monies in the escrow accounts as soon as such order is no longer subject to stay.

(c) If the Plan is not effective by September 30, 2014, then within fifteen (15) days of a request by the Bond Insurers, the City shall file an Approval Motion pursuant to Bankruptcy Rule 9019 with the Bankruptcy Court. The City and the Bond Insurers may mutually make an Approval Motion pursuant to Bankruptcy Rule 9019 at any time upon mutual agreement of the City and the Bond Insurers.

Section 2.9. Confirmation Order and Findings. The Plan Confirmation Order shall include provisions substantially in the form of Exhibit E. Any material modification to such provisions shall be reasonably satisfactory to the Parties.

Section 2.10. Conditions to Plan Effectiveness. The Plan shall provide that the effectiveness of the Plan is subject to the following conditions:

(a) The Michigan Finance Authority board shall have approved the issuance of the MFA Bonds and such bonds shall have been issued; and

(b) The City shall have obtained all governmental and Emergency Manager consents and approvals required to carry out the terms of this Agreement.

Section 2.11. Most Favored Nation. In recognition of the unique features of the UTGO Bonds and in consideration of the settlement, the City agrees that the Bond Insurers will benefit from a “most favored nation” provision consisting of the two fundamental protections below and that such provision will be described in the Plan. Further, the City agrees that, if a class of Impaired Financial Creditors receives treatment other than the current treatment in the *Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (May 5, 2014)* [Docket No. 4392], such class’ treatment in the Plan will include the existence of this “most favored nation” provision.

(a) Recovery Percentage Projected as of Confirmation Date. Under no circumstances shall the terms of the Plan permit either of the Limited Tax General Obligation Claims or the COP Claims (each as defined in the Plan and collectively, the “**Impaired Financial Creditors**”) to recover more on a percentage basis than the UTGO Claims as projected at Plan confirmation. In determining whether a Class of Impaired Financial Creditors will recover more on a percentage basis than the UTGO Claims as projected at Plan confirmation, the recovery percentage for each of the Impaired Financial Creditors’ Claims will be the sum of:

(i) the percentage that any cash payments and the principal amount of any “hard pay” instrument, combination of instruments or any other evidences of indebtedness or payment obligations of any kind (collectively, the “**Hard Pay Instruments**”) provided to such Impaired Financial Creditor Class under the Plan is

of the aggregate amount of all the Allowed Claims in such Impaired Financial Creditor Class; and

(ii) the percentage that the reasonably anticipated recovery (as reasonably determined by the City as of Plan confirmation and as disclosed to creditors subject to the Bond Insurers' right to contest such determination as part of the confirmation hearing) on account of any "soft pay", contingent, or similar type of instrument, combination of instruments or any other evidences of indebtedness, contracts or settlements creating payment obligations of any kind including, without limitation, payment obligations relating to a sale, lease, privatization, public private partnership or similar arrangement or the value of any assets projected to be distributed or promised revenue streams or recoveries of any kind (collectively, the "**Soft Pay Instruments**" and together with the Hard Pay Instruments, the "**Plan Instruments**") provided to such Impaired Financial Creditor Class under the Plan is of the aggregate amount of all the Allowed Claims in such Impaired Financial Creditor Class.

(b) Actual Recovery Percentage Post-Confirmation. In the event the actual recovery percentage of any Impaired Financial Creditor Class on the aggregate Plan Instruments provided to such Impaired Financial Creditor's Class would result in such Class receiving 69.5% or more of the aggregate amount of all the Allowed Claims in any such Class (the "**Trigger Event**"), then payments that contribute to the Impaired Financial Creditor Class receiving a recovery over 69.5% (the "**Trigger Payments**") shall be made under such Plan Instruments to the Bond Insurers ("**Top-Off Payments**") on account of the Bond Insurer Claims in amounts equal to the following:

- (i) the amount of the Trigger Payment, multiplied by
- (ii) the quotient of
  - (A) \$100.5 million, divided by
  - (B) the sum of (x) 30.5% of the aggregate amount of all the Allowed Claims in the particular Impaired Financial Creditor Class, and (y) \$100.5 million.

For purposes of this sub-section, all actual recoveries for Impaired Financial Creditor Classes shall be determined by discounting the payments using a 5% discount rate back to the date of Plan confirmation. Amounts payable to the Bond Insurers pursuant to the provisions of this Section 2.11 will be allocated to the Bond Insurers as set forth on Schedule 2 attached hereto.

(c) Reporting. The City shall deliver to the Bond Insurers:

- (i) promptly after the first payment is made thereunder, a written notice of any payment under any Soft Pay Plan Instrument benefiting any Impaired Financial Creditor Class, including the amount and date of such payment;

(ii) on each January 15 of every year beginning in the year after the first payment is made on any Soft Pay Plan Instrument benefiting any Impaired Financial Creditor Class and until the maturity date of the Soft Pay Instrument, a written report calculating the aggregate recovery percentage of each Impaired Financial Creditor Class;

(iii) after any Impaired Financial Creditor Class achieves a recovery percentage on the aggregate amount of all the Allowed Claims in such class equal to or greater than 60%, on each January 15 and July 15, a written report calculating the aggregate recovery percentage of each Impaired Financial Creditor Class;

(iv) after a Trigger Event occurs, a written report on each date that a payment is made under any Plan Instruments held by or benefiting an Impaired Financial Creditor Class that explains the calculation for the Trigger Payment and the Top-Off Payment and demonstrates compliance with the terms of this Agreement; and

(v) written notice in the event any Impaired Financial Creditor challenges or disagrees in any manner with the determination of any payments related to a Trigger Payment.

The City official executing any written notice or written report described above will respond within a reasonable time to written inquiries from any Bond Insurer regarding such notice or report. In the event any Bond Insurer or Insurers make a written request to meet with such City official, such City Official will meet within a reasonable time period with such Bond Insurer or Insurers to answer their reasonable questions regarding any such notice or report.

(d) Dispute Resolution. In the event any of the Bond Insurers provides a written notice to the City articulating disagreement with the City's determination of whether a Trigger Event has occurred or with the amount of shared payments after a Trigger Event pursuant to subsection 2.11(c)(iv), the City will notify all Bond Insurers and meet with the Bond Insurers within 15 business days of such written notice. At the meeting the Parties will attempt in good faith to resolve the differences. If the Parties are unable to reach a resolution of the differences the Bond Insurers will have the right to bring an enforcement action in the Bankruptcy Court.

#### Section 2.12. Legal Opinions.

Bond counsel will provide at closing customary legal opinions relating to the validity, priority and enforceability of any MFA transaction in form and substance reasonably satisfactory to the Bond Insurers; such opinions to include standard bankruptcy opinion exceptions. Bond counsel will also provide a customary opinion in form and substance reasonably satisfactory to the Bond Insurers, on the exemption of interest from Federal and State taxation of the MFA Bonds and the Municipal Obligation.

No opinion will be provided with respect to any aspect of any lien on the UTGO Bond Tax Levy.

Section 2.13. Stay of Litigation, Proofs of Claim.

(a) The Assured/NPFG Action and Ambac Action (the “**UTGO Litigation**”) as it relates to the Prior UTGO Bonds shall be stayed pending the issuance of an Approval Order or Plan Confirmation Order and the occurrence of the Effective Date, whereupon the Parties shall ask the Bankruptcy Court to dismiss the UTGO Litigation without prejudice until the Approval Order or the Plan Confirmation Order, as applicable, is a Final Order, when such dismissal shall be deemed to be with prejudice.

(b) As soon as practicable subsequent to the execution and delivery of this Agreement by each of the Parties, but in no event later than five (5) business days subsequent thereto, the Parties shall take any and all action as is appropriate to (i) stay the UTGO Litigation as provided in subsection (a) above, (ii) maintain the status quo of the Parties in the UTGO Litigation as of the execution of this Agreement, and (iii) ensure that no action (including separate litigation and any objection to proofs of claim filed by the Bond Insurers relating to the Prior UTGO Bonds) is undertaken or commenced inconsistent with seeking a stay of and maintaining the status quo of the UTGO Litigation; provided, however, that any such stay shall terminate on the first (1st) business day following termination of this Agreement.

(c) In the event (i) an Approval Motion is made by the City and denied by the Bankruptcy Court, (ii) an Approval Order is issued but is not consistent with this Agreement in any material respect or is overturned on appeal, (iii) a Plan consistent with this Agreement in all material respects is not confirmed by the Bankruptcy Court other than changes regarding payments relating to the Stub UTGO Bonds, or (iv) a Plan Confirmation Order is entered by the Bankruptcy Court but is not consistent in all material respects with this Agreement, or is overturned on appeal, then any Party (including one or more of the Bond Insurers as to such Bond Insurer or Bond Insurers) may resume the UTGO Litigation and terminate this Agreement as to such Party by written notice to the Parties.

(d) The Bond Insurers agree that all proofs of claims filed by any of them with respect to Prior UTGO Bonds shall be deemed resolved and fully satisfied by approval of this Agreement in the Plan Confirmation Order, which is a Final Order or an Approval Order, which is a Final Order, as applicable.

Section 2.14. Additional Covenants

(a) City Will Not Contest. The City shall not contest the validity or enforceability of any of the liens or interests granted under this Agreement or any of the obligations of the City set forth in this Agreement.

(b) Paying Agent, Master Trustee and Escrow Agent Fees.

The City shall pay the reasonable and customary fees and expenses (including reasonable attorneys' fees) of (i) the paying agent with respect to the Prior UTGO Bonds (including the paying agent relating to the Prior UTGO Bonds that are not Holders Restructured UTGO Bonds) and (ii) of the paying agent, the Master Trustee, the Debt Millage Escrow Trustee and the escrow agent identified in the Settlement Escrow Agreement in respect of all transactions contemplated by this Agreement.

(c) Further Action. To the extent that the City has not taken all

necessary action to authorize the execution, delivery and performance of this Agreement, it will do so.

**ARTICLE III  
PLAN OF ADJUSTMENT AND PLAN SUPPORT**

Section 3.1. Plan Support Commitment. From and after the date hereof, and so long as the City has complied, and is complying, with its covenants and obligations under this Agreement, the Bond Insurers will each support the treatment of the Prior UTGO Bonds in the Plan by, at a hearing or in a court filing, expressing such support solely as insurers of the Prior UTGO Bonds and, if each Bond Insurer has established its right to vote, will each vote Prior UTGO Bonds and reimbursement claims in support of such Plan treatment. The Plan shall provide that such treatment, consistent with this Agreement, is the treatment for all holders of the Prior UTGO Bonds. For the absence of doubt, nothing contained in this Agreement shall require any Bond Insurer to support or vote for the treatment of any class of claims under the Plan other than the UTGO Bonds.

Section 3.2. Solicitation Required in Connection with Plan.

Notwithstanding anything contained in this Article III or elsewhere in this Agreement to the contrary, this Agreement is not, and shall not be deemed to be, a solicitation of acceptances of the Plan. The City and the Bond Insurers acknowledge and agree that the acceptance of the Plan will not be solicited until the Bankruptcy Court has approved the Disclosure Statement and related ballots, and such Disclosure Statement and ballots have been transmitted to parties entitled to receive same.

Section 3.3. Plan Document Provisions. All Plan Documents, as they relate to the settlement embodied in this Agreement must (i) be in form and substance reasonably satisfactory to the Bond Insurers and to the City and be consistent with this Agreement, (ii) provide that the Plan treatment for Prior UTGO Bonds is part of a settlement of the pending UTGO Litigation.

**ARTICLE IV  
DEFAULTS AND REMEDIES**

Section 4.1. Events of Default. The breach by any Party of any material agreement or covenant set forth in this Agreement or the Settlement Escrow Agreement will be an event of default ("Event of Default") under this Agreement.

Section 4.2. Remedies. The Parties acknowledge and agree that a breach of the provisions of this Agreement by any Party would cause irreparable damage to the other Parties and that such other Parties would not have an adequate remedy at law for such damage. Therefore, the obligations of the Parties set forth in this Agreement and the Settlement Escrow Agreement shall be enforceable by an order compelling specific performance issued by the Bankruptcy Court, and appropriate injunctive relief may be applied for and granted in connection therewith. Upon an Event of Default by the City, any Bond Insurer will have the right to compel immediate payment of amounts held under the Settlement Escrow Agreement by order of the Bankruptcy Court. Such remedies shall be cumulative and not exclusive and shall be in addition to any other remedies that the Parties may have under this Agreement, the Settlement Escrow Agreement or otherwise. Any Bond Insurer may exercise its rights hereunder on its own. Consistent with Section 904 of the Bankruptcy Code, the City hereby consents to the Bankruptcy Court enforcing the terms of this Agreement and the Settlement Escrow Agreement.

Section 4.3. Termination.

(a) This Agreement may be terminated by the mutual agreement of all of the Bond Insurers upon an Event of Default caused by the City. This Agreement may be terminated by less than all of the Bond Insurers as to such Bond Insurer or Bond Insurers upon an Event of Default caused by the City if (i) an action or proceeding seeking to enforce the material agreement or covenant purported to be breached is brought by one or more Bond Insurers before the Bankruptcy Court, (ii) the Bankruptcy Court, after notice and a hearing, finds that an Event of Default caused by the City has occurred and (iii) either (A) the Bankruptcy Court declines to issue an order compelling specific performance by the City of the applicable agreement or covenant purported to be breached or (B) the Bankruptcy Court issues such an order compelling specific performance but the City fails to comply with the order.

(b) This Agreement may be terminated by the City if any of the Bond Insurers fails to (i) support the Plan with respect to Class 8 – UTGO Claims or (ii) if it has the right to vote its Class 8 Claims as determined by the voting procedures process approved by the Bankruptcy Court in an order entered on March 11, 2014 (Docket No. 2984) (as such order may have been amended from time to time), vote its Class 8 Claims to accept the Plan. This Agreement may be terminated by the City upon an Event of Default caused by the Bond Insurers, or any of them, if (i) an action or proceeding seeking to enforce the material agreement or covenant purported to be breached is brought by the City before the Bankruptcy Court, (ii) the Bankruptcy Court finds, after

notice and a hearing, that an Event of Default caused by the applicable Bond Insurer has occurred and (iii) either (A) the Bankruptcy Court declines to issue an order compelling specific performance by the applicable Bond Insurer of the applicable agreement or covenant purported to be breached or (B) the Bankruptcy Court issues such an order compelling specific performance but the applicable Bond Insurer fails to comply with the order.

(c) Upon any such termination, any Party (including one or more of the Bonds Insurers as to such Bond Insurer or Bond Insurers) may resume the UTGO Litigation unless it has been previously dismissed with prejudice or has been previously deemed dismissed with prejudice.

## ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.1. Representations and Warranties of the City. The City represents and warrants to the Bond Insurers that:

- (a) It is a municipal corporation of the State of Michigan.
- (b) It has the power to execute and deliver this Agreement and to perform its obligations hereunder and it has taken or will take all necessary action to authorize such execution, delivery and performance.
- (c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any order or judgment of any court or other agency of government applicable to it, or any material agreements specifically applicable to it or any of its assets.
- (d) Other than (i) approvals by the MFA, the State Treasurer, the execution of the Emergency Manager Order, and the approvals required by Section 19 of Act 436 to be obtained prior to delivery of the Municipal Obligation, all of which the City reasonably expects to be obtained prior to the Effective Date, and (ii) the approval of the Bankruptcy Court, all governmental and Emergency Manager consents and approvals that are required to have been obtained by it as of the date of execution of this Agreement with respect to the execution, delivery and performance of this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

Section 5.2. Representations and Warranties of the Bond Insurers. Each of the Bond Insurers represents to the City that:

- (a) It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation.

(b) It has the power to execute and deliver this Agreement and to perform its obligations under this Agreement and it has taken all necessary corporate action to authorize such execution, delivery and performance.

(c) Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it, or any agreements specifically applicable to it or any of its assets.

(d) All corporate or governmental consents and approvals that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents and approvals have been complied with.

(e) Each of the respective Bond Insurers had and has standing to bring and resolve the UTGO Litigation related to the Prior UTGO Bonds that it insures (Assured and NPMF represent that each had and has standing to bring and resolve the Assured/NPMF Action, and Ambac represents that it had and has standing to bring and resolve the Ambac Action).

Section 5.3. Mutual Representations and Warranties. Unless otherwise noted, each Party makes the following representations, warranties and covenants (on a several basis, with respect to such Party only) to each of the other Parties:

(a) Each person signing this Agreement warrants that he or she is legally competent and authorized to execute this Agreement on behalf of the Party whose name is subscribed at or above such person's signature.

(b) The Parties have not made any statement or representation to each other regarding any facts relied upon by them in entering into this Agreement, and each of them specifically does not rely upon any statement, representation or promise of the other Parties hereto or any other person in entering into this Agreement, except as expressly stated herein or in the exhibits hereto. Each party has relied upon its own investigation and analysis of the facts and not on any statement or representation made by any other party in choosing to enter into this Agreement and the transactions contemplated herein.

(c) The Parties and their respective attorneys have made such investigation of the facts pertaining to this Agreement and all of the matters pertaining thereto as they deem necessary.

## ARTICLE VI EXCULPATION

Section 6.1. Exculpation. The Plan will include the Bond Insurer Exculpated Parties as exculpated parties for acts and omissions (other than those

constituting gross negligence or willful misconduct) in connection with (i) the Plan as it relates to this Agreement and (ii) this Agreement.

Section 6.2. Releases. Upon the dismissal with prejudice or deemed dismissal with prejudice of the applicable UTGO Litigation, the Parties to the applicable UTGO Litigation shall be deemed to have released each other, and the Parties' officials, officers, directors, employees and representatives, of and from any and all claims and causes of action related to the applicable UTGO Litigation and the Prior UTGO Bonds.

Section 6.3. Defense Against Challenges. (a) Subject to the terms of Section 6.3(b) below, if, after the issuance of the Plan Confirmation Order or the Approval Order, the validity or enforceability of any term or provision of this Agreement or the Settlement-Related Documents (as they relate to the settlement set forth in this Agreement) is challenged in any action, suit or proceeding, each of the named Parties in such action, suit or proceeding shall assume its own defense of such action, suit or proceeding.

(b) If, after the issuance of the Plan Confirmation Order or the Approval Order, an action, suit or proceeding is brought, an issue in which is the validity or enforceability of the Stub UTGO Bonds, including, without limitation, a challenge to the Assigned UTGO Bond Tax Proceeds (a "Stub UTGO Challenge"), the City shall assume the defense of such issue in any such action, suit or proceeding. If any of the Bond Insurers are named as a party in a Stub UTGO Challenge, the City will appoint counsel to the named Bond Insurers, which may or may not be counsel to the City. In all events, such counsel must be reasonably acceptable to the named Bond Insurers, and the City will pay the reasonable costs of such counsel.

## ARTICLE VII DISMISSAL OF CASE AND TERMINATION

Section 7.1. Effect of Dismissal of the Bankruptcy Case. In the event the Bankruptcy Case is dismissed, any Party may at any time within 60 days after such dismissal immediately terminate this Agreement by written notice to the other Parties.

Section 7.2. Effect of Termination. In the event of the termination of this Agreement by any Party pursuant to any provisions of this Agreement, this Agreement shall become null and void and be deemed of no force and effect, with no liability on the part of any Party hereto (or of any of its elected or appointed officials, directors, officers, employees, consultants, contractors, agents, legal and financial advisors or other representatives) arising from such termination, and no Party shall have any obligations to any other Party arising out of this Agreement. Upon termination, neither this Agreement nor any terms or provisions set forth herein shall be admissible in any dispute, litigation, proceeding or controversy among the Parties and nothing contained herein shall constitute or be deemed to be an admission by any Party as to any matter, it being understood that the statements and resolutions reached herein were as a result of negotiations and compromises of the respective positions of the Parties. If this

Agreement is terminated, then no Party hereto may (i) use this Agreement, any of its terms or any discussions or negotiations conducted in respect of this Agreement, or any part of the foregoing, in the UTGO Litigation; (ii) seek discovery with respect to any of the matters described in subsection (i) in the UTGO Litigation; or (iii) seek to admit any of the matters described in subsection (i) into evidence in the UTGO Litigation.

## ARTICLE VIII MISCELLANEOUS

Section 8.1. Amendments. This Agreement may not be modified, amended or supplemented except by a written agreement executed by each Party to be affected by such modification, amendment or supplement.

Section 8.2. No Admission of Liability.

(a) The execution of this Agreement is not intended to be, nor shall it be construed as, an admission or evidence in any pending or subsequent suit, action, proceeding or dispute of any liability, wrongdoing, or obligation whatsoever (including as to the merits of any claim or defense) by any Party to any other Party or any other person with respect to any of the matters addressed in this Agreement.

(b) None of this Agreement (including, without limitation, the recitals and exhibits hereto), the settlement or any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement: (i) is or may be deemed to be or may be used as an admission or evidence of the validity of any claim or of any wrongdoing or liability of any Party; or (ii) is or may be deemed to be or may be used as an admission or evidence of any liability, fault or omission of any Party in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. None of this Agreement, the settlement, or any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purposes, except to enforce the terms of the Agreement, and except that any Party may file this Agreement in any action for any purpose, including, but not limited to, in order to support a defense or counterclaim based on the principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense of counterclaim.

Section 8.3. Good Faith Negotiations. The Parties recognize and acknowledge that each of the Parties hereto is represented by counsel, and such Party received independent legal advice with respect to the advisability of entering into this Agreement. Each of the Parties acknowledges that the negotiations leading up to this Agreement were conducted regularly and at arm's length; this Agreement is made and executed by and of each Party's own free will; that each knows all of the relevant facts and his or its rights in connection therewith, and that he or it has not been improperly influenced or induced to make this settlement as a result of any act or action on the part of any party or employee, agent, attorney or representative of any party to this

Agreement. The Parties further acknowledge that they entered into this Agreement because of their desire to avoid the further expense and inconvenience of litigation and other disputes, and to compromise permanently and settle the claims between the Parties settled by the execution of this Agreement.

Section 8.4. Rights and Remedies. Nothing in this Agreement is intended to augment or impair any rights, remedies and interests, including without limitation, liens, of any of the Parties hereto other than with respect to the Prior UTGO Bonds.

Section 8.5. Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon, or to give to, any Person other than the Parties hereto and their respective successors and assigns, any right, remedy or claim under or by reason of this Agreement or any covenant, condition or stipulation thereof; and the covenants, stipulations and agreements contained in this Agreement are and shall be for the sole and exclusive benefit of the Parties hereto and their respective successors and assigns.

Section 8.6. Governing Law; Retention of Jurisdiction; Service of Process. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Michigan, without giving effect to any principles of conflicts of law and applicable federal law. By its execution and delivery of this Agreement, each of the Parties hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding between any or all of the foregoing with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, shall be brought in the Bankruptcy Court for that purpose only, and, by execution and delivery of this Agreement, each hereby irrevocably accepts and submits itself to the jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding. In the event any such action, suit or proceeding is commenced, the Parties hereby agree and consent that service of process may be made, and personal jurisdiction over any Party hereto in any such action, suit or proceeding may be obtained, by service of a copy of the summons, complaint and other pleadings required to commence such action, suit or proceeding upon the Party at the address of such Party set forth in Section 8.11 hereof, unless another address has been designated by such Party in a notice given to the other Parties in accordance with Section 8.11 hereof. The City agrees that the Bankruptcy Court will have exclusive post-confirmation authority and power to enforce this Agreement and all Settlement-Related Documents and to hear and adjudicate any challenge, action, suit or proceeding brought by any third party challenging the validity or enforceability of any provision of this Agreement, until all UTGO Bonds have been paid in full and all Plan Instruments are no longer outstanding. Pursuant to Section 904 of the Bankruptcy Code, the City hereby consents to the Bankruptcy Court enforcing the terms of this Agreement and the Settlement Escrow Agreement.

Section 8.7. Headings. The headings of the Articles and Sections of this Agreement are inserted for convenience only and are not part of this Agreement and do

not in any way limit or modify the terms or provisions of this Agreement and shall not affect the interpretation hereof.

Section 8.8. Binding Agreement Successors and Assigns; Joint and Several Obligations. This Agreement shall be binding upon the execution and delivery of this Agreement by the Parties listed on the signature pages hereto. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors, assigns, administrators, constituents and representatives. The agreements, representations, covenants and obligations of the Parties under this Agreement are several only and not joint in any respect and none shall be responsible for the performance or breach of this Agreement by another.

Section 8.9. Entire Agreement. This Agreement shall constitute the full and entire agreement among the Parties with regard to the subject hereof, and supersedes all prior negotiations, representations, promises or warranties (oral or otherwise) made by any Party with respect to the subject matter hereof. No Party has entered into this Agreement in reliance on any other Party's prior representation, promise or warranty (oral or otherwise) except for those that may be expressly set forth in this Agreement.

Section 8.10. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original copy of this Agreement and all of which, when taken together, shall constitute one and the same Agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts, provided receipt of copies of such counterparts is confirmed.

Section 8.11. Notices. All demands, notices, requests, consents, and other communications hereunder shall be in writing and shall be deemed to have been duly given (a), when personally delivered by courier service or messenger, (b) upon actual receipt (as established by confirmation of receipt or otherwise) during normal business hours, otherwise on the first business day thereafter if transmitted electronically (by e-mail transmission), by facsimile or telecopier, with confirmation of receipt, or (c) three (3) Business Days after being duly deposited in the mail, by certified or registered mail, postage prepaid-return receipt requested, to the following addresses, or such other addresses as may be furnished hereafter by notice in writing, to the following Parties:

If to the City, to:

Chief Financial Officer  
City of Detroit  
1126 Coleman A. Young Municipal Center  
Two Woodward Avenue  
Detroit MI 48226  
Phone: (313) 224-3382  
Fax: (313) 224-2827

with a copy given in like manner to:

Corporation Counsel  
City of Detroit Law Department  
Coleman A. Young Municipal Center  
2 Woodward Avenue  
Detroit MI 48226  
Phone: (313) 237-3018  
Fax: (313) 224-5505

Miller, Canfield, Paddock and Stone, PLC  
150 West Jefferson, Suite 2500  
Detroit, MI 48226  
Attention: Jonathan Green  
Email: green@millercanfield.com  
Attention: Amanda Van Dusen  
Email: vandusen@millercanfield.com

If to the Bond Insurers, to:

Ambac Assurance Corporation  
One State Street Plaza  
New York, New York 10004  
Attention: Surveillance Department and General Counsel's Office  
Fax: (212) 208-3384

with a copy given in like manner to:

Arent Fox LLP  
1675 Broadway  
New York, New York 10019  
Attention: David L. Dubrow, Esq.  
Telecopy: (212) 484-3990  
Email: david.dubrow@arentfox.com

Assured Guaranty Municipal Corp and Assured Guaranty Corp.  
31 West 52<sup>nd</sup> Street  
New York, NY 10019  
Attention: Kevin J. Lyons  
Email: klyons@assuredguaranty.com  
Attention: Terence Workman  
Email: tworkman@assuredguaranty.com

with a copy given in like manner to:

Chadbourne & Parke LLP  
30 Rockefeller Plaza  
New York, NY 10112  
Attention: Lawrence A. Larose  
Fax: (212) 541-5369  
Email: llarose@chadbourne.com  
Attention: Samuel S. Kohn  
Fax: (212) 541-5369  
Email: skohn@chadbourne.com

National Public Finance Guarantee Corporation  
113 King Street  
Armonk, NY 10504  
Attention: Kenneth Epstein and William J. Rizzo  
Telecopy: (914) 765-3259  
Email: kenneth.epstein@optinuityar.com  
Email: bill.rizzo@nationalpfg.com

with a copy given in like manner to:

Sidley Austin LLP  
555 West 5th Street  
40th Floor  
Los Angeles, CA 90013  
Attention: Jeffrey E. Bjork  
Telecopy: (213) 896-6600  
Email: jbjork@sidley.com

Sidley Austin LLP  
555 California Street  
Suite 2000  
San Francisco, CA 94104  
Attention: Eric D. Tashman  
Telecopy: (415) 772-7400  
Email: etashman@sidley.com

Section 8.12. Further Assurances. Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as the other Parties may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

Section 8.13. Non-Severability of Agreement. This Agreement is to be construed as a whole, and all provisions of it are to be read and construed together. Notwithstanding anything in this Agreement, the Approval Order (if applicable) or the Plan Confirmation Order to the contrary, and in light of the integrated nature of the settlements and compromises embodied in this Agreement, in the event that (i) a court of

competent jurisdiction enters a Final Order ruling that any of the transactions contemplated in this Agreement are void, invalid, illegal or unenforceable in any material respect, (ii) any of the transactions contemplated by this Agreement are reversed, vacated, overturned, voided or unwound in any material respect, or (iii) the Approval Order or Plan Confirmation Order as it relates to the transactions contemplated in this Agreement is reversed, vacated, overturned or amended in any material respect, then in each case, the entirety of this Agreement (other than this Section 8.13) shall be void ab initio and of no force and effect and, during any subsequent proceeding, the Parties shall not assert claim preclusion, issue preclusion, estoppel or any similar defense in respect of rights and claims of the Parties that were the subject of this Agreement prior to this Agreement being of no force or effect.

(Signature page follows)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date set forth above.

THE CITY OF DETROIT, as Debtor

By: \_\_\_\_\_

Name:

Title:

AMBAC ASSURANCE CORPORATION

By: \_\_\_\_\_

Name:

Title:

ASSURED GUARANTY CORP.

By: \_\_\_\_\_

Name:

Title:

ASSURED GUARANTY MUNICIPAL CORP.

By: \_\_\_\_\_

Name:

Title:

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

By: \_\_\_\_\_

Name:

Title:

**Schedule 1**

**(Pro Rata Allowed Claims for Restructured UTGO Bonds and Stub UTGO Bonds)**

**Schedule 1a - Holders Restructured UTGO Bonds**

| <b>Series</b>         | <b>Outstanding UTGO<br/>Bond Principal</b> | <b>Restructured %</b> | <b>Holders Restructured<br/>UTGO Bond Principal</b> |
|-----------------------|--|-----------------------|---|
| UTGO1999A (Assured)   | \$15,765,000                               | 84.50%                | \$13,321,425  |
| UTGO2001A1 (National) | 74,800,000                                 | 84.50%                | 63,206,000  |
| UTGO2001B (National)  | -  | -                     | -   |
| UTGO2002 (National)   | 6,645,000                                  | 84.50%                | 5,615,025   |
| UTGO2003A (Syncora)   | 31,675,000                                 | 84.50%                | 26,765,375  |
| UTGO2004A1 (Ambac)    | 39,270,000                                 | 84.50%                | 33,183,150  |
| UTGO2004B1 (Ambac)    | 29,365,000                                 | 84.50%                | 24,813,425  |
| UTGO2004B2 (Ambac)    | 575,000                                    | 84.50%                | 485,875   |
| UTGO2005B (Assured)   | 42,615,000                                 | 84.50%                | 36,009,675  |
| UTGO2005C (Assured)   | 15,525,000                                 | 84.50%                | 13,118,625  |
| UTGO2008A (Assured)   | 55,895,000                                 | 84.50%                | 47,231,275  |
| UTGO2008B1 (Assured)  | 18,780,000                                 | 84.50%                | 15,869,100  |
| <b>Total</b>          | <b>\$330,910,000</b>                       |                       | <b>\$279,618,950</b>                                |

**Schedule 1b - Insurer Owned Restructured UTGO Bonds**

| Series                | UTGO Bond Principal  | Restructured % | Insurer Owned Restructured UTGO Bond Principal |                    |             |                 |                    |
|-----------------------|----------------------|----------------|--|--------------------|-------------|-----------------|--------------------|
|                       |                      |                | Ambac  | Assured            | National    | Syncora         | Total              |
| UTGO1999A (Assured)   | \$15,765,000         | 2.4%           | -  | 378,360            | -           | -               | \$378,360          |
| UTGO2001A1 (National) | 74,800,000           | 2.4%           | 249,977  | 1,545,223          | -           | -               | 1,795,200          |
| UTGO2001B (National)  | -                    | 2.4%           | -  | -                  | -           | -               | -                  |
| UTGO2002 (National)   | 6,645,000            | 2.4%           | 22,207   | 137,273            | -           | -               | 159,480            |
| UTGO2003A (Syncora)   | 31,675,000           | 2.4%           | 99,245   | 613,476            | -           | 47,479          | 760,200            |
| UTGO2004A1 (Ambac)    | 39,270,000           | 2.4%           | 942,480  | -                  | -           | -               | 942,480            |
| UTGO2004B1 (Ambac)    | 29,365,000           | 2.4%           | 704,760  | -                  | -           | -               | 704,760            |
| UTGO2004B2 (Ambac)    | 575,000              | 2.4%           | 13,800   | -                  | -           | -               | 13,800             |
| UTGO2005B (Assured)   | 42,615,000           | 2.4%           | -  | 1,022,760          | -           | -               | 1,022,760          |
| UTGO2005C (Assured)   | 15,525,000           | 2.4%           | -  | 372,600            | -           | -               | 372,600            |
| UTGO2008A (Assured)   | 55,895,000           | 2.4%           | -  | 1,341,480          | -           | -               | 1,341,480          |
| UTGO2008B1 (Assured)  | 18,780,000           | 2.4%           | -  | 450,720            | -           | -               | 450,720            |
| <b>Total</b>          | <b>\$330,910,000</b> |                | <b>\$2,032,469</b>                             | <b>\$5,861,892</b> | <b>\$ -</b> | <b>\$47,479</b> | <b>\$7,941,840</b> |

**Schedule 2**

**(Pro Rata Payments to Bond Insurers)**

**Schedule 2 - Allocation of Amount Payable to Bond Insurers**

---

| <b>Insurer</b> | <b>Pro Rata Share</b> |
|----------------|-----------------------|
| Ambac          | 23.209%               |
| Assured        | 50.400%               |
| National       | 26.391%               |
| Total          | 100.000%              |

Exhibit A

FORM OF DEBT MILLAGE ESCROW AGREEMENT

**DEBT MILLAGE DEPOSIT ESCROW AGREEMENT  
CITY OF DETROIT, COUNTY OF WAYNE  
STATE OF MICHIGAN**

THIS ESCROW AGREEMENT (the "Agreement") dated as of the \_\_\_ day of \_\_\_\_\_, 2014, made by and between the City of Detroit, County of Wayne, State of Michigan (the "City") and U. S. Bank National Association, Detroit, Michigan (the "Escrow Trustee").

WITNESSETH:

WHEREAS, on March 1, 2013, the Governor (the "Governor") of the State of Michigan (the "State") determined that a financial emergency existed within the City pursuant to the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended ("Act 72"); and

WHEREAS, on March 14, 2013, the Governor confirmed that a financial emergency existed within the City and, pursuant to Act 72, assigned to the Local Emergency Financial Assistance Loan Board established pursuant to the Emergency Municipal Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (the "Board") the responsibility for managing the financial emergency; and

WHEREAS, on March 14, 2013, pursuant to Act 72, the Board appointed Kevyn D. Orr as Emergency Financial Manager for the City; and

WHEREAS, by operation of law the financial emergency continues to exist within the City pursuant to the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012 ("Act 436") and the Emergency Financial Manager continues in the capacity of the Emergency Manager for the City (the "Emergency Manager"); and

WHEREAS, on July 18, 2013 (the "Petition Date"), in accordance with Act 436 and the approval of the Governor, the Emergency Manager filed on behalf of the City a petition for relief pursuant to Chapter 9 of title 11 of the United States Code, 11 U.S.C. Sections 101-1532 (as amended, the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"); and

WHEREAS, as of the close of Fiscal Year 2013 (*i.e.*, June 30, 2013), the City had \$369.115 million in outstanding principal amount of unlimited tax general obligation bonds, excluding the 2010A UTGO Bonds hereinafter mentioned (the "Prior UTGO Bonds"); and

WHEREAS the City has previously issued and delivered its Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation) Series 2010A (Taxable Recovery Zone Economic Development Bonds Direct Payment) (the "2010A UTGO Bonds") which, together

with the Prior UTGO Bonds, are outstanding in the amounts, bear interest at the rates, are payable on such dates and have the redemption provisions shown on Exhibit A hereto; and

WHEREAS, more than 90% of the Prior UTGO Bonds are insured by either Ambac Assurance Corporation, Assured Guaranty Municipal Corp. or National Public Finance Guarantee Corporation (each a “Bond Insurer” and collectively, the “Bond Insurers”), as shown on Exhibit A; and

WHEREAS, the City and the Bond Insurers have entered into a settlement agreement entered into as of July \_\_\_, 2014 (the “UTGO Settlement Agreement”); and

WHEREAS, the City intends to restructure \$287,560,790 of the Prior UTGO Bonds which mature on or after April 1, 2015 (the “Restructured UTGO Bonds”) as described below; and

WHEREAS, on \_\_\_\_\_, 2014, pursuant to Section 12(1) and Section 19(1) of Act 436, the Emergency Manager filed with the City Council of the City (the “City Council”) his Order No. \_\_\_ Approval of \_\_\_\_\_ (Order No. \_\_\_), in part, to accomplish the restructuring of the Restructured UTGO Bonds as the Distributable State Aid Fourth Lien Restructured Bonds (Unlimited Tax General Obligation), Series 2014 (the “Bonds” or the “Municipal Obligation”) in the amounts shown on Exhibit B attached hereto; and

WHEREAS, on \_\_\_\_\_, 2014, in accordance with Section 19(1) of Act 436, the City Council adopted a resolution entitled [“Resolution of the City Council of the City of Detroit, County of Wayne, State of Michigan Approving the Emergency Manager of the City of Detroit Order No. \_\_\_ Approval of UTGO \_\_\_\_\_”] (the “Council Resolution”) under which the City Council approved the issuance and delivery of the Municipal Obligation to the Michigan Finance Authority (“MFA”); and

WHEREAS, the Restructured UTGO Bonds will be restructured as described in Section 2.2 of the UTGO Settlement Agreement: and

WHEREAS, on \_\_\_\_\_, 2014, the Bankruptcy Court issued an order approving the UTGO Settlement Agreement (the “Confirmation Order”); and

WHEREAS, the portion of the Prior UTGO Bonds not restructured through the issuance of the Municipal Obligation, which mature on or after April 1, 2015, in the principal amount of \$43,410,000 (the “Stub UTGO Bonds” and together with the 2010A UTGO Bonds, the Municipal Obligation and any Additional Bonds (defined below), the “UTGO Bonds”) will be reinstated and shall remain Outstanding in the amounts and will remain payable as shown on Exhibit C hereto and as provided in Order No. \_\_\_\_; and

WHEREAS, pursuant to the Prior UTGO Bonds and the 2010A UTGO Bonds and Order No. \_\_\_ and Section 4a of Act 279, the City has pledged, and to the extent permitted by applicable law, including without limitation Section 12(1)(x) of Act 436, in Order No. \_\_\_, has created a lien upon the Debt Millage Revenues (as hereinafter defined) to pay the debt service on the UTGO Bonds; and

WHEREAS, pursuant to Section 4a of Act 279, and Section 701 of the Revised Municipal Finance Act, Act No. 34, Public Acts of Michigan, 2001, as amended, Order No. \_\_\_ provides for the deposit of the Debt Millage Revenues into a separate escrow account to be used for the sole purpose of paying principal of and interest on the UTGO Bonds and the administrative costs related to the deposit and escrow of Debt Millage Revenues; and

WHEREAS, in order to effectuate the pledge of the Debt Millage Revenues in favor of the owners of the UTGO Bonds, it is necessary for the City to provide for the deposit with the Escrow Trustee of the proceeds of 100% of its debt millage levy to satisfy the Debt Service Requirements to be held by the Escrow Trustee in trust, to further secure payment of the debt service on the UTGO Bonds;

NOW, THEREFORE, in consideration of the mutual undertakings, provisions and agreements herein contained, the sufficiency of which are hereby acknowledged, that in order to provide for the payment of the UTGO Bonds, for the benefit of the owners thereof and the Bond Insurers, and to secure the performance and observance of the conditions and covenants herein set forth and for other valuable consideration, the receipt of which is hereby acknowledged, the City covenants and agrees with the Escrow Trustee for the benefit of the respective owners from time to time of the UTGO Bonds and the Bond Insurers as follows:

## **ARTICLE I** **DEFINITIONS**

Section 101. Definitions. In addition to the terms defined in the preambles to this Escrow Agreement, the following terms shall have, unless the context otherwise requires, the meanings herein specified:

“Act 279” means Act No. 279, Public Acts of Michigan, 1909, as amended.

“Additional Bonds” means any series of unlimited tax general obligation bonds issued by the City on a parity as to Debt Millage Revenue levies with the 2010A UTGO Bonds, the Municipal Obligation and the Stub UTGO Bonds.

“Business Day” means a day which is not (i) a Saturday, Sunday or legal holiday on which banks located in either the State of Michigan or the state or states in which the principal corporate trust office of the Escrow Trustee, is located are authorized or required by law to be closed, or (ii) a day on which the New York Stock Exchange is closed.

“Debt Millage Deposit” or “Debt Millage Deposits” means whenever used herein singularly, each payment of Debt Millage Revenues, and collectively all payments of Debt Millage Revenues by the City to the Escrow Trustee for deposit in the UTGO Debt Millage Fund in accordance with Section 204 hereof.

“Debt Millage Revenues” means the proceeds of the debt millage levies, including interest subsidy payments received by the City in respect of the 2010A UTGO Bonds, delinquent millage payments received from Wayne County, Michigan or otherwise, pledged to and on

account of unlimited tax general obligation bonds of the City for the payment of debt service on the Prior UTGO Bonds, or after the Effective Date of the UTGO Bonds, and the 2010A UTGO Bonds and any Additional Bonds.

“Debt Retirement Schedule” means the table attached as Exhibit D hereto, showing the dates Debt Service Requirements are due and payable on each series of the UTGO Bonds.

“Debt Service Requirement” means an amount equal to the principal of and/or interest due on any series of UTGO Bonds (including the Stub UTGO Bonds) semi-annually on each payment date as set forth in Exhibit D.

“Effective Date” mean the effective date of the City’s chapter 9 plan of adjustment.

“Escrow Trustee” means initially, U.S. Bank National Association, Detroit, Michigan, or any successor in trust or assignees, as Escrow Trustee hereunder.

“Event of Default” means the breach by the City of any material agreement or covenant set forth in the UTGO Settlement Agreement or this Agreement, written notice of which has been provided by a Bond Insurer to the City and the Escrow Trustee.

“Fiscal Year” means the City’s fiscal year, commencing July 1 and ending June 30.

“General Retirement System” means the General Retirement System of the City of Detroit, \_\_\_\_\_ Fund.

“Income Stabilization Funds” means the Police & Fire Retirement System of the City of Detroit, Income Stabilization Fund, and the General Retirement System of the City of Detroit, Income Stabilization Fund.

“Master Trustee” means U. S. Bank National Association, Detroit, Michigan, as trustee under the Master Debt Retirement Trust Indenture dated as of March 1, 2010, as supplemented, between the City and the Master Trustee.

“Outstanding” when used with respect to the UTGO Bonds, means, as of the date of determination, the UTGO Bonds theretofore authenticated and delivered pursuant to the resolution, indenture and/or order for that series, except:

- (a) UTGO Bonds theretofore canceled by the trustee or paying agent for such UTGO Bonds or delivered to such trustee or paying agent for cancellation;
- (b) UTGO Bonds for whose payment money in the necessary amount, without the need for reinvestment thereof, has been theretofore deposited with the trustee or paying agent for such UTGO Bonds in trust for the registered owners of such UTGO Bonds;
- (c) UTGO Bonds delivered to the trustee or paying agent for such UTGO Bonds for cancellation in connection with (i) the exchange of such UTGO

Bonds for other bonds or (ii) the transfer of the registration of such UTGO Bonds;

- (d) UTGO Bonds alleged to have been destroyed, lost or stolen which have been paid or replaced pursuant to the resolution, indenture or order for that series or otherwise pursuant to law; and
- (e) UTGO Bonds deemed paid as provided in the resolution, indenture or order for that series.

“Permitted Investments” means those investments specified in Article III of this Escrow Agreement.

“Plan Assignees” means the Income Stabilization Funds and the General Retirement System.

“Set Aside Ledger” means the table attached as Exhibit D hereto, showing the allocation of each Debt Millage Deposit to the UTGO Debt Millage Fund in such fractional amounts determined in accordance with Section 204(a) herein.

“Stub UTGO Bonds Paying Agent” means U. S. Bank National Association, Detroit, Michigan.

“UTGO Debt Millage Fund” means the City of Detroit UTGO Debt Millage Fund created and described in Section 201 of this Agreement.

**ARTICLE II**  
**ESTABLISHMENT OF FUNDS AND ACCOUNTS**

Section 201. Establishment of UTGO Debt Millage Fund. There is hereby created and established with the Escrow Trustee, pursuant to Order No. \_\_\_ and this Escrow Agreement, a single and common trust fund designated the “UTGO Debt Millage Fund.”

Section 202. Establishment of Accounts and Subaccounts. (a) There are hereby created within the UTGO Debt Millage Fund three (3) separate and segregated accounts, designated as follows:

1. “2010A UTGO Bonds Debt Millage Account” (“2010A UTGO Account”). The Escrow Trustee shall deposit Debt Millage Revenues allocable to the Debt Service Requirements on the 2010A UTGO Bonds, as set forth on Exhibit D, in the 2010A UTGO Account.
2. “2014 UTGO Bonds Debt Millage Account” (“2014 UTGO Bonds Account”). The Escrow Trustee shall deposit Debt Millage Revenues allocable to the Debt Service Requirements on the Municipal Obligation and the Stub UTGO Bonds, as set forth on Exhibit D, in the 2014 UTGO Bonds Account.

3. “Additional Bonds Debt Millage Account” (“Additional Bonds Account”). The Escrow Trustee shall deposit Debt Millage Revenues allocable to the Debt Service Requirements (to be reflected in a supplement to Exhibit D) on any series of Additional Bonds in a subaccount established for such series in the Additional Bonds Account pursuant to a supplement to this Agreement.

(b) There are hereby created within the 2014 UTGO Bonds Account two separate and segregated subaccounts, designated as follows:

1. The 2014 UTGO Municipal Obligation Subaccount (“2014 Municipal Obligation Subaccount”).
2. The Stub UTGO Bonds Subaccount (“Stub UTGO Bonds Subaccount”).

The Escrow Trustee shall allocate and deposit Debt Millage Revenues deposited in the 2014 UTGO Bonds Account among the 2014 Municipal Obligation Subaccount and the Stub UTGO Bonds Subaccount as provided in Section 204(a).

Section 203. Deposits to the UTGO Debt Millage Fund. Commencing on the Effective Date, and thereafter in accordance with the distribution schedule published by the Michigan Department of Treasury, and in any event, no less often than (x) bi-monthly during the period beginning each July 1 and ending the following March 31, and (y) monthly during the period beginning April 1 and ending the following June 30 of each year, the City shall remit the Debt Millage Revenues to the Escrow Trustee for deposit in the UTGO Debt Millage Fund. In the Order, the City has covenanted that it shall cause to be deposited with the Escrow Trustee, in accordance with the terms of this Escrow Agreement, 100% of the Debt Millage Revenues received by the City for as long as the Municipal Obligation and the Stub UTGO Bonds remain outstanding. The Escrow Trustee shall deposit any Debt Millage Revenues received by it from the City into the UTGO Debt Millage Fund and allocate such deposits in accordance with the provisions of Section 204 below.

Section 204. Allocation and Deposit. (a) Each Fiscal Year, commencing with the Effective Date and for as long as any UTGO Bonds remain outstanding, within one (1) Business Day of receipt by the Escrow Trustee of each Debt Millage Deposit, the Escrow Trustee shall set aside in the UTGO Debt Millage Fund each Debt Millage Deposit received, and make transfers from the UTGO Debt Millage Fund, as follows:

1. FIRST, a percentage of each Debt Millage Deposit received shall be allocated and set aside in each of the 2010A UTGO Account, the 2014 UTGO Bonds Account and any Additional Bonds Account that corresponds to the percentage that the Debt Service Requirement payable on the related series of UTGO Bonds as shown on Exhibit D bears to the Debt Service Requirement payable (or past due) on all UTGO Bonds on or before May 1 of each Fiscal Year until the sum of the aggregate Debt Millage Deposits (when taken together with any investment earnings on deposit) equals the Debt Service Requirement on all UTGO Bonds for such Fiscal Year. Once the Debt Service Requirement has been satisfied for all UTGO Bonds for payments due on or before May 1 of each Fiscal Year, any excess shall be allocated to the same accounts in

proportion to the Debt Service Requirements payable on such UTGO Bonds in the next Fiscal Year.

2. SECOND, the Escrow Trustee shall allocate deposits made to the 2014 UTGO Bonds Account (i) first to the 2014 Municipal Obligation Subaccount until the Debt Service Requirement payable (or past due) on the Municipal Obligation as shown on Exhibit D on or before April 1 of the then current Fiscal Year has been satisfied and (ii) second, to the Stub UTGO Bonds Subaccount until the Debt Service Requirement payable (or past due) on the Stub UTGO Bonds on or before April 1 of the then current Fiscal Year has been satisfied. Once the Debt Service Requirement for all Prior UTGO Bonds has been satisfied for the then current Fiscal Year, any excess shall be allocated first to the 2014 Municipal Obligation Subaccount for application to the next Fiscal Year's Debt Service Requirements for the Municipal Obligation and then to the next Fiscal Year's Debt Service Requirements for the Stub UTGO Bonds.

3. THIRD, within three Business Days after a deposit is made to any account or subaccount in the UTGO Debt Millage Fund the Escrow Trustee shall transfer the funds in such account or subaccount as follows:

(a) Funds on deposit in the 2010A UTGO Debt Millage Account shall be transferred to the Master Trustee for application to Debt Service Requirements for the 2010A UTGO Bonds.

(b) Funds on deposit in the 2014 Municipal Obligation Subaccount shall be transferred to the Master Trustee for deposit in the Series 2014 Tax Levy Account for application to Debt Service Requirements for the Municipal Obligation.

(c) Funds on deposit in the Stub UTGO Bonds Subaccount shall be transferred to the Plan Assignees pursuant to the direction and in the amounts shown on Exhibit F. In the event insufficient funds are on deposit in the Stub UTGO Bonds Subaccount on the date set for any transfer, the Escrow Trustee shall allocate and transfer the funds then on deposit in the Stub UTGO Bonds Subaccount to the Plan Assignees pro rata, in proportion to the amount due to each Plan Assignee on such date.

(d) Funds on deposit in the Additional Bonds Account shall be transferred to the paying agent or trustee for the related series of Additional Bonds.

(b) The Escrow Trustee shall keep and maintain a ledger on its books and records showing each Debt Millage Deposit into the Debt Millage Fund of the UTGO Debt Millage Fund, all transfers of funds from one account to another or from the UTGO Debt Millage Fund to the Master Trustee or the Income Stabilization Funds or the paying agent or trustee for any Additional Bonds, which ledger shall be substantially in the form attached hereto as Exhibit D-2 (the "Set Aside Ledger"). Not later than one (1) Business Days after the receipt of each Debt Millage Deposit, the Escrow Trustee shall promptly confirm electronically or in writing to the

City the receipt of each Debt Millage Deposit and provide with such notice a copy of the Set Aside Ledger which shall include the deposit entries for the then most recent Debt Millage Deposit, all prior deposits for the Fiscal Year and entries for any inter-fund transfers during the Fiscal Year. While any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding, upon request of the Bond Insurers, the Escrow Trustee shall furnish a copy of the Set Aside Ledger to the Bond Insurers.

(c) Upon receipt of the Set Aside Ledger from the Escrow Trustee, the Finance Director of the City shall allocate on the books and records of the City a fractional amount of each Debt Millage Deposit shown in the Set Aside Ledger equal to the percentage of each Debt Millage Deposit that corresponds to the Debt Service Requirement by the City for the payment of that portion of debt service due on the UTGO Bonds in accordance with the ratios of the Debt Service Requirements for each series of UTGO Bonds to the total Debt Service Requirement for all UTGO Bonds set forth in Exhibit D hereto.

### **ARTICLE III INVESTMENT OF FUNDS**

Section 301. Permitted Investments. All money held by the Escrow Trustee pursuant to this Agreement shall be invested by the Escrow Trustee, without the need for further direction by the City, in accordance with written instructions from the City in mutual funds registered under the investment company act of 1940, title I of chapter 686, 54 Stat. 789, 15 USC 80a-1 to 80a-3 and 80a-4 to 80a-64, that have been rated at the time of purchase within the highest classification established by not less than two standard rating services and so long as the portfolio of such mutual funds is limited to bonds, and other obligations on which the full and timely payment of principal and interest is unconditionally guaranteed by the full faith and credit of the United States. In the absence of written direction delivered to the Escrow Trustee by the City, the Escrow Trustee shall hold funds uninvested. The Escrow Trustee shall be entitled to rely on any written direction from the City as to the suitability and legality of the directed investment.

### **ARTICLE IV THE ESCROW TRUSTEE**

Section 401. Powers and Duties of Escrow Trustee. (a) The Escrow Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees, and shall be entitled to act upon the opinion or advice of its counsel concerning all matters hereof, and may in all cases be reimbursed hereunder for reasonable compensation paid to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trust hereof. The Escrow Trustee may act upon an opinion of counsel and shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion of counsel.

(b) The Escrow Trustee shall not be responsible for any recital herein, or for the validity of the execution by the City of this Escrow Agreement, or of any supplements thereto or

instruments of further assurance, or for the validity or sufficiency of, or filing of documents related to the security for the UTGO Bonds intended to be secured hereby.

(c) The Escrow Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Escrow Agreement .

(d) The Escrow Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

(e) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Escrow Trustee shall be entitled to rely upon a certificate believed in good faith to be genuine and correct, signed on behalf of the City by an authorized officer of the City as sufficient evidence of the facts therein contained. The Escrow Trustee may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(f) The permissive right of the Escrow Trustee to do things enumerated in this Escrow Agreement, as amended, shall not be construed as a duty and the Escrow Trustee shall not be answerable for other than its gross negligence or willful misconduct. The immunities and exceptions from liability of the Escrow Trustee shall extend to its officers, directors, employees and agents.

(g) The Escrow Trustee shall not be required to give any bond or surety in respect to the execution of its rights and obligations hereunder.

(h) All moneys received by the Escrow Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purpose for which they were received, but need not be segregated from other funds except to the extent required by this Escrow Agreement, as amended, or by law. The Escrow Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(i) The Escrow Trustee shall not be under any obligation to initiate any suit or to take any remedial proceeding under this Escrow Agreement or to take any steps in the execution of the trusts created by this Escrow Agreement or in the enforcement of any rights and powers under this Escrow Agreement until it has been indemnified to its satisfaction against any and all fees, costs and expenses and other reasonable disbursements and against all liability.

(j) The Escrow Trustee shall have no responsibility or liability with respect to any information, statement or recital in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the UTGO Bonds, except for liability for its own gross negligence or willful misconduct.

(k) The Escrow Trustee may become the holder of any of the UTGO Bonds with the same rights it would have if it were not Escrow Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of holders, whether or

not such committee shall represent the holders of a majority in principal amount of any of the UTGO Bonds of such series then outstanding.

(l) The Escrow Trustee shall not be liable for any error of judgment made in good faith by any of its officers, employees, agents or representatives, unless it shall be proved that the Escrow Trustee was negligent in ascertaining the pertinent facts.

(m) The Escrow Trustee has no obligation or liability to the holders for the payment of interest on, principal of or redemption premium, if any, with respect to the UTGO Bonds from its own funds; but rather the Escrow Trustee's obligations shall be limited to the performance of its duties hereunder.

(n) Whether or not therein expressly so provided, every provision of this Agreement or related documents, relating to the conduct or affecting the liability of or affording protection to the Escrow Trustee shall be subject to the provisions of this Article.

Section 402. Fees and Expenses of Escrow Trustee. (a) The Escrow Trustee shall be entitled to reasonable fees for services rendered under this Escrow Agreement, as amended, and shall be reimbursed for all expenses reasonably incurred in connection with such services. Such fees and expenses shall be payable by the City and shall be determined in accordance with the Fee Schedule attached as Exhibit E of this Agreement or as otherwise may be agreed to by the City and the Escrow Trustee.

(b) The City shall be liable for all fees, expenses, charges, losses, costs, liabilities and damages incurred by the Escrow Trustee pursuant to this Agreement except for those which are adjudicated to have resulted from the gross negligence or willful misconduct of the Escrow Trustee, and shall pay such amounts to or at the direction of the Escrow Trustee.

Section 403. Resignation; Appointment of Successor Escrow Trustee; Successor Escrow Trustee Upon Merger, Consolidation or Sale. (a) The Escrow Trustee and any successor Escrow Trustee may resign only upon giving 60 days' prior written notice to the City and, while any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding, the Bond Insurers. Such resignation shall take effect only upon the appointment of a successor Escrow Trustee as described in Section 403(b) below and the acceptance of such appointment by the successor Escrow Trustee. Upon appointment of a successor Escrow Trustee, the resigning Escrow Trustee shall, after payment of its fees, costs and expenses, assign all of its right, title and interest in the Debt Millage Revenues, and transfer and assign its right, title and interest in the Escrow Agreement to the successor Escrow Trustee. The successor Escrow Trustee shall meet the requirements of Section 403(b) below and shall accept in writing its duties and responsibilities hereunder and file such acceptance with the City.

(b) In case the Escrow Trustee shall give notice of resignation or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public office or offices, or of a receiver appointed by a court, a successor may with the prior written consent of the City (so long as no Event of Default shall have occurred and be continuing under this Escrow Agreement ) and, while any of the Municipal Obligation or the Stub UTGO Bonds remains

Outstanding, the Bond Insurers, be appointed by the owners of a majority in aggregate principal amount of UTGO Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such owners, or by their duly authorized attorneys in fact, a copy of which shall be delivered personally or sent by first class mail, postage prepaid, to the City, the retiring Escrow Trustee, and the successor Escrow Trustee, which, while any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding must be acceptable to the Bond Insurers insuring such Outstanding Bonds. In the absence of an appointment by the bondholders, the City may appoint a successor Escrow Trustee, by an instrument in writing signed by an authorized officer of the City, a copy of which shall be delivered personally or sent by first class mail, postage prepaid, to the retiring Escrow Trustee and the successor Escrow Trustee. If the owners of the UTGO Bonds and the City fail to so appoint a successor Escrow Trustee, hereunder within thirty (30) days after the Escrow Trustee has given notice of its resignation, has been removed, has been dissolved, has otherwise become incapable of acting hereunder or has been taken under control by a public officer or receiver, the Escrow Trustee shall have the right to petition a court of competent jurisdiction to appoint a successor hereunder. Every such Escrow Trustee appointed pursuant to the provisions of this Section 403(b) (i) shall at all times be a bank having trust powers or a trust company, (ii) shall at all times be organized and doing business under the laws of the United States of America or of any state, (iii) shall have, or be wholly owned by an entity having, a combined capital and surplus of at least \$75,000,000, (iv) shall be authorized under such laws to exercise corporate trust powers, and (v) shall be subject to supervision or examination by federal or state authority.

(c) Any corporation or association into which the Escrow Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, provided such company shall be eligible under Section 403(b) hereof, shall be and become successor Escrow Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 404. Removal of Escrow Trustee. The Escrow Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Escrow Trustee and signed by the City; provided that if an Event of Default has occurred and is continuing hereunder, then, while any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding, the Escrow Trustee may not be removed without the consent of the holders of a majority in aggregate principal amount of the UTGO Bonds then Outstanding and the Bond Insurers. No removal of the Escrow Trustee and no appointment of a successor Escrow Trustee shall become effective until the successor Escrow Trustee has accepted its appointment in the manner provided in Section 403 hereof. Upon such removal and the payment of its fees, costs and expenses, the Escrow Trustee shall assign to the successor Escrow Trustee all of its right, title and interest in the Trust Estate in the same manner as provided in Section 403 hereof.

**ARTICLE V**  
**ADDITIONAL BONDS**

Section 501. Issuance of Additional Bonds. The City reserves the right to issue unlimited tax full faith and credit bonds payable on a parity basis with the pledge of the City's unlimited tax full faith and credit as security for the UTGO Bonds. While any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding, the debt millage levy with respect to any such parity bonds shall be subject to the terms of this Agreement.

Section 502. Notices Regarding Additional Bonds. The City hereby covenants to provide notice to the Escrow Trustee and, while any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding, the Bond Insurers, of the issuance of each series of Additional Bonds. The City may enter into additional agreements or supplements hereto with the Escrow Trustee to provide for the remittance of Debt Millage Revenues to the Escrow Trustee to be held and transferred for the payment of principal of and interest on any Additional Bonds pursuant to this Agreement.

Section 503. Defeasance or Redemption. The City hereby covenants to provide notice to the Escrow Trustee of the defeasance or redemption of all or any portion of the UTGO Bonds. In the event that the City issues Additional Bonds as described in Section 501 hereof, the City hereby covenants to provide notice to the Escrow Trustee of the defeasance or redemption of all or any portion of the Additional Bonds.

**ARTICLE VI**  
**AMENDMENTS**

Section 601. Modifications and Amendments Not Requiring Consent. Any provision of this Agreement may be amended at any time by the parties hereto, and while any of the Municipal Obligation or the Stub UTGO Bonds remains Outstanding, with the prior written consent of the Bond Insurers, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Agreement.
- (b) To grant to or confer upon the Escrow Trustee any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Escrow Trustee.
- (c) To accomplish, implement or give effect to any other action which is authorized or required by this Agreement.
- (d) To comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to the UTGO Bonds or any Additional Bonds.
- (e) To appoint separate or successor trustees.
- (f) To provide for the deposit of Debt Millage Revenues with respect to any Additional Bonds.

- (g) To make any other change which, in the judgment of the Escrow Trustee, is not to the material prejudice of holders of the UTGO Bonds, upon the opinion of bond counsel or other professionals.
- (h) To create obligation specific Escrow Funds and sub-accounts in accordance with Article II herein for further securing and establishing deposit and set-aside requirements of all UTGO Bonds issued by the City.

Within thirty (30) days after the execution of any amendment pursuant to this Section 601, the Escrow Trustee shall cause notice thereof to be mailed, postage prepaid to the Master Trustee, the Stub UTGO Paying Agent and the trustee or paying agent for any Additional Bonds at their addresses shown in Section 701. The notice shall briefly set forth the nature of the supplement and shall state that copies thereof are on file at the corporate trust office of the Escrow Trustee for inspection by all such holders. Any such supplement so executed shall be valid and binding notwithstanding any failure of the Escrow Trustee to mail the notice herein required and notwithstanding any objections which may be received pursuant to any mailed notice.

Upon the execution of any Amendment pursuant to the provisions of this Section, this Agreement shall be deemed to be modified and amended in accordance therewith and the respective rights, duties and obligations under this Agreement of the City, the Escrow Trustee, the Bond Insurers, and all registered holders of the UTGO Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

## **ARTICLE VII** **MISCELLANEOUS**

Section 701. Notices. Except as other provided, all notices, certificates, requests, complaints, demands or other communications under this Agreement shall be deemed sufficiently given when sent by first class mail or overnight mail postage prepaid, addressed as follows:

If to the City, to:

City of Detroit  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1126  
Detroit MI 48226  
Attention: Chief Financial Officer

If to the Escrow Trustee, the Master Trustee or the Stub UTGO Bonds Paying Agent, to:

U.S. Bank National Association  
535 Griswold, Suite 550  
Detroit, Michigan 48226  
Attention: Corporate Trust Services

If to the Bond Insurers, to:

Ambac Assurance Corporation  
One State Street Plaza  
New York, New York 10004  
Attention: Surveillance Department and  
General Counsel's Office

Assured Guaranty Municipal Corp and  
Assured Guaranty Corp.  
31 West 52<sup>nd</sup> Street  
New York, NY 10019  
Attention: Kevin J. Lyons  
Attention: Terence Workman

National Public Finance Guarantee  
Corporation  
113 King Street  
Armonk, NY 10504  
Attention: Kenneth Epstein and William J.  
Rizzo

The City, the Escrow Trustee or the Bond Insurers may, by giving notice hereunder, in writing, designate any further or different addresses to which subsequent notices, certificates, requests, complaints, demands or other communications hereunder shall be sent.

Section 702. Termination. This Agreement shall terminate following delivery of written direction from the City to the Escrow Trustee to so terminate, together with written notice: (1) that all of the Municipal Obligation and the Stub UTGO Bonds have been paid in full at maturity or defeased (and for each series of UTGO Bonds that have been or are to be defeased prior to termination, such notice shall include written certification by an independent verification agent for the City that sufficient cash or obligations necessary to defease such UTGO Bonds in accordance with the applicable defeasance requirements are on deposit with the Master Trustee, in the case of the Municipal Obligation, and the Income Stabilization Funds, in the case of the Stub UTGO Bonds to be defeased, as of the date of the City's notice), and (2) that all fees owed to the Escrow Trustee have been paid in full. Upon termination of this Agreement, any money remaining on deposit in the funds and accounts created and established hereunder shall be paid to the City.

Section 703. Severability. If any one or more sections, clauses or provisions of this Escrow Agreement shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions of the Agreement.

Section 704. Headings. Any headings shall be solely for convenience of reference and shall not constitute a part of the Agreement, nor shall they affect its meaning, construction or effect.

Section 705. Escrow Agreement Executed in Counterparts. This Escrow Agreement may be executed simultaneously in several counterparts, each of which shall be deemed an original, and such counterparts together shall and will constitute one and the same instrument.

Section 706. Parties Interested Herein. Nothing in this Escrow Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Escrow Trustee, the City, the Bond Insurers and the registered owners of the UTGO Bonds, any right, remedy or claim under or by reason of this Escrow Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Agreement on behalf of the City shall be for the sole and exclusive benefit of the Escrow Trustee, the City, the Bond Insurers and the registered owners of the UTGO Bonds.

IN WITNESS WHEREOF, this Escrow Agreement has been signed on behalf of the City by its Emergency Manager and U.S. Bank National Association to evidence the acceptance of the trust, has caused this Escrow Agreement to be executed in its behalf by its authorized officer, all as of the date first above written.

CITY OF DETROIT

By \_\_\_\_\_

Kevyn D. Orr

Its: Emergency Manager

U.S. BANK NATIONAL ASSOCIATION,  
as Escrow Trustee

By \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A  
DEBT RETIREMENT SCHEDULES  
(BY SERIES)**



# UTGO Bond Series Debt Retirement Schedules

| UTGO Bond Series | Maturity Date | Rate   | Principal       | Insurer | 10/1/14        | 4/1/15         | 10/1/15        | 4/1/16         | 10/1/16        | 4/1/17         | 10/1/17        | 4/1/18         | 10/1/18        | 4/1/19         | 10/1/19        | 4/1/20         | 10/1/20      | 4/1/21       |              |
|------------------|---------------|--------|-----------------|---------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|
|                  |               |        |                 |         | Interest       |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| UTGO 2004-B(1)   |               |        |                 |         |                |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| 25-25278         | 4/1/15        | 5.000% | \$8,675,000.00  | Ambac   | \$216,875.00   | \$216,875.00   | \$239,006.25   | \$239,006.25   | \$6,100.00     | \$6,100.00     | \$6,100.00     | \$6,100.00     | \$6,100.00     | \$6,100.00     | \$6,100.00     | \$6,100.00     | \$6,100.00   | \$6,100.00   | \$6,100.00   |
| 25-25279         | 4/1/16        | 5.250% | \$9,105,000.00  | Ambac   | \$239,006.25   | \$239,006.25   | \$6,100.00     | \$6,100.00     | \$243,600.00   | \$243,600.00   | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00  | \$52,500.00  | \$52,500.00  |
| 25-25280         | 4/1/17        | 4.000% | \$3,005,000.00  | Ambac   | \$6,100.00     | \$6,100.00     | \$243,600.00   | \$243,600.00   | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00  | \$52,500.00  | \$52,500.00  |
| 25-25281         | 4/1/17        | 5.250% | \$2,980,000.00  | Ambac   | \$243,600.00   | \$243,600.00   | \$52,500.00    | \$52,500.00    | \$302,200.00   | \$302,200.00   | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00  | \$52,500.00  | \$52,500.00  |
| 25-25277         | 4/1/18        | 5.250% | \$2,900,000.00  | Ambac   | \$52,500.00    | \$52,500.00    | \$302,200.00   | \$302,200.00   | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00  | \$52,500.00  | \$52,500.00  |
| 25-25276         | 4/1/18        | 5.250% | \$29,365,000.00 | Ambac   | \$52,500.00    | \$52,500.00    | \$302,200.00   | \$302,200.00   | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00    | \$52,500.00  | \$52,500.00  | \$52,500.00  |
| UTGO 2004-B(2)   |               |        |                 |         |                |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| 25-25282         | 4/1/19        | 5.240% | \$575,000.00    | Ambac   | \$15,065.00    | \$15,065.00    | \$11,004.00    | \$11,004.00    | \$6,681.00     | \$6,681.00     | \$2,227.00     | \$2,227.00     | \$2,227.00     | \$2,227.00     | \$2,227.00     | \$2,227.00     | \$2,227.00   | \$2,227.00   | \$2,227.00   |
| UTGO 2005-B      |               |        |                 |         |                |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| 25-25283         | 4/1/15        | 5.000% | \$2,290,000.00  | Assured | \$57,250.00    | \$57,250.00    | \$60,125.00    | \$60,125.00    | \$54,180.00    | \$54,180.00    | \$65,875.00    | \$65,875.00    | \$65,875.00    | \$65,875.00    | \$65,875.00    | \$65,875.00    | \$65,875.00  | \$65,875.00  | \$65,875.00  |
| 25-25284         | 4/1/16        | 5.000% | \$2,400,000.00  | Assured | \$60,125.00    | \$60,125.00    | \$54,180.00    | \$54,180.00    | \$65,875.00    | \$65,875.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00  | \$69,125.00  | \$69,125.00  |
| 25-25285         | 4/1/17        | 4.300% | \$2,520,000.00  | Assured | \$54,180.00    | \$54,180.00    | \$65,875.00    | \$65,875.00    | \$69,125.00    | \$69,125.00    | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25286         | 4/1/18        | 5.000% | \$2,635,000.00  | Assured | \$65,875.00    | \$65,875.00    | \$69,125.00    | \$69,125.00    | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25287         | 4/1/19        | 5.000% | \$2,745,000.00  | Assured | \$69,125.00    | \$69,125.00    | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25288         | 4/1/20        | 5.000% | \$3,080,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25289         | 4/1/21        | 5.000% | \$3,000,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25290         | 4/1/22        | 5.000% | \$5,000,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25291         | 4/1/23        | 5.000% | \$5,000,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25292         | 4/1/24        | 5.000% | \$5,000,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25293         | 4/1/25        | 5.000% | \$5,000,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25294         | 4/1/25        | 5.000% | \$42,615,000.00 | Assured | \$1,056,555.00 | \$1,056,555.00 | \$999,305.00   | \$999,305.00   | \$939,380.00   | \$939,380.00   | \$865,000.00   | \$865,000.00   | \$819,125.00   | \$819,125.00   | \$750,000.00   | \$750,000.00   | \$625,000.00 | \$625,000.00 | \$625,000.00 |
| UTGO 2005-C      |               |        |                 |         |                |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| 25-25295         | 4/1/15        | 5.000% | \$2,305,000.00  | Assured | \$57,625.00    | \$57,625.00    | \$60,625.00    | \$60,625.00    | \$54,717.50    | \$54,717.50    | \$65,750.00    | \$65,750.00    | \$65,750.00    | \$65,750.00    | \$65,750.00    | \$65,750.00    | \$65,750.00  | \$65,750.00  | \$65,750.00  |
| 25-25296         | 4/1/16        | 5.000% | \$2,425,000.00  | Assured | \$60,625.00    | \$60,625.00    | \$54,717.50    | \$54,717.50    | \$65,750.00    | \$65,750.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00    | \$69,125.00  | \$69,125.00  | \$69,125.00  |
| 25-25297         | 4/1/17        | 4.300% | \$2,545,000.00  | Assured | \$54,717.50    | \$54,717.50    | \$65,750.00    | \$65,750.00    | \$69,125.00    | \$69,125.00    | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25298         | 4/1/18        | 5.250% | \$2,630,000.00  | Assured | \$65,750.00    | \$65,750.00    | \$69,125.00    | \$69,125.00    | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25299         | 4/1/19        | 5.250% | \$2,720,000.00  | Assured | \$69,125.00    | \$69,125.00    | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25300         | 4/1/20        | 5.250% | \$2,885,000.00  | Assured | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00   | \$125,000.00 | \$125,000.00 | \$125,000.00 |
| 25-25301         | 4/1/20        | 5.250% | \$15,525,000.00 | Assured | \$386,242.50   | \$386,242.50   | \$328,672.50   | \$328,672.50   | \$267,992.50   | \$267,992.50   | \$213,275.00   | \$213,275.00   | \$147,525.00   | \$147,525.00   | \$75,000.00    | \$75,000.00    | \$75,000.00  | \$75,000.00  | \$75,000.00  |
| UTGO 2008-A      |               |        |                 |         |                |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| 25-25302         | 4/1/15        | 5.000% | \$2,875,000.00  | Assured | \$71,875.00    | \$71,875.00    | \$75,375.00    | \$75,375.00    | \$79,250.00    | \$79,250.00    | \$86,500.00    | \$86,500.00    | \$86,500.00    | \$86,500.00    | \$86,500.00    | \$86,500.00    | \$86,500.00  | \$86,500.00  | \$86,500.00  |
| 25-25303         | 4/1/16        | 5.000% | \$3,015,000.00  | Assured | \$75,375.00    | \$75,375.00    | \$79,250.00    | \$79,250.00    | \$86,500.00    | \$86,500.00    | \$90,750.00    | \$90,750.00    | \$90,750.00    | \$90,750.00    | \$90,750.00    | \$90,750.00    | \$90,750.00  | \$90,750.00  | \$90,750.00  |
| 25-25304         | 4/1/17        | 5.000% | \$3,170,000.00  | Assured | \$79,250.00    | \$79,250.00    | \$86,500.00    | \$86,500.00    | \$90,750.00    | \$90,750.00    | \$95,375.00    | \$95,375.00    | \$95,375.00    | \$95,375.00    | \$95,375.00    | \$95,375.00    | \$95,375.00  | \$95,375.00  | \$95,375.00  |
| 25-25305         | 4/1/18        | 4.000% | \$3,325,000.00  | Assured | \$86,500.00    | \$86,500.00    | \$90,750.00    | \$90,750.00    | \$95,375.00    | \$95,375.00    | \$100,125.00   | \$100,125.00   | \$100,125.00   | \$100,125.00   | \$100,125.00   | \$100,125.00   | \$100,125.00 | \$100,125.00 | \$100,125.00 |
| 25-25306         | 4/1/19        | 5.000% | \$3,460,000.00  | Assured | \$90,750.00    | \$90,750.00    | \$95,375.00    | \$95,375.00    | \$100,125.00   | \$100,125.00   | \$105,000.00   | \$105,000.00   | \$105,000.00   | \$105,000.00   | \$105,000.00   | \$105,000.00   | \$105,000.00 | \$105,000.00 | \$105,000.00 |
| 25-25307         | 4/1/20        | 5.000% | \$3,630,000.00  | Assured | \$95,375.00    | \$95,375.00    | \$100,125.00   | \$100,125.00   | \$105,000.00   | \$105,000.00   | \$110,000.00   | \$110,000.00   | \$110,000.00   | \$110,000.00   | \$110,000.00   | \$110,000.00   | \$110,000.00 | \$110,000.00 | \$110,000.00 |
| 25-25308         | 4/1/21        | 5.000% | \$3,815,000.00  | Assured | \$100,125.00   | \$100,125.00   | \$105,000.00   | \$105,000.00   | \$110,000.00   | \$110,000.00   | \$115,000.00   | \$115,000.00   | \$115,000.00   | \$115,000.00   | \$115,000.00   | \$115,000.00   | \$115,000.00 | \$115,000.00 | \$115,000.00 |
| 25-25309         | 4/1/22        | 5.000% | \$4,005,000.00  | Assured | \$105,000.00   | \$105,000.00   | \$110,000.00   | \$110,000.00   | \$115,000.00   | \$115,000.00   | \$120,000.00   | \$120,000.00   | \$120,000.00   | \$120,000.00   | \$120,000.00   | \$120,000.00   | \$120,000.00 | \$120,000.00 | \$120,000.00 |
| 25-25310         | 4/1/24        | 5.000% | \$4,620,000.00  | Assured | \$115,000.00   | \$115,000.00   | \$120,000.00   | \$120,000.00   | \$125,000.00   | \$125,000.00   | \$130,000.00   | \$130,000.00   | \$130,000.00   | \$130,000.00   | \$130,000.00   | \$130,000.00   | \$130,000.00 | \$130,000.00 | \$130,000.00 |
| 25-25311         | 4/1/24        | 5.000% | \$19,980,000.00 | Assured | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00   | \$499,500.00 | \$499,500.00 | \$499,500.00 |
| 25-25312         | 4/1/28        | 5.000% | \$55,995,000.00 | Assured | \$1,340,750.00 | \$1,340,750.00 | \$1,308,875.00 | \$1,308,875.00 | \$1,233,500.00 | \$1,233,500.00 | \$1,154,250.00 | \$1,154,250.00 | \$1,087,750.00 | \$1,087,750.00 | \$1,001,250.00 | \$1,001,250.00 | \$910,500.00 | \$910,500.00 | \$910,500.00 |
| UTGO 2008-B(1)   |               |        |                 |         |                |                |                |                |                |                |                |                |                |                |                |                |              |              |              |
| 25-25313         | 4/1/15        | 5.000% | \$7,270,000.00  | Assured | \$199,250.00   | \$1            |                |                |                |                |                |                |                |                |                |                |              |              |              |

# UTGO Bond Series Debt Retirement Schedules

| Code               | Maturity Date | Rate   | Principal       | Insurer  | 10/1/21      | 4/1/22       | 10/1/22      | 4/1/23       | 10/1/23      | 4/1/24       | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 | 10/1/26 | 4/1/27 | 10/1/27 | 4/1/28 |   |  |
|--------------------|---------------|--------|-----------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|---------|--------|---------|--------|---------|--------|---------|--------|---|--|
|                    |               |        |                 | Interest |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| <b>UTGO 001-A</b>  |               |        |                 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| 251                | 4/1/15        | 5.250% | \$2,850,000.00  | Assured  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/16        | 5.000% | \$2,995,000.00  | Assured  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/17        | 5.000% | \$3,145,000.00  | Assured  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/18        | 5.000% | \$3,305,000.00  | Assured  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/19        | 5.000% | \$3,470,000.00  | Assured  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
|                    |               |        | \$15,765,000.00 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| <b>UTGO 001-AD</b> |               |        |                 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| 251                | 4/1/15        | 5.375% | \$5,940,000.00  | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/16        | 5.375% | \$6,260,000.00  | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/17        | 5.375% | \$6,600,000.00  | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/18        | 5.375% | \$7,000,000.00  | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/19        | 5.000% | \$14,000,000.00 | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/20        | 5.000% | \$14,000,000.00 | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/21        | 5.000% | \$14,000,000.00 | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
|                    |               |        | \$74,800,000.00 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| <b>UTGO 002</b>    |               |        |                 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| 251                | 4/1/21        | 5.125% | \$3,240,000.00  | NIPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/22        | 5.125% | \$3,485,000.00  | NIPFG    | \$87,253.13  | \$87,253.13  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
|                    |               |        | \$6,645,000.00  |          | \$87,253.13  | \$87,253.13  |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| <b>UTGO 003-A</b>  |               |        |                 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| 251                | 4/1/15        | 4.000% | \$300,000.00    | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/16        | 5.250% | \$2,550,000.00  | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/17        | 5.250% | \$2,995,000.00  | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/18        | 5.250% | \$3,150,000.00  | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/19        | 5.250% | \$3,315,000.00  | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/20        | 5.250% | \$3,490,000.00  | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/21        | 5.250% | \$3,675,000.00  | Syncora  | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/22        | 5.250% | \$3,860,000.00  | Syncora  | \$11,562.50  | \$11,562.50  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/23        | 5.250% | \$4,055,000.00  | Syncora  | \$93,581.25  | \$93,581.25  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/24        | 5.250% | \$4,260,000.00  | Syncora  | \$34,687.50  | \$34,687.50  | \$34,687.50  | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/25        | 5.250% | \$4,475,000.00  | Syncora  | \$72,843.75  | \$72,843.75  | \$72,843.75  | \$72,843.75  | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
|                    |               |        | \$31,675,000.00 |          | \$22,675.00  | \$22,675.00  | \$107,531.25 | \$107,531.25 |              |              |         |        |         |        |         |        |         |        |   |  |
| <b>UTGO 004-AD</b> |               |        |                 |          |              |              |              |              |              |              |         |        |         |        |         |        |         |        |   |  |
| 251                | 4/1/19        | 5.250% | \$4,500,000.00  | Ambac    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/20        | 4.250% | \$185,000.00    | Ambac    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/21        | 5.000% | \$6,600,000.00  | Ambac    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/22        | 5.250% | \$6,930,000.00  | Ambac    | \$181,912.50 | \$181,912.50 | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/23        | 4.500% | \$375,000.00    | Ambac    | \$8,437.50   | \$8,437.50   | \$8,437.50   | -            | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/24        | 5.250% | \$6,920,000.00  | Ambac    | \$181,650.00 | \$181,650.00 | \$181,650.00 | \$181,650.00 | -            | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/25        | 4.000% | \$785,000.00    | Ambac    | \$18,055.00  | \$18,055.00  | \$18,055.00  | \$18,055.00  | \$18,055.00  | -            | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
| 251                | 4/1/26        | 5.250% | \$6,890,000.00  | Ambac    | \$180,862.50 | \$180,862.50 | \$180,862.50 | \$180,862.50 | \$180,862.50 | \$180,862.50 | -       | -      | -       | -      | -       | -      | -       | -      | - |  |
|                    |               |        | \$39,270,000.00 |          | \$570,937.50 | \$570,937.50 | \$389,005.00 | \$389,005.00 | \$198,917.50 | \$198,917.50 |         |        |         |        |         |        |         |        |   |  |

13352846.pdf Doc 001-131 Filed 01/17/23 Entered 01/17/23 15:29:35 Page 42 of 60

# UTGO Bond Series Debt Retirement Schedules

| Code                 | Maturity Date | Rate   | Principal       | Insurer  | 10/11/21 | 4/1/22 | 10/1/22 | 4/1/23 | 10/1/23 | 4/1/24 | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 | 10/1/26 | 4/1/27 | 10/1/27 | 4/1/28 |  |
|----------------------|---------------|--------|-----------------|----------|----------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|--|
|                      |               |        |                 | Interest |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| <b>UTGO 004-B(0)</b> |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 251008               | 4/1/15        | 5.000% | \$8,675,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251009               | 4/1/16        | 5.250% | \$9,105,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251010               | 4/1/17        | 4.000% | \$305,000.00    | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251011               | 4/1/17        | 5.250% | \$9,280,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251012               | 4/1/18        | 5.250% | \$2,000,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251013               | 4/1/18        | 5.250% | \$29,365,000.00 | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| <b>UTGO 004-B(2)</b> |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 251014               | 4/1/19        | 5.240% | \$575,000.00    | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| <b>UTGO 005-B</b>    |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 251015               | 4/1/15        | 5.000% | \$2,290,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251016               | 4/1/16        | 5.000% | \$2,405,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251017               | 4/1/17        | 4.300% | \$2,520,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251018               | 4/1/18        | 5.000% | \$2,635,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251019               | 4/1/19        | 5.000% | \$2,765,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251020               | 4/1/20        | 5.000% | \$5,000,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251021               | 4/1/21        | 5.000% | \$5,000,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251022               | 4/1/22        | 5.000% | \$5,000,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251023               | 4/1/23        | 5.000% | \$5,000,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251024               | 4/1/24        | 5.000% | \$5,000,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251025               | 4/1/25        | 5.000% | \$5,000,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251026               | 4/1/25        | 5.000% | \$42,615,000.00 | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| <b>UTGO 005-C</b>    |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 251027               | 4/1/15        | 5.000% | \$2,305,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251028               | 4/1/16        | 5.000% | \$2,425,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251029               | 4/1/17        | 4.300% | \$2,545,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251030               | 4/1/18        | 5.000% | \$2,670,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251031               | 4/1/19        | 5.250% | \$2,735,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251032               | 4/1/20        | 5.250% | \$2,885,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251033               | 4/1/20        | 5.250% | \$15,525,000.00 | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| <b>UTGO 006-A</b>    |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 251034               | 4/1/15        | 5.000% | \$2,875,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251035               | 4/1/16        | 5.000% | \$3,015,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251036               | 4/1/17        | 5.000% | \$3,170,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251037               | 4/1/18        | 5.000% | \$3,325,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251038               | 4/1/19        | 5.000% | \$3,460,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251039               | 4/1/20        | 5.000% | \$3,630,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251040               | 4/1/21        | 5.000% | \$3,815,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251041               | 4/1/21        | 5.000% | \$4,005,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251042               | 4/1/22        | 5.000% | \$8,620,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251043               | 4/1/24        | 5.000% | \$19,980,000.00 | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251044               | 4/1/28        | 5.000% | \$55,895,000.00 | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| <b>UTGO 006-B(0)</b> |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 251045               | 4/1/15        | 5.000% | \$7,970,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251046               | 4/1/16        | 5.000% | \$3,440,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251047               | 4/1/17        | 5.000% | \$3,580,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251048               | 4/1/18        | 5.000% | \$3,790,000.00  | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 251049               | 4/1/18        | 5.000% | \$18,780,000.00 | Assured  | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| <b>UTGO 006-A</b>    |               |        |                 |          |          |        |         |        |         |        |         |        |         |        |         |        |         |        |  |
| 591000               | 11/1/14       | 5.129% | \$1,885,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591001               | 11/1/15       | 5.429% | \$1,985,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591002               | 11/1/16       | 6.087% | \$2,105,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591003               | 11/1/17       | 6.377% | \$2,240,000.00  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591004               | 11/1/22       | 7.188% | \$221,570.10    | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591005               | 11/1/22       | 7.188% | \$114,828.30    | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591006               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591007               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591008               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591009               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591010               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591011               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591012               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591013               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591014               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591015               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591016               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591017               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591018               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591019               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591020               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591021               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591022               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591023               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591024               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591025               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591026               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591027               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591028               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591029               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591030               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591031               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591032               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591033               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591034               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      |  |
| 591035               | 11/1/25       | 8.369% | \$3,259,007.83  | Ambac    | -        | -      | -       | -      | -</     |        |         |        |         |        |         |        |         |        |  |

# UTGO Bond Series Debt Retirement Schedules

| CUSIP                | Maturity Date | Rate   | Principal              | Insurer | Interest |        |         |        |         |        |         |        |         |        |         |        | Total Interest         | Total Principal & Interest |
|----------------------|---------------|--------|------------------------|---------|----------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|------------------------|----------------------------|
|                      |               |        |                        |         | 10/1/28  | 4/1/29 | 10/1/29 | 4/1/30 | 10/1/30 | 4/1/31 | 10/1/31 | 4/1/32 | 10/1/32 | 4/1/33 | 10/1/33 | 4/1/34 |                        |                            |
| <b>UTGO 000-A</b>    |               |        |                        |         |          |        |         |        |         |        |         |        |         |        |         |        |                        |                            |
| 25100003             | 4/1/15        | 5.250% | \$2,850,000.00         | Assured | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$149,625.00           | \$2,999,625.00             |
| 25100006             | 4/1/16        | 5.000% | \$2,995,000.00         | Assured | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$299,500.00           | \$3,294,500.00             |
| 25100007             | 4/1/17        | 5.000% | \$3,145,000.00         | Assured | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$471,750.00           | \$3,616,750.00             |
| 25100008             | 4/1/18        | 5.000% | \$3,305,000.00         | Assured | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$661,000.00           | \$3,966,000.00             |
| 25100009             | 4/1/19        | 5.000% | \$3,470,000.00         | Assured | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$867,500.00           | \$4,337,500.00             |
|                      |               |        | <b>\$15,765,000.00</b> |         |          |        |         |        |         |        |         |        |         |        |         |        | <b>\$2,449,375.00</b>  | <b>\$18,214,375.00</b>     |
| <b>UTGO 000-A(1)</b> |               |        |                        |         |          |        |         |        |         |        |         |        |         |        |         |        |                        |                            |
| 25100006             | 4/1/15        | 5.375% | \$5,940,000.00         | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$319,275.00           | \$6,259,275.00             |
| 25100007             | 4/1/16        | 5.375% | \$6,260,000.00         | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$672,950.00           | \$6,932,950.00             |
| 25100008             | 4/1/17        | 5.375% | \$6,600,000.00         | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,064,250.00         | \$7,664,250.00             |
| 25100009             | 4/1/18        | 5.375% | \$14,000,000.00        | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$3,010,000.00         | \$17,010,000.00            |
| 25100010             | 4/1/19        | 5.000% | \$14,000,000.00        | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$3,500,000.00         | \$17,500,000.00            |
| 25100011             | 4/1/20        | 5.000% | \$14,000,000.00        | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$4,200,000.00         | \$18,200,000.00            |
| 25100012             | 4/1/20        | 5.000% | \$14,000,000.00        | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$4,900,000.00         | \$18,900,000.00            |
| 25100013             | 4/1/21        | 5.000% | \$74,800,000.00        | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$17,466,475.00        | \$92,266,475.00            |
| <b>UTGO 000-A(2)</b> |               |        |                        |         |          |        |         |        |         |        |         |        |         |        |         |        |                        |                            |
| 25100014             | 4/1/21        | 5.125% | \$3,240,000.00         | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,162,350.00         | \$4,402,350.00             |
| 25100015             | 4/1/22        | 5.125% | \$3,405,000.00         | NPPG    | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,396,950.00         | \$4,801,950.00             |
|                      |               |        | <b>\$6,645,000.00</b>  |         |          |        |         |        |         |        |         |        |         |        |         |        | <b>\$2,559,300.00</b>  | <b>\$9,204,300.00</b>      |
| <b>UTGO 000-A(3)</b> |               |        |                        |         |          |        |         |        |         |        |         |        |         |        |         |        |                        |                            |
| 25100016             | 4/1/15        | 4.000% | \$300,000.00           | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$12,000.00            | \$312,000.00               |
| 25100017             | 4/1/15        | 5.250% | \$2,550,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$133,875.00           | \$2,683,875.00             |
| 25100018             | 4/1/16        | 5.250% | \$2,995,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$334,475.00           | \$3,309,475.00             |
| 25100019             | 4/1/17        | 5.250% | \$3,150,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$496,125.00           | \$3,646,125.00             |
| 25100020             | 4/1/17        | 5.250% | \$3,150,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$401,150.00           | \$3,551,150.00             |
| 25100021             | 4/1/18        | 5.250% | \$3,315,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$916,125.00           | \$4,231,125.00             |
| 25100022             | 4/1/19        | 5.250% | \$3,490,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$135,000.00           | \$3,625,000.00             |
| 25100023             | 4/1/20        | 4.500% | \$500,000.00           | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,000.125.00         | \$4,175,125.00             |
| 25100024             | 4/1/20        | 5.250% | \$3,175,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,418,550.00         | \$4,593,550.00             |
| 25100025             | 4/1/21        | 5.250% | \$3,860,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,850,000.00         | \$5,710,000.00             |
| 25100026             | 4/1/21        | 4.625% | \$500,000.00           | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$294,375.00           | \$794,375.00               |
| 25100027             | 4/1/22        | 4.625% | \$3,565,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$1,311,187.50         | \$4,876,187.50             |
| 25100028             | 4/1/23        | 5.250% | \$3,735,000.00         | Sincora | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$8,700,287.50         | \$12,435,287.50            |
|                      |               |        | <b>\$31,675,000.00</b> |         |          |        |         |        |         |        |         |        |         |        |         |        | <b>\$11,181,250.00</b> | <b>\$42,856,250.00</b>     |
| <b>UTGO 000-A(4)</b> |               |        |                        |         |          |        |         |        |         |        |         |        |         |        |         |        |                        |                            |
| 25100029             | 4/1/19        | 5.250% | \$4,500,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$47,175.00            | \$4,547,175.00             |
| 25100030             | 4/1/20        | 4.250% | \$185,000.00           | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$2,310,000.00         | \$2,495,000.00             |
| 25100031             | 4/1/20        | 5.250% | \$6,085,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$2,910,600.00         | \$8,995,600.00             |
| 25100032             | 4/1/21        | 5.000% | \$6,600,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$151,475.00           | \$6,751,475.00             |
| 25100033             | 4/1/22        | 5.250% | \$6,930,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$3,269,700.00         | \$10,199,700.00            |
| 25100034             | 4/1/23        | 4.500% | \$375,000.00           | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$361,000.00           | \$736,000.00               |
| 25100035             | 4/1/23        | 5.250% | \$6,920,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$3,017,250.00         | \$9,937,250.00             |
| 25100036             | 4/1/24        | 4.600% | \$7,985,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$15,765,725.00        | \$23,750,725.00            |
| 25100037             | 4/1/24        | 5.250% | \$6,890,000.00         | Ambac   | -        | -      | -       | -      | -       | -      | -       | -      | -       | -      | -       | -      | \$18,700,287.50        | \$25,590,287.50            |
|                      |               |        | <b>\$39,270,000.00</b> |         |          |        |         |        |         |        |         |        |         |        |         |        | <b>\$18,700,287.50</b> | <b>\$57,970,287.50</b>     |

\* Subject to Mandatory Redemption

# UTGO Bond Series Debt Retirement Schedules

| CUSIP                | Maturity Date | Rate   | Principal        | Insurer | Interest       |                |                |                |                |                |                |                |                |                |                |                | Total Interest   | Total Principal & Interest |
|----------------------|---------------|--------|------------------|---------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------------------|
|                      |               |        |                  |         | 10/1/28        | 4/1/29         | 10/1/29        | 4/1/30         | 10/1/30        | 4/1/31         | 10/1/31        | 4/1/32         | 10/1/32        | 4/1/33         | 10/1/33        | 4/1/34         |                  |                            |
| <b>UTGO 004-B(0)</b> |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 25190848             | 4/1/15        | 5.000% | \$8,675,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$433,750.00     | \$9,108,750.00             |
| 25190849             | 4/1/16        | 5.250% | \$9,105,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$956,025.00     | \$10,061,025.00            |
| 25190850             | 4/1/17        | 5.000% | \$305,000.00     | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$36,600.00      | \$341,600.00               |
| 25190851             | 4/1/17        | 5.250% | \$9,280,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$1,461,000.00   | \$10,741,000.00            |
| 25190852             | 4/1/17        | 5.250% | \$2,000,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$250,000.00     | \$2,250,000.00             |
| 25190853             | 4/1/18        | 5.250% | \$29,365,000.00  | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$3,307,975.00   | \$32,672,975.00            |
| <b>UTGO 004-B(2)</b> |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 25190854             | 4/1/19        | 5.240% | \$575,000.00     | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$69,954.00      | \$644,954.00               |
| <b>UTGO 005-B</b>    |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 25190855             | 4/1/15        | 5.000% | \$2,290,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$114,500.00     | \$2,404,500.00             |
| 25190856             | 4/1/16        | 5.000% | \$7,405,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$340,500.00     | \$7,745,500.00             |
| 25190857             | 4/1/17        | 4.300% | \$2,520,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$325,080.00     | \$2,845,080.00             |
| 25190858             | 4/1/18        | 5.000% | \$2,635,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$527,000.00     | \$3,162,000.00             |
| 25190859             | 4/1/19        | 5.000% | \$2,765,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$691,250.00     | \$3,456,250.00             |
| 25190860             | 4/1/20        | 5.000% | \$5,000,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$1,500,000.00   | \$6,500,000.00             |
| 25190861             | 4/1/21        | 5.000% | \$5,000,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$1,750,000.00   | \$6,750,000.00             |
| 25190862             | 4/1/22        | 5.000% | \$5,000,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$2,000,000.00   | \$7,000,000.00             |
| 25190863             | 4/1/23        | 5.000% | \$5,000,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$2,250,000.00   | \$7,250,000.00             |
| 25190864             | 4/1/24        | 5.000% | \$5,000,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$2,500,000.00   | \$7,500,000.00             |
| 25190865             | 4/1/25        | 5.000% | \$5,000,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$2,750,000.00   | \$7,750,000.00             |
| 25190866             | 4/1/25        | 5.000% | \$42,615,000.00  | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$4,649,330.00   | \$47,264,330.00            |
| <b>UTGO 005-C</b>    |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 25190867             | 4/1/15        | 5.000% | \$2,305,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$115,250.00     | \$2,420,250.00             |
| 25190868             | 4/1/16        | 5.000% | \$2,425,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$249,500.00     | \$2,674,500.00             |
| 25190869             | 4/1/17        | 4.300% | \$2,545,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$328,305.00     | \$2,873,305.00             |
| 25190870             | 4/1/18        | 5.000% | \$2,630,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$526,000.00     | \$3,156,000.00             |
| 25190871             | 4/1/19        | 5.250% | \$2,735,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$711,937.50     | \$3,446,937.50             |
| 25190872             | 4/1/20        | 5.250% | \$2,885,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$988,775.00     | \$3,873,775.00             |
| 25190873             | 4/1/20        | 5.250% | \$15,525,000.00  | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$2,838,767.50   | \$18,363,767.50            |
| <b>UTGO 008-A</b>    |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 25190874             | 4/1/15        | 5.000% | \$2,675,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$143,750.00     | \$3,018,750.00             |
| 25190875             | 4/1/16        | 5.000% | \$3,015,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$301,500.00     | \$3,316,500.00             |
| 25190876             | 4/1/17        | 5.000% | \$3,170,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$475,500.00     | \$3,645,500.00             |
| 25190877             | 4/1/18        | 4.000% | \$3,325,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$52,000.00      | \$3,377,000.00             |
| 25190878             | 4/1/19        | 5.000% | \$3,460,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$865,000.00     | \$4,325,000.00             |
| 25190879             | 4/1/20        | 5.000% | \$3,630,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$1,089,000.00   | \$4,719,000.00             |
| 25190880             | 4/1/21        | 5.000% | \$3,815,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$1,335,250.00   | \$5,150,250.00             |
| 25190881             | 4/1/21        | 5.000% | \$4,005,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$1,602,000.00   | \$5,607,000.00             |
| 25190882             | 4/1/22        | 5.000% | \$4,005,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$4,009,750.00   | \$12,719,750.00            |
| 25190883             | 4/1/24        | 5.000% | \$6,620,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$12,548,250.00  | \$32,528,250.00            |
| 25190884             | 4/1/28        | 5.000% | \$55,895,000.00  | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$22,992,000.00  | \$78,887,000.00            |
| <b>UTGO 008-B(1)</b> |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 25190885             | 4/1/15        | 5.000% | \$1,970,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$398,500.00     | \$2,368,500.00             |
| 25190886             | 4/1/16        | 5.000% | \$3,440,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$344,000.00     | \$3,784,000.00             |
| 25190887             | 4/1/17        | 5.000% | \$3,580,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$571,000.00     | \$4,151,000.00             |
| 25190888             | 4/1/18        | 5.000% | \$3,790,000.00   | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$758,000.00     | \$4,548,000.00             |
| 25190889             | 4/1/18        | 5.000% | \$18,790,000.00  | Assured | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$2,037,500.00   | \$20,827,500.00            |
| <b>UTGO 008-B(2)</b> |               |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                  |                            |
| 59262W9              | 11/1/14       | 5.120% | \$1,885,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$48,340.83      | \$1,933,340.83             |
| 59262W7              | 11/1/15       | 5.420% | \$1,985,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$161,448.48     | \$2,146,448.48             |
| 59262W5              | 11/1/16       | 6.087% | \$2,105,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$320,238.38     | \$2,425,238.38             |
| 59262W2              | 11/1/17       | 6.377% | \$2,240,000.00   | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$496,820.80     | \$2,736,820.80             |
| 59262W3              | 11/1/22       | 7.188% | \$13,900,000.00  | Ambac   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | \$6,637,758.60   | \$20,537,758.60            |
| 59262W4              | 11/1/22       | 7.188% | \$13,900,000.00  | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$108,522,887.58 |                            |
| 59262W6              | 11/1/25       | 8.360% | \$100,000,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$106,407,287.58 |                            |
| 59262W8              | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W9              | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W10             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W11             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W12             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W13             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W14             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W15             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W16             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764.63 | \$2,179,078.38 | \$2,179,078.38 | \$1,940,352.65 | \$1,940,352.65 | \$1,680,704.43 | \$1,680,704.43 | \$1,398,250.68 | \$1,398,250.68 | \$1,091,317.60 | \$1,091,317.60 | \$1,091,317.60 | \$432,167,184.65 |                            |
| 59262W17             | 11/1/25       | 8.360% | \$430,900,000.00 | Ambac   | \$2,398,764    |                |                |                |                |                |                |                |                |                |                |                |                  |                            |





**EXHIBIT B  
MUNICIPAL OBLIGATION**



# UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| Maturity Date  | Rate   | Principal        | Insurer | 10/1/14        | 4/1/15         | 10/1/15        | 4/1/16         | 10/1/16        | 4/1/17         | 10/1/17        | 4/1/18         | 10/1/18        | 4/1/19         | 10/1/19        | 4/1/20         | 10/1/20        | 4/1/21         |
|----------------|--------|------------------|---------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                |        |                  |         | Interest       |                |                |                |                |                |                |                |                |                |                |                |                |                |
| UTGO 2004-B(1) |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2004-03-27P8   | 5.000% | \$7,538,575.00   | Ambac   | \$188,464.38   | \$188,464.38   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   | \$207,696.43   |
| 2004-03-27P6   | 5.250% | \$7,912,245.00   | Ambac   | \$207,696.43   | \$207,696.43   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   |
| 2004-03-27P4   | 4.000% | \$3,065,045.00   | Ambac   | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     | \$5,300.90     |
| 2004-03-27P2   | 5.250% | \$8,064,320.00   | Ambac   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   | \$211,688.40   |
| 2004-03-27P0   | 5.250% | \$1,738,000.00   | Ambac   | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    |
|                |        | \$25,818,185.00  |         | \$658,772.61   | \$658,772.61   | \$470,308.23   | \$470,308.23   | \$262,611.80   | \$262,611.80   | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    |                |
| UTGO 2004-B(2) |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2004-03-27X1   | 5.240% | \$499,675.00     | Ambac   | \$13,091.49    | \$13,091.49    | \$9,562.48     | \$9,562.48     | \$5,805.79     | \$5,805.79     | \$1,935.26     | \$1,935.26     | \$1,935.26     | \$1,935.26     | \$1,935.26     | \$1,935.26     | \$1,935.26     | \$1,935.26     |
| UTGO 2005-B    |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2005-03-27P5   | 5.000% | \$1,990,010.00   | Assured | \$49,750.25    | \$49,750.25    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    | \$52,248.63    |
| 2005-03-27P3   | 5.000% | \$2,089,945.00   | Assured | \$52,248.63    | \$52,248.63    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    | \$47,082.42    |
| 2005-03-27P1   | 4.300% | \$2,189,880.00   | Assured | \$47,082.42    | \$47,082.42    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    | \$57,245.38    |
| 2005-03-27P0   | 5.000% | \$2,289,815.00   | Assured | \$57,245.38    | \$57,245.38    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    | \$60,069.63    |
| 2005-03-27P9   | 5.000% | \$2,402,785.00   | Assured | \$60,069.63    | \$60,069.63    | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |
| 2005-03-27P7   | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |
| 2005-03-27P5   | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |
| 2005-03-27P3   | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |
| 2005-03-27P1   | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |
| 2005-03-27P0   | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |
|                |        | \$37,032,435.00  |         | \$918,146.30   | \$918,146.30   | \$868,396.05   | \$868,396.05   | \$816,147.42   | \$816,147.42   | \$769,065.00   | \$769,065.00   | \$711,819.63   | \$711,819.63   | \$651,750.00   | \$651,750.00   | \$543,125.00   |                |
| UTGO 2005-C    |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2005-03-27P2   | 5.000% | \$2,003,045.00   | Assured | \$50,076.13    | \$50,076.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    | \$52,683.13    |
| 2005-03-27P0   | 5.000% | \$2,107,325.00   | Assured | \$52,683.13    | \$52,683.13    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    | \$47,549.51    |
| 2005-03-27P8   | 4.1/18 | \$2,211,605.00   | Assured | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    | \$57,136.75    |
| 2005-03-27P6   | 5.000% | \$2,376,715.00   | Assured | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    |
| 2005-03-27P4   | 5.250% | \$2,507,065.00   | Assured | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    |
|                |        | \$13,491,225.00  |         | \$335,644.73   | \$335,644.73   | \$285,568.61   | \$285,568.61   | \$232,885.48   | \$232,885.48   | \$185,335.98   | \$185,335.98   | \$128,199.23   | \$128,199.23   | \$65,810.46    | \$65,810.46    |                |                |
| UTGO 2008-A    |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2008-03-27P5   | 5.000% | \$2,498,375.00   | Assured | \$62,459.38    | \$62,459.38    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    | \$65,500.88    |
| 2008-03-27P3   | 5.000% | \$2,620,035.00   | Assured | \$65,500.88    | \$65,500.88    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    | \$68,868.25    |
| 2008-03-27P1   | 5.000% | \$2,754,730.00   | Assured | \$68,868.25    | \$68,868.25    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    |
| 2008-03-27P9   | 4.1/18 | \$2,889,425.00   | Assured | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    | \$75,788.50    |
| 2008-03-27P7   | 5.000% | \$3,006,740.00   | Assured | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    |
| 2008-03-27P5   | 5.000% | \$3,154,470.00   | Assured | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    |
| 2008-03-27P3   | 5.000% | \$3,315,235.00   | Assured | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    |
| 2008-03-27P1   | 5.000% | \$3,480,345.00   | Assured | \$87,008.63    | \$87,008.63    | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   |
| 2008-03-27P9   | 5.000% | \$3,490,780.00   | Assured | \$187,269.50   | \$187,269.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   |
| 2008-03-27P7   | 5.000% | \$17,362,620.00  | Assured | \$1,199,871.75 | \$1,199,871.75 | \$1,137,412.38 | \$1,137,412.38 | \$1,071,911.50 | \$1,071,911.50 | \$1,003,043.25 | \$1,003,043.25 | \$945,254.75   | \$870,086.25   | \$791,224.50   | \$791,224.50   | \$791,224.50   | \$791,224.50   |
|                |        | \$48,572,755.00  |         | \$1,199,871.75 | \$1,199,871.75 | \$1,137,412.38 | \$1,137,412.38 | \$1,071,911.50 | \$1,071,911.50 | \$1,003,043.25 | \$1,003,043.25 | \$945,254.75   | \$870,086.25   | \$791,224.50   | \$791,224.50   | \$791,224.50   | \$791,224.50   |
| UTGO 2008-B(1) |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2008-03-27P5   | 5.000% | \$6,925,930.00   | Assured | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   | \$173,148.25   |
| 2008-03-27P3   | 5.000% | \$2,989,360.00   | Assured | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    | \$77,775.50    |
| 2008-03-27P1   | 5.000% | \$3,111,020.00   | Assured | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    |
| 2008-03-27P9   | 5.000% | \$407,995.50     | Assured | \$407,995.50   | \$407,995.50   | \$234,847.25   | \$234,847.25   | \$160,113.25   | \$160,113.25   | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    |
|                |        | \$16,319,820.00  |         | \$407,995.50   | \$407,995.50   | \$234,847.25   | \$234,847.25   | \$160,113.25   | \$160,113.25   | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    |
| UTGO 2008-B(2) |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 2008-03-27P5   | 5.000% | \$287,560,790.00 | Assured | \$7,303,799.99 | \$7,303,799.99 | \$6,509,252.86 | \$6,509,252.86 | \$5,773,048.66 | \$5,773,048.66 | \$5,016,593.72 | \$5,016,593.72 | \$4,240,145.92 | \$3,480,721.39 | \$2,698,849.50 | \$2,698,849.50 | \$2,698,849.50 | \$2,698,849.50 |
|                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |

# UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| CIP                          | Maturity Date | Rate   | Principal       | Insurer | Interest     |              |              |              |              |              |         |        |         |        |         |        | Total Principal & Interest |                 |
|------------------------------|---------------|--------|-----------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|---------|--------|---------|--------|---------|--------|----------------------------|-----------------|
|                              |               |        |                 |         | 10/1/21      | 4/1/22       | 10/1/22      | 4/1/23       | 10/1/23      | 4/1/24       | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 | 10/1/26 | 4/1/27 |                            | 10/1/27         |
| <b>UTGO Series 2009-A</b>    |               |        |                 |         |              |              |              |              |              |              |         |        |         |        |         |        |                            |                 |
| 25-383M3                     | 4/1/15        | 5.250% | \$2,476,650.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$130,024.13               | \$2,606,674.13  |
| 25-383M4                     | 4/1/16        | 5.000% | \$2,602,655.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$260,265.50               | \$2,862,920.50  |
| 25-383M5                     | 4/1/17        | 5.000% | \$2,733,055.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$409,950.75               | \$3,142,955.75  |
| 25-383M6                     | 4/1/18        | 5.000% | \$2,872,045.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$574,409.60               | \$3,446,454.60  |
| 25-383M7                     | 4/1/19        | 5.000% | \$3,015,430.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$753,857.50               | \$3,769,287.50  |
| 25-383M8                     | 4/1/21        | 5.000% | \$33,699,785.00 | -       | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$2,128,506.88             | \$36,828,291.88 |
| <b>UTGO Series 2001-A(1)</b> |               |        |                 |         |              |              |              |              |              |              |         |        |         |        |         |        |                            |                 |
| 25-383VX6                    | 4/1/15        | 5.375% | \$5,161,860.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$277,449.98               | \$5,439,309.98  |
| 25-383VX7                    | 4/1/16        | 5.375% | \$5,439,940.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$584,793.55               | \$6,024,733.55  |
| 25-383VX8                    | 4/1/17        | 5.375% | \$5,735,400.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$924,833.25               | \$6,660,233.25  |
| 25-383VX9                    | 4/1/18        | 5.375% | \$12,166,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$2,615,690.00             | \$14,781,690.00 |
| 25-383VY0                    | 4/1/19        | 5.000% | \$12,166,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$3,041,506.00             | \$15,207,506.00 |
| 25-383VY1                    | 4/1/20        | 5.000% | \$12,166,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$3,649,800.00             | \$15,815,800.00 |
| 25-383VY2                    | 4/1/21        | 5.000% | \$12,166,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$4,258,100.00             | \$16,424,100.00 |
| 25-383VY3                    | 4/1/21        | 5.000% | \$65,001,200.00 | -       | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$15,352,166.78            | \$80,353,366.78 |
| <b>UTGO Series 2002</b>      |               |        |                 |         |              |              |              |              |              |              |         |        |         |        |         |        |                            |                 |
| 25-383WV8                    | 4/1/21        | 5.125% | \$2,815,560.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$10,082.15                | \$3,825,642.15  |
| 25-383WV9                    | 4/1/22        | 5.125% | \$2,958,945.00  | NPFG    | \$75,822.97  | \$75,822.97  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$1,213,167.45             | \$4,172,112.45  |
| 25-383WV0                    | 4/1/22        | 5.125% | \$5,774,503.00  | -       | \$75,822.97  | \$75,822.97  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$2,223,249.60             | \$7,997,754.60  |
| <b>UTGO Series 2003-A</b>    |               |        |                 |         |              |              |              |              |              |              |         |        |         |        |         |        |                            |                 |
| 25-383XPO                    | 4/1/15        | 4.000% | \$260,700.00    | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$10,428.00                | \$271,128.00    |
| 25-383XQ0                    | 4/1/15        | 5.250% | \$2,215,950.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$116,337.38               | \$2,332,287.38  |
| 25-383XQ1                    | 4/1/16        | 5.250% | \$2,602,655.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$273,278.78               | \$2,875,933.78  |
| 25-383XQ2                    | 4/1/17        | 5.250% | \$2,737,350.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$431,132.63               | \$3,168,482.63  |
| 25-383XQ3                    | 4/1/18        | 5.250% | \$2,880,735.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$604,954.35               | \$3,485,689.35  |
| 25-383XQ4                    | 4/1/19        | 5.250% | \$3,032,810.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$796,112.63               | \$3,828,922.63  |
| 25-383XQ5                    | 4/1/20        | 5.250% | \$434,500.00    | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$117,315.00               | \$551,815.00    |
| 25-383XQ6                    | 4/1/20        | 5.250% | \$2,759,075.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$869,108.63               | \$3,628,183.63  |
| 25-383XQ7                    | 4/1/21        | 5.250% | \$3,354,340.00  | Syncora | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$1,232,719.95             | \$4,587,059.95  |
| 25-383XQ8                    | 4/1/21        | 5.250% | \$434,500.00    | Syncora | \$10,047.81  | \$10,047.81  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$160,765.00               | \$595,265.00    |
| 25-383XQ9                    | 4/1/22        | 5.250% | \$3,077,985.00  | Syncora | \$81,322.11  | \$81,322.11  | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$1,301,153.70             | \$4,399,138.70  |
| 25-383YAZ                    | 4/1/23        | 4.625% | \$1,303,500.00  | Syncora | \$30,143.44  | \$30,143.44  | \$30,143.44  | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$542,581.88               | \$1,846,081.88  |
| 25-383YB0                    | 4/1/23        | 5.250% | \$2,411,475.00  | Syncora | \$63,301.22  | \$63,301.22  | \$63,301.22  | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$1,139,421.94             | \$3,550,806.94  |
| 25-383YB1                    | 4/1/23        | 5.250% | \$27,525,575.00 | -       | \$184,814.58 | \$184,814.58 | \$338,045.35 | \$338,045.35 | \$93,444.66  | \$93,444.66  | -       | -      | -       | -      | -       | -      | \$7,595,309.84             | \$35,120,884.84 |
| <b>UTGO Series 2004-A(1)</b> |               |        |                 |         |              |              |              |              |              |              |         |        |         |        |         |        |                            |                 |
| 25-383YX2                    | 4/1/19        | 5.250% | \$3,910,500.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$1,026,506.25             | \$4,937,006.25  |
| 25-383YX3                    | 4/1/20        | 4.250% | \$160,765.00    | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$40,995.08                | \$201,760.08    |
| 25-383YX4                    | 4/1/20        | 5.250% | \$5,287,865.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$1,665,677.48             | \$6,953,542.48  |
| 25-383YX5                    | 4/1/21        | 5.000% | \$5,735,400.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$2,007,390.00             | \$7,742,790.00  |
| 25-383YX6                    | 4/1/22        | 5.250% | \$6,022,170.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$2,529,311.40             | \$8,551,481.40  |
| 25-383YX7                    | 4/1/23        | 4.500% | \$325,875.00    | Ambac   | \$158,081.96 | \$158,081.96 | -            | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$131,979.38               | \$457,854.38    |
| 25-383YX8                    | 4/1/23        | 5.250% | \$6,013,480.00  | Ambac   | \$7,332.19   | \$7,332.19   | \$7,332.19   | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$2,841,569.30             | \$8,854,849.30  |
| 25-383YX9                    | 4/1/24        | 4.000% | \$682,165.00    | Ambac   | \$157,853.85 | \$157,853.85 | \$157,853.85 | -            | -            | -            | -       | -      | -       | -      | -       | -      | \$313,795.90               | \$995,969.90    |
| 25-383YX0                    | 4/1/24        | 5.250% | \$5,987,410.00  | Ambac   | \$15,689.80  | \$15,689.80  | \$15,689.80  | \$15,689.80  | \$15,689.80  | \$15,689.80  | -       | -      | -       | -      | -       | -      | \$3,143,390.25             | \$9,130,800.25  |
| 25-383YX1                    | 4/1/24        | 5.250% | \$34,425,630.00 | -       | \$496,127.31 | \$496,127.31 | \$338,045.35 | \$338,045.35 | \$172,859.31 | \$172,859.31 | -       | -      | -       | -      | -       | -      | \$13,700,415.03            | \$47,826,045.03 |

\* Subject to Mandatory Redemption



# UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

## Bond Series Subject to Mandatory Redemption

| Issuance: 2008-A |         |             |                              |                |        |                |           |         |             |                              |                 |        |              |
|------------------|---------|-------------|------------------------------|----------------|--------|----------------|-----------|---------|-------------|------------------------------|-----------------|--------|--------------|
| CUSIP 251093N063 |         |             |                              |                |        |                |           |         |             |                              |                 |        |              |
| Date             | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate   | Interest       | Date      | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding     | Rate   | Interest     |
| 10/1/14          | Ambac   | 6/30/15     | -                            | \$499,675.00   | 5.240% | \$13,091.49    | 10/1/14   | Assured | 6/30/15     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/15           | Ambac   | 6/30/15     | \$134,695.00                 | \$364,980.00   | 5.240% | \$13,091.49    | 4/1/15    | Assured | 6/30/15     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/15          | Ambac   | 6/30/16     | -                            | \$364,980.00   | 5.240% | \$9,562.48     | 10/1/15   | Assured | 6/30/16     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/16           | Ambac   | 6/30/16     | \$143,385.00                 | \$221,595.00   | 5.240% | \$9,562.48     | 4/1/16    | Assured | 6/30/16     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/16          | Ambac   | 6/30/17     | -                            | \$221,595.00   | 5.240% | \$5,805.79     | 10/1/16   | Assured | 6/30/17     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/17           | Ambac   | 6/30/17     | \$147,730.00                 | \$73,865.00    | 5.240% | \$5,805.79     | 4/1/17    | Assured | 6/30/17     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/17          | Ambac   | 6/30/18     | -                            | \$73,865.00    | 5.240% | \$1,935.26     | 10/1/17   | Assured | 6/30/18     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/18           | Ambac   | 6/30/18     | \$73,865.00                  | \$0.00         | 5.240% | \$1,935.26     | 4/1/18    | Assured | 6/30/18     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| Total            |         |             | \$499,675.00                 |                |        | \$69,790.03    |           |         |             |                              |                 |        |              |
| Issuance: 2008-A |         |             |                              |                |        |                |           |         |             |                              |                 |        |              |
| CUSIP 251093N35  |         |             |                              |                |        |                |           |         |             |                              |                 |        |              |
| Date             | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate   | Interest       | Date      | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding     | Rate   | Interest     |
| 10/1/14          | Assured | 6/30/15     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/14   | Assured | 6/30/15     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/15           | Assured | 6/30/15     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/15    | Assured | 6/30/15     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/15          | Assured | 6/30/16     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/15   | Assured | 6/30/16     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/16           | Assured | 6/30/16     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/16    | Assured | 6/30/16     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/16          | Assured | 6/30/17     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/16   | Assured | 6/30/17     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/17           | Assured | 6/30/17     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/17    | Assured | 6/30/17     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/17          | Assured | 6/30/18     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/17   | Assured | 6/30/18     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/18           | Assured | 6/30/18     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/18    | Assured | 6/30/18     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/18          | Assured | 6/30/19     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/18   | Assured | 6/30/19     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/19           | Assured | 6/30/19     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/19    | Assured | 6/30/19     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/19          | Assured | 6/30/20     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/19   | Assured | 6/30/20     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/20           | Assured | 6/30/20     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/20    | Assured | 6/30/20     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/20          | Assured | 6/30/21     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/20   | Assured | 6/30/21     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/21           | Assured | 6/30/21     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/21    | Assured | 6/30/21     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/21          | Assured | 6/30/22     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/21   | Assured | 6/30/22     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/22           | Assured | 6/30/22     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/22    | Assured | 6/30/22     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/2022        | Assured | 6/30/23     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/2022 | Assured | 6/30/23     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/2023         | Assured | 6/30/23     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/2023  | Assured | 6/30/23     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 10/1/2023        | Assured | 6/30/24     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 10/1/2023 | Assured | 6/30/24     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| 4/1/2024         | Assured | 6/30/24     | -                            | \$7,490,780.00 | 5.000% | \$187,269.50   | 4/1/2024  | Assured | 6/30/24     | -                            | \$17,362,620.00 | 5.000% | \$434,065.50 |
| Total            |         |             | \$7,490,780.00               |                |        | \$3,562,682.75 |           |         |             |                              |                 |        |              |

**EXHIBIT C  
STUB UTGO BONDS**





# UTGO Series STUB Bonds - Debt Service

| Maturity Date    | Rate   | Principal      | Insurer | Interest    |             |             |             |             |             |             |             |             |             |             |             | Total Interest | Total Principal & Interest |             |             |             |             |             |             |             |             |             |                |                 |                |
|------------------|--------|----------------|---------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|-----------------|----------------|
|                  |        |                |         | 10/1/21     | 4/1/22      | 10/1/22     | 10/1/22     | 4/1/23      | 10/1/23     | 4/1/23      | 10/1/23     | 4/1/24      | 10/1/24     | 4/1/24      | 10/1/24     |                |                            | 4/1/25      | 10/1/25     | 4/1/25      | 10/1/25     | 4/1/26      | 10/1/26     | 4/1/26      | 10/1/26     | 4/1/27      | 10/1/27        | 4/1/28          |                |
| <b>2001-A(0)</b> |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |             |             |             |             |             |             |             |             |             |                |                 |                |
| 4/1/15           | 5.375% | \$778,140.00   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$41,825.03    | \$819,965.03    |                |
| 4/1/16           | 5.375% | \$820,600.00   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$86,156.45    | \$906,756.45    |                |
| 4/1/17           | 5.375% | \$864,600.00   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$139,416.75   | \$1,004,016.75  |                |
| 4/1/18           | 5.375% | \$1,834,000.00 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$394,310.00   | \$2,228,310.00  |                |
| 4/1/19           | 5.000% | \$1,834,000.00 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$458,500.00   | \$2,292,500.00  |                |
| 4/1/20           | 5.000% | \$1,834,000.00 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$550,200.00   | \$2,384,200.00  |                |
| 4/1/21           | 5.000% | \$1,834,000.00 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$641,900.00   | \$2,475,900.00  |                |
|                  |        | \$9,798,800.00 |         | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$2,314,308.23 | \$12,113,108.23 |                |
| <b>2002</b>      |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |             |             |             |             |             |             |             |             |             |                |                 |                |
| 4/1/21           | 5.125% | \$424,440.00   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$152,267.85   | \$576,707.85    |                |
| 4/1/22           | 5.125% | \$446,055.00   | NPFG    | \$11,430.16 | \$11,430.16 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$182,882.55   | \$628,937.55    |                |
|                  |        | \$870,495.00   |         | \$11,430.16 | \$11,430.16 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$335,150.40   | \$1,205,645.40  |                |
| <b>2003-A</b>    |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |             |             |             |             |             |             |             |             |             |                |                 |                |
| 4/1/15           | 4.000% | \$39,300.00    | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$1,572.00      | \$40,872.00    |
| 4/1/15           | 5.250% | \$334,050.00   | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$17,537.63    | \$351,587.63    |                |
| 4/1/16           | 5.250% | \$392,345.00   | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$41,196.23    | \$433,541.23    |                |
| 4/1/17           | 5.250% | \$412,650.00   | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$64,992.38    | \$477,642.38    |                |
| 4/1/18           | 5.250% | \$434,265.00   | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$91,195.65    | \$525,460.65    |                |
| 4/1/19           | 5.250% | \$457,190.00   | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$120,012.38   | \$577,202.38    |                |
| 4/1/20           | 5.000% | \$65,500.00    | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$17,685.00    | \$83,185.00     |                |
| 4/1/20           | 5.250% | \$415,925.00   | Syncora | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$131,016.38   | \$546,941.38    |                |
| 4/1/21           | 5.250% | \$505,660.00   | Syncora | \$1,514.69  | \$1,514.69  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$24,235.00    | \$529,895.00    |                |
| 4/1/22           | 4.625% | \$65,500.00    | Syncora | \$12,259.14 | \$12,259.14 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$196,146.30   | \$261,646.30    |                |
| 4/1/22           | 5.250% | \$467,015.00   | Syncora | \$4,544.06  | \$4,544.06  | \$4,544.06  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$81,793.13    | \$548,793.13    |                |
| 4/1/23           | 4.625% | \$196,500.00   | Syncora | \$9,542.53  | \$9,542.53  | \$9,542.53  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$171,765.56   | \$368,265.56    |                |
| 4/1/23           | 5.250% | \$363,525.00   | Syncora | \$23,692.99 | \$23,692.99 | \$23,692.99 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$114,977.66   | \$478,700.66    |                |
|                  |        | \$4,149,825.00 |         | \$27,860.43 | \$27,860.43 | \$14,086.59 | \$14,086.59 | \$50,959.66 | \$50,959.66 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19    | \$26,058.19                | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$2,065,309.98 | \$6,215,135.00  |                |
| <b>2004-A(0)</b> |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |             |             |             |             |             |             |             |             |             |                |                 |                |
| 4/1/19           | 5.250% | \$589,500.00   | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$154,743.75    | \$744,243.75   |
| 4/1/20           | 4.250% | \$24,235.00    | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$6,179.93      | \$30,414.93    |
| 4/1/20           | 5.250% | \$797,135.00   | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$251,097.53    | \$1,048,232.53 |
| 4/1/21           | 5.000% | \$864,600.00   | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$381,288.60    | \$1,245,888.60 |
| 4/1/22           | 5.250% | \$907,830.00   | Ambac   | \$23,830.54 | \$23,830.54 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$19,895.63     | \$937,725.63   |
| 4/1/23           | 4.800% | \$491,125.00   | Ambac   | \$1,105.31  | \$1,105.31  | \$1,105.31  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$428,330.70    | \$919,455.70   |
| 4/1/23           | 5.250% | \$906,520.00   | Ambac   | \$23,796.15 | \$23,796.15 | \$23,796.15 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$47,304.10     | \$953,824.10   |
| 4/1/24           | 4.600% | \$102,835.00   | Ambac   | \$2,365.21  | \$2,365.21  | \$2,365.21  | \$2,365.21  | -           | -           | -           | -           | -           | -           | -           | -           | -              | -                          | -           | -           | -           | -           | -           | -           | -           | -           | -           | -              | \$473,859.75    | \$1,496,694.75 |
| 4/1/24           | 5.250% | \$902,590.00   | Ambac   | \$74,790.19 | \$74,790.19 | \$50,959.66 | \$50,959.66 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19    | \$26,058.19                | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$26,058.19 | \$2,065,309.98 | \$6,215,135.00  |                |





**EXHIBIT D**  
**DEBT SERVICE REQUIREMENTS AND SET ASIDE LEDGER**

# UTGO Series 2014 DSA Fourth Lien Restructured Bonds Property Tax Set Asides

| Month     | Year | Interest Set-Aside | Principal Set-Aside | Total Set-Aside | Interest Payments | Principal Payments | Balance Requirements |
|-----------|------|--------------------|---------------------|-----------------|-------------------|--------------------|----------------------|
| September | 2014 | \$7,303,799.99     | \$15,602,895.00     | \$22,906,694.99 | -                 | -                  | \$22,906,694.99      |
| October   | 2014 | -                  | -                   | -               | \$7,303,799.99    | -                  | \$15,602,895.00      |
| November  | 2014 | \$2,434,600.00     | \$5,200,965.00      | \$7,635,565.00  | -                 | -                  | \$23,238,460.00      |
| January   | 2015 | \$2,434,600.00     | \$5,200,965.00      | \$7,635,565.00  | -                 | -                  | \$30,874,024.99      |
| March     | 2015 | \$2,434,600.00     | \$5,200,965.00      | \$7,635,565.00  | -                 | -                  | \$38,509,589.99      |
| April     | 2015 | -                  | -                   | -               | \$7,303,799.99    | \$31,205,790.00    | -                    |
| September | 2015 | \$6,509,252.86     | \$14,253,772.50     | \$20,763,025.36 | -                 | -                  | \$20,763,025.36      |
| October   | 2015 | -                  | -                   | -               | \$6,509,252.86    | -                  | \$14,253,772.50      |
| November  | 2015 | \$2,169,750.95     | \$4,751,257.50      | \$6,921,008.45  | -                 | -                  | \$21,174,780.95      |
| January   | 2016 | \$2,169,750.95     | \$4,751,257.50      | \$6,921,008.45  | -                 | -                  | \$28,095,789.41      |
| March     | 2016 | \$2,169,750.95     | \$4,751,257.50      | \$6,921,008.45  | -                 | -                  | \$35,016,797.86      |
| April     | 2016 | -                  | -                   | -               | \$6,509,252.86    | \$28,507,545.00    | -                    |
| September | 2016 | \$5,773,048.66     | \$14,975,042.50     | \$20,748,091.16 | -                 | -                  | \$20,748,091.16      |
| October   | 2016 | -                  | -                   | -               | \$5,773,048.66    | -                  | \$14,975,042.50      |
| November  | 2016 | \$1,924,349.55     | \$4,991,680.83      | \$6,916,030.39  | -                 | -                  | \$21,891,072.89      |
| January   | 2017 | \$1,924,349.55     | \$4,991,680.83      | \$6,916,030.39  | -                 | -                  | \$28,807,103.28      |
| March     | 2017 | \$1,924,349.55     | \$4,991,680.83      | \$6,916,030.39  | -                 | -                  | \$35,723,133.66      |
| April     | 2017 | -                  | -                   | -               | \$5,773,048.66    | \$29,950,085.00    | -                    |
| September | 2017 | \$5,016,593.72     | \$15,244,432.50     | \$20,261,026.22 | -                 | -                  | \$20,261,026.22      |
| October   | 2017 | -                  | -                   | -               | \$5,016,593.72    | -                  | \$15,244,432.50      |
| November  | 2017 | \$1,672,197.91     | \$5,081,477.50      | \$6,753,675.41  | -                 | -                  | \$21,998,107.91      |
| January   | 2018 | \$1,672,197.91     | \$5,081,477.50      | \$6,753,675.41  | -                 | -                  | \$28,751,783.32      |
| March     | 2018 | \$1,672,197.91     | \$5,081,477.50      | \$6,753,675.41  | -                 | -                  | \$35,505,458.72      |
| April     | 2018 | -                  | -                   | -               | \$5,016,593.72    | \$30,488,865.00    | -                    |
| September | 2018 | \$4,240,145.92     | \$14,955,490.00     | \$19,195,635.92 | -                 | -                  | \$19,195,635.92      |
| October   | 2018 | -                  | -                   | -               | \$4,240,145.92    | -                  | \$14,955,490.00      |
| November  | 2018 | \$1,413,381.97     | \$4,985,163.33      | \$6,398,545.31  | -                 | -                  | \$21,354,035.31      |
| January   | 2019 | \$1,413,381.97     | \$4,985,163.33      | \$6,398,545.31  | -                 | -                  | \$27,752,580.61      |
| March     | 2019 | \$1,413,381.97     | \$4,985,163.33      | \$6,398,545.31  | -                 | -                  | \$34,151,125.92      |
| April     | 2019 | -                  | -                   | -               | \$4,240,145.92    | \$29,910,980.00    | -                    |
| September | 2019 | \$3,480,721.39     | \$15,407,370.00     | \$18,888,091.39 | -                 | -                  | \$18,888,091.39      |
| October   | 2019 | -                  | -                   | -               | \$3,480,721.39    | -                  | \$15,407,370.00      |
| November  | 2019 | \$1,160,240.46     | \$5,135,790.00      | \$6,296,030.46  | -                 | -                  | \$21,703,400.46      |
| January   | 2020 | \$1,160,240.46     | \$5,135,790.00      | \$6,296,030.46  | -                 | -                  | \$27,999,430.92      |
| March     | 2020 | \$1,160,240.46     | \$5,135,790.00      | \$6,296,030.46  | -                 | -                  | \$34,295,461.39      |
| April     | 2020 | -                  | -                   | -               | \$3,480,721.39    | \$30,814,740.00    | -                    |
| September | 2020 | \$2,698,849.50     | \$15,865,767.50     | \$18,564,617.00 | -                 | -                  | \$18,564,617.00      |
| October   | 2020 | -                  | -                   | -               | \$2,698,849.50    | -                  | \$15,865,767.50      |
| November  | 2020 | \$899,616.50       | \$5,288,589.17      | \$6,188,205.67  | -                 | -                  | \$22,053,973.17      |
| January   | 2021 | \$899,616.50       | \$5,288,589.17      | \$6,188,205.67  | -                 | -                  | \$28,242,178.83      |
| March     | 2021 | \$899,616.50       | \$5,288,589.17      | \$6,188,205.67  | -                 | -                  | \$34,430,384.50      |
| April     | 2021 | -                  | -                   | -               | \$2,698,849.50    | \$31,731,535.00    | -                    |
| September | 2021 | \$1,899,608.47     | \$10,169,472.50     | \$12,069,080.97 | -                 | -                  | \$12,069,080.97      |
| October   | 2021 | -                  | -                   | -               | \$1,899,608.47    | -                  | \$10,169,472.50      |
| November  | 2021 | \$633,202.82       | \$3,389,824.17      | \$4,023,026.99  | -                 | -                  | \$14,192,499.49      |
| January   | 2022 | \$633,202.82       | \$3,389,824.17      | \$4,023,026.99  | -                 | -                  | \$18,215,526.48      |
| March     | 2022 | \$633,202.82       | \$3,389,824.17      | \$4,023,026.99  | -                 | -                  | \$22,238,553.47      |
| April     | 2022 | -                  | -                   | -               | \$1,899,608.47    | \$20,338,945.00    | -                    |
| September | 2022 | \$1,378,700.00     | \$9,026,737.50      | \$10,405,437.50 | -                 | -                  | \$10,405,437.50      |
| October   | 2022 | -                  | -                   | -               | \$1,378,700.00    | -                  | \$9,026,737.50       |
| November  | 2022 | \$459,566.67       | \$3,008,912.50      | \$3,468,479.17  | -                 | -                  | \$12,495,216.67      |
| January   | 2023 | \$459,566.67       | \$3,008,912.50      | \$3,468,479.17  | -                 | -                  | \$15,963,695.83      |
| March     | 2023 | \$459,566.67       | \$3,008,912.50      | \$3,468,479.17  | -                 | -                  | \$19,432,175.00      |
| April     | 2023 | -                  | -                   | -               | \$1,378,700.00    | \$18,053,475.00    | -                    |
| September | 2023 | \$920,090.68       | \$7,425,605.00      | \$8,345,695.68  | -                 | -                  | \$8,345,695.68       |
| October   | 2023 | -                  | -                   | -               | \$920,090.68      | -                  | \$7,425,605.00       |
| November  | 2023 | \$306,696.89       | \$2,475,201.67      | \$2,781,898.56  | -                 | -                  | \$10,207,503.56      |

# UTGO Series 2014 DSA Fourth Lien Restructured Bonds Property Tax Set Asides

| Month        | Year | Interest Set-Aside | Principal Set-Aside | Total Set-Aside | Interest Payments   | Principal Payments   | Balance Requirements |
|--------------|------|--------------------|---------------------|-----------------|---------------------|----------------------|----------------------|
| January      | 2024 | \$306,696.89       | \$2,475,201.67      | \$2,781,898.56  | -                   | -                    | \$12,989,402.12      |
| March        | 2024 | \$306,696.89       | \$2,475,201.67      | \$2,781,898.56  | -                   | -                    | \$15,771,300.68      |
| April        | 2024 | -                  | -                   | -               | \$920,090.68        | \$14,851,210.00      | -                    |
| September    | 2024 | \$542,690.50       | \$4,186,407.50      | \$4,729,098.00  | -                   | -                    | \$4,729,098.00       |
| October      | 2024 | -                  | -                   | -               | \$542,690.50        | -                    | \$4,186,407.50       |
| November     | 2024 | \$180,896.83       | \$1,395,469.17      | \$1,576,366.00  | -                   | -                    | \$5,762,773.50       |
| January      | 2025 | \$180,896.83       | \$1,395,469.17      | \$1,576,366.00  | -                   | -                    | \$7,339,139.50       |
| March        | 2025 | \$180,896.83       | \$1,395,469.17      | \$1,576,366.00  | -                   | -                    | \$8,915,505.50       |
| April        | 2025 | -                  | -                   | -               | \$542,690.50        | \$8,372,815.00       | -                    |
| September    | 2025 | \$333,370.13       | \$2,116,015.00      | \$2,449,385.13  | -                   | -                    | \$2,449,385.13       |
| October      | 2025 | -                  | -                   | -               | \$333,370.13        | -                    | \$2,116,015.00       |
| November     | 2025 | \$111,123.38       | \$705,338.33        | \$816,461.71    | -                   | -                    | \$2,932,476.71       |
| January      | 2026 | \$111,123.38       | \$705,338.33        | \$816,461.71    | -                   | -                    | \$3,748,938.42       |
| March        | 2026 | \$111,123.38       | \$705,338.33        | \$816,461.71    | -                   | -                    | \$4,565,400.13       |
| April        | 2026 | -                  | -                   | -               | \$333,370.13        | \$4,232,030.00       | -                    |
| September    | 2026 | \$227,569.38       | \$2,220,295.00      | \$2,447,864.38  | -                   | -                    | \$2,447,864.38       |
| October      | 2026 | -                  | -                   | -               | \$227,569.38        | -                    | \$2,220,295.00       |
| November     | 2026 | \$75,856.46        | \$740,098.33        | \$815,954.79    | -                   | -                    | \$3,036,249.79       |
| January      | 2027 | \$75,856.46        | \$740,098.33        | \$815,954.79    | -                   | -                    | \$3,852,204.58       |
| March        | 2027 | \$75,856.46        | \$740,098.33        | \$815,954.79    | -                   | -                    | \$4,668,159.38       |
| April        | 2027 | -                  | -                   | -               | \$227,569.38        | \$4,440,590.00       | -                    |
| September    | 2027 | \$116,554.63       | \$2,331,092.50      | \$2,447,647.13  | -                   | -                    | \$2,447,647.13       |
| October      | 2027 | -                  | -                   | -               | \$116,554.63        | -                    | \$2,331,092.50       |
| November     | 2027 | \$38,851.54        | \$777,030.83        | \$815,882.38    | -                   | -                    | \$3,146,974.88       |
| January      | 2028 | \$38,851.54        | \$777,030.83        | \$815,882.38    | -                   | -                    | \$3,962,857.25       |
| March        | 2028 | \$38,851.54        | \$777,030.83        | \$815,882.38    | -                   | -                    | \$4,778,739.63       |
| April        | 2028 | -                  | -                   | -               | \$116,554.63        | \$4,662,185.00       | -                    |
| <b>Total</b> |      |                    |                     |                 | <b>\$80,881,992</b> | <b>\$287,560,790</b> |                      |

**EXHIBIT E  
FEE SCHEDULE**



U.S. Bank Customer Confidential

Schedule of Fees for Services as
ESCROW TRUSTEE
For
City of Detroit Debt Millage Deposit Escrow Agreement

Table with 3 columns: ID (CTS01010A, CTS04460), Description (Acceptance Fee, Escrow Trustee, Direct Out of Pocket Expenses, Extraordinary Services), and Amount (\$1,000.00, \$5,000.00, At Cost). Includes detailed descriptions for each fee type.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity.

Dated: July 21, 2014

**EXHIBIT F  
PAYMENTS TO PLAN ASSIGNEES**

**Wire Instructions for the Plan Assignees:**

Police & Fire Retirement System of the City of Detroit, Income Stabilization Fund

General Retirement System of the City of Detroit, Income Stabilization Fund

General Retirement System of the City of Detroit, \_\_\_\_\_ Fund

**Schedule of Payments**

| <u>Date</u> | <u>PFRS ISF</u> | <u>GRS ISF</u> | <u>GRS</u> | <u>Fund</u> |
|-------------|-----------------|----------------|------------|-------------|
|-------------|-----------------|----------------|------------|-------------|

**AGGREGATE PAYMENTS TO PLAN ASSIGNEES**

| <u>Date</u> | <u>Income Stabilization Funds</u> |                        | <u>GRS</u>             | <u>Total</u>           |
|-------------|-----------------------------------|------------------------|------------------------|------------------------|
|             | <u>PFRS</u>                       | <u>GRS</u>             | <u>Pension</u>         | <u>Payment</u>         |
| 10/1/14     | \$99,248.43                       | \$297,220.18           | \$704,564.52           | \$1,101,033.14         |
| 4/1/15      | \$523,291.50                      | \$1,567,105.81         | \$3,714,845.83         | \$5,805,243.14         |
| 10/1/15     | \$88,451.65                       | \$264,886.95           | \$627,918.16           | \$981,256.76           |
| 4/1/16      | \$475,829.33                      | \$1,424,970.44         | \$3,377,911.98         | \$5,278,711.76         |
| 10/1/16     | \$78,447.66                       | \$234,927.93           | \$556,899.87           | \$870,275.46           |
| 4/1/17      | \$485,427.45                      | \$1,453,714.01         | \$3,446,049.00         | \$5,385,190.46         |
| 10/1/17     | \$68,168.50                       | \$204,144.82           | \$483,928.09           | \$756,241.40           |
| 4/1/18      | \$482,469.55                      | \$1,444,855.96         | \$3,425,050.88         | \$5,352,376.40         |
| 10/1/18     | \$57,617.66                       | \$172,548.12           | \$409,027.68           | \$639,193.46           |
| 4/1/19      | \$464,066.06                      | \$1,389,742.87         | \$3,294,404.53         | \$5,148,213.46         |
| 10/1/19     | \$47,298.14                       | \$141,644.17           | \$335,769.44           | \$524,711.74           |
| 4/1/20      | \$466,027.38                      | \$1,395,616.44         | \$3,308,327.92         | \$5,169,971.74         |
| 10/1/20     | \$36,673.59                       | \$109,826.74           | \$260,345.79           | \$406,846.13           |
| 4/1/21      | \$467,860.80                      | \$1,401,106.99         | \$3,321,343.34         | \$5,190,311.13         |
| 10/1/21     | \$25,813.02                       | \$77,302.50            | \$183,246.63           | \$286,362.15           |
| 4/1/22      | \$302,190.86                      | \$904,973.71           | \$2,145,252.59         | \$3,352,417.15         |
| 10/1/22     | \$18,734.61                       | \$56,104.69            | \$132,996.95           | \$207,836.25           |
| 4/1/23      | \$264,056.09                      | \$790,771.19           | \$1,874,533.96         | \$2,929,361.25         |
| 10/1/23     | \$12,502.75                       | \$37,442.09            | \$88,756.98            | \$138,701.82           |
| 4/1/24      | \$214,309.93                      | \$641,795.90           | \$1,521,385.99         | \$2,377,491.82         |
| 10/1/24     | \$7,374.41                        | \$22,084.20            | \$52,350.90            | \$81,809.50            |
| 4/1/25      | \$121,149.26                      | \$362,806.78           | \$860,038.46           | \$1,343,994.50         |
| 10/1/25     | \$4,530.03                        | \$13,566.13            | \$32,158.71            | \$50,254.88            |
| 4/1/26      | \$62,037.41                       | \$185,783.98           | \$440,403.48           | \$688,224.88           |
| 10/1/26     | \$3,092.35                        | \$9,260.69             | \$21,952.59            | \$34,305.63            |
| 4/1/27      | \$63,433.76                       | \$189,965.66           | \$450,316.20           | \$703,715.63           |
| 10/1/27     | \$1,583.81                        | \$4,743.06             | \$11,243.50            | \$17,570.38            |
| 4/1/28      | \$64,936.39                       | \$194,465.60           | \$460,983.38           | \$720,385.38           |
|             | <u>\$5,006,622.37</u>             | <u>\$14,993,377.63</u> | <u>\$35,542,007.36</u> | <u>\$55,542,007.36</u> |

# UTGO Series STUB Bonds - Debt Service (PFRS ISF Allocation)

| Maturity Date         | Rate   | Principal    | Insurer  | Interest    |             |             |             |             |             |             |             |             |             |             |             |
|-----------------------|--------|--------------|----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                       |        |              |          | 10/1/14     | 4/1/15      | 10/1/15     | 4/1/16      | 10/1/16     | 4/1/17      | 10/1/17     | 4/1/18      | 10/1/18     | 4/1/19      | 10/1/20     | 4/1/21      |
| <b>UTGO 1999-A</b>    |        |              |          |             |             |             |             |             |             |             |             |             |             |             |             |
| 251093SM3             | 4/1/15 | \$33,654.21  | Assured  | \$883.42    |             |             |             |             |             |             |             |             |             |             |             |
| 251093SM4             | 4/1/16 | \$35,366.44  | Assured  | \$884.16    | \$884.16    |             |             |             |             |             |             |             |             |             |             |
| 251093SN1             | 4/1/17 | \$37,137.72  | Assured  | \$928.44    | \$928.44    | \$928.44    |             |             |             |             |             |             |             |             |             |
| 251093SP6             | 4/1/18 | \$39,027.08  | Assured  | \$975.68    | \$975.68    | \$975.68    | \$975.68    |             |             |             |             |             |             |             |             |
| 251093SO4             | 4/1/19 | \$40,975.48  | Assured  | \$1,024.39  | \$1,024.39  | \$1,024.39  | \$1,024.39  | \$1,024.39  |             |             |             |             |             |             |             |
| 251093SR2             | 4/1/20 | \$46,996.09  | Assured  | \$1,024.39  | \$1,024.39  | \$1,024.39  | \$1,024.39  | \$1,024.39  | \$1,024.39  |             |             |             |             |             |             |
|                       |        | \$186,160.93 |          | \$3,812.67  | \$3,812.67  | \$3,812.67  | \$3,812.67  | \$3,812.67  | \$3,812.67  | \$2,000.06  | \$2,000.06  | \$1,024.39  | \$1,024.39  |             |             |
| <b>UTGO 2001-A(1)</b> |        |              |          |             |             |             |             |             |             |             |             |             |             |             |             |
| 031UX6                | 4/1/15 | \$70,142.46  | NPTFG    | \$1,885.08  | \$1,885.08  |             |             |             |             |             |             |             |             |             |             |
| 031VX3                | 4/1/16 | \$73,921.18  | NPTFG    | \$1,986.63  | \$1,986.63  | \$1,986.63  |             |             |             |             |             |             |             |             |             |
| 031VX5                | 4/1/17 | \$77,094.53  | NPTFG    | \$2,094.53  | \$2,094.53  | \$2,094.53  |             |             |             |             |             |             |             |             |             |
| 031VX7                | 4/1/18 | \$80,267.88  | NPTFG    | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  |             |             |             |             |             |             |             |             |
| 031VX9                | 4/1/19 | \$83,441.23  | NPTFG    | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  |             |             |             |             |             |             |             |
| 031VX7                | 4/1/20 | \$86,614.88  | NPTFG    | \$2,418.23  | \$2,418.23  | \$2,418.23  | \$2,418.23  | \$2,418.23  |             |             |             |             |             |             |             |
| 031VX0                | 4/1/21 | \$89,788.53  | NPTFG    | \$2,526.13  | \$2,526.13  | \$2,526.13  | \$2,526.13  | \$2,526.13  | \$2,526.13  |             |             |             |             |             |             |
|                       |        | \$893,275.45 |          | \$20,923.03 | \$20,923.03 | \$20,923.03 | \$20,923.03 | \$20,923.03 | \$20,923.03 | \$18,936.40 | \$18,936.40 | \$16,841.87 | \$16,841.87 | \$12,398.92 | \$12,398.92 |
| <b>UTGO 2002</b>      |        |              |          |             |             |             |             |             |             |             |             |             |             |             |             |
| 093WV8                | 4/1/21 | \$38,259.52  | NPTFG    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    | \$980.40    |
| 093WV6                | 4/1/22 | \$40,207.93  | NPTFG    | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  | \$1,030.33  |
|                       |        | \$78,467.45  |          | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  | \$2,010.73  |
| <b>UTGO 2003-A</b>    |        |              |          |             |             |             |             |             |             |             |             |             |             |             |             |
| 093XFP0               | 4/1/15 | \$3,542.55   | Syncoira | \$70.85     | \$70.85     |             |             |             |             |             |             |             |             |             |             |
| 093XQ8                | 4/1/16 | \$30,111.66  | Syncoira | \$790.43    | \$790.43    | \$790.43    |             |             |             |             |             |             |             |             |             |
| 093XR6                | 4/1/17 | \$35,366.44  | Syncoira | \$928.37    | \$928.37    | \$928.37    | \$928.37    |             |             |             |             |             |             |             |             |
| 093XS4                | 4/1/18 | \$37,137.72  | Syncoira | \$976.41    | \$976.41    | \$976.41    | \$976.41    | \$976.41    |             |             |             |             |             |             |             |
| 093XT2                | 4/1/19 | \$39,027.08  | Syncoira | \$1,027.56  | \$1,027.56  | \$1,027.56  | \$1,027.56  | \$1,027.56  |             |             |             |             |             |             |             |
| 093XV7                | 4/1/20 | \$41,211.65  | Syncoira | \$1,081.81  | \$1,081.81  | \$1,081.81  | \$1,081.81  | \$1,081.81  | \$1,081.81  |             |             |             |             |             |             |
| 093XW5                | 4/1/21 | \$43,491.97  | Syncoira | \$1,136.54  | \$1,136.54  | \$1,136.54  | \$1,136.54  | \$1,136.54  | \$1,136.54  |             |             |             |             |             |             |
| 093XW3                | 4/1/22 | \$45,800.79  | Syncoira | \$1,196.50  | \$1,196.50  | \$1,196.50  | \$1,196.50  | \$1,196.50  | \$1,196.50  | \$1,196.50  |             |             |             |             |             |
| 093XY1                | 4/1/23 | \$48,209.25  | Syncoira | \$1,260.46  | \$1,260.46  | \$1,260.46  | \$1,260.46  | \$1,260.46  | \$1,260.46  | \$1,260.46  |             |             |             |             |             |
| 093YZ8                | 4/1/24 | \$50,712.74  | Syncoira | \$1,326.42  | \$1,326.42  | \$1,326.42  | \$1,326.42  | \$1,326.42  | \$1,326.42  | \$1,326.42  | \$1,326.42  |             |             |             |             |
| 093YX2                | 4/1/25 | \$53,318.23  | Syncoira | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  |             |             |             |
| 093YB0                | 4/1/26 | \$56,030.72  | Syncoira | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  | \$1,464.84  |             |             |
|                       |        | \$374,034.09 |          | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  | \$9,700.31  |
| <b>UTGO 2004-A(1)</b> |        |              |          |             |             |             |             |             |             |             |             |             |             |             |             |
| 093YX2                | 4/1/19 | \$53,138.23  | Ambac    | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  | \$1,394.88  |
| 093YX0                | 4/1/20 | \$2,184.57   | Ambac    | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     | \$46.42     |
| 093YZ7                | 4/1/21 | \$71,854.69  | Ambac    | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  | \$1,886.19  |
| 093ZA1                | 4/1/22 | \$77,936.07  | Ambac    | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  | \$1,948.40  |
| 093ZB9                | 4/1/23 | \$81,832.87  | Ambac    | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  | \$2,148.11  |
| 093ZC7                | 4/1/24 | \$84,428.19  | Ambac    | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  | \$2,202.43  |
| 093ZD5                | 4/1/25 | \$87,114.79  | Ambac    | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  | \$2,256.75  |
| 093ZEE3               | 4/1/26 | \$90,269.67  | Ambac    | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  | \$2,310.33  |
| 093ZFO                | 4/1/27 | \$93,430.51  | Ambac    | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  | \$2,364.24  |
|                       |        | \$463,719.61 |          | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 | \$12,017.56 |

Subject to Mandatory Redemption





# UTGO Series STUB Bonds - Debt Service (PFRS ISF Allocation)

| Maturity Date         | Rate   | Principal | Insurer | Interest |        |         |        |         |        |         |        |         |        |         |        | Total Principal & Interest |                |                |
|-----------------------|--------|-----------|---------|----------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|----------------------------|----------------|----------------|
|                       |        |           |         | 10/1/21  | 4/1/22 | 10/1/22 | 4/1/23 | 10/1/23 | 4/1/24 | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 | 10/1/26 | 4/1/27 |                            | 10/1/27        | 4/1/28         |
| <b>UTGO 2004-B(1)</b> |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            |                |                |
| 2/28/32ZP8            | 4/1/15 | 5.000%    | Ambac   |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$5,121.93     | \$107,560.63   |
| 2/28/32ZQ6            | 4/1/16 | 5.250%    | Ambac   |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$11,289.22    | \$118,805.57   |
| 2/28/32ZR4            | 4/1/17 | 4.000%    | Ambac   |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$432.19       | \$4,033.78     |
| 2/28/32ZS2            | 4/1/17 | 5.250%    | Ambac   |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$17,259.30    | \$126,842.13   |
| 2/28/32ZT0            | 4/1/18 | 5.250%    | Ambac   |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$4,959.57     | \$28,576.56    |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$39,062.21    | \$385,818.67   |
| <b>UTGO 2004-B(2)</b> |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            |                |                |
| 2/28/32ZX1            | 4/1/19 | 5.240%    | Ambac   |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$826.05       | \$7,615.94     |
| <b>UTGO 2005-B</b>    |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            |                |                |
| 2/28/32Y33            | 4/1/15 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$1,352.07     | \$28,393.53    |
| 2/28/32Y36            | 4/1/16 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$2,839.94     | \$31,239.37    |
| 2/28/32Y37            | 4/1/17 | 4.300%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$3,838.71     | \$33,596.11    |
| 2/28/32Y38            | 4/1/17 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$6,223.08     | \$37,338.46    |
| 2/28/32Y39            | 4/1/18 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$8,162.62     | \$40,813.11    |
| 2/28/32Y40            | 4/1/19 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$17,127.74    | \$76,755.22    |
| 2/28/32Y41            | 4/1/20 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$20,664.87    | \$79,707.34    |
| 2/28/32Y42            | 4/1/21 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$23,616.99    | \$82,659.47    |
| 2/28/32Y43            | 4/1/22 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$26,569.11    | \$85,611.59    |
| 2/28/32Y44            | 4/1/23 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$29,521.24    | \$88,563.71    |
| 2/28/32Y45            | 4/1/24 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$32,473.36    | \$91,515.84    |
| 2/28/32Y46            | 4/1/25 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$174,974.74   | \$676,193.76   |
| <b>UTGO 2005-C</b>    |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            |                |                |
| 2/28/32Z92            | 4/1/15 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$1,360.93     | \$28,579.51    |
| 2/28/32Z93            | 4/1/16 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$2,863.56     | \$31,499.16    |
| 2/28/32Z94            | 4/1/17 | 4.300%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$3,876.79     | \$33,929.41    |
| 2/28/32Z95            | 4/1/18 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$6,211.27     | \$37,267.61    |
| 2/28/32Z96            | 4/1/19 | 5.250%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$8,477.76     | \$40,774.00    |
| 2/28/32Z97            | 4/1/20 | 5.250%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$10,731.27    | \$44,798.77    |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$33,521.57    | \$216,848.46   |
| <b>UTGO 2008-A</b>    |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            |                |                |
| 2/28/32M56            | 4/1/15 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$1,697.47     | \$35,646.90    |
| 2/28/32M64            | 4/1/16 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$3,560.26     | \$39,162.87    |
| 2/28/32M72            | 4/1/17 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$5,614.94     | \$43,047.87    |
| 2/28/32M80            | 4/1/18 | 4.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$6,282.12     | \$45,545.37    |
| 2/28/32M98            | 4/1/19 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$10,214.35    | \$51,971.74    |
| 2/28/32N22            | 4/1/20 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$12,859.45    | \$55,724.29    |
| 2/28/32N30            | 4/1/21 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$15,767.29    | \$60,816.70    |
| 2/28/32N48            | 4/1/22 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$18,917.21    | \$66,210.23    |
| 2/28/32N55            | 4/1/24 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$150,201.11   | \$150,201.11   |
| 2/28/32N63            | 4/1/28 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$148,175.95   | \$384,109.69   |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$271,500.92   | \$931,536.77   |
| <b>UTGO 2008-B(1)</b> |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            |                |                |
| 2/28/32P53            | 4/1/15 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$4,705.69     | \$98,819.39    |
| 2/28/32P61            | 4/1/16 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$4,062.12     | \$44,683.35    |
| 2/28/32P79            | 4/1/17 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$6,341.16     | \$48,615.57    |
| 2/28/32P87            | 4/1/18 | 5.000%    | Assured |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$8,950.84     | \$53,705.04    |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$24,059.81    | \$24,059.81    |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$3,092.35     | \$3,092.35     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$4,530.03     | \$4,530.03     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$7,574.41     | \$7,574.41     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$1,583.81     | \$1,583.81     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$3,092.35     | \$3,092.35     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$4,530.03     | \$4,530.03     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$1,583.81     | \$1,583.81     |
|                       |        |           |         |          |        |         |        |         |        |         |        |         |        |         |        |                            | \$1,099,073.20 | \$5,006,622.37 |

# UTGO Series STUB Bonds - Debt Service (PFRS ISF Allocation)

## Bond Series Subject to Mandatory Redemption

| Issuance: 2004-B(2) |         |             |                              |              |                    |                    |              |         |             | Issuance: 2008-A             |              |        |            |           |                    |             |                              |              |        |            |
|---------------------|---------|-------------|------------------------------|--------------|--------------------|--------------------|--------------|---------|-------------|------------------------------|--------------|--------|------------|-----------|--------------------|-------------|------------------------------|--------------|--------|------------|
| CUSIP<br>251093ZK1  |         |             |                              |              | CUSIP<br>251093N63 |                    |              |         |             | CUSIP<br>251093N65           |              |        |            |           | CUSIP<br>251093N63 |             |                              |              |        |            |
| Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate               | Interest           | Date         | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate   | Interest   | Date      | Insurer            | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate   | Interest   |
| 10/1/14             | Ambac   | 6/30/15     | -                            | \$6,789.88   | 5.240%             | \$177.89           | 10/1/14      | Assured | 6/30/15     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 10/1/14   | Assured            | 6/30/15     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 4/1/15              | Ambac   | 6/30/15     | \$1,830.32                   | \$4,959.57   | 5.240%             | \$177.89           | 4/1/15       | Assured | 6/30/15     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 4/1/15    | Assured            | 6/30/15     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 10/1/15             | Ambac   | 6/30/16     | -                            | \$4,959.57   | 5.240%             | \$129.94           | 10/1/15      | Assured | 6/30/16     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 10/1/15   | Assured            | 6/30/16     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 4/1/16              | Ambac   | 6/30/16     | \$1,948.40                   | \$3,011.17   | 5.240%             | \$129.94           | 4/1/16       | Assured | 6/30/16     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 4/1/16    | Assured            | 6/30/16     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 10/1/16             | Ambac   | 6/30/17     | -                            | \$3,011.17   | 5.240%             | \$78.89            | 10/1/16      | Assured | 6/30/17     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 10/1/16   | Assured            | 6/30/17     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 4/1/17              | Ambac   | 6/30/17     | \$2,007.44                   | \$1,003.72   | 5.240%             | \$78.89            | 4/1/17       | Assured | 6/30/17     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 4/1/17    | Assured            | 6/30/17     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 10/1/17             | Ambac   | 6/30/18     | -                            | \$1,003.72   | 5.240%             | \$26.30            | 10/1/17      | Assured | 6/30/18     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 10/1/17   | Assured            | 6/30/18     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| 4/1/18              | Ambac   | 6/30/18     | \$6,789.88                   | \$1,003.72   | 5.240%             | \$26.30            | 4/1/18       | Assured | 6/30/18     | -                            | \$235,933.74 | 5.000% | \$5,898.34 | 4/1/18    | Assured            | 6/30/18     | -                            | \$235,933.74 | 5.000% | \$5,898.34 |
| <b>Total</b>        |         |             |                              |              |                    | <b>\$826.05</b>    | <b>Total</b> |         |             |                              |              |        |            |           | <b>Total</b>       |             |                              |              |        |            |
| Issuance: 2008-A    |         |             |                              |              |                    |                    |              |         |             | Issuance: 2008-A             |              |        |            |           |                    |             |                              |              |        |            |
| 10/1/14             | Assured | 6/30/15     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/14      | Assured | 6/30/15     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/14   | Assured            | 6/30/15     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/15              | Assured | 6/30/15     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/15       | Assured | 6/30/15     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/15    | Assured            | 6/30/15     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/15             | Assured | 6/30/16     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/15      | Assured | 6/30/16     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/15   | Assured            | 6/30/16     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/16              | Assured | 6/30/16     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/16       | Assured | 6/30/16     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/16    | Assured            | 6/30/16     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/16             | Assured | 6/30/17     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/16      | Assured | 6/30/17     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/16   | Assured            | 6/30/17     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/17              | Assured | 6/30/17     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/17       | Assured | 6/30/17     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/17    | Assured            | 6/30/17     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/17             | Assured | 6/30/18     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/17      | Assured | 6/30/18     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/17   | Assured            | 6/30/18     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/18              | Assured | 6/30/18     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/18       | Assured | 6/30/18     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/18    | Assured            | 6/30/18     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/18             | Assured | 6/30/19     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/18      | Assured | 6/30/19     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/18   | Assured            | 6/30/19     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/19              | Assured | 6/30/19     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/19       | Assured | 6/30/19     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/19    | Assured            | 6/30/19     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/19             | Assured | 6/30/20     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/19      | Assured | 6/30/20     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/19   | Assured            | 6/30/20     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/20              | Assured | 6/30/20     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/20       | Assured | 6/30/20     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/20    | Assured            | 6/30/20     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/20             | Assured | 6/30/21     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/20      | Assured | 6/30/21     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/20   | Assured            | 6/30/21     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/21              | Assured | 6/30/21     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/21       | Assured | 6/30/21     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/21    | Assured            | 6/30/21     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/21             | Assured | 6/30/22     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/21      | Assured | 6/30/22     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/21   | Assured            | 6/30/22     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/22              | Assured | 6/30/22     | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/22       | Assured | 6/30/22     | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/22    | Assured            | 6/30/22     | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/2022           | Assured | 6/30/2023   | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/2022    | Assured | 6/30/2023   | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/2022 | Assured            | 6/30/2023   | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/2023            | Assured | 6/30/2023   | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/2023     | Assured | 6/30/2023   | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/2023  | Assured            | 6/30/2023   | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/2023           | Assured | 6/30/2024   | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/2023    | Assured | 6/30/2024   | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/2023 | Assured            | 6/30/2024   | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 4/1/2024            | Assured | 6/30/2024   | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 4/1/2024     | Assured | 6/30/2024   | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 4/1/2024  | Assured            | 6/30/2024   | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| 10/1/2024           | Assured | 6/30/2025   | -                            | \$101,789.23 | 5.000%             | \$2,544.73         | 10/1/2024    | Assured | 6/30/2025   | -                            | \$101,789.23 | 5.000% | \$2,544.73 | 10/1/2024 | Assured            | 6/30/2025   | -                            | \$101,789.23 | 5.000% | \$2,544.73 |
| <b>Total</b>        |         |             |                              |              |                    | <b>\$48,411.88</b> | <b>Total</b> |         |             |                              |              |        |            |           | <b>Total</b>       |             |                              |              |        |            |



# UTGO Series STUB Bonds - Debt Service (GRS ISF Allocation)

| Maturity Date    | Rate   | Principal | Insurer | 10/1/14         | 4/1/15       | 10/1/15      | 4/1/16       | 10/1/16      | 4/1/17       | 10/1/17      | 4/1/18       | 10/1/18      | 4/1/19       | 10/1/19      | 4/1/20       | 10/1/20      | 4/1/21       |
|------------------|--------|-----------|---------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                  |        |           |         | Interest        |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>2004-B(1)</b> |        |           |         |                 |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 2004BZP8         | 4/1/15 | 5.000%    | Ambac   | \$7,669.35      | \$7,669.35   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2004BZQ6         | 4/1/16 | 5.250%    | Ambac   | \$8,451.98      | \$8,451.98   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2004BZR4         | 4/1/17 | 4.000%    | Ambac   | \$215.71        | \$215.71     |              |              |              |              |              |              |              |              |              |              |              |              |
| 2004BZS2         | 4/1/17 | 5.250%    | Ambac   | \$8,614.43      | \$8,614.43   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2004BZT0         | 4/1/18 | 5.250%    | Ambac   | \$1,856.56      | \$1,856.56   |              |              |              |              |              |              |              |              |              |              |              |              |
|                  |        |           |         | \$26,808.03     | \$26,808.03  | \$19,138.68  | \$19,138.68  | \$10,686.70  | \$10,686.70  | \$1,856.56   | \$1,856.56   |              |              |              |              |              |              |
|                  |        |           |         | \$1,038,434.74  |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>2004-B(2)</b> |        |           |         |                 |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 2004BZX1         | 4/1/19 | 5.240%    | Ambac   | \$532.74        | \$532.74     | \$389.13     | \$389.13     | \$236.26     | \$236.26     | \$78.75      | \$78.75      |              |              |              |              |              |              |
| <b>2005-B</b>    |        |           |         |                 |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3G53        | 4/1/15 | 5.000%    | Assured | \$2,024.53      | \$2,024.53   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3G61        | 4/1/16 | 5.000%    | Assured | \$2,126.20      | \$2,126.20   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3G69        | 4/1/17 | 4.000%    | Assured | \$1,915.97      | \$1,915.97   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3G87        | 4/1/18 | 5.000%    | Assured | \$2,329.54      | \$2,329.54   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3H29        | 4/1/20 | 5.000%    | Assured | \$2,444.47      | \$2,444.47   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3H45        | 4/1/21 | 5.000%    | Assured | \$176,815.04    | \$176,815.04 |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3H52        | 4/1/23 | 5.000%    | Assured | \$176,815.04    | \$176,815.04 |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3H60        | 4/1/24 | 5.000%    | Assured | \$176,815.04    | \$176,815.04 |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005B3H78        | 4/1/25 | 5.000%    | Assured | \$176,815.04    | \$176,815.04 |              |              |              |              |              |              |              |              |              |              |              |              |
|                  |        |           |         | \$37,562.96     | \$37,562.96  | \$35,338.43  | \$35,338.43  | \$33,212.23  | \$33,212.23  | \$31,296.26  | \$31,296.26  | \$29,966.72  | \$29,966.72  | \$28,522.26  | \$28,522.26  | \$27,101.88  | \$27,101.88  |
|                  |        |           |         | \$1,506,994.60  |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>2005-C</b>    |        |           |         |                 |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005C3J92        | 4/1/15 | 5.000%    | Assured | \$81,511.73     | \$2,037.79   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005C3K25        | 4/1/16 | 5.000%    | Assured | \$85,755.30     | \$2,143.88   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005C3K33        | 4/1/17 | 4.000%    | Assured | \$93,094.98     | \$1,934.98   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005C3K41        | 4/1/18 | 5.000%    | Assured | \$2,325.12      | \$2,325.12   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005C3K58        | 4/1/19 | 5.250%    | Assured | \$2,538.84      | \$2,538.84   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2005C3K66        | 4/1/20 | 5.250%    | Assured | \$2,678.08      | \$2,678.08   |              |              |              |              |              |              |              |              |              |              |              |              |
|                  |        |           |         | \$13,658.70     | \$13,658.70  | \$11,620.90  | \$11,620.90  | \$9,477.02   | \$9,477.02   | \$7,542.05   | \$7,542.05   | \$5,216.93   | \$5,216.93   | \$2,678.08   | \$2,678.08   |              |              |
|                  |        |           |         | \$549,010.70    |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>2008-A</b>    |        |           |         |                 |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3M56        | 4/1/15 | 5.000%    | Assured | \$2,541.72      | \$2,541.72   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3M64        | 4/1/16 | 5.000%    | Assured | \$2,665.49      | \$2,665.49   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3M72        | 4/1/17 | 5.000%    | Assured | \$2,802.52      | \$2,802.52   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3M80        | 4/1/18 | 4.000%    | Assured | \$2,351.64      | \$2,351.64   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3M98        | 4/1/19 | 5.000%    | Assured | \$3,058.90      | \$3,058.90   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3N22        | 4/1/20 | 5.000%    | Assured | \$3,209.19      | \$3,209.19   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3N30        | 4/1/21 | 5.000%    | Assured | \$3,372.75      | \$3,372.75   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3N48        | 4/1/22 | 5.000%    | Assured | \$3,540.72      | \$3,540.72   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3N55        | 4/1/24 | 5.000%    | Assured | \$7,620.73      | \$7,620.73   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008A3N63        | 4/1/28 | 5.000%    | Assured | \$17,663.82     | \$17,663.82  |              |              |              |              |              |              |              |              |              |              |              |              |
|                  |        |           |         | \$48,827.47     | \$48,827.47  | \$46,285.76  | \$46,285.76  | \$43,620.27  | \$43,620.27  | \$40,877.75  | \$40,877.75  | \$38,466.11  | \$38,466.11  | \$35,407.21  | \$35,407.21  | \$32,198.02  | \$32,198.02  |
|                  |        |           |         | \$1,976,615.35  |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>2008-B(1)</b> |        |           |         |                 |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008B3P53        | 4/1/15 | 5.000%    | Assured | \$7,046.08      | \$7,046.08   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008B3P61        | 4/1/16 | 5.000%    | Assured | \$3,041.22      | \$3,041.22   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008B3P79        | 4/1/17 | 5.000%    | Assured | \$3,164.99      | \$3,164.99   |              |              |              |              |              |              |              |              |              |              |              |              |
| 2008B3P87        | 4/1/18 | 5.000%    | Assured | \$3,350.65      | \$3,350.65   |              |              |              |              |              |              |              |              |              |              |              |              |
|                  |        |           |         | \$16,602.93     | \$16,602.93  | \$9,556.85   | \$9,556.85   | \$6,515.63   | \$6,515.63   | \$3,350.65   | \$3,350.65   |              |              |              |              |              |              |
|                  |        |           |         | \$297,220.18    | \$297,220.18 | \$264,886.95 | \$264,886.95 | \$234,927.93 | \$234,927.93 | \$204,144.82 | \$204,144.82 | \$172,548.12 | \$172,548.12 | \$141,644.17 | \$141,644.17 | \$109,826.74 | \$109,826.74 |
|                  |        |           |         | \$11,970,933.09 |              |              |              |              |              |              |              |              |              |              |              |              |              |



# UTGO Series STUB Bonds - Debt Service (GRS ISF Allocation)

| C/P                   | Maturity Date | Rate   | Principal       | Insurer | Interest    |             |             |             |             |             |             |             |             |             |             |             | Total Principal & Interest |                |
|-----------------------|---------------|--------|-----------------|---------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------------|----------------|
|                       |               |        |                 |         | 10/1/21     | 4/1/22      | 10/1/22     | 4/1/23      | 10/1/23     | 4/1/24      | 10/1/24     | 4/1/25      | 10/1/25     | 4/1/26      | 10/1/26     | 4/1/27      |                            | 10/1/27        |
| <b>UTGO 2004-B(1)</b> |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
| 25                    | 4/1/15        | 5.000% | \$306,774.10    | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$15,338.70                | \$322,112.80   |
| 25                    | 4/1/16        | 5.250% | \$331,980.19    | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$15,807.92                | \$347,788.11   |
| 25                    | 4/1/17        | 4.000% | \$10,785.72     | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$1,204.29                 | \$12,000.00    |
| 25                    | 4/1/17        | 5.250% | \$328,168.72    | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$15,866.57                | \$344,035.29   |
| 25                    | 4/1/18        | 5.250% | \$70,726.02     | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$14,852.46                | \$85,578.48    |
|                       |               |        | \$1,038,434.74  |         |             |             |             |             |             |             |             |             |             |             |             |             | \$116,979.95               | \$1,155,414.69 |
| <b>UTGO 2004-B(2)</b> |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
| 25                    | 4/1/19        | 5.240% | \$20,333.73     | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$2,473.78                 | \$22,807.51    |
| <b>UTGO 2005-B</b>    |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
| 25                    | 4/1/15        | 5.000% | \$80,981.29     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$4,049.06                 | \$85,030.35    |
| 25                    | 4/1/16        | 5.000% | \$85,048.04     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$8,504.80                 | \$93,552.84    |
| 25                    | 4/1/17        | 4.300% | \$89,114.78     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$11,495.81                | \$100,610.59   |
| 25                    | 4/1/18        | 5.000% | \$93,181.53     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$18,636.31                | \$111,817.83   |
| 25                    | 4/1/19        | 5.000% | \$97,778.72     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$24,444.68                | \$122,223.40   |
| 25                    | 4/1/20        | 5.000% | \$176,815.04    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$53,044.51                | \$229,859.55   |
| 25                    | 4/1/21        | 5.000% | \$176,815.04    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$61,885.26                | \$238,700.31   |
| 25                    | 4/1/22        | 5.000% | \$176,815.04    | Assured | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$70,726.02                | \$247,541.06   |
| 25                    | 4/1/23        | 5.000% | \$176,815.04    | Assured | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$79,566.77                | \$256,381.81   |
| 25                    | 4/1/24        | 5.000% | \$176,815.04    | Assured | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$88,407.52                | \$265,222.56   |
| 25                    | 4/1/25        | 5.000% | \$176,815.04    | Assured | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$4,420.38  | \$97,248.27                | \$274,063.31   |
|                       |               |        | \$1,506,994.60  |         | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$17,681.50 | \$518,009.02               | \$2,025,003.62 |
| <b>UTGO 2005-C</b>    |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
| 25                    | 4/1/15        | 5.000% | \$81,511.73     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$4,075.59                 | \$85,587.32    |
| 25                    | 4/1/16        | 5.000% | \$85,755.30     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$8,575.53                 | \$94,330.82    |
| 25                    | 4/1/17        | 4.300% | \$89,998.86     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$11,609.85                | \$101,608.71   |
| 25                    | 4/1/18        | 5.000% | \$93,004.71     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$18,600.94                | \$111,605.65   |
| 25                    | 4/1/19        | 5.250% | \$96,717.83     | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$25,388.43                | \$122,106.26   |
| 25                    | 4/1/20        | 5.250% | \$102,022.28    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$32,137.02                | \$134,159.30   |
|                       |               |        | \$549,010.70    |         |             |             |             |             |             |             |             |             |             |             |             |             | \$100,387.36               | \$649,398.06   |
| <b>UTGO 2008-A</b>    |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
| 25                    | 4/1/15        | 5.000% | \$101,668.65    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$5,083.43                 | \$106,752.08   |
| 25                    | 4/1/16        | 5.000% | \$106,619.47    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$10,661.95                | \$117,281.42   |
| 25                    | 4/1/17        | 5.000% | \$112,100.74    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$16,815.11                | \$128,915.85   |
| 25                    | 4/1/18        | 4.000% | \$117,582.00    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$18,813.12                | \$136,395.12   |
| 25                    | 4/1/19        | 5.000% | \$122,356.01    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$30,589.00                | \$152,945.01   |
| 25                    | 4/1/20        | 5.000% | \$128,367.72    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$38,510.32                | \$166,878.04   |
| 25                    | 4/1/21        | 5.000% | \$134,909.88    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$47,218.46                | \$182,128.33   |
| 25                    | 4/1/22        | 5.000% | \$141,628.85    | Assured | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$3,540.72  | \$56,651.54                | \$198,280.39   |
| 25                    | 4/1/24        | 5.000% | \$304,829.13    | Assured | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$7,620.73  | \$144,979.49               | \$449,808.63   |
| 25                    | 4/1/28        | 5.000% | \$706,552.91    | Assured | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$17,663.82 | \$443,743.87               | \$1,150,296.78 |
|                       |               |        | \$1,976,613.35  |         | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$28,825.27 | \$63,106.29                | \$2,039,719.64 |
| <b>UTGO 2008-B(1)</b> |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
| 25                    | 4/1/15        | 5.000% | \$281,843.18    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$14,092.16                | \$295,935.34   |
| 25                    | 4/1/16        | 5.000% | \$121,648.75    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$12,164.87                | \$133,813.62   |
| 25                    | 4/1/17        | 5.000% | \$126,599.57    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$18,989.94                | \$145,589.51   |
| 25                    | 4/1/18        | 5.000% | \$134,025.80    | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$26,805.16                | \$160,830.96   |
|                       |               |        | \$664,117.30    |         |             |             |             |             |             |             |             |             |             |             |             |             | \$72,052.13                | \$736,169.43   |
| <b>Totals</b>         |               |        |                 |         |             |             |             |             |             |             |             |             |             |             |             |             |                            |                |
|                       |               |        | \$11,701,973.09 |         | \$77,302.50 | \$77,302.50 | \$56,104.69 | \$56,104.69 | \$37,442.09 | \$37,442.09 | \$22,084.20 | \$22,084.20 | \$13,566.13 | \$13,566.13 | \$9,260.69  | \$9,260.69  | \$4,743.06                 | \$3,291,404.54 |

\* Subject to Mandatory Redemption

# UTGO Series STUB Bonds - Debt Service (GRS ISF Allocation)

## Bond Series Subject to Mandatory Redemption

| Issuance: 2004-B(2) |             |                              |              | Issuance: 2008-A   |                   |              |             |                              |                     |        |                     |                     |
|---------------------|-------------|------------------------------|--------------|--------------------|-------------------|--------------|-------------|------------------------------|---------------------|--------|---------------------|---------------------|
| CUSIP<br>251093ZK1  |             |                              |              | CUSIP<br>251093N63 |                   |              |             |                              |                     |        |                     |                     |
| Date                | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate               | Interest          | Date         | Fiscal Year | Mandatory Redemption Amounts | Outstanding         | Rate   | Interest            |                     |
| 10/1/14             | 6/30/15     | -                            | \$20,333.73  | 5.240%             | \$532.74          | 10/1/14      | 6/30/15     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/15              | 6/30/15     | \$5,481.27                   | \$14,852.46  | 5.240%             | \$532.74          | 4/1/15       | 6/30/15     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 10/1/15             | 6/30/16     | -                            | \$14,852.46  | 5.240%             | \$389.13          | 10/1/15      | 6/30/16     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/16              | 6/30/16     | \$5,834.90                   | \$9,017.57   | 5.240%             | \$389.13          | 4/1/16       | 6/30/16     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 10/1/16             | 6/30/17     | -                            | \$9,017.57   | 5.240%             | \$236.26          | 10/1/16      | 6/30/17     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/17              | 6/30/17     | \$6,011.71                   | \$3,005.86   | 5.240%             | \$236.26          | 4/1/17       | 6/30/17     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 10/1/17             | 6/30/18     | -                            | \$3,005.86   | 5.240%             | \$78.75           | 10/1/17      | 6/30/18     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/18              | 6/30/18     | \$3,005.86                   | -            | 5.240%             | \$78.75           | 4/1/18       | 6/30/18     | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| <b>Total</b>        |             |                              |              |                    | <b>\$2,473.78</b> |              |             |                              |                     |        |                     | <b>\$443,743.87</b> |
| Issuance: 2008-A    |             |                              |              |                    |                   |              |             |                              |                     |        |                     |                     |
| CUSIP<br>251093N55  |             |                              |              | CUSIP<br>251093N63 |                   |              |             |                              |                     |        |                     |                     |
| Date                | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate               | Interest          | Date         | Fiscal Year | Mandatory Redemption Amounts | Outstanding         | Rate   | Interest            |                     |
| 10/1/14             | 6/30/15     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 10/1/2022    | 6/30/2023   | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/15              | 6/30/15     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 4/1/2023     | 6/30/2023   | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 10/1/15             | 6/30/16     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 10/1/2023    | 6/30/2024   | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/16              | 6/30/16     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 4/1/2024     | 6/30/2024   | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 10/1/16             | 6/30/17     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 10/1/2024    | 6/30/2025   | -                            | \$706,552.91        | 5.000% | \$17,663.82         |                     |
| 4/1/17              | 6/30/17     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 4/1/2025     | 6/30/2025   | \$103,907.54                 | \$542,645.36        | 5.000% | \$13,566.13         |                     |
| 10/1/17             | 6/30/18     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 10/1/2025    | 6/30/2026   | -                            | \$542,645.36        | 5.000% | \$13,566.13         |                     |
| 4/1/18              | 6/30/18     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 4/1/2026     | 6/30/2026   | -                            | \$370,427.51        | 5.000% | \$9,260.69          |                     |
| 10/1/18             | 6/30/19     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 10/1/2026    | 6/30/2027   | -                            | \$370,427.51        | 5.000% | \$9,260.69          |                     |
| 4/1/19              | 6/30/19     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 4/1/2027     | 6/30/2027   | \$180,704.97                 | \$189,722.54        | 5.000% | \$4,743.06          |                     |
| 10/1/19             | 6/30/20     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 10/1/2027    | 6/30/2028   | -                            | \$189,722.54        | 5.000% | \$4,743.06          |                     |
| 4/1/20              | 6/30/20     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | 4/1/2028     | 6/30/2028   | -                            | \$189,722.54        | 5.000% | \$4,743.06          |                     |
| 10/1/20             | 6/30/21     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        | <b>Total</b> |             |                              | <b>\$706,552.91</b> |        |                     |                     |
| 4/1/21              | 6/30/21     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        | <b>\$443,743.87</b> |                     |
| 10/1/21             | 6/30/22     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 4/1/22              | 6/30/22     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 10/1/22             | 6/30/23     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 4/1/23              | 6/30/23     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 10/1/23             | 6/30/24     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 4/1/24              | 6/30/24     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 10/1/24             | 6/30/25     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 4/1/25              | 6/30/25     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 10/1/25             | 6/30/26     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 4/1/26              | 6/30/26     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 10/1/26             | 6/30/27     | -                            | \$304,829.13 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 4/1/27              | 6/30/27     | \$148,701.45                 | \$156,127.68 | 5.000%             | \$7,620.73        |              |             |                              |                     |        |                     |                     |
| 10/1/27             | 6/30/28     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/28              | 6/30/28     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/28             | 6/30/29     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/29              | 6/30/29     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/29             | 6/30/30     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/30              | 6/30/30     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/30             | 6/30/31     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/31              | 6/30/31     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/31             | 6/30/32     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/32              | 6/30/32     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/32             | 6/30/33     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/33              | 6/30/33     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/33             | 6/30/34     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/34              | 6/30/34     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/34             | 6/30/35     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/35              | 6/30/35     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/35             | 6/30/36     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/36              | 6/30/36     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/36             | 6/30/37     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/37              | 6/30/37     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/37             | 6/30/38     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/38              | 6/30/38     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/38             | 6/30/39     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/39              | 6/30/39     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/39             | 6/30/40     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/40              | 6/30/40     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/40             | 6/30/41     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/41              | 6/30/41     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/41             | 6/30/42     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/42              | 6/30/42     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/42             | 6/30/43     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/43              | 6/30/43     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/43             | 6/30/44     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/44              | 6/30/44     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/44             | 6/30/45     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/45              | 6/30/45     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/45             | 6/30/46     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/46              | 6/30/46     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/46             | 6/30/47     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/47              | 6/30/47     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/47             | 6/30/48     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/48              | 6/30/48     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/48             | 6/30/49     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/49              | 6/30/49     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/49             | 6/30/50     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/50              | 6/30/50     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/50             | 6/30/51     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/51              | 6/30/51     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/51             | 6/30/52     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/52              | 6/30/52     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/52             | 6/30/53     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/53              | 6/30/53     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/53             | 6/30/54     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/54              | 6/30/54     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/54             | 6/30/55     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/55              | 6/30/55     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/55             | 6/30/56     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/56              | 6/30/56     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/56             | 6/30/57     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/57              | 6/30/57     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/57             | 6/30/58     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/58              | 6/30/58     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/58             | 6/30/59     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/59              | 6/30/59     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 10/1/59             | 6/30/60     | -                            | \$156,127.68 | 5.000%             | \$3,903.19        |              |             |                              |                     |        |                     |                     |
| 4/1/60              | 6/30/60     |                              |              |                    |                   |              |             |                              |                     |        |                     |                     |

# UTGO Series STUB Bonds - Debt Service (GRS Pension Allocation)

| Moaturity Date | Rate   | Principal      | Insurer | 10/1/14      | 4/1/15       | 10/1/15      | 4/1/16       | 10/1/16      | 4/1/17       | 10/1/17      | 4/1/18       | 10/1/18      | 4/1/19       | 10/1/20     | 4/1/21      |
|----------------|--------|----------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|
|                |        |                |         | Interest     |              |              |              |              |              |              |              |              |              |             |             |
| UTGO 2009-A    |        |                |         |              |              |              |              |              |              |              |              |              |              |             |             |
| 25-0038        | 4/1/15 | \$238,911.21   | Assured | \$6,271.42   | \$6,271.42   | \$6,276.66   | \$6,276.66   | \$6,276.66   | \$6,591.02   | \$6,591.02   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$7,272.12  | \$7,272.12  |
| 25-0039        | 4/1/16 | \$251,066.35   | Assured | \$6,276.66   | \$6,276.66   | \$6,591.02   | \$6,591.02   | \$6,591.02   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$7,272.12  | \$7,272.12  |
| 25-0040        | 4/1/17 | \$263,640.02   | Assured | \$6,276.66   | \$6,276.66   | \$6,591.02   | \$6,591.02   | \$6,591.02   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$7,272.12  | \$7,272.12  |
| 25-0041        | 4/1/18 | \$277,053.18   | Assured | \$6,276.66   | \$6,276.66   | \$6,591.02   | \$6,591.02   | \$6,591.02   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$7,272.12  | \$7,272.12  |
| 25-0042        | 4/1/19 | \$290,884.88   | Assured | \$6,276.66   | \$6,276.66   | \$6,591.02   | \$6,591.02   | \$6,591.02   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$6,926.33   | \$7,272.12  | \$7,272.12  |
| 25-0043        | 4/1/21 | \$1,321,556.25 |         | \$33,337.55  | \$33,337.55  | \$27,066.13  | \$27,066.13  | \$27,066.13  | \$20,789.47  | \$20,789.47  | \$14,198.45  | \$14,198.45  | \$14,198.45  | \$7,272.12  | \$7,272.12  |
| UTGO 2004-A(1) |        |                |         |              |              |              |              |              |              |              |              |              |              |             |             |
| 25-0044        | 4/1/15 | \$497,941.27   | NPFG    | \$13,382.17  | \$13,382.17  | \$14,103.10  | \$14,103.10  | \$14,103.10  | \$14,869.08  | \$14,869.08  | \$14,869.08  | \$14,869.08  | \$14,869.08  | \$15,440.47 | \$15,440.47 |
| 25-0045        | 4/1/16 | \$524,766.39   | NPFG    | \$14,103.10  | \$14,103.10  | \$14,869.08  | \$14,869.08  | \$14,869.08  | \$15,440.47  | \$15,440.47  | \$15,440.47  | \$15,440.47  | \$15,440.47  | \$16,011.86 | \$16,011.86 |
| 25-0046        | 4/1/17 | \$553,268.08   | NPFG    | \$14,869.08  | \$14,869.08  | \$15,440.47  | \$15,440.47  | \$15,440.47  | \$16,011.86  | \$16,011.86  | \$16,011.86  | \$16,011.86  | \$16,011.86  | \$16,583.25 | \$16,583.25 |
| 25-0047        | 4/1/18 | \$1,173,598.95 | NPFG    | \$31,540.47  | \$31,540.47  | \$33,150.97  | \$33,150.97  | \$33,150.97  | \$34,761.46  | \$34,761.46  | \$34,761.46  | \$34,761.46  | \$34,761.46  | \$36,371.95 | \$36,371.95 |
| 25-0048        | 4/1/19 | \$1,173,598.95 | NPFG    | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97 | \$29,339.97 |
| 25-0049        | 4/1/20 | \$1,173,598.95 | NPFG    | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97 | \$29,339.97 |
| 25-0050        | 4/1/21 | \$1,173,598.95 | NPFG    | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97  | \$29,339.97 | \$29,339.97 |
| 25-0051        | 4/1/21 | \$6,270,371.53 |         | \$161,914.74 | \$161,914.74 | \$148,532.57 | \$148,532.57 | \$148,532.57 | \$134,429.47 | \$134,429.47 | \$119,560.39 | \$119,560.39 | \$119,560.39 | \$88,019.92 | \$88,019.92 |
| UTGO 2002      |        |                |         |              |              |              |              |              |              |              |              |              |              |             |             |
| 25-0052        | 4/1/21 | \$271,604.33   | NPFG    | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86   | \$6,959.86  | \$6,959.86  |
| 25-0053        | 4/1/22 | \$295,436.03   | NPFG    | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30   | \$7,314.30  | \$7,314.30  |
| 25-0054        | 4/1/22 | \$557,040.36   |         | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16  | \$14,274.16 | \$14,274.16 |
| UTGO 2003-A    |        |                |         |              |              |              |              |              |              |              |              |              |              |             |             |
| 25-0055        | 4/1/15 | \$25,148.55    | Synco   | \$502.97     | \$502.97     | \$5,611.27   | \$5,611.27   | \$5,611.27   | \$6,931.57   | \$6,931.57   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65  | \$7,294.65  |
| 25-0056        | 4/1/16 | \$213,762.67   | Synco   | \$5,611.27   | \$5,611.27   | \$6,931.57   | \$6,931.57   | \$6,931.57   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65  | \$7,294.65  |
| 25-0057        | 4/1/17 | \$251,066.35   | Synco   | \$6,931.57   | \$6,931.57   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65  | \$7,294.65  |
| 25-0058        | 4/1/17 | \$264,059.76   | Synco   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65  | \$7,294.65  |
| 25-0059        | 4/1/18 | \$277,891.47   | Synco   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65  | \$7,294.65  |
| 25-0060        | 4/1/19 | \$292,561.45   | Synco   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65   | \$7,294.65  | \$7,294.65  |
| 25-0061        | 4/1/20 | \$41,914.25    | Synco   | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07     | \$943.07    | \$943.07    |
| 25-0062        | 4/1/20 | \$266,155.48   | Synco   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58   | \$6,986.58  | \$6,986.58  |
| 25-0063        | 4/1/21 | \$323,578.00   | Synco   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92   | \$8,493.92  | \$8,493.92  |
| 25-0064        | 4/1/21 | \$41,914.25    | Synco   | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27     | \$969.27    | \$969.27    |
| 25-0065        | 4/1/22 | \$298,848.59   | Synco   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78   | \$7,844.78  | \$7,844.78  |
| 25-0066        | 4/1/22 | \$125,742.74   | Synco   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80   | \$2,907.80  | \$2,907.80  |
| 25-0067        | 4/1/23 | \$232,624.08   | Synco   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38   | \$6,106.38  | \$6,106.38  |
| 25-0068        | 4/1/23 | \$2,655,267.62 |         | \$68,862.49  | \$68,862.49  | \$62,748.25  | \$62,748.25  | \$62,748.25  | \$56,157.76  | \$56,157.76  | \$49,226.19  | \$49,226.19  | \$49,226.19  | \$34,251.80 | \$34,251.80 |
| UTGO 2004-A(1) |        |                |         |              |              |              |              |              |              |              |              |              |              |             |             |
| 25-0069        | 4/1/19 | \$377,228.23   | Ambac   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24   | \$9,902.24  | \$9,902.24  |
| 25-0070        | 4/1/20 | \$15,508.27    | Ambac   | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55     | \$329.55    | \$329.55    |
| 25-0071        | 4/1/20 | \$510,096.40   | Ambac   | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03  | \$13,390.03 | \$13,390.03 |
| 25-0072        | 4/1/21 | \$553,268.08   | Ambac   | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70  | \$13,831.70 | \$13,831.70 |
| 25-0073        | 4/1/21 | \$580,931.48   | Ambac   | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45  | \$15,249.45 | \$15,249.45 |
| 25-0074        | 4/1/23 | \$31,435.60    | Ambac   | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30     | \$707.30    | \$707.30    |
| 25-0075        | 4/1/23 | \$580,003.20   | Ambac   | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45  | \$15,227.45 | \$15,227.45 |
| 25-0076        | 4/1/24 | \$65,805.37    | Ambac   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52   | \$1,513.52  | \$1,513.52  |
| 25-0077        | 4/1/24 | \$577,578.34   | Ambac   | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43  | \$15,161.43 | \$15,161.43 |
| 25-0078        | 4/1/24 | \$3,291,945.05 |         | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68  | \$85,312.68 | \$85,312.68 |

Subject to Mandatory Redemption



# UTGO Series STUB Bonds - Debt Service (GRS Pension Allocation)

| C/P                         | Maturity Date | Rate   | Principal      | Insurer | Interest    |             |             |             |             |             |             |             |             |             |             |             | Total Interest | Total Principal & Interest |
|-----------------------------|---------------|--------|----------------|---------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------------------|
|                             |               |        |                |         | 10/1/21     | 4/1/22      | 10/1/22     | 4/1/23      | 10/1/23     | 4/1/24      | 10/1/24     | 4/1/25      | 10/1/25     | 4/1/26      | 10/1/26     | 4/1/27      |                |                            |
| <b>UTGO Series 003-A</b>    |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |
| 251038R99-A                 | 4/1/15        | 5.250% | \$238,011.21   | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$12,542.84    | \$251,454.05               |
| 251038R03                   | 4/1/16        | 5.000% | \$251,066.35   | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$25,106.63    | \$276,172.98               |
| 251038R01                   | 4/1/17        | 5.000% | \$263,640.62   | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$39,546.09    | \$303,186.71               |
| 251038R06                   | 4/1/18        | 5.000% | \$277,053.18   | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$55,410.64    | \$332,463.82               |
| 251038R04                   | 4/1/19        | 5.000% | \$290,884.88   | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$72,721.22    | \$363,606.10               |
| 251038R02                   | 4/1/20        | 5.000% | \$1,321,556.25 | Assured | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$205,327.42   | \$1,526,883.67             |
| <b>UTGO Series 003-A(1)</b> |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |
| 251038R06                   | 4/1/15        | 5.375% | \$497,941.27   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$26,764.34    | \$524,705.61               |
| 251038R03                   | 4/1/16        | 5.375% | \$524,766.39   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$56,412.39    | \$581,178.77               |
| 251038R01                   | 4/1/17        | 5.375% | \$553,268.08   | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$89,214.48    | \$642,482.55               |
| 251038R09                   | 4/1/18        | 5.375% | \$1,173,598.95 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$252,323.77   | \$1,425,922.72             |
| 251038R07                   | 4/1/19        | 5.000% | \$1,173,598.95 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$293,399.74   | \$1,466,998.69             |
| 251038R02                   | 4/1/20        | 5.000% | \$1,173,598.95 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$352,079.68   | \$1,525,678.63             |
| 251038R00                   | 4/1/21        | 5.000% | \$6,270,371.53 | NPFG    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$410,759.63   | \$1,584,358.58             |
|                             |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             | \$1,480,954.04 | \$7,751,325.57             |
| <b>UTGO Series 002</b>      |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |
| 251038R06                   | 4/1/21        | 5.125% | \$271,604.33   | NPFG    | \$7,314.30  | \$7,314.30  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$97,438.05    | \$369,042.38               |
| 251038R06                   | 4/1/22        | 5.125% | \$295,456.03   | NPFG    | \$7,314.30  | \$7,314.30  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$117,028.77   | \$402,464.80               |
|                             |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             | \$214,466.83   | \$771,507.18               |
| <b>UTGO Series 003-A</b>    |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |
| 251038R00                   | 4/1/15        | 4.000% | \$25,148.55    | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$1,005.94     | \$26,154.49                |
| 251038R08                   | 4/1/15        | 5.250% | \$213,762.67   | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$11,222.54    | \$224,985.21               |
| 251038R06                   | 4/1/16        | 5.250% | \$251,066.35   | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$26,361.97    | \$277,428.31               |
| 251038R04                   | 4/1/17        | 5.250% | \$264,059.76   | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$41,389.41    | \$305,449.18               |
| 251038R02                   | 4/1/18        | 5.250% | \$277,891.47   | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$58,357.21    | \$336,248.67               |
| 251038R09                   | 4/1/19        | 5.250% | \$292,561.45   | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$76,797.38    | \$369,358.83               |
| 251038R07                   | 4/1/20        | 5.000% | \$41,914.25    | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$11,316.85    | \$53,231.10                |
| 251038R05                   | 4/1/20        | 5.250% | \$266,155.48   | Syncoa  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$83,838.97    | \$349,994.45               |
| 251038R03                   | 4/1/21        | 5.250% | \$323,578.00   | Syncoa  | \$969.27    | \$969.27    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$118,914.91   | \$442,492.91               |
| 251038R01                   | 4/1/22        | 4.625% | \$41,914.25    | Syncoa  | \$7,844.78  | \$7,844.78  | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$15,508.27    | \$57,422.52                |
| 251038R08                   | 4/1/22        | 5.250% | \$298,848.59   | Syncoa  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$2,907.80  | \$125,516.41   | \$424,365.00               |
| 251038R02                   | 4/1/23        | 4.625% | \$125,742.74   | Syncoa  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$6,106.38  | \$52,340.42    | \$178,083.16               |
| 251038R00                   | 4/1/23        | 5.250% | \$232,624.08   | Syncoa  | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$17,828.23 | \$109,914.88   | \$342,538.95               |
|                             |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             | \$732,685.16   | \$3,387,952.78             |
| <b>UTGO Series 004-A(1)</b> |               |        |                |         |             |             |             |             |             |             |             |             |             |             |             |             |                |                            |
| 251038R02                   | 4/1/19        | 5.250% | \$377,228.23   | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$99,022.41    | \$476,250.65               |
| 251038R00                   | 4/1/20        | 4.250% | \$15,508.27    | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$3,954.61     | \$19,462.88                |
| 251038R07                   | 4/1/20        | 5.250% | \$510,096.40   | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$160,680.37   | \$670,776.77               |
| 251038R01                   | 4/1/21        | 5.000% | \$553,268.08   | Ambac   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$193,643.83   | \$746,911.90               |
| 251038R09                   | 4/1/22        | 5.250% | \$580,931.48   | Ambac   | \$15,249.45 | \$15,249.45 | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$243,991.22   | \$824,922.70               |
| 251038R07                   | 4/1/23        | 4.500% | \$31,435.69    | Ambac   | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$707.30    | \$12,731.45    | \$44,167.14                |
| 251038R05                   | 4/1/23        | 5.250% | \$580,093.20   | Ambac   | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$15,227.45 | \$274,094.03   | \$854,187.23               |
| 251038R03                   | 4/1/24        | 4.600% | \$65,805.37    | Ambac   | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$1,513.52  | \$30,270.47    | \$96,075.84                |
| 251038R00                   | 4/1/24        | 5.250% | \$77,578.34    | Ambac   | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$15,161.43 | \$303,228.63   | \$880,806.97               |
| 251038R07                   | 4/1/24        | 5.250% | \$3,291,945.05 | Ambac   | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$47,859.16 | \$1,321,617.02 | \$4,613,562.08             |

\* Subject to Mandatory Redemption

1335386611 Doc 004894 Filed 01/22/23 Entered 01/22/23 13:35:05 Page 32 of 32

# UTGO Series STUB Bonds - Debt Service (GRS Pension Allocation)

| CUSIP                        | Maturity Date | Rate   | Principal       | Insurer | Interest     |              |              |              |              |              |              |              |              |              |              |              | Total Interest | Total Principal & Interest |                 |
|------------------------------|---------------|--------|-----------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------------------|-----------------|
|                              |               |        |                 |         | 10/1/21      | 4/1/22       | 10/1/22      | 4/1/23       | 10/1/23      | 4/1/24       | 10/1/24      | 4/1/25       | 10/1/25      | 4/1/26       | 10/1/26      | 4/1/27       |                |                            | 10/1/27         |
| <b>UTGO Series 2004-B(1)</b> |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
| 251327R8                     | 4/1/15        | 5.000% | \$727,212.21    | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$36,360.61                | \$763,572.82    |
| 251327Q6                     | 4/1/16        | 5.250% | \$763,258.46    | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$80,142.14                | \$843,400.60    |
| 251327R4                     | 4/1/17        | 4.000% | \$25,567.69     | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$3,068.12                 | \$28,635.81     |
| 251327S2                     | 4/1/17        | 5.250% | \$777,928.45    | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$122,523.73               | \$900,452.18    |
| 251327T0                     | 4/1/18        | 5.250% | \$167,656.99    | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$35,207.97                | \$202,864.96    |
|                              |               |        | \$2,461,623.80  |         |              |              |              |              |              |              |              |              |              |              |              |              |                | \$277,802.57               | \$2,739,426.37  |
| <b>UTGO Series 2004-B(2)</b> |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
| 251327X1                     | 4/1/19        | 5.240% | \$48,201.39     | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$5,864.14                 | \$54,065.52     |
| <b>UTGO Series 2005-B</b>    |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
| 251327G5                     | 4/1/15        | 5.000% | \$191,967.26    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$9,598.36                 | \$201,565.62    |
| 251327G6                     | 4/1/16        | 5.000% | \$201,607.53    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$20,160.75                | \$221,768.29    |
| 251327G7                     | 4/1/17        | 4.300% | \$211,247.81    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$27,250.97                | \$238,498.78    |
| 251327G8                     | 4/1/18        | 5.000% | \$220,888.09    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$44,177.62                | \$265,065.71    |
| 251327G9                     | 4/1/19        | 5.000% | \$231,785.79    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$57,946.45                | \$289,732.24    |
| 251327H29                    | 4/1/20        | 5.000% | \$419,142.48    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$125,742.74               | \$544,885.23    |
| 251327H37                    | 4/1/21        | 5.000% | \$419,142.48    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$146,699.87               | \$565,842.35    |
| 251327H45                    | 4/1/22        | 5.000% | \$419,142.48    | Assured | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56    | \$167,656.99               | \$687,503.47    |
| 251327H52                    | 4/1/23        | 5.000% | \$419,142.48    | Assured | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56    | \$188,614.12               | \$807,118.60    |
| 251327H60                    | 4/1/24        | 5.000% | \$419,142.48    | Assured | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56    | \$209,571.24               | \$628,713.72    |
| 251327H78                    | 4/1/25        | 5.000% | \$419,142.48    | Assured | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56  | \$10,478.56    | \$230,528.37               | \$649,642.85    |
|                              |               |        | \$3,372,351.37  |         | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25  | \$41,918.25    | \$1,277,947.48             | \$4,655,294.85  |
| <b>UTGO Series 2005-C</b>    |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
| 251327J92                    | 4/1/15        | 5.000% | \$193,224.68    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$9,661.23                 | \$202,885.92    |
| 251327K25                    | 4/1/16        | 5.000% | \$203,284.10    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$20,328.41                | \$223,612.51    |
| 251327K33                    | 4/1/17        | 4.300% | \$213,343.52    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$27,521.31                | \$240,864.84    |
| 251327K41                    | 4/1/18        | 5.000% | \$220,468.95    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$44,093.79                | \$264,562.73    |
| 251327K58                    | 4/1/19        | 5.250% | \$229,270.94    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$60,183.62                | \$289,454.56    |
| 251327K66                    | 4/1/20        | 5.250% | \$241,845.21    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$76,181.24                | \$318,026.45    |
|                              |               |        | \$1,301,437.41  |         |              |              |              |              |              |              |              |              |              |              |              |              |                | \$237,969.61               | \$1,539,407.02  |
| <b>UTGO Series 2008-A</b>    |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
| 251327M56                    | 4/1/15        | 5.000% | \$241,006.93    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$12,050.35                | \$253,057.27    |
| 251327M64                    | 4/1/16        | 5.000% | \$252,742.92    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$25,274.29                | \$278,017.21    |
| 251327M72                    | 4/1/17        | 5.000% | \$265,736.33    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$39,860.45                | \$305,596.78    |
| 251327M80                    | 4/1/18        | 4.000% | \$278,729.75    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$44,596.76                | \$323,326.51    |
| 251327M98                    | 4/1/19        | 5.000% | \$290,046.60    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$72,511.65                | \$362,558.25    |
| 251327N22                    | 4/1/20        | 5.000% | \$304,297.44    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$91,289.23                | \$395,586.67    |
| 251327N30                    | 4/1/21        | 5.000% | \$319,805.71    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$111,932.00               | \$431,737.71    |
| 251327N48                    | 4/1/22        | 5.000% | \$335,733.13    | Assured | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33   | \$8,393.33     | \$134,293.25               | \$470,026.38    |
| 251327N55                    | 4/1/24        | 5.000% | \$725,601.64    | Assured | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04  | \$18,065.04    | \$343,675.88               | \$1,069,277.52  |
| 251327N63                    | 4/1/28        | 5.000% | \$1,674,893.36  | Assured | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33  | \$41,872.33    | \$1,051,900.93             | \$2,726,798.29  |
|                              |               |        | \$4,685,593.81  |         | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70  | \$68,330.70    | \$1,927,384.79             | \$6,612,978.60  |
| <b>UTGO Series 2008-B(1)</b> |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
| 251327P53                    | 4/1/15        | 5.000% | \$668,113.12    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$33,405.66                | \$701,518.77    |
| 251327P61                    | 4/1/16        | 5.000% | \$288,370.03    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$28,837.00                | \$317,207.03    |
| 251327P79                    | 4/1/17        | 5.000% | \$301,106.02    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$45,015.90                | \$346,121.92    |
| 251327P87                    | 4/1/18        | 5.000% | \$317,710.00    | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -              | \$63,542.00                | \$381,252.00    |
|                              |               |        | \$1,574,299.16  |         |              |              |              |              |              |              |              |              |              |              |              |              |                | \$170,800.56               | \$1,745,099.72  |
| <b>Summary</b>               |               |        |                 |         |              |              |              |              |              |              |              |              |              |              |              |              |                |                            |                 |
|                              |               |        | \$27,739,687.74 |         | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63 | \$183,246.63   | \$7,802,319.61             | \$35,542,007.36 |

\* Subject to Mandatory Redemption



Exhibit B

EMERGENCY MANAGER ORDER

ORDER NO. \_\_\_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE AND RESTRUCTURING OF CERTAIN UNLIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY OF DETROIT BY THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$287,560,790 DISTRIBUTABLE STATE AID FOURTH LIEN RESTRUCTURED BONDS (UNLIMITED TAX GENERAL OBLIGATION), SERIES 2014 IN ONE OR MORE SUB-SERIES FOR THE PURPOSE OF PROVIDING CERTAIN BANKRUPTCY PLAN OF ADJUSTMENT FINANCING FOR THE CITY RELATED TO UNLIMITED TAX GENERAL OBLIGATION BOND CLAIMS; AUTHORIZING A FIFTH SUPPLEMENT TO THE OUTSTANDING MASTER DEBT RETIREMENT TRUST INDENTURE TO SECURE REPAYMENT OF SAID BONDS; IMPLEMENTING THE ASSIGNMENT OF PAYMENTS ON NOT TO EXCEED \$43,349,210 OF THE CITY'S OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS (STUB UTGO BONDS) PURSUANT TO THE PLAN OF ADJUSTMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE TRANSFER OF A PORTION OF THE CITY'S OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS IN CONSIDERATION FOR BONDS ISSUED BY THE MICHIGAN FINANCE AUTHORITY.

**TABLE OF CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| ARTICLE I      DEFINITIONS AND INTERPRETATION .....  | 6           |
| Section 101. Definitions.....  | 6           |
| Section 102. Interpretation.....   | 11          |
| ARTICLE II DETERMINATIONS.....   | 11          |
| Section 201. Finding, and Declaration of Need to Issue Bonds; Authorized<br>Denominations .....                                    | 11          |
| Section 202. Declaration of Borrowing .....  | 12          |
| ARTICLE III      AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE<br>BONDS .....  | 12          |
| Section 301. Authorization of Bonds and Pledge .....   | 12          |
| Section 302. Designations, Dates, Interest Rates, Maturities, Redemption and<br>Other Terms of the Bonds and Stub UTGO Bonds ..... | 13          |
| Section 303. Execution, Authentication and Delivery of Bonds .....   | 15          |
| Section 304. Authentication of the Bonds .....   | 15          |
| Section 305. The MFA’s Depository .....  | 15          |
| Section 306. Mutilated, Destroyed, Stolen or Lost Bonds.....   | 15          |
| Section 307. Form of the Bonds .....   | 15          |
| ARTICLE IV SPECIAL COVENANTS .....   | 19          |
| Section 401. Tax Exemption Covenant for Tax-Exempt Bonds.....  | 19          |
| Section 402. Arbitrage Covenant.....   | 19          |
| ARTICLE V FUNDS AND ACCOUNTS; DISPOSITION OF BOND PROCEEDS.....  | 19          |
| Section 501. Establishment of Accounts and Funds.....  | 19          |
| Section 502. Debt Retirement Fund-All Bonds .....  | 20          |
| Section 503. Debt Retirement Fund – Series 2014 Escrow<br>Fund .....   | 20          |
| Section 504. Investment of Monies in the Funds and Accounts.....   | 20          |
| ARTICLE VI THE MASTER TRUSTEE.....   | 20          |
| Section 601. Master Trustee. ....  | 20          |
| Section 602. Fifth Supplemental Indenture. ....  | 21          |
| ARTICLE VII SUPPLEMENTAL ORDERS OR RESOLUTIONS .....   | 21          |
| Section 701. Supplemental Orders or Resolutions Not Requiring Consent of<br>Holders of the Bonds .....                             | 21          |
| Section 702. Opinion and Filing Under Act 34 .....   | 22          |
| ARTICLE VIII DEFEASANCE.....   | 22          |

**TABLE OF CONTENTS**  
**(continued)**

|   | <b>Page</b> |
|---|-------------|
| Section 801. Defeasance .....   | 22          |
| <b>ARTICLE IX OTHER PROVISIONS OF GENERAL APPLICATION.....</b>  | <b>22</b>   |
| Section 901. Approval of Other Documents and Actions.....   | 22          |
| Section 902. Continuing Disclosure Undertaking .....  | 23          |
| Section 903. Delegation of City to, and Authorization of Actions of the Mayor<br>and the Finance Director ..... | 23          |
| Section 904. Act 34 Approval of the Bonds .....   | 23          |
| Section 905. Approving Legal Opinions with Respect to the Bonds .....   | 23          |
| Section 906. Negotiated Transaction .....   | 24          |
| Section 907. Delivery of Bonds .....  | 24          |
| Section 908. Official Statement .....   | 24          |
| Section 909. Appointment of Bond Counsel; Engagement of Other Parties.....                                      | 24          |
| Section 910. Parties in Interest.....   | 24          |
| Section 911. No Recourse Under Order .....  | 24          |
| Section 912. Severability .....   | 25          |
| Section 913. Cover Page, Table of Contents and Article and Section Headings.....                                | 25          |
| Section 914. Conflict .....   | 25          |
| Section 915. Governing Law and Jurisdiction.....  | 25          |
| Section 916. Order and Supplemental Order are a Contract.....   | 25          |
| Section 917. Effective Date .....   | 25          |
| Section 918. Notices .....  | 25          |
| <br>  |             |
| <b>EXHIBIT A OUTSTANDING PRIOR UTGO BONDS .....</b>   | <b>A-1</b>  |
| <b>EXHIBIT B RESTRUCTURED UTGO BONDS AND MUNICIPAL<br/>OBLIGATIONS.....</b>                                     | <b>B-1</b>  |
| <b>EXHIBIT C STUB UTGO BONDS.....</b>   | <b>C-1</b>  |
| <b>EXHIBIT D FORM OF CONTINUING DISCLOSURE UNDERTAKING .....</b>  | <b>D-1</b>  |

ORDER NO. \_\_\_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE AND RESTRUCTURING OF CERTAIN UNLIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY OF DETROIT BY THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$287,560,790 DISTRIBUTABLE STATE AID FOURTH LIEN RESTRUCTURED BONDS (UNLIMITED TAX GENERAL OBLIGATION), SERIES 2014 IN ONE OR MORE SUB-SERIES FOR THE PURPOSE OF PROVIDING CERTAIN BANKRUPTCY PLAN OF ADJUSTMENT FINANCING FOR THE CITY RELATED TO UNLIMITED TAX GENERAL OBLIGATION BOND CLAIMS; AUTHORIZING A FIFTH SUPPLEMENT TO THE OUTSTANDING MASTER DEBT RETIREMENT TRUST INDENTURE TO SECURE REPAYMENT OF SAID BONDS; IMPLEMENTING THE ASSIGNMENT OF PAYMENTS ON NOT TO EXCEED \$43,349,210 OF THE CITY'S OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS (STUB UTGO BONDS) PURSUANT TO THE PLAN OF ADJUSTMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE TRANSFER OF A PORTION OF THE CITY'S OUTSTANDING UNLIMITED TAX GENERAL OBLIGATION BONDS IN CONSIDERATION FOR BONDS ISSUED BY THE MICHIGAN FINANCE AUTHORITY.

WHEREAS, at elections held on November 7, 1978, August 5, 1980, November 4, 1986, August 2, 1988, August 4, 1992, August 5, 1996, November 4, 1997, November 7, 2000, November 6, 2001, April 29, 2003, November 2, 2004 and February 24, 2009 (the "Prior Elections"), the qualified electors of the City of Detroit, County of Wayne, State of Michigan (the "City") authorized the issuance and sale of general obligation unlimited tax bonds of the City to finance certain public capital improvement projects of the City; and

WHEREAS, pursuant to the authorizations provided by certain of the Prior Elections, the City Charter, Act 279, Public Acts of Michigan, 1909, as amended ("Act 279"), Act 202, Public Acts of Michigan, 1943, as amended ("Act 202"), and Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), the City issued certain general obligation unlimited tax bonds (collectively, but not including the 2010A UTGO Bonds, as hereinafter defined, the "Prior UTGO Bonds") outstanding in the amounts set forth on Exhibit A attached hereto; and

WHEREAS, on March 18, 2010, pursuant to Act 80, Public Acts of Michigan, 1981, as amended ("Act 80") the City issued \$249,790,000 of its Distributable State Aid General Obligation Limited Tax Bonds, Series 2010 (the "DSA Bonds") secured by and payable from money received or to be received by the City derived from the imposition of taxes by the State of Michigan (the "State") and returned or to be returned to the City as provided by law ("Distributable Aid"); and

WHEREAS, in connection with the issuance of the DSA Bonds, the City entered into a Master Debt Retirement Trust Indenture (the “Master Indenture”) and a First Supplemental Debt Retirement Trust Indenture, each dated as of March 1, 2010, (the “First Supplemental Indenture”) between the City and U.S. Bank National Association, Detroit, Michigan, as master trustee (the “Master Trustee” or the “Trustee”), that provides for the escrow of Distributable Aid payments received by the Trustee on behalf of the City to pay the debt service on obligations of the City secured by Distributable Aid (the “Distributable Aid Obligations”); and

WHEREAS, pursuant to Act 80, the Master Indenture and the First Supplemental Indenture, the DSA Bonds have a first lien on the City’s Distributable Aid to secure the payment of the DSA Bonds and to provide for the direct payment to the Master Trustee of the Distributable Aid to be held in trust and used solely for payment of principal of and interest on Distributable Aid Obligations, and for that purpose, the City, the Master Trustee and the State Treasurer of the State of Michigan (the “State Treasurer”) entered into an Agreement dated as of March 1, 2010 (the “DSA Bonds Deposit Agreement”); and

WHEREAS, on December 16, 2010, pursuant to the City Charter, Act 279 and Act 34, the City issued \$100,000,000 Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A) (Taxable-Recovery Zone Economic Development Bonds-Direct Payment) (the “2010A UTGO Bonds”) and sold them to the Michigan Finance Authority (the “MFA”) under Act 227, Public Acts of Michigan, 1985, as amended (“Act 227”); and

WHEREAS, in connection with the issuance of the 2010A UTGO Bonds, the City entered into a Second Supplemental Debt Retirement Trust Indenture, dated as of December 1, 2010 (the “Second Supplemental Indenture”) with the Trustee, to further provide for the security and payment of the 2010A UTGO Bonds with the unlimited tax levy and a second lien on Distributable Aid; and

WHEREAS, pursuant to Act 227, in order to provide for the direct payment of Distributable Aid to the Trustee to pay the debt service on the 2010A UTGO Bonds, the City, the MFA and the State Treasurer entered into an Agreement to Deposit Distributable State Aid with the Master Trustee for payment of the 2010A UTGO Bonds (the “UTGO Bonds Deposit Agreement”); and

WHEREAS, pursuant to Resolutions adopted on March 27, 2012 by the City Council of the City, certain Sale Orders of the Finance Director and Act 34, the City issued: (i) \$38,865,000 Self Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012(A2) (the “Series 2012(A2) Bonds”); (ii) \$30,730,000 Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(A2-B) (the “Series 2012(A2-B) Bonds”); (iii) \$6,405,000 General Obligation Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation) Series 2012B (the “Series 2012B Bonds”); and (iv) \$53,520,000 Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(B2) (the “Series 2012(B2) Bonds, and collectively with the Series 2012(A2) Bonds, the Series 2012(A2-B) Bonds and the Series 2012B Bonds, the “Third Lien Bonds”); and

WHEREAS, the Third Lien Bonds were sold to the MFA and pursuant to Act 227 and Act 140, in order to provide for the direct payment of Distributable Aid to the Master Trustee to

pay the debt service on the Third Lien Bonds, the City, the MFA and the State Treasurer entered into an Agreement to Deposit Distributable State Aid (as amended the “2012 Deposit Agreement”) with the Master Trustee and the City and the Master Trustee entered into a Third Supplemental Debt Retirement Trust Indenture, dated as of March 1, 2012, as amended (the “Third Supplemental Indenture”) and a Fourth Supplemental Debt Retirement Trust Indenture dated as of August 1, 2012 (the “Fourth Supplemental Indenture”) for payment of the Third Lien Bonds on a third lien basis subordinate to the first lien on Distributable State Aid securing the DSA Bonds and subordinate to the second lien on Distributable Aid securing the Series 2010A UTGO Bonds; and

WHEREAS, on March 1, 2013, the Governor (the “Governor”) of the State of Michigan (the “State”) determined that a financial emergency existed within the City pursuant to the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended (“Act 72”); and

WHEREAS, on March 14, 2013, the Governor confirmed that a financial emergency existed within the City and, pursuant to Act 72, assigned to the Local Emergency Financial Assistance Loan Board established pursuant to the Emergency Municipal Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (the “Board”) the responsibility for managing the financial emergency; and

WHEREAS, on March 14, 2013, pursuant to Act 72, the Board appointed Kevyn D. Orr as Emergency Financial Manager for the City; and

WHEREAS, by operation of law the financial emergency continues to exist within the City pursuant to the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012 (“Act 436”) and the Emergency Financial Manager continues in the capacity of the Emergency Manager for the City (the “Emergency Manager”); and

WHEREAS, on July 18, 2013 (the “Petition Date”), in accordance with Act 436 and the approval of the Governor, the Emergency Manager filed on behalf of the City a petition for relief pursuant to Chapter 9 of title 11 of the United States Code, 11 U.S.C. Sections 101-1532 (as amended, the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of Michigan (the “Bankruptcy Court”); and

WHEREAS, on \_\_\_\_\_, 2014, the Emergency Manager filed on behalf of the City a \_\_\_\_ Amended Plan for the Adjustment of the Debts of the City of Detroit (now and as subsequently amended, the “Plan of Adjustment”) in the Bankruptcy Court to provide for the adjustment of the debts of the City pursuant to and in accordance with Chapter 9 of the Bankruptcy Code; and

WHEREAS, more than 90% of the Prior UTGO Bonds are insured by Ambac Assurance Corporation; Assured Guaranty Municipal Corp. together with Assured Guaranty Corp.; and National Public Finance Guarantee Corporation (each a “Bond Insurer” and collectively, the “Bond Insurers”); and

WHEREAS, pursuant to the Plan of Adjustment and a settlement agreement dated July 18, 2014 among the City and the Bond Insurers (the “UTGO Settlement Agreement”) the City intends to restructure a portion of the outstanding Prior UTGO Bonds (the “Restructured UTGO

Bonds”) as provided in this Order; and

WHEREAS, pursuant to a bond purchase contract (the “Purchase Contract”) between the City and the MFA, the City shall deliver the Bonds authorized hereunder (the “Bonds” or the “Municipal Obligation”) to the MFA, and in consideration thereof, the MFA will deliver its [Local Government Loan Program Revenue Bonds, Series 2014 (City of Detroit Unlimited Tax General Obligation Local Project Bonds)] (the “MFA Bonds”) to (i) the holders of the Holders Restructured UTGO Bonds (as defined in the UTGO Settlement Agreement) and (ii) the Bond Insurers and the Dissenting Bond Insurer as holders of the Insurer Owned Restructured UTGO Bonds (as defined in the UTGO Settlement Agreement) in consideration for the transfer of the Restructured UTGO Bonds to the MFA; and

WHEREAS, the MFA Bonds will be issued by the MFA in Authorized Denominations in the same aggregate principal amounts per maturity as the Restructured UTGO Bonds, rounded down as provided in this Order, for each denomination to the nearest Authorized Denomination; and on the Effective Date, as hereinafter defined, the holders of the Holders Restructured UTGO Bonds shall be paid the difference in principal amount, if any, between the Holders Restructured UTGO Bonds and the principal amount of MFA Bonds allocated and transferred to them as provided herein by the City from its General Fund or by the Master Trustee at the direction of the City from available funds on deposit in the Debt Retirement Fund (the “Debt Retirement Fund”) established hereunder, as determined by an Authorized Officer; and

WHEREAS, a portion of the Prior UTGO Bonds not restructured by the Municipal Obligation which mature on or after April 1, 2015, in the principal amount of \$43,349,210 (the “Stub UTGO Bonds” and collectively with the 2010A UTGO Bonds, the Municipal Obligation and any Additional Bonds (defined below), the “UTGO Bonds”) shall be reinstated, remain Outstanding in the amounts and will remain payable as shown on Exhibit C hereto; and

WHEREAS, the Stub UTGO Bonds also will be in Authorized Denominations; and

WHEREAS, upon satisfaction of all of the terms and conditions required of the City related to the confirmation of the Plan of Adjustment, the City shall establish the Business Day upon which the Plan of Adjustment shall become effective (the “Effective Date”); and

WHEREAS, on or after the Effective Date, the City shall issue and deliver the Municipal Obligation to the MFA and pursuant to the Plan of Adjustment, the Assigned UTGO Bond Tax Proceeds (as hereinafter defined), will be assigned to the Income Stabilization Funds and the GRS (collectively, the “Plan Assignees”) as such terms are defined in the Plan of Adjustment; and

WHEREAS, the Emergency Manager deems it necessary to authorize the issuance of the Bonds in one or more series in the aggregate principal amount of not to exceed Two Hundred Eighty-Seven Million Five Hundred Sixty Thousand Seven Hundred Ninety Dollars (\$287,560,790); and

WHEREAS, pursuant to the resolutions authorizing the Prior UTGO Bonds and the 2010A UTGO Bonds, this Order and Section 4a of Act 279, the City has pledged, and to the

extent permitted by applicable law, including without limitation, Section 12(1)(x) of Act 436, will create a lien upon the Debt Millage Revenues (as hereinafter defined) to pay the debt service on the UTGO Bonds; and

WHEREAS, pursuant to Section 4a of Act 279, and Section 701 of the Revised Municipal Finance Act, Act No. 34, Public Acts of Michigan, 2001, as amended, the Emergency Manager desires to provide for the deposit of the Debt Millage Revenues into a separate escrow account to be used for the sole purpose of paying principal of and interest on the UTGO Bonds and the administrative costs related to the deposit and escrow of Debt Millage Revenues; and

WHEREAS, in order to effectuate a lien, to the extent permitted by law, upon the debt millage revenues (the "Debt Millage Revenues") derived from the unlimited tax pledge in favor of the Registered Owners of the Bonds, it is necessary for the City to provide for the deposit of the proceeds of 100% of the City's unlimited tax general obligation debt millage levy in trust to further secure payment of the debt service on the Bonds, with U.S. Bank National Association, as Debt Millage Escrow Trustee (the "Debt Millage Escrow Trustee"), pursuant to a Debt Millage Deposit Escrow Agreement (the "Debt Millage Escrow Agreement") between the City and the Debt Millage Escrow Trustee; and

WHEREAS, the Emergency Manager recommends that the Bonds be secured by a fourth lien pledge of Distributable Aid under a Fifth Supplemental Debt Retirement Trust Indenture (the "Fifth Supplemental Indenture"), in addition to a pledge of the City's unlimited tax full faith and credit; and

WHEREAS, the Emergency Manager desires the Debt Millage Revenues to constitute special revenues under Section 902 of the Bankruptcy Code and to afford the holders of the UTGO Bonds the protection provided to "pledged special revenues," as that term is used in Section 922(d) of the Bankruptcy Code.

WHEREAS, the MFA may distribute one or more preliminary official statements (together with any supplements thereto, each a "Preliminary Official Statement") and final official statements (together with any supplements thereto, each an "Official Statement") to the holders of the MFA Bonds; and

WHEREAS, the Emergency Manager also desires to authorize the submission of disclosure information to the MFA, as applicable, if necessary in connection with the issuance and delivery of the Municipal Obligation and the issuance and delivery of the MFA Bonds; and

WHEREAS, the MFA will require, as a condition precedent to accepting the Municipal Obligation, that the City agree to provide continuing disclosure as required by Section (b)(5) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended; and

WHEREAS, the Emergency Manager also desires to authorize the submission of disclosure information to the holders of the Stub UTGO Bonds, if necessary in connection with the secondary marketing, if any, of the Stub UTGO Bonds by the holders thereof on the Effective Date; and

WHEREAS, pursuant to the authority of Section 315(1)(d) of Act 34, the Emergency Manager desires to delegate to the Finance Director the authority to make certain determinations with respect to the Bonds, if necessary, within the parameters of this Order and to take such other actions and make such other determinations as may be necessary to accomplish the delivery of the Bonds and the transactions contemplated by this Order, as shall be confirmed by the Finance Director in the Supplemental Order; and

WHEREAS, prior to the issuance of the Bonds, pursuant to Sections 12(1) (u) and 19(1) of Act 436, the Emergency Manager must obtain the approval of the issuance of the Bonds by the City Council, and if the City Council disapproves of the issuance of the Bonds, the issuance of the Bonds must be approved by the Board.

NOW, THEREFORE, BE IT ORDERED BY THE EMERGENCY MANAGER OF THE CITY OF DETROIT, WAYNE COUNTY, MICHIGAN, PURSUANT TO THE CHARTER, ACT 34, ACT 227, ACT 279, AND ACT 436 AS FOLLOWS:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The words and terms defined in the preambles and recitals hereof and the following words and terms as used in this Order shall have the meanings ascribed therein, herein or in the Plan of Adjustment unless a different meaning clearly appears from the context:

“Act 34” means Act 34, Public Acts of Michigan, 2001, as amended.

“Act 80” means Act 80, Public Acts of Michigan, 1981, as amended.

“Act 227” means Act 227, Public Acts of Michigan, 1985, as amended.

“Act 279” means Act 279, Public Acts of Michigan, 1909, as amended.

“Act 436” means Act No. 436, Public Acts of Michigan, 2012.

“Additional Bonds” shall mean any unlimited tax general obligation bonds issued under Act 279 on a parity with the Prior UTGO Bonds, the 2010A UTGO Bonds, the Municipal Obligation and the Stub UTGO Bonds as to the Aggregate UTGO Tax Levy.

“Aggregate UTGO Tax Levy” means all proceeds of the Debt Millage Revenues.

“Ambac” means Ambac Assurance Corporation.

“Assigned UTGO Bond Tax Proceeds” means that portion of the Aggregate UTGO Tax Levy designated to pay the principal of and interest on the Stub UTGO Bonds.

“Assured” means Assured Guaranty Municipal Corp. and Assured Guaranty Corp.

“Authorized Denominations” shall mean denominations of Bonds and Stub UTGO Bonds equal to multiples of \$1.00.

“Authorized Officer” means (i) the Emergency Manager or his designee or successor, or if the City is no longer operating under a financial emergency pursuant to Act 436, the Mayor of the City, the Finance Director or his or her designee, or (ii) any other person authorized by a Certificate of an Authorized Officer to act on behalf of or otherwise represent the City in any legal capacity, which such certificate shall be delivered, if at all, in the City’s sole discretion.

“Bankruptcy Case” means the City’s Bankruptcy Case No. 13-53846 in the U.S. Bankruptcy Court for the Eastern District of Michigan.

“Bankruptcy Court Order” has the meaning set forth in the recitals hereto.

“Board” has the meaning set forth in the recitals hereto.

“Bond” or “Bonds” means the Municipal Obligations.

“Bond Counsel” means Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, or such other nationally recognized firm of attorneys experienced in matters pertaining to municipal bonds and appointed to serve in such capacity by the City with respect to the Bonds.

“Bond Insurer” means Ambac, Assured or NPF, as the case may be, as an issuer of a bond insurance policy with respect to that portion of the Restructured UTGO Bonds such entity insures.

“Bond Orders” means collectively this Order and the Supplemental Order.

“Bond Registry” means the books for the registration of Bonds maintained by the Master Trustee.

“Bondowner”, “Owner” or “Registered Owner” means, with respect to any Bond, the person in whose name such Bond is registered in the Bond Registry.

“Business Day” means a day which is not (i) a Saturday, Sunday or legal holiday on which banks located in either the State of Michigan or the state or states in which the principal corporate trust office of the Master Trustee, is located are authorized or required by law to be closed, or (ii) a day on which the New York Stock Exchange is closed.

“Charter” means the Charter of the City, as amended from time to time.

“City” means the City of Detroit, County of Wayne, State of Michigan.

“Closing Date” means the date or dates upon which the Restructured UTGO Bonds are transferred to the MFA in consideration for the MFA Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“Constitution” means the Constitution of the State of Michigan of 1963, as amended.

“Council” means the City Council of the City of Detroit, Michigan.

“Debt Millage Deposit” or “Debt Millage Deposits” means whenever used herein singularly, each payment of Debt Millage Revenues, and collectively all payments of Debt Millage Revenues by the City to the Debt Millage Escrow Trustee for deposit in the UTGO Debt Millage Fund in accordance with the Debt Millage Escrow Agreement.

“Debt Millage Escrow Agreement” means the Debt Millage Deposit Escrow Agreement, between the City and the Debt Millage Escrow Trustee, for the collection of 100% of the City’s unlimited tax general obligation bond debt millage.

“Debt Millage Escrow Trustee” means U.S. Bank National Association, Detroit, Michigan, as Debt Millage Escrow Trustee, and any successor to the Debt Millage Escrow Trustee substituted in its place pursuant to the provisions of the Debt Millage Escrow Agreement.

“Debt Millage Revenues” means the proceeds of the ad valorem debt millage levies, including interest subsidy payments received by the City in respect of the 2010A UTGO Bonds delinquent millage payments received from Wayne County, Michigan, or otherwise, pledged to and on account of unlimited tax general obligation bonds of the City for the payment of debt service on the Prior UTGO Bonds (or after the Effective Date, the UTGO Bonds), and the 2010A UTGO Bonds, the Municipal Obligation, the Stub UTGO Bonds and any Additional Bonds.

“Debt Retirement Fund” means the fund so designated and established under Section 501 hereof.

“Dissenting Bond Insurer” means Syncora Guarantee, Inc.

“Distributable Aid” has the meaning given in Act 80.

“DSA Bonds” means the City’s \$249,790,000 original principal amount Distributable State Aid General Obligation Limited Tax Bonds, Series 2010.

“Effective Date” has the meaning set forth in the recitals hereto.

“Fifth Supplemental Indenture” means the Fifth Supplemental Debt Retirement Trust Indenture, dated as of the date of issuance of the Bonds, between the City and the Master Trustee providing for the escrow of Distributable State Aid payments received by the Master Trustee on behalf of the City to pay the debt service on the Bonds.

“Finance Director” means the Finance Director of the City or his/her deputy or designee.

“First Lien Bonds” means the DSA Bonds.

“First Supplemental Indenture” means the First Supplemental Debt Retirement Trust Indenture dated as of March 1, 2010, between the City and the Master Trustee, providing for the

escrow of Distributable Aid payments received by the Master Trustee on behalf of the City to pay the debt service on the DSA Bonds.

“Fiscal Year” means the fiscal year of the City as in effect from time to time.

“Fourth Supplemental Indenture” has the meaning set forth in the recitals hereto.

“GRS” means General Retirement System for the City of Detroit.

“Income Stabilization Fund” means the Income Stabilization Funds as defined in the Plan of Adjustment.

“Interest Payment Date” has the meaning given such term in Section 302.

“Master Indenture” shall mean the Master Debt Retirement Trust Indenture dated as of March 1, 2010 by and between the City and U.S. Bank National Association, Detroit, Michigan, as Master Trustee, as supplemented by (i) the First Supplemental Indenture; (ii) the Second Supplemental Indenture; (iii) the Third Supplemental Indenture; (iv) the Fourth Supplemental Indenture; and (v) the Fifth Supplemental Indenture, by and between the City and the Master Trustee.

“Master Trustee” means U.S. Bank National Association, Detroit, Michigan, as Master Trustee under the Master Indenture, and successors to the Master Trustee substituted in its place pursuant to the provisions of the Master Indenture.

“Maximum Aggregate Principal Amount” has the meaning given such term in Section 201.

“MFA” means the Michigan Finance Authority, as successor to the Michigan Municipal Bond Authority.

“MFA Bonds” means has the meaning set forth in the recitals hereto.

“Municipal Obligation” has the meaning set forth in the recitals hereto.

“Non-Arbitrage and Tax Compliance Certificate” means the Non-Arbitrage and Tax Compliance Certificate of the City, dated the Closing Date, regarding rebate requirements and other tax responsibilities of the City relating to the Tax-Exempt Bonds under the Code.

“NPMFG” means National Public Finance Guaranty Corporation.

“Order” means this Order of the Emergency Manager as supplemented by the Supplemental Order, and as amended from time to time pursuant to Article VII.

“Outstanding” when used with respect to:

- (1) the Bonds, means, as of the date of determination, the Bonds theretofore authenticated and delivered under this Order, except:

- (A) Bonds theretofore canceled by the Master Trustee or delivered to the Master Trustee for cancellation;
- (B) Bonds for whose payment money in the necessary amount, without the need for reinvestment thereof, has been theretofore deposited with the Master Trustee in trust for the registered owners of such Bonds;
- (C) Bonds delivered to the Master Trustee for cancellation in connection with (x) the exchange of such Bonds for other Bonds or (y) the transfer of the registration of such Bonds;
- (D) Bonds alleged to have been destroyed, lost or stolen which have been paid or replaced pursuant to this Order or otherwise pursuant to law; and
- (E) Bonds deemed paid as provided in Section 801.

“Permitted Investments” means those investments specified in Article III of the Debt Millage Escrow Agreement.

“Plan of Adjustment” has the meaning set forth in the recitals hereto.

“Plan Assignees” means the Income Stabilization Funds and the GRS.

“Prior DSA Bonds” means, collectively, the First Lien Bonds, the Second Lien Bonds and the Third Lien Bonds.

“Prior UTGO Bonds” has the meaning set forth in the recitals hereto.

“Pro Rata” means the proportion that a claim of one Holder of Restructured UTGO Bonds bears to the aggregate of all claims of all Holders of Restructured UTGO Bonds.

“Purchase Contract” means the purchase contract negotiated by the Finance Director between the City and the MFA, providing for the terms and conditions of the delivery of the Municipal Obligation to the MFA in anticipation of the transfer of the Restructured Bonds to the MFA in consideration for the MFA Bonds on the terms and conditions and in form and substance reasonably acceptable to the Bond Insurers.

“Regular Record Date” has the meaning given such term in Section 302.

“Restructured UTGO Bonds” has the meaning set forth in the recitals hereto.

“Second Lien Bonds” means the 2010A UTGO Bonds.

“Second Supplemental Indenture” has the meaning set forth in the recitals hereto.

“State” means the State of Michigan.

“State Treasurer” means the Treasurer of the State.

“Stub UTGO Bonds” has the meaning set forth in the recitals hereto.

“Supplemental Order” means, to the extent necessary, the order or orders of the Authorized Officer making certain determinations and/or confirming the final details of the Bonds upon the sale thereof in accordance with the parameters of this Order and the terms of the Purchase Contract.

“Tax-Exempt Bonds” means those Bonds, if any, the interest on which is excluded from gross income for federal tax purposes, as determined by the Authorized Officer in the Supplemental Order.

“Third Lien Bonds” has the meaning set forth in the recitals hereto.

“Third Supplemental Indenture” has the meaning set forth in the recitals hereto.

“UTGO Bonds” has the meaning in the recitals hereto.

“UTGO Bond Tax Levy” means that portion of the Aggregate UTGO Tax Levy at a level that was pledged to pay the Prior UTGO Bonds.

“UTGO Debt Millage Fund” means the fund so designated and authorized by Section 501 hereof and established under the Debt Millage Escrow Agreement.

“2010A UTGO Bonds” means the City’s outstanding Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A).

Section 102. Interpretation. (a) Words of the feminine or masculine genders include the correlative words of the other gender or the neuter gender.

(b) Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons.

(c) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Order.

(d) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Order, refer to this Order as a whole unless otherwise expressly stated.

## ARTICLE II

### DETERMINATIONS

Section 201. Finding, and Declaration of Need to Issue Bonds; Authorized Denominations. (a) The Emergency Manager hereby finds and declares that it is necessary for the City to restructure and refund (under applicable state law) \$287,560,790 of the Prior UTGO Bonds which mature on or after April 1, 2015, by restructuring them as Restructured UTGO Bonds to be transferred to the MFA and in such form issuing them in the principal amounts as

shown on Exhibit B as Municipal Obligations, in Authorized Denominations and leaving \$43,349,210 of the Prior UTGO Bonds remaining outstanding as Stub UTGO Bonds in Authorized Denominations as shown on Exhibit C, pursuant to and in accordance with the provisions of Act 34 and Act 279, for the purpose of satisfying the Class 8 claims as required by the Plan of Adjustment. The MFA Bonds will, in the aggregate, mature or be subject to mandatory redemption and optional redemption in the same principal amounts per maturity, and bear interest at the same interest rates as the Restructured UTGO Bonds.

(b) On the Effective Date, that portion of the Aggregate UTGO Tax Levy designated to pay the principal of and interest on the Stub UTGO Bonds (but subject to the prior rights of the holders of the Municipal Obligation) (the “Assigned UTGO Bond Tax Proceeds”) shall be assigned by the Plan of Adjustment (without any further consent or action on the part of, or additional consideration payable to, the Bond Insurers, the Dissenting Bond Insurer or the holders of the Stub UTGO Bonds) to the Plan Assignees, and such proceeds shall not be paid to the paying agent for the UTGO Bonds, but shall be paid to the Plan Assignees directly by the Debt Millage Escrow Trustee.

Section 202. Declaration of Borrowing. The City shall issue the Bonds as hereinafter provided and as finally confirmed by the Authorized Officer in the Supplemental Order, secured by the unlimited tax full faith, credit and resources of the City which will be payable from ad valorem taxes levied on all taxable property within the City without limitation as to rate or amount, for the purposes stated herein.

### ARTICLE III

#### AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE BONDS

Section 301. Authorization of Bonds and Pledge. (a) The City hereby authorizes the issuance of the Bonds in such series and in such principal amounts as shall be confirmed in the Supplemental Order. The Bonds shall be payable from and secured, to the extent permitted by applicable law, including, without limitation, Section 12(1)(x) of Act 436, by a lien on the Debt Millage Revenues derived from an annual levy of ad valorem taxes on all taxable property in the City without limitation as to rate or amount. Pursuant to authorization provided in Act 227, the City hereby pledges as additional security for the payment of principal of and interest on the Bonds, Distributable Aid payments that the City is eligible to receive on a fourth lien basis subordinate to the pledge thereof for the payment of the Prior DSA Bonds. The Finance Director is hereby authorized and directed to negotiate, approve and execute the Fifth Supplemental Indenture for and on behalf of the City with U.S. Bank National Association, Detroit, Michigan, as Master Trustee, to provide for a fourth lien pledge of Distributable Aid to secure payment of the Bonds. Nothing in this Order shall restrict or be construed as restricting the City’s ability to make additional pledges or assignments of Distributable Aid as security for current or future bonds or obligations of the City, subject to the requirements for the issuance of additional bonds and obligations set forth in the Master Indenture.

(b) The Debt Millage Revenues as pledged by the City to secure payment of the Bonds, shall constitute “special revenues,” as defined in Section 902 of the Bankruptcy Code and “pledged special revenues,” as the term is used in Section 922(d) of the Bankruptcy Code.

Section 302. Designations, Dates, Interest Rates, Maturities, Redemption and Other Terms of the Bonds and Stub UTGO Bonds.

(a) The Bonds shall be designated as “DISTRIBUTABLE STATE AID FOURTH LIEN RESTRUCTURED BONDS (UNLIMITED TAX GENERAL OBLIGATION), SERIES 2014 and may bear such later or earlier dates and additional or alternative designations as the Authorized Officer may determine in the Supplemental Order, shall be issued in fully registered form and shall be consecutively numbered from “R-1” upwards, respectively unless otherwise provided by the Authorized officer in the Supplemental Order. The Bonds shall be dated and issued in Denominations all as determined by the Authorized Officer and confirmed by the Authorized Officer in the Supplemental Order.

(b) The Bonds shall be issued in multiple separate series, each one corresponding to the related series of the Prior UTGO Bonds listed on Exhibit A hereto. Each separate series of the Municipal Obligations shall be issued in a principal amount equal to 86.9% of the outstanding principal amount of each maturity of the related series of Prior UTGO Bonds in Authorized Denominations as provided in Section 201(a). Each series of Municipal Obligations shall be further subdivided into two subseries, with one subseries equal to 84.5% of the outstanding principal amount of each maturity of the related series of Prior UTGO Bonds, in Authorized Denominations, and the second subseries equal to 2.4% of the outstanding principal amount of each maturity of the related series of Prior UTGO Bonds, in Authorized Denominations.

(c) The Bonds and the Stub UTGO Bonds shall bear interest from \_\_\_\_\_, 201\_, at the same interest rate per annum as the related Prior UTGO Bonds; be subject to amortization on the same schedule as the related Prior UTGO Bonds; mature on the same dates; and be subject to redemption in the same manner as the related Prior UTGO Bonds. Unless otherwise provided by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be calculated on the basis of a 360 day year consisting of twelve, 30 day months. In the event that a calculation of interest is not an integral multiple of \$0.01, the Paying Agent shall round all amounts less than or equal to \$0.0049 down to the nearest \$0.01 and round all amounts greater than \$.0049 up to the nearest \$0.01. The Bonds shall be payable, as to principal and interest, in lawful money of the United States of America.

(d) On or after the Effective Date, the Municipal Obligations shall be delivered to the MFA in consideration for bonds to be issued by the MFA (the “MFA Bonds”) and the following additional provisions shall apply:

(1) Each subseries of Municipal Obligations shall be in the form of a single fully-registered, nonconvertible bond in the denomination of the full principal amount thereof, dated as of the date of delivery of the Municipal Obligations, payable in principal installments serially shown on Exhibit B and approved by the MFA and the Authorized Officer. The obligation to deliver the Municipal Obligations to the MFA shall be evidenced by execution of a Purchase Contract (the “Purchase Contract”) between the City and the MFA providing for the transfer of the Municipal Obligations to the MFA in consideration for the MFA Bonds, and an Authorized Officer is authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the

determinations set forth above. An Authorized Officer is authorized and directed to approve of a series designation with respect to each series of Municipal Obligations.

(2) Each subseries of the Municipal Obligations shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Municipal Obligations shall be payable as provided in the Bond form in this Order as the same may be amended to conform to MFA requirements.

(3) The Master Trustee shall record on the registration books payment by the City of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the City Treasurer.

(4) Upon payment by the City of all outstanding principal of and interest on a Municipal Obligation, the MFA shall deliver the respective Municipal Obligation to the City for cancellation.

(e) Concurrently with the restructuring of a portion of the Prior UTGO Bonds and issuance of the MFA Bonds, the Stub UTGO Bonds, in Authorized Denominations as provided in Section 201(a), will be reinstated and remain Outstanding and will be payable from the UTGO Bond Tax Levy, provided that the Assigned UTGO Bond Tax Proceeds as assigned by the Plan of Adjustment shall be paid by the Debt Millage Escrow Trustee to the Plan Assignees and such proceeds shall not be paid to the paying agent for the Stub UTGO Bonds.

Section 303. Execution, Authentication and Delivery of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Mayor and the Finance Director and authenticated by the manual signature of the Finance Director, and the seal of the City (or a facsimile thereof) shall be impressed or imprinted on the Bonds. After the Bonds have been executed and authenticated for delivery, they shall be delivered by the Finance Director to the MFA in consideration for the issuance of the MFA Bonds.

Section 304. Authentication of the Bonds. Anything in this Order to the contrary notwithstanding, the Bonds bearing the manual or facsimile signatures of the Mayor and the Finance Director shall require no further authorization.

Section 305. The MFA's Depository. Notwithstanding any other provision herein to the contrary, as long as the MFA is the owner of the Bonds, the Bonds are payable as to principal, premium, if any, and interest at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, Michigan, or such other qualified bank or financial institution as shall be designated in writing to the City by the MFA (the "Authority's Depository"). The City will deposit, or cause the Master Trustee, to deposit with the MFA's Depository payments of the principal of, premium, if any, and interest on the Bonds in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. Written notice of any redemption of the Bonds shall be given by the City and received by the MFA's Depository at least 40 days prior to the date on which such redemption is to be made.

Section 306. Mutilated, Destroyed, Stolen or Lost Bonds. (a) Subject to the provisions of Act 354, Public Acts of Michigan, 1972, as amended and any other applicable law, if (i) any mutilated Bond is surrendered to the City, and the City receives evidence to its satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City such security or indemnity as may be required by it to save the City harmless, then, in the absence of notice to the City that such Bond has been acquired by a bona fide purchaser, the City shall execute and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(c) Any new Bond issued pursuant to this Section in substitution for a Bond alleged to be mutilated, destroyed, stolen or lost shall constitute an original additional contractual obligation on the part of the City, and shall be equally secured by and entitled to equal proportionate benefits with all other Bonds of like tenor issued under this Order.

Section 307. Form of the Bonds. The Bonds shall be in substantially the following form with such insertions, omissions, substitutions and other variations as shall not be inconsistent with this Order or required by the Michigan Attorney General and the MFA or permitted by the Supplemental Order or as approved by an Authorized Officer and Bond Counsel:

[Form of Bond]

United States of America  
State of Michigan  
County of Wayne

CITY OF DETROIT  
DISTRIBUTABLE STATE AID FOURTH LIEN RESTRUCTURED BOND  
(UNLIMITED TAX GENERAL OBLIGATION), SERIES 2014\_\_

REGISTERED OWNER: Michigan Finance Authority

PRINCIPAL AMOUNT: \_\_\_\_\_ Dollars (\$ \_\_\_\_,000)

DATE OF ORIGINAL ISSUE: \_\_\_\_\_, 2014

The CITY OF DETROIT, County of Wayne, State of Michigan (the "City"), for value received, hereby promises to pay to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, in lawful money of the United States of America, unless prepaid prior thereto as hereinafter provided. Capitalized terms used herein, but not defined herein, shall have the meanings ascribed to them in the Order, as hereinafter defined.

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth in Schedule A attached hereto and made a part hereof, or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the [Date of Original Issue] shown above, until paid at the rate [of interest as set forth on the attached schedule] [of \_\_\_\_\_ percent (\_\_\_\_%) per annum]. Interest is first payable on \_\_\_\_\_ 1, 20\_\_, and semiannually thereafter on the first day of \_\_\_\_\_ and \_\_\_\_\_ of each year, as set forth in the Purchase Contract.

Notwithstanding any other provision of this bond, as long as the MFA is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at the corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, or at such other place as shall be designated in writing to the City by the MFA (the "Authority's Depository"); (b) the City agrees that it will cause the Master Trustee to deposit with the MFA's Depository payments of the principal of, premium, if any, and interest on this bond in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this bond shall be given by the City and received by the MFA's Depository at least 40 days prior to the date on which such redemption is to be made.

Additional Interest

[In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest

(the "additional interest") at a rate equal to the rate of interest which is two percent above the MFA's cost of providing funds (as determined by the MFA) to make payment on the bonds of the MFA issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the MFA has been fully reimbursed for all costs incurred by the MFA (as determined by the MFA) as a consequence of the City's default. Such additional interest shall be payable on the interest payment date following demand of the MFA. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the MFA) the investment of amounts in the reserve account established by the MFA for the bonds of the MFA issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the MFA issued to fund such account, the City shall and hereby agrees to pay on demand only the City's pro rata share (as determined by the MFA) of such deficiency as additional interest on this bond.]

This bond is a single, fully-registered, non-convertible bond in the principal sum of \$\_\_\_\_,000, issued pursuant to and in accordance with Act 34, Public Acts of Michigan, 2001, as amended, and Act 279, Public Acts of Michigan, 1909, as amended, Act 227, Public Acts of Michigan, 1985, as amended ("Act 227") and pursuant to and in accordance with an Order duly adopted by the Emergency Manager of the City on \_\_\_\_\_, \_\_\_\_ [and a Supplemental Order of the Authorized Officer of the City issued on \_\_\_\_\_, \_\_\_\_ (together,] the "Order"). The Bonds are issued for the purpose of restructuring certain unlimited tax general obligation bonds of the City as described in the Order, pursuant to the City's Plan of Adjustment under the Bankruptcy Case.

[Optional and/or Mandatory Redemption Provisions]

This Bond is payable out of the City's Debt Retirement Fund for this issue (which will be held by the Master Trustee), and the City is obligated to levy annually sufficient taxes to provide for the payment of the principal of and interest on the bonds of this issue as they mature on all taxable property in the City without limitation as to rate or amount (the revenues of such levy, the "Debt Millage Revenues").

The Bonds shall be payable from and secured, to the extent permitted by applicable law, including without limitation, Section 12(1)(x) of Act 436, by a lien on the Debt Millage Revenues.

The Debt Millage Revenues as pledged by the City to secure payment of the Bonds, shall constitute "special revenues," as defined in Section 902 of the Bankruptcy Code and "pledged special revenues," as the term is used in Section 922(d) of the Bankruptcy Code.

As additional security for the City's obligation to pay the Bonds, pursuant to Act 227 the City has pledged the payments that the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended ("Distributable Aid"), and certain monies in the funds and accounts established by the City with U.S. Bank National Association, as master trustee (the "Trustee"), pursuant to the terms and conditions of a Master Debt Retirement Trust Indenture dated as of March 1, 2010, as supplemented, by (i) the First Supplemental Debt Retirement Trust Indenture dated as of March 1, 2010; (ii) the Second

Supplemental Debt Retirement Trust Indenture dated as of December 1, 2010; (iii) the Third Supplemental Debt Retirement Trust Indenture dated as of March 1, 2012; (iv) the Fourth Supplemental Debt Retirement Trust Indenture dated as of August 1, 2012; and (v) the Fifth Supplemental Debt Retirement Trust Indenture, dated as of \_\_\_\_\_, 2014, by and between the City and the Master Trustee (collectively, the "Trust Indenture"). The pledge and lien on Distributable Aid securing the Bonds is on a fourth lien basis to a lien on Distributable Aid securing the City's outstanding Prior DSA Bonds. The City has reserved the right to make additional pledges or assignments of Distributable Aid on a prior, parity or subordinate basis with the pledge of Distributable Aid securing the Prior DSA Bonds and the Bonds as security for future bonds or obligations of the City, subject to the requirements for the issuance of additional bonds and obligations as provided in the Trust Indenture.

This bond is transferable only upon the registration books of the City by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the City duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

IN WITNESS WHEREOF, the City of Detroit by authority of its Mayor, has caused this bond to be signed for and on its behalf and in its name by the manual or facsimile signature of the Mayor of the City and the manual or facsimile signature of its Finance Director and the official seal of the City to be impressed hereon, all as of the Date of Original Issue.

**CITY OF DETROIT**  
County of Wayne  
State of Michigan

By \_\_\_\_\_

Its Mayor

(SEAL)

By \_\_\_\_\_

Its Finance Director

## ARTICLE IV

### SPECIAL COVENANTS

Section 401. Tax Exemption Covenant for Tax-Exempt Bonds. The City covenants that it will not take any action, or fail to take any action required to be taken, if taking such action or failing to take such action would adversely affect the general exclusion from gross income of interest on any Tax-Exempt Bonds, from federal income taxation under the Code.

Section 402. Arbitrage Covenant. (a) The City will not directly or indirectly (1) use or permit the use of any proceeds of any Tax-Exempt Bonds or other funds of the City or (2) take or omit to take any action required by Section 148(a) of the Code in order to maintain the exclusion from gross income of the interest on any Tax-Exempt Bonds for federal income tax purposes. To that end, the City will comply with all requirements of Section 148 of the Code to the extent applicable to the Tax-Exempt Bonds and the requirements set forth in the Non-Arbitrage and Tax Compliance Certificate of the City.

(b) Without limiting the generality of subsection (a), above, the City agrees that there shall be paid by the City from time to time all amounts, if any, required to be rebated to the United States pursuant to Section 148(f) of the Code. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

(c) Notwithstanding any provision of this Section, if the City obtains an opinion of Bond Counsel to the effect that any action required under this Section is no longer required, or that some further action is required, to maintain the exclusion from gross income of the interest of any Tax-Exempt Bonds for federal income tax purposes pursuant to Section 103 of the Code, the City may conclusively rely on such opinion in complying with the provisions hereof.

## ARTICLE V

### FUNDS AND ACCOUNTS; DISPOSITION OF BOND PROCEEDS

Section 501. Establishment of Accounts and Funds. (a) The City hereby establishes and creates the following special, separate and segregated accounts and funds which shall be held in trust by the Master Trustee for the benefit of the Bondholders:

- A. Debt Retirement Fund; and
- B. Series 2014 Escrow Fund.

(b) Pursuant to Section 201(b) of the Fifth Supplemental Indenture, the Master Trustee shall establish within the Series 2014 Escrow Fund, the separate and segregated sub-accounts designated the "Distributable Aid Account," the "Series 2014 Tax Levy Account" and the "General Account," the deposits into which and withdrawals from which shall be governed by Article II of the Fifth Supplemental Indenture.

(c) The UTGO Debt Millage Fund shall be established with the Debt Millage Escrow Trustee by the Finance Director of the City under the Debt Millage Escrow Agreement which is

hereby authorized. The Finance Director is hereby authorized to negotiate the terms of the Debt Millage Escrow Agreement and to execute and deliver it for and on behalf of the City. The Finance Director is further hereby authorized to establish such accounts, subaccounts or other funds as shall be required for the Bonds, if any, to accommodate the requirements of such series of Bonds.

Section 502. Debt Retirement Fund-All Bonds. Proceeds of the Debt Millage Revenues levied pursuant to Section 301 hereof and transferred by the Debt Millage Escrow Trustee to the Master Trustee in accordance with the terms of the Debt Millage Escrow Agreement shall be used to pay the principal of and interest on the Bonds when due. The foregoing amounts shall be placed in the Debt Retirement Fund and held in trust by the Master Trustee, and so long as the principal of or interest on the Bonds shall remain unpaid, no moneys shall be withdrawn from the Debt Retirement Fund except to pay such principal and interest. Any amounts remaining in the Debt Retirement Fund after payment in full of the Bonds shall be retained by the City to be used for any lawful purpose.

Section 503. Debt Retirement Fund – Series 2014 Escrow Fund. As additional security for Bonds, Distributable Aid payments to be received by the City from time to time shall be distributed by the State Treasurer to the Master Trustee and deposited by the Master Trustee in the Debt Retirement Fund (designated the “Distributable State Aid – Common Debt Retirement Fund” in the Master Indenture), and allocated and set-aside by the Master Trustee into the Series 2014 Escrow Fund in accordance with the provisions of the Master Indenture and the related Fifth Supplemental Indenture for the payment of the principal of and interest on the Bonds when due. Any amounts remaining in the Debt Retirement Fund after the setting aside of the amounts necessary to satisfy the Deposit Date Balance Requirements (defined in the Master Indenture) of all DSA Escrow Funds (defined in the Master Indenture), shall be released to the City for deposit to the General Fund of the City.

Section 504. Investment of Monies in the Funds and Accounts. (a) The Finance Director shall direct the investment of monies on deposit in the Funds and Accounts established hereunder, and the Master Trustee, upon written direction or upon oral direction promptly confirmed in writing by the Finance Director, shall use its best efforts to invest monies on deposit in the Funds and Accounts in accordance with such direction.

(b) Monies on deposit in the Funds and Accounts may be invested in such investments and to the extent permitted by applicable law.

## ARTICLE VI

### THE MASTER TRUSTEE

Section 601. Master Trustee. Except as otherwise required by the MFA, the Master Trustee for the Bonds shall act as bond registrar, transfer agent and trustee for the Bonds, and shall be initially U.S. Bank National Association, Detroit, Michigan, or such other bank or trust company located in the State of Michigan which is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The Master Trustee means and includes any company into which the Master Trustee may be merged or converted or with which

it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Master Trustee may sell or transfer all or substantially all of its corporate trust business, provided, that such company shall be a trust company or bank which is qualified to be a successor to the Master Trustee as determined by the Finance Director, shall be authorized by law to perform all the duties imposed upon it by this Order, and shall be the successor to the Master Trustee without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding. The Finance Director is authorized to enter into a Fifth Supplement to the Master Trust Indenture in the form of a Fifth Supplemental Indenture with the Master Trustee, and from time to time as required, may designate a similarly qualified successor Master Trustee and enter into an agreement therewith for such services.

Section 602. Fifth Supplemental Indenture. The Authorized Officers are each hereby authorized and directed on behalf of the City to take any and all other actions and perform any and all acts that shall be required, necessary or desirable to enter into and implement the Fifth Supplemental Indenture with the Master Trustee, including, but not limited to, entering into an agreement with the State Treasurer in accordance with Act 227 to provide for the direct payment of Distributable Aid by the State Treasurer to the Master Trustee as additional security for the Bonds.

## ARTICLE VII

### SUPPLEMENTAL ORDERS OR RESOLUTIONS

Section 701. Supplemental Orders or Resolutions Not Requiring Consent of Holders of the Bonds. The City may with the prior written consent of the Bond Insurers, which in the opinion of the independent Bond Counsel are affected by such order or resolution, but without the consent of any Bondowner, adopt orders or resolutions supplemental to this Order for any one or more of the following purposes:

- (i) to confirm or further assure the security hereof or to grant or pledge to the holders of the Bonds any additional security;
- (ii) to add additional covenants and agreements of the City for the purposes of further securing the payment of the Bonds;
- (iii) to cure any ambiguity or formal defect or omission in this Order;
- (iv) to amend provisions in the Order relating to rebate to the United States Government or otherwise, which in the opinion of Bond Counsel are required in order to maintain the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes; and
- (v) such other action not materially, adversely and directly affecting the security of the Bonds;

provided that the effectiveness of any supplemental order or resolution is subject to Section 702 to the extent applicable.

Section 702. Opinion and Filing Under Act 34. Before any supplemental order or resolution under this Article shall become effective, a copy thereof shall be filed with the Master Trustee, together with an opinion of Bond Counsel that such supplemental order or resolution is authorized or permitted by this Article; provided that Bond Counsel in rendering any such opinion shall be entitled to rely upon certificates of the Finance Director or other City official, and opinions or reports of consultants, experts and other professionals retained by the City to advise it, with respect to the presence or absence of facts relative to such opinion and the consequences of such facts.

## ARTICLE VIII

### DEFEASANCE

Section 801. Defeasance. Bonds shall be deemed to be paid in full upon the deposit in trust of cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment thereof, will come due at such times and in such amounts, as to be fully sufficient to pay when due, the principal of such Bonds and interest to accrue thereon, as confirmed by a verification report prepared by an independent certified public accountant; provided, that if any of such Bonds are to be called for redemption prior to maturing, irrevocable instructions to call such Bonds for redemption shall be given only with the prior written consent of the MFA and on such terms as may be required by the MFA. Such cash and securities representing such obligations shall be deposited with a bank or trust company and held for the exclusive benefit of the Owners of such Bonds. After such deposit, such Bonds shall no longer be entitled to the benefits of this Order (except for any rights of transfer or exchange of Bonds as therein or herein provided for) and shall be payable solely from the funds deposited for such purpose and investment earnings, if any, thereon, and the lien of this Order for the benefit of such Bonds shall be discharged.

## ARTICLE IX

### OTHER PROVISIONS OF GENERAL APPLICATION

Section 901. Approval of Other Documents and Actions. The Mayor, the Finance Director, the Treasurer and the City Clerk are hereby authorized and directed on behalf of the City to take any and all other actions, perform any and all acts and execute any and all documents that shall be required, necessary or desirable to implement this Order.

The Finance Director is authorized to file applications with and to pay the related fees, if any, to the Michigan Department of Treasury at his discretion under Act 34 for an Order or Orders of Approval to issue all or a portion of the Bonds, and apply for such waivers or other Treasury approvals as necessary to implement the issuance, delivery and security for the Bonds, and as required by the Michigan Department of Treasury and Act 34. The Finance Director is authorized and directed to apply for ratings on the Bonds, if necessary, and pay any post closing filing fees required by Act 34 to the Michigan Department of Treasury or other specified agency, from legally available funds.

Section 902. Continuing Disclosure Undertaking. The City shall enter into a continuing disclosure undertaking pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule") for the benefit of the MFA and the holders and beneficial owners of the MFA Bonds in connection with the delivery of the Bonds as to which the Rule is applicable, as more specifically set forth in Exhibit D hereto (the "Undertaking"); provided, however, that the terms of the Undertaking are subject to completion and modification prior to delivery of the Bonds by the Finance Director to such extent as the Finance Director shall deem necessary to comply with law or market requirements. The Finance Director is authorized to execute and deliver the Undertaking after completion and modification as provided in this Order and the Supplemental Order.

Section 903. Delegation of City to, and Authorization of Actions of the Mayor and the Finance Director. (a) Prior to the delivery date for the Bonds, the Finance Director may cause the preparation and approve the form and distribution of City disclosure, if necessary, for any Preliminary Official Statement or Official Statement of the MFA and offering materials to be used in conjunction with the transfer of the Municipal Obligations to the MFA in form and substance reasonably acceptable to the Bond Insurers, and the issuance of the MFA Bonds, and the Mayor or Finance Director shall deem the City's disclosure "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

(b) The Finance Director is hereby authorized and directed to do and perform any and all acts and things with respect to the Bonds which are necessary and appropriate to carry into effect, consistent with this Order, the authorizations therein and herein contained, including without limitation, the securing of ratings by bond rating agencies, if cost effective, the negotiation for and acquisition of bond insurance and/or other credit enhancement, if any, to further secure the Bonds or any portions thereof, the acquisition of an irrevocable surety bond to fulfill the City's obligation to fund any reserve account, the printing of the Bonds and the incurring and paying of reasonable fees, costs and expenses incidental to the foregoing and other costs of issuance of the Bonds including, but not limited to fees and expenses of bond counsel, financial advisors, accountants and others, from Bond proceeds or other available funds, for and on behalf of the City.

(c) Except as otherwise provided herein, all determinations and decisions of the Finance Director with respect to the issuance and sale of the Bonds as permitted or required by this Order shall be confirmed by the Authorized Officer in a Supplemental Order or Supplemental Orders, and such confirmations shall constitute determinations that any conditions precedent to such determinations and decisions of the Authorized Officer have been fulfilled.

Section 904. Act 34 Approval of the Bonds. The Bonds shall neither be issued nor delivered unless and only so long as the issuance of the Bonds as provided herein shall have been authorized and approved in accordance with the applicable provisions of Act 34.

Section 905. Approving Legal Opinions with Respect to the Bonds. Transfer of the Bonds to the MFA shall be conditioned upon receiving, at the time of delivery, the approving opinion of Bond Counsel, approving legality of the Bonds and, with respect to Bonds determined by the Finance Director to be issued on a tax-exempt basis, the exclusion from gross income of the interest paid thereon from federal and State income taxation only.

Section 906. Negotiated Transaction. (a) Pursuant to Section 309(1) of Act 34 the Emergency Manager determines to negotiate the delivery of the Bonds to the MFA in consideration for the transfer by the City to the MFA of the Bonds, as provided in the Purchase Contract approved by the Finance Director within the parameters established hereby, and confirmed by the Finance Director in the Supplemental Order. The reason for choosing a negotiated transaction instead of a competitive sale is that the terms of the Plan of Adjustment and the UTGO Settlement Agreement require the City to secure the payment of the Bonds with Distributable Aid under the terms of Act 227 which may only be accomplished by a delivery of the Bonds to the MFA. The negotiated transaction will allow the Municipal Obligations to be transferred to the MFA in consideration for the MFA Bonds to successfully implement a portion of the Plan of Adjustment.

(b) Subject to the foregoing, the Purchase Contract shall be dated the date of delivery of the Bonds. The Finance Director is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City.

Section 907. Delivery of Bonds. Subject to the approval of the Supplemental Order, the Finance Director is hereby authorized to deliver the Municipal Obligations to the MFA upon the issuance and delivery of the MFA Bonds in consideration therefor.

Section 908. Official Statement. The Finance Director is hereby authorized to execute the Official Statement or other offering materials with respect to the Bonds in the form approved by him with such changes as the Finance Director may authorize. Circulation of the Preliminary Official Statement, if any, or other preliminary offering materials is hereby approved.

Section 909. Appointment of Bond Counsel; Engagement of Other Parties. The appointment by the Emergency Manager of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel and other accumulated bond related fees and expenses shall be payable as a cost of issuance from available funds in accordance with the agreement of such firm on file with the Emergency Manager.

Section 910. Parties in Interest. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Master Trustee, the MFA, the holders of the Bonds, the holders of the MFA Bonds, the Bond Insurers, and the Dissenting Bond Insurer any right, remedy or claim under or by reason of this Order or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Order contained by and on behalf of the City, or the MFA shall be for the sole and exclusive benefit of the City and the MFA.

Section 911. No Recourse Under Order. All covenants, agreements and obligations of the City contained in this Order shall be deemed to be the covenants, agreements and obligations of the City and not of any councilperson, member, officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Order against any councilperson, member,

officer or employee of the City or any person executing the Bonds in his or her official individual capacity.

Section 912. Severability. If any one or more sections, clauses or provisions of this Order shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions hereof.

Section 913. Cover Page, Table of Contents and Article and Section Headings. The cover page, table of contents and Article and Section headings hereof are solely for convenience of reference and do not constitute a part of this Order, and none of them shall affect its meaning, construction or effect.

Section 914. Conflict. All resolutions or parts of resolutions or other proceedings of the City in conflict herewith shall be and the same hereby are repealed insofar as such conflict exists.

Section 915. Governing Law and Jurisdiction. This Order shall be governed by and construed in accordance with the laws of the State.

Section 916. Order and Supplemental Order are a Contract. The provisions of this Order and the Supplemental Order shall constitute a contract among the City, the MFA, the holders of the Bonds and the Bond Insurers.

Section 917. Effective Date. This Order shall take effect immediately upon its adoption by the Council.

Section 918. Notices. All notices and other communications hereunder shall be in writing and given by United States certified or registered mail, expedited courier overnight delivery service or by other means (including facsimile transmission) that provides a written record of such notice and its receipt. Notices hereunder shall be effective when received and shall be addressed to the address set forth below or to such other address as any of the below persons shall specify to the other persons:

If to the City, to:

City of Detroit  
Finance Department  
1200 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Attention: Finance Director

If to the Master Trustee, to:

U.S. Bank National Association  
535 Griswold, Suite 550 Buhl Bldg.  
Detroit, MI 48226  
Attention: Corporate Trust Dept.

If to the MFA, to:

Michigan Finance Authority  
Austin Building, 1st Floor  
430 W. Allegan  
Lansing, MI 48922

If to the Bond Insurers to:

Ambac Assurance Corporation  
One State Street Plaza  
New York, New York 10004  
Attention: Surveillance Department and General  
Counsel's Office

Assured Guaranty Municipal Corp and Assured  
Guaranty Corp.  
31 West 52<sup>nd</sup> Street  
New York, NY 10019  
Attention: Kevin J. Lyons  
Attention: Terence Workman

National Public Finance Guarantee Corporation  
113 King Street  
Armonk, NY 10504  
Attention: Kenneth Epstein and William J. Rizzo

EXHIBIT A

OUTSTANDING PRIOR UTGO BONDS

UTGO Series Prior Bonds - Debt Service

| Maturity Date      | Rate   | Principal | Insurer | 10/1/14          | 4/1/15         | 10/1/15        | 4/1/16         | 10/1/16        | 4/1/17         | 10/1/17        | 4/1/18         | 10/1/18        | 4/1/19         | 10/1/19        | 4/1/20         | 10/1/20        | 4/1/21         |
|--------------------|--------|-----------|---------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| STP                |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| Interest           |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>2001-1999-A</b> |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353846           | 4/1/15 | 5.250%    | Assured | \$74,812.50      |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353847           | 4/1/15 | 5.250%    | Assured | \$74,812.50      |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353848           | 4/1/16 | 5.000%    | Assured | \$78,625.00      | \$74,875.00    |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353849           | 4/1/17 | 5.000%    | Assured | \$78,625.00      | \$78,625.00    | \$78,625.00    |                |                |                |                |                |                |                |                |                |                |                |
| 13353850           | 4/1/18 | 5.000%    | Assured | \$82,625.00      | \$82,625.00    | \$82,625.00    | \$82,625.00    |                |                |                |                |                |                |                |                |                |                |
| 13353851           | 4/1/19 | 5.000%    | Assured | \$86,750.00      | \$86,750.00    | \$86,750.00    | \$86,750.00    | \$86,750.00    |                |                |                |                |                |                |                |                |                |
| 13353852           | 4/1/21 | 5.000%    | Assured | \$397,687.50     | \$322,875.00   | \$322,875.00   | \$248,000.00   | \$248,000.00   | \$169,375.00   | \$169,375.00   | \$86,750.00    | \$86,750.00    |                |                |                |                |                |
|                    |        |           |         | \$15,765,000.00  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>2001-A(1)</b>   |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353853           | 4/1/15 | 5.375%    | NPFG    | \$159,637.50     | \$159,637.50   |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353854           | 4/1/16 | 5.375%    | NPFG    | \$168,237.50     | \$168,237.50   |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353855           | 4/1/17 | 5.375%    | NPFG    | \$177,375.00     | \$177,375.00   | \$177,375.00   |                |                |                |                |                |                |                |                |                |                |                |
| 13353856           | 4/1/18 | 5.375%    | NPFG    | \$376,250.00     | \$376,250.00   | \$376,250.00   | \$376,250.00   |                |                |                |                |                |                |                |                |                |                |
| 13353857           | 4/1/19 | 5.000%    | NPFG    | \$350,000.00     | \$350,000.00   | \$350,000.00   | \$350,000.00   | \$350,000.00   |                |                |                |                |                |                |                |                |                |
| 13353858           | 4/1/20 | 5.000%    | NPFG    | \$350,000.00     | \$350,000.00   | \$350,000.00   | \$350,000.00   | \$350,000.00   | \$350,000.00   |                |                |                |                |                |                |                |                |
| 13353859           | 4/1/21 | 5.000%    | NPFG    | \$350,000.00     | \$350,000.00   | \$350,000.00   | \$350,000.00   | \$350,000.00   | \$350,000.00   | \$350,000.00   |                |                |                |                |                |                |                |
|                    |        |           |         | \$1,931,500.00   | \$1,771,862.50 | \$1,771,862.50 | \$1,403,625.00 | \$1,403,625.00 | \$1,426,250.00 | \$1,426,250.00 | \$1,050,000.00 | \$1,050,000.00 | \$700,000.00   | \$700,000.00   | \$700,000.00   | \$700,000.00   | \$350,000.00   |
|                    |        |           |         | \$74,800,000.00  |                |                |                |                |                |                |                |                |                |                |                |                | \$350,000.00   |
| <b>2002</b>        |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353860           | 4/1/21 | 5.125%    | NPFG    | \$83,025.00      | \$83,025.00    |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353861           | 4/1/22 | 5.125%    | NPFG    | \$87,253.13      | \$87,253.13    | \$87,253.13    |                |                |                |                |                |                |                |                |                |                |                |
|                    |        |           |         | \$170,278.13     | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   | \$170,278.13   |
|                    |        |           |         | \$6,643,000.00   |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>2003-A</b>      |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353862           | 4/1/15 | 4.000%    | Synco   | \$6,000.00       | \$6,000.00     |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353863           | 4/1/15 | 5.250%    | Synco   | \$66,937.50      | \$78,618.75    | \$78,618.75    |                |                |                |                |                |                |                |                |                |                |                |
| 13353864           | 4/1/16 | 5.250%    | Synco   | \$82,687.50      | \$82,687.50    | \$82,687.50    |                |                |                |                |                |                |                |                |                |                |                |
| 13353865           | 4/1/17 | 5.250%    | Synco   | \$87,018.75      | \$87,018.75    | \$87,018.75    |                |                |                |                |                |                |                |                |                |                |                |
| 13353866           | 4/1/18 | 5.250%    | Synco   | \$91,612.50      | \$91,612.50    | \$91,612.50    | \$91,612.50    |                |                |                |                |                |                |                |                |                |                |
| 13353867           | 4/1/19 | 5.250%    | Synco   | \$11,250.00      | \$11,250.00    | \$11,250.00    | \$11,250.00    | \$11,250.00    |                |                |                |                |                |                |                |                |                |
| 13353868           | 4/1/20 | 5.000%    | Synco   | \$83,343.75      | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    | \$83,343.75    |
| 13353869           | 4/1/20 | 5.250%    | Synco   | \$101,325.00     | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   | \$101,325.00   |
| 13353870           | 4/1/21 | 5.250%    | Synco   | \$11,562.50      | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    | \$11,562.50    |
| 13353871           | 4/1/22 | 4.625%    | Synco   | \$93,581.25      | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    | \$93,581.25    |
| 13353872           | 4/1/23 | 4.625%    | Synco   | \$34,687.50      | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    | \$34,687.50    |
| 13353873           | 4/1/23 | 5.250%    | Synco   | \$72,843.75      | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    | \$72,843.75    |
| 13353874           | 4/1/23 | 5.250%    | Synco   | \$821,468.75     | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   | \$821,468.75   |
|                    |        |           |         | \$316,750,000.00 |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>2004-A(1)</b>   |        |           |         |                  |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353875           | 4/1/19 | 5.250%    | Ambac   | \$118,125.00     | \$118,125.00   |                |                |                |                |                |                |                |                |                |                |                |                |
| 13353876           | 4/1/20 | 4.250%    | Ambac   | \$3,931.25       | \$3,931.25     | \$3,931.25     |                |                |                |                |                |                |                |                |                |                |                |
| 13353877           | 4/1/20 | 5.250%    | Ambac   | \$159,731.25     | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   | \$159,731.25   |
| 13353878           | 4/1/21 | 5.000%    | Ambac   | \$165,000.00     | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   | \$165,000.00   |
| 13353879           | 4/1/21 | 5.250%    | Ambac   | \$181,912.50     | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   | \$181,912.50   |
| 13353880           | 4/1/23 | 4.500%    | Ambac   | \$8,437.50       | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     | \$8,437.50     |
| 13353881           | 4/1/23 | 5.250%    | Ambac   | \$181,650.00     | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   | \$181,650.00   |
| 13353882           | 4/1/24 | 4.000%    | Ambac   | \$18,055.00      | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    | \$18,055.00    |
| 13353883           | 4/1/24 | 5.250%    | Ambac   | \$180,862.50     | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   | \$180,862.50   |
| 13353884           | 4/1/24 | 5.250%    | Ambac   | \$1,017,705.00   | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 | \$1,017,705.00 |
|                    |        |           |         | \$39,270,000.00  |                |                |                |                |                |                |                |                |                |                |                |                |                |

Subject to Mandatory Redemption



# UTGO Series Prior Bonds - Debt Service

| STP              | Maturity Date | Rate   | Principal              | Insurer | Interest            |                     |                     |                     |         |        |         |        |         |        |         |        | Total Principal & Interest |                        |
|------------------|---------------|--------|------------------------|---------|---------------------|---------------------|---------------------|---------------------|---------|--------|---------|--------|---------|--------|---------|--------|----------------------------|------------------------|
|                  |               |        |                        |         | 10/1/21             | 4/1/22              | 10/1/22             | 4/1/23              | 10/1/23 | 4/1/24 | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 | 10/1/26 | 4/1/27 |                            | 10/1/27                |
| <b>1999-A</b>    |               |        |                        |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        |                            |                        |
| 13553846         | 4/1/15        | 5.250% | \$2,850,000.00         | Assured | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$149,625.00               | \$2,999,625.00         |
| 13553847         | 4/1/16        | 5.000% | \$2,995,000.00         | Assured | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$299,500.00               | \$3,294,500.00         |
| 13553848         | 4/1/17        | 5.000% | \$3,145,000.00         | Assured | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$471,750.00               | \$3,616,750.00         |
| 13553849         | 4/1/18        | 5.000% | \$3,305,000.00         | Assured | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$661,000.00               | \$3,966,000.00         |
| 13553850         | 4/1/19        | 5.000% | \$3,470,000.00         | Assured | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$867,500.00               | \$4,337,500.00         |
|                  |               |        | <b>\$15,765,000.00</b> |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        | <b>\$2,449,375.00</b>      | <b>\$18,214,375.00</b> |
| <b>2001-A(1)</b> |               |        |                        |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        |                            |                        |
| 251031X6         | 4/1/15        | 5.375% | \$5,940,000.00         | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$319,275.00               | \$6,259,275.00         |
| 251031X7         | 4/1/16        | 5.375% | \$6,200,000.00         | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$672,950.00               | \$6,932,950.00         |
| 251031X8         | 4/1/17        | 5.375% | \$6,600,000.00         | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,064,250.00             | \$7,664,250.00         |
| 251031X9         | 4/1/18        | 5.375% | \$14,000,000.00        | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$3,010,000.00             | \$17,010,000.00        |
| 251031X0         | 4/1/19        | 5.000% | \$14,000,000.00        | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$3,500,000.00             | \$17,500,000.00        |
| 251031Y1         | 4/1/20        | 5.000% | \$14,000,000.00        | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$4,200,000.00             | \$18,200,000.00        |
| 251031Y2         | 4/1/21        | 5.000% | \$14,000,000.00        | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$4,900,000.00             | \$18,900,000.00        |
|                  |               |        | <b>\$74,800,000.00</b> |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        | <b>\$17,666,475.00</b>     | <b>\$92,466,475.00</b> |
| <b>2002</b>      |               |        |                        |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        |                            |                        |
| 251033W8         | 4/1/21        | 5.125% | \$3,240,000.00         | NPFG    | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1162,350.00              | \$4,402,350.00         |
| 251033W9         | 4/1/22        | 5.125% | \$3,405,000.00         | NPFG    | \$87,253.13         | \$87,253.13         | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,396,050.00             | \$4,801,050.00         |
|                  |               |        | <b>\$6,645,000.00</b>  |         | <b>\$87,253.13</b>  | <b>\$87,253.13</b>  |                     |                     |         |        |         |        |         |        |         |        | <b>\$2,558,400.00</b>      | <b>\$9,203,400.00</b>  |
| <b>2003-A</b>    |               |        |                        |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        |                            |                        |
| 251033X0         | 4/1/15        | 4.000% | \$300,000.00           | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$12,000.00                | \$312,000.00           |
| 251033X1         | 4/1/15        | 5.250% | \$2,550,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$133,875.00               | \$2,683,875.00         |
| 251033X2         | 4/1/16        | 5.250% | \$2,995,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$314,475.00               | \$3,309,475.00         |
| 251033X3         | 4/1/17        | 5.250% | \$3,150,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$496,125.00               | \$3,646,125.00         |
| 251033X4         | 4/1/17        | 5.250% | \$3,315,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$696,150.00               | \$4,011,150.00         |
| 251033X5         | 4/1/19        | 5.250% | \$3,490,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$916,125.00               | \$4,406,125.00         |
| 251033X6         | 4/1/20        | 4.500% | \$500,000.00           | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$135,000.00               | \$635,000.00           |
| 251033X7         | 4/1/20        | 5.250% | \$3,175,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,000,125.00             | \$4,175,125.00         |
| 251033X8         | 4/1/20        | 5.250% | \$3,860,000.00         | Synco   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,418,550.00             | \$5,278,550.00         |
| 251033X9         | 4/1/22        | 4.625% | \$500,000.00           | Synco   | \$11,562.50         | \$11,562.50         | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$185,000.00               | \$685,000.00           |
| 251033Y0         | 4/1/22        | 5.250% | \$3,565,000.00         | Synco   | \$93,581.25         | \$93,581.25         | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,497,300.00             | \$5,062,300.00         |
| 251033Y1         | 4/1/23        | 4.625% | \$1,500,000.00         | Synco   | \$34,687.50         | \$34,687.50         | \$34,687.50         | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$624,375.00               | \$2,124,375.00         |
| 251033Y2         | 4/1/23        | 4.625% | \$2,775,000.00         | Synco   | \$72,843.75         | \$72,843.75         | \$72,843.75         | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,311,187.50             | \$4,086,187.50         |
|                  |               |        | <b>\$3,675,000.00</b>  |         | <b>\$212,675.00</b> | <b>\$212,675.00</b> | <b>\$107,531.25</b> |                     |         |        |         |        |         |        |         |        | <b>\$8,740,287.50</b>      | <b>\$40,415,287.50</b> |
| <b>2004-A(1)</b> |               |        |                        |         |                     |                     |                     |                     |         |        |         |        |         |        |         |        |                            |                        |
| 251033Y3         | 4/1/19        | 5.250% | \$4,500,000.00         | Ambac   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,181,250.00             | \$5,681,250.00         |
| 251033Y4         | 4/1/20        | 4.250% | \$185,000.00           | Ambac   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$47,175.00                | \$232,175.00           |
| 251033Y5         | 4/1/20        | 5.250% | \$6,085,000.00         | Ambac   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$1,916,775.00             | \$8,001,775.00         |
| 251033Y6         | 4/1/21        | 5.000% | \$6,600,000.00         | Ambac   | -                   | -                   | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$2,310,000.00             | \$8,910,000.00         |
| 251033Y7         | 4/1/21        | 5.000% | \$6,930,000.00         | Ambac   | \$181,912.50        | \$181,912.50        | -                   | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$151,875.00               | \$8,263,787.50         |
| 251033Y8         | 4/1/22        | 5.250% | \$3,575,000.00         | Ambac   | \$8,437.50          | \$8,437.50          | \$8,437.50          | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$15,875.00                | \$3,600,000.00         |
| 251033Y9         | 4/1/23        | 4.500% | \$9,920,000.00         | Ambac   | \$181,650.00        | \$181,650.00        | \$181,650.00        | -                   | -       | -      | -       | -      | -       | -      | -       | -      | \$3,269,700.00             | \$10,189,700.00        |
| 251033Z0         | 4/1/23        | 5.250% | \$785,000.00           | Ambac   | \$18,055.00         | \$18,055.00         | \$18,055.00         | \$18,055.00         | -       | -      | -       | -      | -       | -      | -       | -      | \$36,110.00                | \$816,110.00           |
| 251033Z1         | 4/1/24        | 4.600% | \$6,890,000.00         | Ambac   | \$180,862.50        | \$180,862.50        | \$180,862.50        | \$180,862.50        | -       | -      | -       | -      | -       | -      | -       | -      | \$3,617,250.00             | \$10,307,250.00        |
|                  |               |        | <b>\$39,270,000.00</b> |         | <b>\$570,917.50</b> | <b>\$570,917.50</b> | <b>\$389,005.00</b> | <b>\$198,917.50</b> |         |        |         |        |         |        |         |        | <b>\$15,765,725.00</b>     | <b>\$55,035,725.00</b> |

Subject to Mandatory Redemption

# UTGO Series Prior Bonds - Debt Service

| CUSIP          | Maturity Date | Rate   | Principal        | Insurer | Interest     |              |              |              |              |              |              |              |              |              | Total Principal & Interest |              |              |                 |                  |
|----------------|---------------|--------|------------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------|--------------|--------------|-----------------|------------------|
|                |               |        |                  |         | 10/1/21      | 4/1/22       | 10/1/22      | 4/1/23       | 10/1/23      | 4/1/24       | 10/1/24      | 4/1/25       | 10/1/25      | 4/1/26       |                            | 10/1/26      | 4/1/27       | 10/1/27         | 4/1/28           |
| UTGO 2004-B(1) | 4/1/15        | 5.000% | \$8,675,000.00   | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$433,750.00    | \$9,108,750.00   |
| 243332ZP8      | 4/1/15        | 5.000% | \$8,675,000.00   | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$433,750.00    | \$9,108,750.00   |
| 243332Z06      | 4/1/16        | 5.250% | \$9,105,000.00   | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$956,025.00    | \$10,061,025.00  |
| 243332Z84      | 4/1/17        | 4.000% | \$395,000.00     | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$36,600.00     | \$431,600.00     |
| 243332Z52      | 4/1/17        | 5.250% | \$9,280,000.00   | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$1,461,600.00  | \$10,741,600.00  |
| 251033Z19      | 4/1/18        | 5.250% | \$2,000,000.00   | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$420,000.00    | \$2,420,000.00   |
|                |               |        | \$79,365,000.00  |         |              |              |              |              |              |              |              |              |              |              |                            |              |              | \$3,307,975.00  | \$82,672,975.00  |
| UTGO 2004-B(2) | 4/1/19        | 5.240% | \$575,000.00     | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$69,954.00     | \$644,954.00     |
| 243332X1       | 4/1/19        | 5.240% | \$575,000.00     | Ambac   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$69,954.00     | \$644,954.00     |
| UTGO 2005-B    | 4/1/15        | 5.000% | \$2,290,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$114,500.00    | \$2,404,500.00   |
| 243332G53      | 4/1/15        | 5.000% | \$2,290,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$114,500.00    | \$2,404,500.00   |
| 243332G61      | 4/1/16        | 5.000% | \$2,405,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$240,500.00    | \$2,645,500.00   |
| 243332G79      | 4/1/17        | 4.300% | \$2,520,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$325,080.00    | \$2,845,080.00   |
| 243332G87      | 4/1/18        | 5.000% | \$2,635,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$327,000.00    | \$3,162,000.00   |
| 243332G95      | 4/1/19        | 5.000% | \$2,765,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$691,250.00    | \$3,456,250.00   |
| 243332H129     | 4/1/20        | 5.000% | \$5,000,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$1,500,000.00  | \$6,500,000.00   |
| 243332H137     | 4/1/21        | 5.000% | \$5,000,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$1,750,000.00  | \$6,750,000.00   |
| 243332H45      | 4/1/22        | 5.000% | \$5,000,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$2,000,000.00  | \$7,000,000.00   |
| 243332H52      | 4/1/23        | 5.000% | \$5,000,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$2,250,000.00  | \$7,250,000.00   |
| 243332H60      | 4/1/24        | 5.000% | \$5,000,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$2,500,000.00  | \$7,500,000.00   |
| 243332H78      | 4/1/25        | 5.000% | \$5,000,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$2,750,000.00  | \$7,750,000.00   |
|                |               |        | \$92,615,000.00  |         |              |              |              |              |              |              |              |              |              |              |                            |              |              | \$14,648,330.00 | \$107,263,330.00 |
| UTGO 2005-C    | 4/1/15        | 5.000% | \$2,305,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$115,250.00    | \$2,420,250.00   |
| 243332J92      | 4/1/15        | 5.000% | \$2,305,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$115,250.00    | \$2,420,250.00   |
| 243332K25      | 4/1/16        | 5.000% | \$2,425,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$42,500.00     | \$2,467,500.00   |
| 243332K33      | 4/1/17        | 4.300% | \$2,540,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$328,305.00    | \$2,873,305.00   |
| 243332K41      | 4/1/18        | 5.000% | \$2,630,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$526,000.00    | \$3,156,000.00   |
| 243332K58      | 4/1/19        | 5.250% | \$2,735,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$717,937.50    | \$3,452,937.50   |
| 243332K66      | 4/1/20        | 5.250% | \$2,885,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$908,775.00    | \$3,793,775.00   |
|                |               |        | \$15,525,000.00  |         |              |              |              |              |              |              |              |              |              |              |                            |              |              | \$2,838,767.50  | \$18,363,767.50  |
| UTGO 2008-A    | 4/1/15        | 5.000% | \$2,875,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$143,750.00    | \$3,018,750.00   |
| 243332M56      | 4/1/15        | 5.000% | \$2,875,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$143,750.00    | \$3,018,750.00   |
| 243332M64      | 4/1/16        | 5.000% | \$3,015,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$301,500.00    | \$3,316,500.00   |
| 243332M72      | 4/1/17        | 5.000% | \$3,170,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$475,500.00    | \$3,645,500.00   |
| 243332M80      | 4/1/18        | 4.000% | \$3,325,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$325,000.00    | \$3,650,000.00   |
| 243332M98      | 4/1/19        | 5.000% | \$3,460,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$865,000.00    | \$4,325,000.00   |
| 243332N22      | 4/1/20        | 5.000% | \$3,630,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$1,089,000.00  | \$4,719,000.00   |
| 243332N30      | 4/1/21        | 5.000% | \$3,815,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$1,335,250.00  | \$5,150,250.00   |
| 243332N48      | 4/1/22        | 5.000% | \$4,005,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$1,602,000.00  | \$5,607,000.00   |
| 243332N56      | 4/1/23        | 5.000% | \$8,620,000.00   | Assured | \$100,125.00 | \$100,125.00 | \$215,500.00 | \$110,375.00 | \$110,375.00 | \$110,375.00 | \$110,375.00 | \$110,375.00 | \$110,375.00 | \$110,375.00 | \$110,375.00               | \$110,375.00 | \$110,375.00 | \$4,099,750.00  | \$12,719,750.00  |
| 243332N63      | 4/1/24        | 5.000% | \$19,980,000.00  | Assured | \$215,500.00 | \$215,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00 | \$499,500.00               | \$499,500.00 | \$499,500.00 | \$12,548,250.00 | \$32,538,250.00  |
|                |               |        | \$55,895,000.00  |         | \$815,125.00 | \$815,125.00 | \$715,000.00 | \$609,875.00 | \$609,875.00 | \$609,875.00 | \$609,875.00 | \$609,875.00 | \$609,875.00 | \$609,875.00 | \$609,875.00               | \$609,875.00 | \$609,875.00 | \$22,992,000.00 | \$78,887,000.00  |
| UTGO 2008-B(1) | 4/1/15        | 5.000% | \$7,970,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$398,500.00    | \$8,368,500.00   |
| 243332P53      | 4/1/15        | 5.000% | \$7,970,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$398,500.00    | \$8,368,500.00   |
| 243332P61      | 4/1/16        | 5.000% | \$3,440,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$344,000.00    | \$3,784,000.00   |
| 243332P79      | 4/1/17        | 5.000% | \$3,580,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$337,000.00    | \$4,117,000.00   |
| 243332P87      | 4/1/18        | 5.000% | \$3,790,000.00   | Assured | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -                          | -            | -            | \$358,000.00    | \$4,548,000.00   |
|                |               |        | \$18,770,000.00  |         |              |              |              |              |              |              |              |              |              |              |                            |              |              | \$2,037,500.00  | \$20,807,500.00  |
|                |               |        | \$330,910,000.00 |         |              |              |              |              |              |              |              |              |              |              |                            |              |              | \$61,058,792.50 | \$391,968,792.50 |

Subject to Mandatory Redemption

# UTGO Series Prior Bonds - Debt Service

## Bond Series Subject to Mandatory Redemption

| CUSIP        |         | Issuance: 2004-B(2) |                              | Issuance: 2008-A |        | CUSIP                 |           | Issuance: 2008-A |             |                              |                 |        |                        |
|--------------|---------|---------------------|------------------------------|------------------|--------|-----------------------|-----------|------------------|-------------|------------------------------|-----------------|--------|------------------------|
| Date         | Insurer | Fiscal Year         | Mandatory Redemption Amounts | Outstanding      | Rate   | Interest              | Date      | Insurer          | Fiscal Year | Mandatory Redemption Amounts | Outstanding     | Rate   | Interest               |
| 10/1/14      | Ambac   | 6/30/15             | -                            | \$575,000.00     | 5.240% | \$15,065.00           | 10/1/14   | Assured          | 6/30/15     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/15       | Ambac   | 6/30/15             | \$155,000.00                 | \$420,000.00     | 5.240% | \$15,065.00           | 4/1/15    | Assured          | 6/30/15     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 10/1/15      | Ambac   | 6/30/16             | -                            | \$420,000.00     | 5.240% | \$11,004.00           | 10/1/15   | Assured          | 6/30/16     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/16       | Ambac   | 6/30/16             | \$165,000.00                 | \$255,000.00     | 5.240% | \$11,004.00           | 4/1/16    | Assured          | 6/30/16     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 10/1/16      | Ambac   | 6/30/17             | -                            | \$255,000.00     | 5.240% | \$6,681.00            | 10/1/16   | Assured          | 6/30/17     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/17       | Ambac   | 6/30/17             | \$170,000.00                 | \$85,000.00      | 5.240% | \$6,681.00            | 4/1/17    | Assured          | 6/30/17     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 10/1/17      | Ambac   | 6/30/18             | -                            | \$85,000.00      | 5.240% | \$2,227.00            | 10/1/17   | Assured          | 6/30/18     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/18       | Ambac   | 6/30/18             | \$85,000.00                  | -                | 5.240% | \$2,227.00            | 4/1/18    | Assured          | 6/30/18     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| <b>Total</b> |         |                     |                              |                  |        | <b>\$69,954.00</b>    |           |                  |             |                              |                 |        | <b>\$134,125.00</b>    |
| CUSIP        |         | Issuance: 2008-A    |                              | Issuance: 2008-A |        | CUSIP                 |           | Issuance: 2008-A |             |                              |                 |        |                        |
| Date         | Insurer | Fiscal Year         | Mandatory Redemption Amounts | Outstanding      | Rate   | Interest              | Date      | Insurer          | Fiscal Year | Mandatory Redemption Amounts | Outstanding     | Rate   | Interest               |
| 10/1/14      | Assured | 6/30/15             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2022 | Assured          | 6/30/22     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/15       | Assured | 6/30/15             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2023  | Assured          | 6/30/23     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 10/1/15      | Assured | 6/30/16             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2023 | Assured          | 6/30/23     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/16       | Assured | 6/30/16             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2024  | Assured          | 6/30/24     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 10/1/16      | Assured | 6/30/17             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2024 | Assured          | 6/30/24     | -                            | \$19,980,000.00 | 5.000% | \$499,500.00           |
| 4/1/17       | Assured | 6/30/17             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2025  | Assured          | 6/30/25     | \$4,635,000.00               | \$15,345,000.00 | 5.000% | \$383,625.00           |
| 10/1/17      | Assured | 6/30/18             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2025 | Assured          | 6/30/25     | -                            | \$15,345,000.00 | 5.000% | \$383,625.00           |
| 4/1/18       | Assured | 6/30/18             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2026  | Assured          | 6/30/26     | \$4,870,000.00               | \$10,475,000.00 | 5.000% | \$261,875.00           |
| 10/1/18      | Assured | 6/30/19             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2026 | Assured          | 6/30/26     | -                            | \$10,475,000.00 | 5.000% | \$261,875.00           |
| 4/1/19       | Assured | 6/30/19             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2027  | Assured          | 6/30/27     | \$5,110,000.00               | \$5,365,000.00  | 5.000% | \$134,125.00           |
| 10/1/19      | Assured | 6/30/19             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2027 | Assured          | 6/30/27     | -                            | \$5,365,000.00  | 5.000% | \$134,125.00           |
| 4/1/20       | Assured | 6/30/20             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2028  | Assured          | 6/30/28     | \$5,365,000.00               | -               | 5.000% | \$134,125.00           |
| 10/1/20      | Assured | 6/30/20             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2028 | Assured          | 6/30/28     | -                            | \$5,365,000.00  | 5.000% | \$134,125.00           |
| 4/1/21       | Assured | 6/30/21             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2028  | Assured          | 6/30/28     | \$5,365,000.00               | -               | 5.000% | \$134,125.00           |
| 10/1/21      | Assured | 6/30/21             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2028 | Assured          | 6/30/28     | -                            | \$5,365,000.00  | 5.000% | \$134,125.00           |
| 4/1/22       | Assured | 6/30/22             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 4/1/2028  | Assured          | 6/30/28     | \$5,365,000.00               | -               | 5.000% | \$134,125.00           |
| 10/1/22      | Assured | 6/30/22             | -                            | \$8,620,000.00   | 5.000% | \$215,500.00          | 10/1/2028 | Assured          | 6/30/28     | -                            | \$5,365,000.00  | 5.000% | \$134,125.00           |
| 4/1/23       | Assured | 6/30/23             | \$4,205,000.00               | \$4,415,000.00   | 5.000% | \$110,375.00          | 4/1/2028  | Assured          | 6/30/28     | \$5,365,000.00               | -               | 5.000% | \$134,125.00           |
| 10/1/2023    | Assured | 6/30/24             | -                            | \$4,415,000.00   | 5.000% | \$110,375.00          | 10/1/2028 | Assured          | 6/30/28     | -                            | \$5,365,000.00  | 5.000% | \$134,125.00           |
| 4/1/2024     | Assured | 6/30/24             | \$4,415,000.00               | -                | 5.000% | \$110,375.00          | 4/1/2028  | Assured          | 6/30/28     | \$5,365,000.00               | -               | 5.000% | \$134,125.00           |
| <b>Total</b> |         |                     |                              |                  |        | <b>\$4,099,750.00</b> |           |                  |             |                              |                 |        | <b>\$12,548,250.00</b> |

**EXHIBIT B**

**RESTRUCTURED UTGO BONDS AND MUNICIPAL OBLIGATIONS**

**[including break out of subseries of Municipal Obligations as between BHs and Insurers]**





# Reinstated to Holders: UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| Maturity Date                | Rate   | Principal       | Insurer | Interest     |              |              |              |              |              |         |        |         |        | Total Interest | Total Principal & Interest |         |                 |                 |
|------------------------------|--------|-----------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|---------|--------|---------|--------|----------------|----------------------------|---------|-----------------|-----------------|
|                              |        |                 |         | 10/1/21      | 4/1/22       | 10/1/22      | 4/1/23       | 10/1/23      | 4/1/24       | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 |                |                            | 10/1/26 | 4/1/27          | 10/1/27         |
| <b>UTGO Series 1999-A</b>    |        |                 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         |                 |                 |
| 2/28/35M3                    | 4/1/15 | \$2,408,250.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$126,433.13    | \$2,534,683.13  |
| 2/28/35N1                    | 4/1/16 | \$2,530,775.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$253,077.50    | \$2,783,852.50  |
| 2/28/35P6                    | 4/1/17 | \$2,657,525.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$398,628.75    | \$3,056,153.75  |
| 2/28/35Q4                    | 4/1/18 | \$2,792,725.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$558,545.00    | \$3,351,270.00  |
| 2/28/35R2                    | 4/1/19 | \$2,932,150.00  | Assured | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$733,097.50    | \$3,665,247.50  |
|                              |        | \$15,321,425.00 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         | \$2,069,721.88  | \$15,391,146.88 |
| <b>UTGO Series 2001-A(1)</b> |        |                 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         |                 |                 |
| 2/28/30X6                    | 4/1/15 | \$5,019,300.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$269,787.38    | \$5,289,087.38  |
| 2/28/30Y3                    | 4/1/16 | \$5,289,700.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$366,642.75    | \$5,656,342.75  |
| 2/28/30Y11                   | 4/1/17 | \$5,577,000.00  | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$899,291.25    | \$6,476,291.25  |
| 2/28/30YM9                   | 4/1/18 | \$11,850,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$2,543,450.00  | \$14,393,450.00 |
| 2/28/30YV7                   | 4/1/19 | \$11,850,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$2,957,500.00  | \$14,787,500.00 |
| 2/28/30YV2                   | 4/1/20 | \$11,830,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$3,549,000.00  | \$15,379,000.00 |
| 2/28/30YQ0                   | 4/1/21 | \$11,830,000.00 | NPFG    | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$4,140,500.00  | \$15,970,500.00 |
|                              |        | \$63,206,000.00 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         | \$14,928,171.38 | \$78,134,171.38 |
| <b>UTGO Series 2002</b>      |        |                 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         |                 |                 |
| 2/28/30WV8                   | 4/1/21 | \$2,737,800.00  | NPFG    | \$73,728.89  | \$73,728.89  | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$982,185.75    | \$3,719,985.75  |
| 2/28/30WV6                   | 4/1/22 | \$2,877,225.00  | NPFG    | \$73,728.89  | \$73,728.89  | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$1,179,662.25  | \$4,056,887.25  |
|                              |        | \$5,615,025.00  |         |              |              |              |              |              |              |         |        |         |        |                |                            |         | \$2,161,848.00  | \$7,776,873.00  |
| <b>UTGO Series 2003-A</b>    |        |                 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         |                 |                 |
| 2/28/30XP0                   | 4/1/15 | \$253,500.00    | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$10,140.00     | \$263,640.00    |
| 2/28/30XQ8                   | 4/1/15 | \$2,154,750.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$113,124.38    | \$2,267,874.38  |
| 2/28/30XR6                   | 4/1/16 | \$2,530,775.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$365,731.38    | \$2,796,506.38  |
| 2/28/30XS4                   | 4/1/17 | \$2,661,750.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$419,225.63    | \$3,080,975.63  |
| 2/28/30XT2                   | 4/1/18 | \$2,801,175.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$588,246.75    | \$3,389,421.75  |
| 2/28/30XU9                   | 4/1/19 | \$2,949,050.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$774,125.63    | \$3,723,175.63  |
| 2/28/30XV7                   | 4/1/20 | \$422,500.00    | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$114,075.00    | \$536,575.00    |
| 2/28/30XW5                   | 4/1/20 | \$2,682,875.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$845,105.63    | \$3,527,980.63  |
| 2/28/30XW3                   | 4/1/21 | \$3,261,700.00  | Syncona | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$1,198,674.75  | \$4,460,374.75  |
| 2/28/30XY1                   | 4/1/22 | \$422,500.00    | Syncona | \$9,770.31   | \$9,770.31   | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$156,325.00    | \$578,825.00    |
| 2/28/30XZ8                   | 4/1/22 | \$3,012,425.00  | Syncona | \$79,076.16  | \$79,076.16  | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$1,265,218.50  | \$4,277,643.50  |
| 2/28/30YAZ                   | 4/1/23 | \$1,267,500.00  | Syncona | \$29,310.94  | \$29,310.94  | \$29,310.94  | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$527,596.88    | \$1,795,096.88  |
| 2/28/30YB0                   | 4/1/23 | \$2,344,875.00  | Syncona | \$61,552.97  | \$61,552.97  | \$61,552.97  | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$1,107,953.44  | \$3,452,828.44  |
|                              |        | \$26,765,375.00 |         | \$179,710.38 | \$179,710.38 | \$90,863.91  | \$90,863.91  | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$7,385,542.94  | \$34,150,917.94 |
| <b>UTGO Series 2004-A(1)</b> |        |                 |         |              |              |              |              |              |              |         |        |         |        |                |                            |         |                 |                 |
| 2/28/30YX2                   | 4/1/19 | \$3,802,500.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$98,156.25     | \$4,800,656.25  |
| 2/28/30YY0                   | 4/1/20 | \$5,141,825.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$39,862.88     | \$5,181,687.88  |
| 2/28/30YZA1                  | 4/1/21 | \$5,577,000.00  | Ambac   | -            | -            | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$1,619,674.88  | \$6,761,499.88  |
| 2/28/30ZB9                   | 4/1/22 | \$5,855,850.00  | Ambac   | \$153,716.06 | \$153,716.06 | -            | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$1,951,950.00  | \$7,528,950.00  |
| 2/28/30ZC7                   | 4/1/23 | \$3,161,875.00  | Ambac   | \$7,129.69   | \$7,129.69   | \$7,129.69   | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$2,459,457.00  | \$5,315,907.00  |
| 2/28/30ZD5                   | 4/1/23 | \$5,847,400.00  | Ambac   | \$153,494.25 | \$153,494.25 | \$153,494.25 | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$2,762,896.50  | \$8,610,296.50  |
| 2/28/30ZE3                   | 4/1/24 | \$663,325.00    | Ambac   | \$15,256.48  | \$15,256.48  | \$15,256.48  | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$305,129.50    | \$968,454.50    |
| 2/28/30ZF0                   | 4/1/24 | \$5,822,050.00  | Ambac   | \$152,828.81 | \$152,828.81 | \$152,828.81 | -            | -            | -            | -       | -      | -       | -      | -              | -                          | -       | \$3,056,576.25  | \$8,878,626.25  |
|                              |        | \$33,183,150.00 |         | \$482,425.29 | \$482,425.29 | \$328,709.23 | \$328,709.23 | \$168,085.29 | \$168,085.29 | -       | -      | -       | -      | -              | -                          | -       | \$13,522,037.63 | \$46,505,187.63 |

\* Subject to Mandatory Redemption

# Reinstated to Holders: UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| UT               | Maturity Date | Rate   | Principal        | Insurer | Interest       |                |                |                |              |              |              |              |              |              | Total Principal & Interest |              |                 |                 |                  |
|------------------|---------------|--------|------------------|---------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------|--------------|-----------------|-----------------|------------------|
|                  |               |        |                  |         | 10/1/21        | 4/1/22         | 10/1/22        | 4/1/23         | 10/1/23      | 4/1/24       | 10/1/24      | 4/1/25       | 10/1/25      | 4/1/26       |                            | 10/1/26      | 4/1/27          | 10/1/27         | 4/1/28           |
| <b>2004-B(0)</b> |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
| 251033ZPB        | 4/1/15        | 5.000% | \$7,330,375.00   | Ambac   | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$366,518.75    | \$7,696,893.75  |                  |
| 251033ZQ6        | 4/1/16        | 5.250% | \$7,693,725.00   | Ambac   | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$807,841.13    | \$8,501,566.13  |                  |
| 251033ZR4        | 4/1/17        | 4.000% | \$257,725.00     | Ambac   | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$30,927.00     | \$288,652.00    |                  |
| 251033ZS2        | 4/1/17        | 5.250% | \$7,841,600.00   | Ambac   | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$1,235,052.00  | \$9,076,652.00  |                  |
| 251033ZT0        | 4/1/18        | 5.250% | \$1,600,000.00   | Ambac   | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$354,900.00    | \$2,044,900.00  |                  |
|                  |               |        | \$24,813,425.00  |         |                |                |                |                |              |              |              |              |              |              |                            |              | \$2,779,238.88  | \$27,608,663.88 |                  |
| <b>2004-B(2)</b> |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
| 251033ZX1        | 4/1/19        | 5.240% | \$485,875.00     | Ambac   | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$59,111.13     | \$544,986.13    |                  |
| <b>2005-B</b>    |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
| 251033Y3         | 4/1/15        | 5.000% | \$1,935,050.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$96,752.50     | \$2,031,802.50  |                  |
| 251033Y4         | 4/1/16        | 5.000% | \$2,032,225.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$203,222.50    | \$2,235,447.50  |                  |
| 251033Y5         | 4/1/17        | 4.300% | \$1,129,400.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$274,692.60    | \$2,404,092.60  |                  |
| 251033Y6         | 4/1/18        | 5.000% | \$2,226,175.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$445,315.00    | \$2,671,890.00  |                  |
| 251033Y7         | 4/1/19        | 5.000% | \$2,336,425.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$584,106.25    | \$2,920,531.25  |                  |
| 251033Y8         | 4/1/20        | 5.000% | \$4,225,000.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$1,267,500.00  | \$5,492,500.00  |                  |
| 251033Y9         | 4/1/21        | 5.000% | \$4,225,000.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$1,478,750.00  | \$5,703,750.00  |                  |
| 251033Y0         | 4/1/22        | 5.000% | \$4,225,000.00   | Assured | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00               | \$105,625.00 | \$1,901,250.00  | \$5,915,000.00  |                  |
| 251033Y1         | 4/1/23        | 5.000% | \$4,225,000.00   | Assured | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00               | \$105,625.00 | \$6,126,250.00  |                 |                  |
| 251033Y2         | 4/1/24        | 5.000% | \$4,225,000.00   | Assured | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00               | \$105,625.00 | \$2,112,500.00  | \$6,337,500.00  |                  |
| 251033Y3         | 4/1/25        | 5.000% | \$4,225,000.00   | Assured | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00   | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00               | \$105,625.00 | \$2,323,750.00  | \$6,548,750.00  |                  |
|                  |               |        | \$36,009,675.00  |         | \$422,500.00   | \$422,500.00   | \$316,875.00   | \$316,875.00   | \$211,250.00 | \$211,250.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00 | \$105,625.00               | \$105,625.00 | \$12,377,838.85 | \$48,387,513.85 |                  |
| <b>2005-C</b>    |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
| 251033Z1         | 4/1/15        | 5.000% | \$1,947,725.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$97,386.25     | \$2,045,111.25  |                  |
| 251033Z2         | 4/1/16        | 5.000% | \$2,049,125.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$204,912.50    | \$2,254,037.50  |                  |
| 251033Z3         | 4/1/17        | 4.300% | \$2,150,525.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$277,417.73    | \$2,427,942.73  |                  |
| 251033Z4         | 4/1/18        | 5.000% | \$2,222,350.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$444,470.00    | \$2,666,820.00  |                  |
| 251033Z5         | 4/1/19        | 5.250% | \$2,311,075.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$606,657.19    | \$2,917,732.19  |                  |
| 251033Z6         | 4/1/20        | 5.250% | \$2,437,825.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$767,914.88    | \$3,205,739.88  |                  |
|                  |               |        | \$13,118,625.00  |         |                |                |                |                |              |              |              |              |              |              |                            |              | \$2,398,758.54  | \$15,517,383.54 |                  |
| <b>2008-A</b>    |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
| 251033M56        | 4/1/15        | 5.000% | \$2,429,375.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$121,468.75    | \$2,550,843.75  |                  |
| 251033M64        | 4/1/16        | 5.000% | \$2,547,675.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$254,767.50    | \$2,802,442.50  |                  |
| 251033M72        | 4/1/17        | 5.000% | \$2,678,650.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$401,797.50    | \$3,080,447.50  |                  |
| 251033M80        | 4/1/18        | 4.000% | \$2,809,625.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$449,540.00    | \$3,259,165.00  |                  |
| 251033M98        | 4/1/19        | 5.000% | \$2,923,700.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$730,925.00    | \$3,654,625.00  |                  |
| 251033N22        | 4/1/20        | 5.000% | \$3,067,350.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$920,205.00    | \$3,987,555.00  |                  |
| 251033N30        | 4/1/21        | 5.000% | \$3,223,675.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$1,128,286.25  | \$4,351,961.25  |                  |
| 251033N48        | 4/1/22        | 5.000% | \$3,384,225.00   | Assured | \$84,605.63    | \$84,605.63    | \$84,605.63    | \$84,605.63    | \$84,605.63  | \$84,605.63  | \$84,605.63  | \$84,605.63  | \$84,605.63  | \$84,605.63  | \$84,605.63                | \$84,605.63  | \$1,353,690.00  | \$4,737,915.00  |                  |
| 251033N55        | 4/1/24        | 5.000% | \$7,283,900.00   | Assured | \$182,097.50   | \$182,097.50   | \$182,097.50   | \$182,097.50   | \$182,097.50 | \$182,097.50 | \$182,097.50 | \$182,097.50 | \$182,097.50 | \$182,097.50 | \$182,097.50               | \$182,097.50 | \$3,464,288.75  | \$10,748,188.75 |                  |
| 251033N63        | 4/1/28        | 5.000% | \$16,883,100.00  | Assured | \$422,077.50   | \$422,077.50   | \$422,077.50   | \$422,077.50   | \$422,077.50 | \$422,077.50 | \$422,077.50 | \$422,077.50 | \$422,077.50 | \$422,077.50 | \$422,077.50               | \$422,077.50 | \$10,603,271.25 | \$27,486,371.25 |                  |
|                  |               |        | \$47,231,275.00  |         | \$688,780.63   | \$688,780.63   | \$604,175.00   | \$604,175.00   | \$515,344.38 | \$515,344.38 | \$422,077.50 | \$422,077.50 | \$422,077.50 | \$422,077.50 | \$422,077.50               | \$422,077.50 | \$19,428,240.00 | \$66,659,515.00 |                  |
| <b>2008-B(0)</b> |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
| 251033P53        | 4/1/15        | 5.000% | \$6,734,650.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$336,732.50    | \$7,071,382.50  |                  |
| 251033P61        | 4/1/16        | 5.000% | \$2,906,800.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$290,680.00    | \$3,197,480.00  |                  |
| 251033P79        | 4/1/17        | 5.000% | \$3,025,100.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$453,765.00    | \$3,478,865.00  |                  |
| 251033P87        | 4/1/18        | 5.000% | \$3,202,550.00   | Assured | -              | -              | -              | -              | -            | -            | -            | -            | -            | -            | -                          | -            | \$640,510.00    | \$3,843,060.00  |                  |
|                  |               |        | \$15,869,100.00  |         |                |                |                |                |              |              |              |              |              |              |                            |              | \$1,721,687.50  | \$17,590,787.50 |                  |
| <b>Total</b>     |               |        |                  |         |                |                |                |                |              |              |              |              |              |              |                            |              |                 |                 |                  |
|                  |               |        | \$279,618,950.00 |         | \$1,847,145.18 | \$1,847,145.18 | \$1,340,623.13 | \$1,340,623.13 | \$894,679.66 | \$894,679.66 | \$527,702.50 | \$527,702.50 | \$324,163.13 | \$324,163.13 | \$221,284.38               | \$221,284.38 | \$113,335.63    | \$78,648,916.71 | \$358,267,146.71 |

\* Subject to Mandatory Redemption

# Reinstated to Holders: UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

## Bond Series Subject to Mandatory Redemption

| Issuance: 2004-B(2) |         |             |                              |                |                    |              |           |         |             | Issuance: 2008-A             |                 |        |              |           |                    |             |                              |                 |        |              |
|---------------------|---------|-------------|------------------------------|----------------|--------------------|--------------|-----------|---------|-------------|------------------------------|-----------------|--------|--------------|-----------|--------------------|-------------|------------------------------|-----------------|--------|--------------|
| CUSIP<br>251093ZK1  |         |             |                              |                | CUSIP<br>251093N63 |              |           |         |             | CUSIP<br>251093N55           |                 |        |              |           | CUSIP<br>251093N63 |             |                              |                 |        |              |
| Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate               | Interest     | Date      | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding     | Rate   | Interest     | Date      | Insurer            | Fiscal Year | Mandatory Redemption Amounts | Outstanding     | Rate   | Interest     |
| 10/1/14             | Ambac   | 6/30/15     | -                            | \$485,875.00   | 5.240%             | \$12,729.93  | 10/1/14   | Assured | 6/30/15     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/14   | Assured            | 6/30/15     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/15              | Ambac   | 6/30/15     | \$130,975.00                 | \$354,900.00   | 5.240%             | \$12,729.93  | 4/1/15    | Assured | 6/30/15     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/15    | Assured            | 6/30/15     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/15             | Ambac   | 6/30/16     | -                            | \$354,900.00   | 5.240%             | \$9,298.38   | 10/1/15   | Assured | 6/30/16     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/15   | Assured            | 6/30/16     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/16              | Ambac   | 6/30/16     | \$139,425.00                 | \$215,475.00   | 5.240%             | \$9,298.38   | 4/1/16    | Assured | 6/30/16     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/16    | Assured            | 6/30/16     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/16             | Ambac   | 6/30/17     | -                            | \$215,475.00   | 5.240%             | \$5,645.45   | 10/1/16   | Assured | 6/30/17     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/16   | Assured            | 6/30/17     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/17              | Ambac   | 6/30/17     | \$143,650.00                 | \$71,825.00    | 5.240%             | \$5,645.45   | 4/1/17    | Assured | 6/30/17     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/17    | Assured            | 6/30/17     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/17             | Ambac   | 6/30/18     | -                            | \$71,825.00    | 5.240%             | \$1,881.82   | 10/1/17   | Assured | 6/30/18     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/17   | Assured            | 6/30/18     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/18              | Ambac   | 6/30/18     | \$71,825.00                  | -              | 5.240%             | \$1,881.82   | 4/1/18    | Assured | 6/30/18     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/18    | Assured            | 6/30/18     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| Total               |         |             |                              | \$485,875.00   |                    | \$59,111.13  | Total     |         |             |                              | \$16,883,100.00 |        | \$113,335.63 | Total     |                    |             |                              | \$113,335.63    |        |              |
| Issuance: 2008-A    |         |             |                              |                |                    |              |           |         |             | Issuance: 2008-A             |                 |        |              |           |                    |             |                              |                 |        |              |
| 10/1/14             | Assured | 6/30/15     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2022 | Assured | 6/30/22     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2022 | Assured            | 6/30/22     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/15              | Assured | 6/30/15     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2023  | Assured | 6/30/23     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2023  | Assured            | 6/30/23     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/15             | Assured | 6/30/16     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2024 | Assured | 6/30/24     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2024 | Assured            | 6/30/24     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/16              | Assured | 6/30/16     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2025  | Assured | 6/30/25     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2025  | Assured            | 6/30/25     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/16             | Assured | 6/30/17     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2026 | Assured | 6/30/26     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2026 | Assured            | 6/30/26     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/17              | Assured | 6/30/17     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2027  | Assured | 6/30/27     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2027  | Assured            | 6/30/27     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/17             | Assured | 6/30/18     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2028 | Assured | 6/30/28     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2028 | Assured            | 6/30/28     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/18              | Assured | 6/30/18     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2029  | Assured | 6/30/29     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2029  | Assured            | 6/30/29     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/19             | Assured | 6/30/19     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2030 | Assured | 6/30/30     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2030 | Assured            | 6/30/30     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/20              | Assured | 6/30/20     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2031  | Assured | 6/30/31     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2031  | Assured            | 6/30/31     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/20             | Assured | 6/30/21     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2032 | Assured | 6/30/32     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2032 | Assured            | 6/30/32     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/21              | Assured | 6/30/21     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2033  | Assured | 6/30/33     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2033  | Assured            | 6/30/33     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/21             | Assured | 6/30/22     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2034 | Assured | 6/30/34     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2034 | Assured            | 6/30/34     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/22              | Assured | 6/30/22     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2035  | Assured | 6/30/35     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2035  | Assured            | 6/30/35     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/22             | Assured | 6/30/23     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2036 | Assured | 6/30/36     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2036 | Assured            | 6/30/36     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/23              | Assured | 6/30/23     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2037  | Assured | 6/30/37     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2037  | Assured            | 6/30/37     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/23             | Assured | 6/30/24     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2038 | Assured | 6/30/38     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2038 | Assured            | 6/30/38     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/24              | Assured | 6/30/24     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2039  | Assured | 6/30/39     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2039  | Assured            | 6/30/39     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/24             | Assured | 6/30/25     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2040 | Assured | 6/30/40     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2040 | Assured            | 6/30/40     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/25              | Assured | 6/30/25     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2041  | Assured | 6/30/41     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2041  | Assured            | 6/30/41     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/25             | Assured | 6/30/26     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2042 | Assured | 6/30/42     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2042 | Assured            | 6/30/42     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/26              | Assured | 6/30/26     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2043  | Assured | 6/30/43     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2043  | Assured            | 6/30/43     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/26             | Assured | 6/30/27     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2044 | Assured | 6/30/44     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2044 | Assured            | 6/30/44     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/27              | Assured | 6/30/27     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2045  | Assured | 6/30/45     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2045  | Assured            | 6/30/45     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/27             | Assured | 6/30/28     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2046 | Assured | 6/30/46     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2046 | Assured            | 6/30/46     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/28              | Assured | 6/30/28     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2047  | Assured | 6/30/47     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2047  | Assured            | 6/30/47     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/28             | Assured | 6/30/29     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2048 | Assured | 6/30/48     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2048 | Assured            | 6/30/48     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/29              | Assured | 6/30/29     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2049  | Assured | 6/30/49     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2049  | Assured            | 6/30/49     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/29             | Assured | 6/30/30     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2050 | Assured | 6/30/50     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2050 | Assured            | 6/30/50     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/30              | Assured | 6/30/30     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2051  | Assured | 6/30/51     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2051  | Assured            | 6/30/51     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/30             | Assured | 6/30/31     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2052 | Assured | 6/30/52     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2052 | Assured            | 6/30/52     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/31              | Assured | 6/30/31     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2053  | Assured | 6/30/53     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2053  | Assured            | 6/30/53     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/31             | Assured | 6/30/32     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2054 | Assured | 6/30/54     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2054 | Assured            | 6/30/54     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/32              | Assured | 6/30/32     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2055  | Assured | 6/30/55     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2055  | Assured            | 6/30/55     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 10/1/32             | Assured | 6/30/33     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 10/1/2056 | Assured | 6/30/56     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 10/1/2056 | Assured            | 6/30/56     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 |
| 4/1/33              | Assured | 6/30/33     | -                            | \$7,283,900.00 | 5.000%             | \$182,097.50 | 4/1/2057  | Assured | 6/30/57     | -                            | \$16,883,100.00 | 5.000% | \$422,077.50 | 4/1/2057  | Assured            | 6/30/57     | -                            | \$16,8          |        |              |





# Reinstated to Insurers: UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| CUSIP             | Maturity Date | Rate   | Principal    | Insurer | Beneficial Holder | Interest |        |          |        |         |        |         |        |         |        | Total Interest | Principal & Interest |              |
|-------------------|---------------|--------|--------------|---------|-------------------|----------|--------|----------|--------|---------|--------|---------|--------|---------|--------|----------------|----------------------|--------------|
|                   |               |        |              |         |                   | 10/11/21 | 4/1/22 | 10/11/22 | 4/1/23 | 10/1/23 | 4/1/24 | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 |                |                      | 10/1/26      |
| <b>UTGO 999-A</b> |               |        |              |         |                   |          |        |          |        |         |        |         |        |         |        |                |                      |              |
| 251093Y82         | 4/1/15        | 5.250% | \$68,400.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$3,591.00           | \$71,991.00  |
| 251093Y81         | 4/1/16        | 5.000% | \$71,880.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$7,188.00           | \$79,068.00  |
| 251093Y80         | 4/1/17        | 5.000% | \$75,480.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$11,322.00          | \$86,802.00  |
| 251093Y79         | 4/1/18        | 5.000% | \$79,320.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$15,864.00          | \$95,184.00  |
| 251093Y78         | 4/1/19        | 5.000% | \$83,280.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$20,820.00          | \$104,100.00 |
| 251093Y77         | 4/1/20        | 5.000% | \$87,360.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$25,800.00          | \$113,160.00 |
| 251093Y76         | 4/1/21        | 5.000% | \$91,560.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$30,810.00          | \$122,370.00 |
| 251093Y75         | 4/1/22        | 5.000% | \$95,880.00  | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$35,850.00          | \$131,730.00 |
| 251093Y74         | 4/1/23        | 5.000% | \$100,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$40,890.00          | \$141,210.00 |
| 251093Y73         | 4/1/24        | 5.000% | \$104,880.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$45,930.00          | \$150,810.00 |
| 251093Y72         | 4/1/25        | 5.000% | \$109,560.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$50,970.00          | \$160,530.00 |
| 251093Y71         | 4/1/26        | 5.000% | \$114,360.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$55,980.00          | \$170,340.00 |
| 251093Y70         | 4/1/27        | 5.000% | \$119,280.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$60,930.00          | \$180,210.00 |
| 251093Y69         | 4/1/28        | 5.000% | \$124,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$65,820.00          | \$190,140.00 |
| 251093Y68         | 4/1/29        | 5.000% | \$129,480.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$70,740.00          | \$199,220.00 |
| 251093Y67         | 4/1/30        | 5.000% | \$134,760.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$75,660.00          | \$208,420.00 |
| 251093Y66         | 4/1/31        | 5.000% | \$140,160.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$80,520.00          | \$217,680.00 |
| 251093Y65         | 4/1/32        | 5.000% | \$145,680.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$85,320.00          | \$227,000.00 |
| 251093Y64         | 4/1/33        | 5.000% | \$151,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$90,060.00          | \$236,380.00 |
| 251093Y63         | 4/1/34        | 5.000% | \$157,080.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$94,740.00          | \$245,820.00 |
| 251093Y62         | 4/1/35        | 5.000% | \$162,960.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$99,360.00          | \$255,320.00 |
| 251093Y61         | 4/1/36        | 5.000% | \$168,960.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$103,920.00         | \$264,880.00 |
| 251093Y60         | 4/1/37        | 5.000% | \$175,080.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$108,420.00         | \$274,500.00 |
| 251093Y59         | 4/1/38        | 5.000% | \$181,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$112,860.00         | \$284,180.00 |
| 251093Y58         | 4/1/39        | 5.000% | \$187,680.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$117,240.00         | \$293,920.00 |
| 251093Y57         | 4/1/40        | 5.000% | \$194,160.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$121,560.00         | \$303,720.00 |
| 251093Y56         | 4/1/41        | 5.000% | \$200,760.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$125,820.00         | \$313,580.00 |
| 251093Y55         | 4/1/42        | 5.000% | \$207,480.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$130,020.00         | \$323,500.00 |
| 251093Y54         | 4/1/43        | 5.000% | \$214,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$134,160.00         | \$333,480.00 |
| 251093Y53         | 4/1/44        | 5.000% | \$221,280.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$138,240.00         | \$343,520.00 |
| 251093Y52         | 4/1/45        | 5.000% | \$228,360.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$142,260.00         | \$353,620.00 |
| 251093Y51         | 4/1/46        | 5.000% | \$235,560.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$146,220.00         | \$363,780.00 |
| 251093Y50         | 4/1/47        | 5.000% | \$242,880.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$150,120.00         | \$374,000.00 |
| 251093Y49         | 4/1/48        | 5.000% | \$250,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$153,960.00         | \$384,280.00 |
| 251093Y48         | 4/1/49        | 5.000% | \$257,880.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$157,740.00         | \$394,620.00 |
| 251093Y47         | 4/1/50        | 5.000% | \$265,560.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$161,460.00         | \$405,020.00 |
| 251093Y46         | 4/1/51        | 5.000% | \$273,360.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$165,120.00         | \$415,480.00 |
| 251093Y45         | 4/1/52        | 5.000% | \$281,280.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$168,720.00         | \$426,000.00 |
| 251093Y44         | 4/1/53        | 5.000% | \$289,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$172,260.00         | \$436,580.00 |
| 251093Y43         | 4/1/54        | 5.000% | \$297,480.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$175,740.00         | \$447,220.00 |
| 251093Y42         | 4/1/55        | 5.000% | \$305,760.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$179,160.00         | \$457,920.00 |
| 251093Y41         | 4/1/56        | 5.000% | \$314,160.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$182,520.00         | \$468,680.00 |
| 251093Y40         | 4/1/57        | 5.000% | \$322,680.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$185,820.00         | \$479,500.00 |
| 251093Y39         | 4/1/58        | 5.000% | \$331,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$189,060.00         | \$490,380.00 |
| 251093Y38         | 4/1/59        | 5.000% | \$340,080.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$192,240.00         | \$501,320.00 |
| 251093Y37         | 4/1/60        | 5.000% | \$348,960.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$195,360.00         | \$512,320.00 |
| 251093Y36         | 4/1/61        | 5.000% | \$357,960.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$198,420.00         | \$523,380.00 |
| 251093Y35         | 4/1/62        | 5.000% | \$367,080.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$201,420.00         | \$534,500.00 |
| 251093Y34         | 4/1/63        | 5.000% | \$376,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$204,360.00         | \$545,680.00 |
| 251093Y33         | 4/1/64        | 5.000% | \$385,680.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$207,240.00         | \$556,920.00 |
| 251093Y32         | 4/1/65        | 5.000% | \$395,160.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$210,060.00         | \$568,220.00 |
| 251093Y31         | 4/1/66        | 5.000% | \$404,760.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$212,820.00         | \$579,580.00 |
| 251093Y30         | 4/1/67        | 5.000% | \$414,480.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$215,520.00         | \$591,000.00 |
| 251093Y29         | 4/1/68        | 5.000% | \$424,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$218,160.00         | \$602,480.00 |
| 251093Y28         | 4/1/69        | 5.000% | \$434,280.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$220,740.00         | \$614,020.00 |
| 251093Y27         | 4/1/70        | 5.000% | \$444,360.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$223,260.00         | \$625,620.00 |
| 251093Y26         | 4/1/71        | 5.000% | \$454,560.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$225,720.00         | \$637,280.00 |
| 251093Y25         | 4/1/72        | 5.000% | \$464,880.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$228,120.00         | \$649,000.00 |
| 251093Y24         | 4/1/73        | 5.000% | \$475,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$230,460.00         | \$660,780.00 |
| 251093Y23         | 4/1/74        | 5.000% | \$485,880.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$232,740.00         | \$672,620.00 |
| 251093Y22         | 4/1/75        | 5.000% | \$496,560.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$234,960.00         | \$684,520.00 |
| 251093Y21         | 4/1/76        | 5.000% | \$507,360.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$237,120.00         | \$696,480.00 |
| 251093Y20         | 4/1/77        | 5.000% | \$518,280.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$239,220.00         | \$708,500.00 |
| 251093Y19         | 4/1/78        | 5.000% | \$529,320.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$241,260.00         | \$720,580.00 |
| 251093Y18         | 4/1/79        | 5.000% | \$540,480.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$243,240.00         | \$732,720.00 |
| 251093Y17         | 4/1/80        | 5.000% | \$551,760.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$245,160.00         | \$744,880.00 |
| 251093Y16         | 4/1/81        | 5.000% | \$563,160.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$247,020.00         | \$757,080.00 |
| 251093Y15         | 4/1/82        | 5.000% | \$574,680.00 | Assured | Assured           | -        | -      | -        | -      | -       | -      | -       | -      | -       | -      | -              | \$248,820.00         | \$769,320.00 |
| 251093Y14         | 4/1/83        | 5.000% | \$586,320.00 | Assured | Assured           | -        | -</    |          |        |         |        |         |        |         |        |                |                      |              |

# Reinstated to Insurers: UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| CUSIP                 | Maturity Date | Rate   | Principal      | Insurer | Beneficial Holder | 10/1/21     | 4/1/22      | 10/1/22     | 4/1/23      | 10/1/23     | 4/1/24      | 10/1/24     | 4/1/25      | 10/1/25     | 4/1/26      | 10/1/26     | 4/1/27      | 10/1/27     | 4/1/28      | Total Interest | Principal & Interest |              |
|-----------------------|---------------|--------|----------------|---------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------------|--------------|
| <b>UTGO 2004-A(1)</b> |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/19        | 5.250% | \$108,000.00   | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$26,350.00    | \$136,350.00         |              |
| 251338100             | 4/1/20        | 4.250% | \$4,440.00     | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$5,572.20     | \$11,012.20          |              |
| 251338100             | 4/1/20        | 5.250% | \$140,040.00   | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$46,002.60    | \$192,042.60         |              |
| 251338100             | 4/1/21        | 5.000% | \$158,400.00   | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$55,440.00    | \$213,840.00         |              |
| 251338100             | 4/1/22        | 5.250% | \$166,320.00   | Ambac   | Ambac             | \$4,365.90  | \$4,365.90  | \$202.50    | \$202.50    | \$202.50    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$86,666.40    | \$254,552.80         |              |
| 251338100             | 4/1/23        | 5.000% | \$9,000.00     | Ambac   | Ambac             | \$202.50    | \$202.50    | \$4,359.60  | \$4,359.60  | \$4,359.60  | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$86,666.40    | \$254,552.80         |              |
| 251338100             | 4/1/23        | 5.250% | \$166,080.00   | Ambac   | Ambac             | \$4,365.90  | \$4,365.90  | \$202.50    | \$202.50    | \$202.50    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$86,666.40    | \$254,552.80         |              |
| 251338100             | 4/1/24        | 4.000% | \$18,840.00    | Ambac   | Ambac             | \$433.32    | \$433.32    | \$4,359.60  | \$4,359.60  | \$4,359.60  | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32       | \$86,666.40          | \$254,552.80 |
| 251338100             | 4/1/24        | 6.000% | \$18,840.00    | Ambac   | Ambac             | \$433.32    | \$433.32    | \$4,359.60  | \$4,359.60  | \$4,359.60  | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32    | \$433.32       | \$86,666.40          | \$254,552.80 |
| 251093270             | 4/1/24        | 5.250% | \$165,360.00   | Ambac   | Ambac             | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70  | \$4,340.70     | \$86,814.00          | \$252,174.00 |
|                       |               |        | \$992,480.00   |         |                   | \$13,702.02 | \$13,702.02 | \$9,336.12  | \$9,336.12  | \$9,336.12  | \$4,774.02  | \$4,774.02  |             |             |             |             |             |             |             | \$78,537.40    | \$1,520,017.40       |              |
| <b>UTGO 2004-B(1)</b> |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/15        | 5.000% | \$298,200.00   | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$10,410.00    | \$218,610.00         |              |
| 251338100             | 4/1/16        | 5.250% | \$218,520.00   | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$22,944.60    | \$241,464.60         |              |
| 251338100             | 4/1/17        | 4.000% | \$7,320.00     | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$878.40       | \$8,198.40           |              |
| 251338100             | 4/1/17        | 5.250% | \$222,720.00   | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$15,078.40    | \$237,798.40         |              |
| 251338100             | 4/1/18        | 5.250% | \$48,000.00    | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$10,080.00    | \$58,080.00          |              |
|                       |               |        | \$704,760.00   |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             | \$79,391.40    | \$784,151.40         |              |
| <b>UTGO 2004-B(2)</b> |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/19        | 5.240% | \$13,800.00 *  | Ambac   | Ambac             | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$1,678.90     | \$15,478.90          |              |
| <b>UTGO 2005-B</b>    |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/15        | 5.000% | \$54,960.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$2,748.00     | \$57,708.00          |              |
| 251338100             | 4/1/16        | 5.000% | \$57,720.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$5,772.00     | \$63,492.00          |              |
| 251338100             | 4/1/17        | 4.300% | \$60,480.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$7,801.92     | \$68,281.92          |              |
| 251338100             | 4/1/18        | 5.000% | \$63,240.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$12,648.00    | \$75,888.00          |              |
| 251338100             | 4/1/19        | 5.000% | \$66,560.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$16,590.00    | \$82,950.00          |              |
| 251338100             | 4/1/20        | 5.000% | \$120,000.00   | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$36,000.00    | \$156,000.00         |              |
| 251338100             | 4/1/21        | 5.000% | \$120,000.00   | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$42,000.00    | \$162,000.00         |              |
| 251338100             | 4/1/22        | 5.000% | \$120,000.00   | Assured | Assured           | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$48,000.00    | \$168,000.00         |              |
| 251338100             | 4/1/23        | 5.000% | \$120,000.00   | Assured | Assured           | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$48,000.00    | \$168,000.00         |              |
| 251338100             | 4/1/24        | 5.000% | \$120,000.00   | Assured | Assured           | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$48,000.00    | \$168,000.00         |              |
| 251338100             | 4/1/25        | 5.000% | \$120,000.00   | Assured | Assured           | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$48,000.00    | \$168,000.00         |              |
|                       |               |        | \$1,022,760.00 |         |                   | \$12,000.00 | \$12,000.00 | \$9,000.00  | \$9,000.00  | \$9,000.00  | \$4,000.00  | \$4,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$3,000.00  | \$51,559.92    | \$1,374,319.92       |              |
| <b>UTGO 2005-C</b>    |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/15        | 5.000% | \$55,320.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$2,766.00     | \$58,086.00          |              |
| 251338100             | 4/1/16        | 5.000% | \$58,200.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$5,820.00     | \$64,020.00          |              |
| 251338100             | 4/1/17        | 4.300% | \$61,080.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$7,879.32     | \$68,959.32          |              |
| 251338100             | 4/1/18        | 5.000% | \$63,120.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$12,634.40    | \$75,754.40          |              |
| 251338100             | 4/1/19        | 5.250% | \$65,640.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$17,230.30    | \$82,870.30          |              |
| 251338100             | 4/1/20        | 5.250% | \$69,240.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$21,810.60    | \$91,050.60          |              |
|                       |               |        | \$372,600.00   |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             | \$68,130.42    | \$440,730.42         |              |
| <b>UTGO 2008-A</b>    |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/15        | 5.000% | \$69,000.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$3,450.00     | \$72,450.00          |              |
| 251338100             | 4/1/16        | 5.000% | \$72,360.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$7,236.00     | \$79,596.00          |              |
| 251338100             | 4/1/17        | 5.000% | \$76,080.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$11,412.00    | \$87,492.00          |              |
| 251338100             | 4/1/18        | 4.000% | \$79,800.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$12,768.00    | \$92,568.00          |              |
| 251338100             | 4/1/19        | 5.000% | \$83,040.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$20,760.00    | \$103,800.00         |              |
| 251338100             | 4/1/20        | 5.000% | \$87,120.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$26,136.00    | \$113,256.00         |              |
| 251338100             | 4/1/21        | 5.000% | \$91,560.00    | Assured | Assured           | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$2,403.00  | \$98,394.00    | \$136,787.00         |              |
| 251338100             | 4/1/22        | 5.000% | \$96,120.00    | Assured | Assured           | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$5,172.00  | \$98,394.00    | \$136,787.00         |              |
| 251338100             | 4/1/24        | 5.000% | \$206,880.00 * | Assured | Assured           | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$11,988.00 | \$301,158.00   | \$502,038.00         |              |
| 251338100             | 4/1/28        | 5.000% | \$179,520.00   | Assured | Assured           | \$19,563.00 | \$19,563.00 | \$17,160.00 | \$17,160.00 | \$17,160.00 | \$14,637.00 | \$14,637.00 | \$11,988.00 | \$11,988.00 | \$9,207.00  | \$9,207.00  | \$9,207.00  | \$6,285.00  | \$6,285.00  | \$51,408.00    | \$1,893,288.00       |              |
|                       |               |        | \$1,341,480.00 |         |                   | \$19,563.00 | \$19,563.00 | \$17,160.00 | \$17,160.00 | \$17,160.00 | \$14,637.00 | \$14,637.00 | \$11,988.00 | \$11,988.00 | \$9,207.00  | \$9,207.00  | \$9,207.00  | \$6,285.00  | \$6,285.00  | \$51,408.00    | \$1,893,288.00       |              |
| <b>UTGO 2008-B(1)</b> |               |        |                |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |
| 251338100             | 4/1/15        | 5.000% | \$191,280.00   | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$9,564.00     | \$200,844.00         |              |
| 251338100             | 4/1/16        | 5.000% | \$82,560.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$8,256.00     | \$90,816.00          |              |
| 251338100             | 4/1/17        | 5.000% | \$85,920.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$12,868.00    | \$98,788.00          |              |
| 251338100             | 4/1/18        | 5.000% | \$90,240.00    | Assured | Assured           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$18,192.00    | \$108,432.00         |              |
|                       |               |        | \$450,720.00   |         |                   |             |             |             |             |             |             |             |             |             |             |             |             |             |             | \$48,900.00    | \$499,620.00         |              |
|                       |               |        | \$7,941,840.00 |         |                   | \$52,463.3  |             |             |             |             |             |             |             |             |             |             |             |             |             |                |                      |              |

Reinstated to Insurers: UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

Bond Series Subject to Mandatory Redemption

| Issuance: 2004-B(2) |         |             |                              |              |                 |            |            |         |             | Issuance: 2008-A             |              |        |             |              |                 |             |                              |              |        |              |  |
|---------------------|---------|-------------|------------------------------|--------------|-----------------|------------|------------|---------|-------------|------------------------------|--------------|--------|-------------|--------------|-----------------|-------------|------------------------------|--------------|--------|--------------|--|
| CUSIP 251093ZK1     |         |             |                              |              | CUSIP 251093N63 |            |            |         |             | CUSIP 251093N55              |              |        |             |              | CUSIP 251093N63 |             |                              |              |        |              |  |
| Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate            | Interest   | Date       | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate   | Interest    | Date         | Insurer         | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate   | Interest     |  |
| 10/1/14             | Ambac   | 6/30/15     | -                            | \$13,800.00  | 5.240%          | \$361.56   | 10/1/14    | Assured | 6/30/15     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 10/1/14      | Assured         | 6/30/15     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 4/1/15              | Ambac   | 6/30/15     | \$3,720.00                   | \$10,080.00  | 5.240%          | \$361.56   | 4/1/15     | Assured | 6/30/15     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 4/1/15       | Assured         | 6/30/15     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 10/1/15             | Ambac   | 6/30/16     | -                            | \$10,080.00  | 5.240%          | \$264.10   | 10/1/15    | Assured | 6/30/16     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 10/1/15      | Assured         | 6/30/16     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 4/1/16              | Ambac   | 6/30/16     | \$3,960.00                   | \$6,120.00   | 5.240%          | \$364.10   | 4/1/16     | Assured | 6/30/16     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 4/1/16       | Assured         | 6/30/16     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 10/1/16             | Ambac   | 6/30/17     | -                            | \$6,120.00   | 5.240%          | \$160.34   | 10/1/16    | Assured | 6/30/17     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 10/1/16      | Assured         | 6/30/17     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 4/1/17              | Ambac   | 6/30/17     | \$4,080.00                   | \$2,040.00   | 5.240%          | \$160.34   | 4/1/17     | Assured | 6/30/17     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 4/1/17       | Assured         | 6/30/17     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 10/1/17             | Ambac   | 6/30/18     | -                            | \$2,040.00   | 5.240%          | \$53.45    | 10/1/17    | Assured | 6/30/18     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 10/1/17      | Assured         | 6/30/18     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 4/1/18              | Ambac   | 6/30/18     | \$13,800.00                  | -            | 5.240%          | \$53.45    | 4/1/18     | Assured | 6/30/18     | -                            | \$479,520.00 | 5.000% | \$11,988.00 | 4/1/18       | Assured         | 6/30/18     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| Total               |         |             |                              |              |                 |            | Total      |         |             |                              |              |        |             | Total        |                 |             |                              |              |        |              |  |
|                     |         |             |                              |              |                 |            | \$1,678.90 |         |             |                              |              |        |             | \$301,158.00 |                 |             |                              |              |        |              |  |
| Issuance: 2008-A    |         |             |                              |              |                 |            |            |         |             | Issuance: 2008-A             |              |        |             |              |                 |             |                              |              |        |              |  |
| Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate            | Interest   | Date       | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate   | Interest    | Date         | Insurer         | Fiscal Year | Mandatory Redemption Amounts | Outstanding  | Rate   | Interest     |  |
| 10/1/14             | Assured | 6/30/15     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/14    | Assured | 6/30/15     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 10/1/2022    | Assured         | 6/30/23     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 4/1/15              | Assured | 6/30/15     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/15     | Assured | 6/30/15     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 4/1/2023     | Assured         | 6/30/24     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 10/1/15             | Assured | 6/30/16     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/15    | Assured | 6/30/16     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 10/1/2024    | Assured         | 6/30/25     | -                            | \$479,520.00 | 5.000% | \$11,988.00  |  |
| 4/1/16              | Assured | 6/30/16     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/16     | Assured | 6/30/16     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 4/1/2025     | Assured         | 6/30/26     | -                            | \$368,280.00 | 5.000% | \$9,207.00   |  |
| 10/1/16             | Assured | 6/30/17     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/16    | Assured | 6/30/17     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 10/1/2026    | Assured         | 6/30/26     | -                            | \$368,280.00 | 5.000% | \$9,207.00   |  |
| 4/1/17              | Assured | 6/30/17     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/17     | Assured | 6/30/17     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 4/1/2027     | Assured         | 6/30/27     | -                            | \$251,400.00 | 5.000% | \$6,285.00   |  |
| 10/1/17             | Assured | 6/30/18     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/17    | Assured | 6/30/18     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 10/1/2028    | Assured         | 6/30/28     | -                            | \$128,760.00 | 5.000% | \$3,219.00   |  |
| 4/1/18              | Assured | 6/30/18     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/18     | Assured | 6/30/18     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | 4/1/2029     | Assured         | 6/30/28     | -                            | \$128,760.00 | 5.000% | \$3,219.00   |  |
| 10/1/19             | Assured | 6/30/19     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/19    | Assured | 6/30/19     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | Total        |                 |             |                              | \$128,760.00 | 5.000% | \$3,219.00   |  |
| 4/1/20              | Assured | 6/30/20     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/20     | Assured | 6/30/20     | -                            | \$206,880.00 | 5.000% | \$5,172.00  | Total        |                 |             |                              | \$479,520.00 | 5.000% | \$301,158.00 |  |
| 10/1/20             | Assured | 6/30/21     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/20    | Assured | 6/30/21     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 4/1/21              | Assured | 6/30/21     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/21     | Assured | 6/30/21     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 10/1/21             | Assured | 6/30/22     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/21    | Assured | 6/30/22     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 4/1/22              | Assured | 6/30/22     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/22     | Assured | 6/30/22     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 10/1/2022           | Assured | 6/30/23     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/2022  | Assured | 6/30/23     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 4/1/2023            | Assured | 6/30/23     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/2023   | Assured | 6/30/23     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 10/1/2023           | Assured | 6/30/24     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 10/1/2023  | Assured | 6/30/24     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| 4/1/2024            | Assured | 6/30/24     | -                            | \$206,880.00 | 5.000%          | \$5,172.00 | 4/1/2024   | Assured | 6/30/24     | -                            | \$206,880.00 | 5.000% | \$5,172.00  |              |                 |             |                              |              |        |              |  |
| Total               |         |             |                              |              |                 |            | Total      |         |             |                              |              |        |             | Total        |                 |             |                              |              |        |              |  |
|                     |         |             |                              |              |                 |            | \$2,649.00 |         |             |                              |              |        |             | \$98,394.00  |                 |             |                              |              |        |              |  |

EXHIBIT C

STUB UTGO BONDS



# UTGO Series STUB Bonds - Debt Service

| SIP            | Maturity Date | Rate   | Principal      | Insurer | 10/1/14      | 4/1/15       | 10/1/15      | 4/1/16       | 10/1/16      | 4/1/17       | 10/1/17      | 4/1/18       | 10/1/18      | 4/1/19       | 10/1/19      | 4/1/20       | 10/1/20      | 4/1/21       |              |
|----------------|---------------|--------|----------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                |               |        |                |         | Interest     |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| UTGO 2004-B(1) |               |        |                |         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 093278         | 4/1/15        | 5.000% | \$1,136,425.00 | Ambac   | \$28,410.63  | \$28,410.63  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  |
| 093279         | 4/1/16        | 5.250% | \$1,192,755.00 | Ambac   | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  | \$31,309.82  |
| 093280         | 4/1/17        | 5.000% | \$999,550.00   | Ambac   | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     | \$799.10     |
| 093281         | 4/1/17        | 5.250% | \$1,215,680.00 | Ambac   | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  | \$31,911.60  |
| 093282         | 4/1/17        | 5.250% | \$262,000.00   | Ambac   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   | \$6,877.50   |
| 093283         | 4/1/18        | 5.250% | \$3,846,815.00 | Ambac   | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  | \$99,308.64  |
| UTGO 2004-B(2) |               |        |                |         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 093284         | 4/1/19        | 5.240% | \$75,325.00    | Ambac   | \$1,973.52   | \$1,973.52   | \$1,441.52   | \$1,441.52   | \$875.21     | \$875.21     | \$291.74     | \$291.74     | \$291.74     | \$291.74     | \$291.74     | \$291.74     | \$291.74     | \$291.74     | \$291.74     |
| UTGO 2005-B    |               |        |                |         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 093285         | 4/1/15        | 5.000% | \$299,990.00   | Assured | \$7,499.75   | \$7,499.75   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   |
| 093286         | 4/1/16        | 5.000% | \$315,055.00   | Assured | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   | \$7,876.38   |
| 093287         | 4/1/17        | 4.300% | \$330,120.00   | Assured | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   | \$7,097.58   |
| 093288         | 4/1/18        | 5.000% | \$345,185.00   | Assured | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   | \$8,629.63   |
| 093289         | 4/1/19        | 5.000% | \$362,215.00   | Assured | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   | \$9,055.38   |
| 093290         | 4/1/20        | 5.000% | \$655,000.00   | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  |
| 093291         | 4/1/21        | 5.000% | \$655,000.00   | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  |
| 093292         | 4/1/22        | 5.000% | \$655,000.00   | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  |
| 093293         | 4/1/23        | 5.000% | \$655,000.00   | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  |
| 093294         | 4/1/24        | 5.000% | \$655,000.00   | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  |
| 093295         | 4/1/25        | 5.000% | \$655,000.00   | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00  |
| 093296         | 4/1/25        | 5.000% | \$5,582,865.00 | Assured | \$138,408.71 | \$138,408.71 | \$130,908.96 | \$130,908.96 | \$123,032.58 | \$123,032.58 | \$115,935.00 | \$115,935.00 | \$107,305.38 | \$107,305.38 | \$98,250.00  | \$98,250.00  | \$81,875.00  | \$81,875.00  | \$81,875.00  |
| UTGO 2005-C    |               |        |                |         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 093297         | 4/1/15        | 5.000% | \$301,955.00   | Assured | \$7,548.88   | \$7,548.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   |
| 093298         | 4/1/16        | 5.000% | \$317,675.00   | Assured | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   | \$7,941.88   |
| 093299         | 4/1/17        | 4.300% | \$333,395.00   | Assured | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   | \$7,167.99   |
| 093300         | 4/1/18        | 5.000% | \$344,530.00   | Assured | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   | \$8,613.25   |
| 093301         | 4/1/19        | 5.250% | \$358,285.00   | Assured | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   | \$9,404.98   |
| 093302         | 4/1/20        | 5.250% | \$377,935.00   | Assured | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   | \$9,920.79   |
| 093303         | 4/1/20        | 5.250% | \$2,033,775.00 | Assured | \$50,597.77  | \$50,597.77  | \$43,048.89  | \$43,048.89  | \$35,107.02  | \$35,107.02  | \$27,939.03  | \$27,939.03  | \$21,925.78  | \$21,925.78  | \$16,375.00  | \$16,375.00  | \$11,888.25  | \$11,888.25  | \$11,888.25  |
| UTGO 2008-A    |               |        |                |         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 093304         | 4/1/15        | 5.000% | \$376,625.00   | Assured | \$9,415.63   | \$9,415.63   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   | \$9,874.13   |
| 093305         | 4/1/16        | 5.000% | \$394,965.00   | Assured | \$9,874.13   | \$9,874.13   | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  | \$10,381.75  |
| 093306         | 4/1/17        | 5.000% | \$415,270.00   | Assured | \$10,381.75  | \$10,381.75  | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   | \$8,711.50   |
| 093307         | 4/1/18        | 4.000% | \$435,575.00   | Assured | \$8,711.50   | \$8,711.50   | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  | \$11,331.50  |
| 093308         | 4/1/19        | 5.000% | \$453,260.00   | Assured | \$11,331.50  | \$11,331.50  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  | \$11,888.25  |
| 093309         | 4/1/20        | 5.000% | \$475,530.00   | Assured | \$11,888.25  | \$11,888.25  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  | \$12,494.13  |
| 093310         | 4/1/21        | 5.000% | \$499,765.00   | Assured | \$12,494.13  | \$12,494.13  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38  |
| 093311         | 4/1/22        | 5.000% | \$524,655.00   | Assured | \$13,116.38  | \$13,116.38  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50  |
| 093312         | 4/1/24        | 5.000% | \$1,129,220.00 | Assured | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  | \$65,434.50  |
| 093313         | 4/1/28        | 5.000% | \$2,617,380.00 | Assured | \$180,878.25 | \$180,878.25 | \$171,462.63 | \$171,462.63 | \$161,588.50 | \$161,588.50 | \$151,206.75 | \$151,206.75 | \$142,495.25 | \$142,495.25 | \$131,163.75 | \$131,163.75 | \$119,275.50 | \$119,275.50 | \$119,275.50 |
| UTGO 2008-B(1) |               |        |                |         |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| 093314         | 4/1/15        | 5.000% | \$1,044,070.00 | Assured | \$26,101.75  | \$26,101.75  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  | \$11,266.00  |
| 093315         | 4/1/16        | 5.000% | \$450,640.00   | Assured | \$11,266.00  | \$11,266.00  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  | \$11,724.50  |
| 093316         | 4/1/17        | 5.000% | \$468,980.00   | Assured | \$11,724.50  | \$11,724.50  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  | \$12,412.25  |
| 093317         | 4/1/18        | 5.000% | \$2,460,180.00 | Assured | \$61,504.50  | \$61,504.50  | \$55,402.75  | \$55,402.75  | \$54,136.75  | \$54,136.75  | \$52,412.25  | \$52,412.25  | \$50,422.25  | \$50,422.25  | \$48,136.75  | \$4          |              |              |              |

# UTGO Series STUB Bonds - Debt Service

| Maturity Date                | Rate          | Principal      | Insurer | Interest    |             |             |             |             |        |         |        |         |        |         |        | Total Interest | Total Principal & Interest |                 |
|------------------------------|---------------|----------------|---------|-------------|-------------|-------------|-------------|-------------|--------|---------|--------|---------|--------|---------|--------|----------------|----------------------------|-----------------|
|                              |               |                |         | 10/1/21     | 4/1/22      | 10/1/22     | 4/1/23      | 10/1/23     | 4/1/24 | 10/1/24 | 4/1/25 | 10/1/25 | 4/1/26 | 10/1/26 | 4/1/27 |                |                            | 10/1/27         |
| <b>UTGO Series 1999-A</b>    |               |                |         |             |             |             |             |             |        |         |        |         |        |         |        |                |                            |                 |
| 2/28/38M3                    | 4/1/15 5.250% | \$373,350.00   | Assured | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$19,600.88                | \$392,950.88    |
| 2/28/38N1                    | 4/1/16 5.000% | \$392,345.00   | Assured | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$39,234.50                | \$431,579.50    |
| 2/28/38P6                    | 4/1/17 5.000% | \$411,995.00   | Assured | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$61,799.25                | \$473,794.25    |
| 2/28/38Q4                    | 4/1/18 5.000% | \$432,955.00   | Assured | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$86,591.00                | \$519,546.00    |
| 2/28/38R2                    | 4/1/19 5.000% | \$454,570.00   | Assured | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$113,642.50               | \$568,212.50    |
|                              |               | \$2,065,215.00 |         |             |             |             |             |             |        |         |        |         |        |         |        |                | \$320,868.13               | \$2,386,083.13  |
| <b>UTGO Series 2001-A(1)</b> |               |                |         |             |             |             |             |             |        |         |        |         |        |         |        |                |                            |                 |
| 2/28/31UX6                   | 4/1/15 5.375% | \$778,140.00   | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$41,825.03                | \$819,965.03    |
| 2/28/31VK3                   | 4/1/16 5.375% | \$820,060.00   | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$88,156.45                | \$908,216.45    |
| 2/28/31VL1                   | 4/1/17 5.375% | \$864,600.00   | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$139,416.75               | \$1,004,016.75  |
| 2/28/31VM9                   | 4/1/18 5.375% | \$1,834,000.00 | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$394,310.00               | \$2,228,310.00  |
| 2/28/31VN7                   | 4/1/19 5.000% | \$1,834,000.00 | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$458,500.00               | \$2,292,500.00  |
| 2/28/31VP2                   | 4/1/20 5.000% | \$1,834,000.00 | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$550,200.00               | \$2,384,200.00  |
| 2/28/31VQ0                   | 4/1/21 5.000% | \$1,834,000.00 | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$641,900.00               | \$2,475,900.00  |
|                              |               | \$9,798,800.00 |         |             |             |             |             |             |        |         |        |         |        |         |        |                | \$2,314,308.23             | \$12,113,108.23 |
| <b>UTGO Series 2002</b>      |               |                |         |             |             |             |             |             |        |         |        |         |        |         |        |                |                            |                 |
| 2/28/33WV8                   | 4/1/21 5.125% | \$424,440.00   | NPPG    | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$152,267.85               | \$576,707.85    |
| 2/28/33WV6                   | 4/1/22 5.125% | \$446,055.00   | NPPG    | \$11,430.16 | \$11,430.16 | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$182,882.55               | \$628,937.55    |
|                              |               | \$870,495.00   |         | \$11,430.16 | \$11,430.16 |             |             |             |        |         |        |         |        |         |        |                | \$335,150.40               | \$1,205,645.40  |
| <b>UTGO Series 2003-A</b>    |               |                |         |             |             |             |             |             |        |         |        |         |        |         |        |                |                            |                 |
| 2/28/33XPO                   | 4/1/15 4.000% | \$39,300.00    | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$1,572.00                 | \$40,872.00     |
| 2/28/33XQ8                   | 4/1/15 5.250% | \$334,050.00   | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$17,537.63                | \$351,587.63    |
| 2/28/33XR6                   | 4/1/16 5.250% | \$392,345.00   | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$41,196.23                | \$433,541.23    |
| 2/28/33XS4                   | 4/1/17 5.250% | \$412,650.00   | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$64,992.38                | \$477,642.38    |
| 2/28/33XT2                   | 4/1/18 5.250% | \$434,265.00   | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$91,195.65                | \$525,460.65    |
| 2/28/33XU9                   | 4/1/19 5.250% | \$457,190.00   | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$120,012.38               | \$577,202.38    |
| 2/28/33XV7                   | 4/1/20 4.500% | \$65,500.00    | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$17,685.00                | \$83,185.00     |
| 2/28/33XW5                   | 4/1/20 5.250% | \$415,925.00   | Synco   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$131,016.38               | \$546,941.38    |
| 2/28/33XX3                   | 4/1/21 5.250% | \$505,660.00   | Synco   | \$1,514.69  | \$1,514.69  | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$185,830.05               | \$691,490.05    |
| 2/28/33XY1                   | 4/1/22 4.625% | \$65,500.00    | Synco   | \$12,259.14 | \$12,259.14 | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$24,235.00                | \$89,735.00     |
| 2/28/33XZ8                   | 4/1/22 5.250% | \$467,015.00   | Synco   | \$4,544.06  | \$4,544.06  | \$4,544.06  | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$196,146.30               | \$663,161.30    |
| 2/28/33YA2                   | 4/1/23 4.625% | \$196,500.00   | Synco   | \$9,542.53  | \$9,542.53  | \$9,542.53  | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$81,793.13                | \$278,293.13    |
| 2/28/33YB0                   | 4/1/23 5.250% | \$363,525.00   | Synco   | \$27,860.43 | \$27,860.43 | \$14,086.59 | \$14,086.59 | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$171,765.56               | \$535,290.56    |
|                              |               | \$4,149,425.00 |         | \$27,860.43 | \$27,860.43 | \$14,086.59 | \$14,086.59 |             |        |         |        |         |        |         |        |                | \$3,144,977.66             | \$7,294,402.66  |
| <b>UTGO Series 2004-A(1)</b> |               |                |         |             |             |             |             |             |        |         |        |         |        |         |        |                |                            |                 |
| 2/28/33YX2                   | 4/1/19 5.250% | \$589,500.00   | Ambac   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$154,743.75               | \$744,243.75    |
| 2/28/33YY0                   | 4/1/20 4.250% | \$24,235.00    | Ambac   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$6,179.93                 | \$30,414.93     |
| 2/28/33YZ7                   | 4/1/20 5.250% | \$797,135.00   | Ambac   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$251,097.53               | \$1,048,232.53  |
| 2/28/33ZA1                   | 4/1/21 5.000% | \$864,600.00   | Ambac   | -           | -           | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$302,610.00               | \$1,167,210.00  |
| 2/28/33ZB9                   | 4/1/22 5.250% | \$907,830.00   | Ambac   | \$23,830.54 | \$23,830.54 | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$381,288.60               | \$1,289,118.60  |
| 2/28/33ZC7                   | 4/1/23 4.500% | \$49,125.00    | Ambac   | \$1,105.31  | \$1,105.31  | -           | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$19,895.63                | \$69,020.63     |
| 2/28/33ZD5                   | 4/1/23 5.250% | \$906,520.00   | Ambac   | \$23,796.15 | \$23,796.15 | \$23,796.15 | -           | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$428,330.70               | \$1,334,850.70  |
| 2/28/33ZE3                   | 4/1/24 4.600% | \$102,835.00   | Ambac   | \$2,365.21  | \$2,365.21  | \$2,365.21  | \$2,365.21  | -           | -      | -       | -      | -       | -      | -       | -      | -              | \$47,304.10                | \$150,139.10    |
| 2/28/33ZF0                   | 4/1/24 5.250% | \$902,590.00   | Ambac   | \$74,790.19 | \$74,790.19 | \$50,959.66 | \$26,058.19 | \$26,058.19 | -      | -       | -      | -       | -      | -       | -      | -              | \$473,859.75               | \$1,376,449.75  |
|                              |               | \$5,144,370.00 |         | \$74,790.19 | \$74,790.19 | \$50,959.66 | \$26,058.19 | \$26,058.19 |        |         |        |         |        |         |        |                | \$2,065,309.98             | \$7,209,679.98  |

\* Subject to Mandatory Redemption

# UTGO Series STUB Bonds - Debt Service

| CIP            | Maturity Date | Rate   | Principal       | Insurer | 10/1/21      | 10/1/22      | 10/1/23      | 4/1/23      | 10/1/23     | 4/1/24      | 10/1/24     | 4/1/25      | 10/1/25     | 4/1/26      | 10/1/26     | 4/1/27      | 10/1/27     | 4/1/28      | Total Interest  | Total Principal & Interest |
|----------------|---------------|--------|-----------------|---------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------|----------------------------|
| Interest       |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| UTGO 2004-B(1) |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| 25-00278       | 4/1/15        | 5.000% | \$1,136,425.00  | Ambac   | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$56,821.25     | \$1,193,246.25             |
| 25-00279       | 4/1/16        | 5.250% | \$1,192,555.00  | Ambac   | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$125,239.28    | \$1,317,794.28             |
| 25-00280       | 4/1/17        | 4.000% | \$39,955.00     | Ambac   | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$4,794.60      | \$44,749.60                |
| 25-00282       | 4/1/17        | 5.250% | \$1,215,680.00  | Ambac   | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$191,469.60    | \$1,407,149.60             |
| 25-00321       | 4/1/18        | 5.250% | \$262,000.00    | Ambac   | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$55,020.00     | \$317,020.00               |
|                |               |        | \$3,846,815.00  |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             | \$433,344.73    | \$4,280,159.73             |
| UTGO 2004-B(2) |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| 25-00281       | 4/1/19        | 5.240% | \$75,325.00 *   | Ambac   | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$9,163.97      | \$84,488.97                |
| UTGO 2005-B    |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| 25-00283       | 4/1/15        | 5.000% | \$299,990.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$14,990.50     | \$314,980.50               |
| 25-00284       | 4/1/16        | 5.000% | \$315,055.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$31,505.50     | \$346,560.50               |
| 25-00285       | 4/1/17        | 4.300% | \$330,120.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$42,585.48     | \$372,705.48               |
| 25-00286       | 4/1/18        | 5.000% | \$345,185.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$69,037.00     | \$414,222.00               |
| 25-00287       | 4/1/19        | 5.000% | \$362,215.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$90,553.75     | \$452,768.75               |
| 25-00288       | 4/1/20        | 5.000% | \$655,000.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$196,500.00    | \$851,500.00               |
| 25-00289       | 4/1/21        | 5.000% | \$655,000.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$229,250.00    | \$884,250.00               |
| 25-00290       | 4/1/22        | 5.000% | \$655,000.00    | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$292,000.00    | \$947,000.00               |
| 25-00291       | 4/1/23        | 5.000% | \$655,000.00    | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$294,750.00    | \$949,750.00               |
| 25-00292       | 4/1/24        | 5.000% | \$655,000.00    | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$327,500.00    | \$982,500.00               |
| 25-00293       | 4/1/25        | 5.000% | \$655,000.00    | Assured | \$16,375.00  | \$16,375.00  | \$16,375.00  | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$360,250.00    | \$1,015,250.00             |
|                |               |        | \$5,582,565.00  |         | \$65,500.00  | \$49,125.00  | \$32,750.00  | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$16,375.00 | \$19,189,931.23 | \$7,501,962.23             |
| UTGO 2005-C    |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| 25-00294       | 4/1/15        | 5.000% | \$301,955.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$15,097.75     | \$317,052.75               |
| 25-00295       | 4/1/16        | 5.000% | \$317,675.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$31,767.50     | \$349,442.50               |
| 25-00296       | 4/1/17        | 4.300% | \$333,995.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$43,007.96     | \$376,402.96               |
| 25-00297       | 4/1/18        | 5.000% | \$344,530.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$68,906.00     | \$413,436.00               |
| 25-00298       | 4/1/19        | 5.250% | \$358,285.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$94,049.81     | \$452,334.81               |
| 25-00299       | 4/1/20        | 5.250% | \$377,935.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$119,049.53    | \$496,984.53               |
|                |               |        | \$2,033,775.00  |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             | \$371,878.54    | \$2,405,653.54             |
| UTGO 2008-A    |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| 25-00300       | 4/1/15        | 5.000% | \$376,625.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$18,831.25     | \$395,456.25               |
| 25-00301       | 4/1/16        | 5.000% | \$394,965.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$39,496.50     | \$434,461.50               |
| 25-00302       | 4/1/17        | 5.000% | \$415,270.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$62,290.50     | \$477,560.50               |
| 25-00303       | 4/1/18        | 4.000% | \$435,575.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$69,692.00     | \$505,267.00               |
| 25-00304       | 4/1/19        | 5.000% | \$453,260.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$113,315.00    | \$566,575.00               |
| 25-00305       | 4/1/20        | 5.000% | \$475,530.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$142,659.00    | \$618,189.00               |
| 25-00306       | 4/1/21        | 5.000% | \$499,765.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$174,917.75    | \$674,682.75               |
| 25-00307       | 4/1/22        | 5.000% | \$524,655.00    | Assured | \$13,116.38  | \$13,116.38  | \$13,116.38  | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$13,116.38 | \$209,862.00    | \$734,517.00               |
| 25-00308       | 4/1/23        | 5.000% | \$524,655.00    | Assured | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$537,067.25    | \$1,066,287.25             |
| 25-00309       | 4/1/24        | 5.000% | \$524,655.00    | Assured | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$537,067.25    | \$1,066,287.25             |
| 25-00310       | 4/1/25        | 5.000% | \$524,655.00    | Assured | \$28,230.50  | \$28,230.50  | \$28,230.50  | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$28,230.50 | \$537,067.25    | \$1,066,287.25             |
|                |               |        | \$7,222,245.00  |         | \$106,781.38 | \$93,665.00  | \$79,893.63  | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$65,434.50 | \$3,011,952.00  | \$10,334,197.00            |
| UTGO 2008-B(1) |               |        |                 |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             |                 |                            |
| 25-00311       | 4/1/15        | 5.000% | \$1,044,070.00  | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$52,203.50     | \$1,096,273.50             |
| 25-00312       | 4/1/16        | 5.000% | \$450,640.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$45,064.00     | \$495,704.00               |
| 25-00313       | 4/1/17        | 5.000% | \$468,980.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$70,347.00     | \$539,327.00               |
| 25-00314       | 4/1/18        | 5.000% | \$496,490.00    | Assured | -            | -            | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | \$99,298.00     | \$595,788.00               |
|                |               |        | \$2,460,180.00  |         |              |              |              |             |             |             |             |             |             |             |             |             |             |             | \$266,912.50    | \$2,727,092.50             |
|                |               |        | \$43,349,210.00 |         | \$286,362.15 | \$207,836.25 | \$138,701.82 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$81,809.50 | \$12,192,797.36 | \$55,542,007.36            |

\* Subject to Mandatory Redemption

# UTGO Series STUB Bonds - Debt Service

## Bond Series Subject to Mandatory Redemption

| Issuance: 2004-B(2) |         |             |                              |                |                    |             |                     |         |             | Issuance: 2008-A             |                |        |             |                       |                    |             |                              |                |        |             |
|---------------------|---------|-------------|------------------------------|----------------|--------------------|-------------|---------------------|---------|-------------|------------------------------|----------------|--------|-------------|-----------------------|--------------------|-------------|------------------------------|----------------|--------|-------------|
| CUSIP<br>251093ZK1  |         |             |                              |                | CUSIP<br>251093N63 |             |                     |         |             | CUSIP<br>251093N55           |                |        |             |                       | CUSIP<br>251093N63 |             |                              |                |        |             |
| Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate               | Interest    | Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate   | Interest    | Date                  | Insurer            | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate   | Interest    |
| 10/1/14             | Ambac   | 6/30/15     | -                            | \$75,325.00    | 5.240%             | \$1,973.52  | 10/1/14             | Assured | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/14               | Assured            | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/15              | Ambac   | 6/30/15     | \$20,305.00                  | \$55,020.00    | 5.240%             | \$1,973.52  | 4/1/15              | Assured | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/15                | Assured            | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/15             | Ambac   | 6/30/16     | -                            | \$55,020.00    | 5.240%             | \$1,441.52  | 10/1/15             | Assured | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/15               | Assured            | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/16              | Ambac   | 6/30/16     | \$21,615.00                  | \$33,405.00    | 5.240%             | \$1,441.52  | 4/1/16              | Assured | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/16                | Assured            | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/16             | Ambac   | 6/30/17     | -                            | \$33,405.00    | 5.240%             | \$875.21    | 10/1/16             | Assured | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/16               | Assured            | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/17              | Ambac   | 6/30/17     | \$22,270.00                  | \$11,135.00    | 5.240%             | \$875.21    | 4/1/17              | Assured | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/17                | Assured            | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/17             | Ambac   | 6/30/18     | -                            | \$11,135.00    | 5.240%             | \$291.74    | 10/1/17             | Assured | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/17               | Assured            | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/18              | Ambac   | 6/30/18     | \$11,135.00                  | -              | 5.240%             | \$291.74    | 4/1/18              | Assured | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/18                | Assured            | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| <b>Total</b>        |         |             |                              |                |                    |             | <b>\$9,163.97</b>   |         |             |                              |                |        |             | <b>\$1,643,820.75</b> |                    |             |                              |                |        |             |
| Issuance: 2008-A    |         |             |                              |                |                    |             |                     |         |             | Issuance: 2008-A             |                |        |             |                       |                    |             |                              |                |        |             |
| Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate               | Interest    | Date                | Insurer | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate   | Interest    | Date                  | Insurer            | Fiscal Year | Mandatory Redemption Amounts | Outstanding    | Rate   | Interest    |
| 10/1/14             | Assured | 6/30/15     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/14             | Assured | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/14               | Assured            | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/15              | Assured | 6/30/15     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/15              | Assured | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/15                | Assured            | 6/30/15     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/15             | Assured | 6/30/16     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/15             | Assured | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/15               | Assured            | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/16              | Assured | 6/30/16     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/16              | Assured | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/16                | Assured            | 6/30/16     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/16             | Assured | 6/30/17     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/16             | Assured | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/16               | Assured            | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/17              | Assured | 6/30/17     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/17              | Assured | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/17                | Assured            | 6/30/17     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/17             | Assured | 6/30/18     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/17             | Assured | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/17               | Assured            | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/18              | Assured | 6/30/18     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/18              | Assured | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/18                | Assured            | 6/30/18     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/18             | Assured | 6/30/19     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/18             | Assured | 6/30/19     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/18               | Assured            | 6/30/19     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/19              | Assured | 6/30/19     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/19              | Assured | 6/30/19     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/19                | Assured            | 6/30/19     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/19             | Assured | 6/30/20     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/19             | Assured | 6/30/20     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/19               | Assured            | 6/30/20     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/20              | Assured | 6/30/20     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/20              | Assured | 6/30/20     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/20                | Assured            | 6/30/20     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/20             | Assured | 6/30/21     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/20             | Assured | 6/30/21     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/20               | Assured            | 6/30/21     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/21              | Assured | 6/30/21     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/21              | Assured | 6/30/21     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/21                | Assured            | 6/30/21     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/21             | Assured | 6/30/22     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/21             | Assured | 6/30/22     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/21               | Assured            | 6/30/22     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/22              | Assured | 6/30/22     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 4/1/22              | Assured | 6/30/22     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 4/1/22                | Assured            | 6/30/22     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 10/1/22             | Assured | 6/30/23     | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/22             | Assured | 6/30/23     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/22               | Assured            | 6/30/23     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/23              | Assured | 6/30/23     | \$550,855.00                 | \$578,365.00   | 5.000%             | \$28,230.50 | 4/1/23              | Assured | 6/30/23     | \$607,185.00                 | \$2,010,195.00 | 5.000% | \$50,254.88 | 4/1/23                | Assured            | 6/30/23     | \$607,185.00                 | \$2,010,195.00 | 5.000% | \$50,254.88 |
| 10/1/23             | Assured | 6/30/24     | -                            | \$578,365.00   | 5.000%             | \$14,459.13 | 10/1/23             | Assured | 6/30/24     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/23               | Assured            | 6/30/24     | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| 4/1/24              | Assured | 6/30/24     | \$578,365.00                 | -              | 5.000%             | \$14,459.13 | 4/1/24              | Assured | 6/30/24     | \$669,410.00                 | \$1,372,225.00 | 5.000% | \$34,305.63 | 4/1/24                | Assured            | 6/30/24     | \$669,410.00                 | \$1,372,225.00 | 5.000% | \$34,305.63 |
| 10/1/2024           | Assured | 6/30/2024   | -                            | \$1,129,220.00 | 5.000%             | \$28,230.50 | 10/1/2024           | Assured | 6/30/2024   | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 | 10/1/2024             | Assured            | 6/30/2024   | -                            | \$2,617,380.00 | 5.000% | \$65,434.50 |
| <b>Total</b>        |         |             |                              |                |                    |             | <b>\$537,067.25</b> |         |             |                              |                |        |             | <b>\$1,643,820.75</b> |                    |             |                              |                |        |             |

## EXHIBIT D

### FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the City of Detroit, County of Wayne, State of Michigan (the “City”) in connection with bonds issued by the City, purchased or to be purchased with funds from the Michigan Finance Authority Local Government Loan Program Revenue Bonds, Series [2014], of the Type designated City of Detroit Unlimited Tax General Obligation Local Project Bonds (the “Local Project Municipal Obligations”) by the Michigan Finance Authority (the “MFA”). The City covenants and agrees for the benefit of the Bondholders, as hereinafter defined, as follows:

- (a) *Definitions.* The following terms used herein shall have the following meanings:

“Audited Financial Statements” means the annual audited financial statement pertaining to the City prepared by an individual or firm of independent certified public accountants as required by Act 2, Public Acts of Michigan, 1968, as amended, which presently requires preparation in accordance with generally accepted accounting principles.

“Bondholders” shall mean the MFA and the registered owner of any MFA Bond or any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any MFA Bond (including any person holding an MFA Bond through a nominee, depository or other intermediary), or (b) is treated as the owner of any MFA Bond for federal income tax purposes.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access System or such other system, Internet Web Site, or repository hereafter prescribed by the MSRB for the submission of electronic filings pursuant to the Rule.

“MFA Bond” means any bond issued by the MFA which is secured in whole or in part by payments to be received on the Local Project Municipal Obligations.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means Rule 15c2-12 promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended.

“SEC” means the United States Securities and Exchange Commission.

- (b) *Continuing Disclosure.* The City hereby agrees, in accordance with the provisions of the Rule, to provide or cause to be provided to the MSRB through EMMA no later than 270 days after the end of its fiscal year the following annual financial information and operating data, commencing with the fiscal year ended June 30, 20\_\_ in an electronic format as prescribed by the MSRB, the Audited Financial Statements and updates of certain financial and operating data of the City appearing under the headings and tables in the Official Statement of

the MFA dated \_\_\_\_\_, 2014 relating to the MFA Bonds as follows: [Tables 1 through 32, inclusive, and 42 in Appendix II to the Official Statement (“Annual Financial Information”).]

If the fiscal year of the City is changed, the City shall send notice of such change to the MSRB through EMMA prior to the earlier of the ending date of the fiscal year prior to such change or the ending date of the fiscal year as changed.

In the event that the Audited Financial Statements are not available by the date specified above, they will be provided when available and Unaudited Financial Statements will be filed by such date and the Audited Financial Statements will be filed as soon as available.

Such annual financial information and operating data described above are expected to be provided directly by the City by specific reference to documents available to the public through EMMA or filed with the SEC.

(c) *Notice of Failure to Disclose.* The City agrees to provide or cause to be provided, in a timely manner, to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, notice of a failure by the City to provide the annual financial information with respect to the City described in subsection (b) above on or prior to the dates set forth in subsection (b) above.

(d) *Occurrence of Events.* The City agrees to provide or cause to be provided to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Local Project Municipal Obligations:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Local Project Municipal Obligations, or other material events affecting the tax status of the Local Project Municipal Obligations;
- (7) modifications to rights of Bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Local Project Municipal Obligations, if material;
- (11) rating changes;

- (12) bankruptcy, insolvency, receivership or similar event of the City, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(e) *Materiality Determined Under Federal Securities Laws.* The City agrees that its determination of whether any event listed in subsection (d) is material shall be made in accordance with federal securities laws.

(f) *Termination of Reporting Obligation.* The City reserves the right to terminate their obligation to provide annual financial information and notices of material events, as set forth above, if and when the City is no longer an “obligated person” with respect to the MFA Bonds within the meaning of the Rule, including upon legal defeasance of all MFA Bonds.

(g) *Identifying Information.* All documents provided to the MSRB through EMMA shall be accompanied by the identifying information prescribed by the MSRB.

(h) *Benefit of Bondholders.* The City agrees that its undertaking pursuant to the Rule set forth in this Section is intended to be for the benefit of the Bondholders and shall be enforceable by any Bondholder; provided that, the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the City’s obligations hereunder and any failure by the City to comply with the provisions of this undertaking shall not constitute a default or an event of default with respect to the Bonds.

(i) *Amendments to the Undertaking.* Amendments may be made in the specific types of information provided or the format of the presentation of such information to the extent deemed necessary or appropriate in the judgment of the City, provided that the City agrees that any such amendment will be adopted procedurally and substantively in a manner consistent with the Rule, including any interpretations thereof by the SEC, which, to the extent applicable, are incorporated herein by reference. Such interpretations currently include the requirements that (a)

the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City or the type of activities conducted thereby, (b) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the MFA Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the City (such as independent legal counsel), but such interpretations may be changed in the future. If the accounting principles to be followed by the City in the preparing of the Audited Financial Statements are modified, the annual financial information for the year in which the change is made shall present a comparison between the financial statements as prepared on the prior basis and the statements as prepared on the new basis, and otherwise shall comply with the requirements of the Rule, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. A notice of the change in accounting principles shall be sent to the MSRB through EMMA.

(j) *Municipal Advisory Council of the State of Michigan.* The City shall also file by electronic or other means any information or notice required to be filed with the MSRB through EMMA pursuant to this Undertaking in a timely manner with the Municipal Advisory Council of the State of Michigan.

CITY OF DETROIT  
County of Wayne  
State of Michigan

By \_\_\_\_\_

Its: Finance Director

Dated: \_\_\_\_\_, 2014

22059790.15\022765-00202  
7/23/14 7:57 AM

Exhibit C

ANNUAL CERTIFICATION OF IMPOSITION OF DEBT MILLAGE LEVY

Exhibit C  
ANNUAL CERTIFICATION OF IMPOSITION OF DEBT MILLAGE LEVY

## Millage Calculation

| Numerator   |                      |
|---|----------------------|
| Fiscal Year 2015 Interest   | \$ 24,753,181        |
| Fiscal Year 2015 Principal  | \$ 37,795,000        |
| Projected Bond Sales - Current Year (Interest)                      | \$ -                 |
| Projected Bond Sales - Current Year (Principal)                     | \$ -                 |
| Projected Bond Sales - Next Year (Interest)                         | \$ -                 |
| Projected Bond Sales - Next Year (Principal)                        | \$ -                 |
| <b>Fiscal Year 2015 Debt Service</b>                                | <b>\$ 62,548,181</b> |
| Prior Year 2010E BAB Federal Tax Rebates                            | \$ 3,351,142         |
| Prior Year Real Property Tax Overcollection / (Undercollection)     | \$ -                 |
| Prior Year Personal Property Tax Overcollection / (Undercollection) | \$ -                 |
| Earnings in Escrow Account  | \$ -                 |
| Change in Escrow Account Funding Balance                            | \$ -                 |
| <b>Total Adjustments</b>  | <b>\$ 3,351,142</b>  |
| <b>Tax Levy Requirement</b>   | <b>\$ 59,197,039</b> |

| Denominator        |                  |
|--------------------|------------------|
| Total Net Tax Base | \$ 6,025,940,795 |

| Millage                         |           |
|---------------------------------|-----------|
| Tax Rate                        | 0.0098237 |
| Tax Rate (per \$1000 valuation) | 9.8237    |

Chief Financial Officer  
City of Detroit

Date

Exhibit D

FORM OF SETTLEMENT ESCROW AGREEMENT

D-1

AFDOCS/10855025.6

CLI-2220387v14

11353846 sjtt Doc 304818-15 Filed 10/12/23 Entered 10/12/23 12:53:57 Page 6 of 62

**SETTLEMENT ESCROW AGREEMENT**

THIS SETTLEMENT ESCROW AGREEMENT (the “**Agreement**” or “**Settlement Escrow Agreement**”), is dated as of the \_\_\_ day of \_\_\_\_\_, 2014, made by and among the City of Detroit, County of Wayne, State of Michigan (the “**City**”), Ambac Assurance Corporation (“**Ambac**”), Assured Guaranty Municipal Corp. and Assured Guaranty Corp. (together, “**Assured**”), and National Public Finance Guarantee Corporation (“**NPFG**”), and U. S. Bank National Association, Detroit, Michigan (in such capacity, the “**Settlement Escrow Trustee**”). In this Agreement, each of the City, Ambac, Assured, NPFG and the Settlement Escrow Trustee is referred to individually as a “**Party**”; Ambac, Assured, and NPFG (including their successors and assigns) are referred to collectively as the “**Bond Insurers**”; and the City, the Settlement Escrow Trustee and the Bond Insurers are referred to collectively as the “**Parties**.”

Capitalized terms not otherwise defined herein shall have the meaning set forth in the UTGO Settlement Agreement (defined herein).

W I T N E S S E T H:

WHEREAS, the City and the Bond Insurers have heretofore entered into a Settlement Agreement, dated XX (the “**UTGO Settlement Agreement**”) to consensually resolve their dispute under or in respect of the Prior UTGO Bonds, the Assured/NPFG Action, the AMBAC Action as it relates to the Prior UTGO Bonds, and the UTGO Claims, all arising out of a petition for relief filed by the City pursuant to Chapter 9 of title 11 of the United States Code in the United States Bankruptcy Court for the Eastern District of Michigan;

WHEREAS, if the Effective Date of the Plan does not occur on or prior to September 30, 2014, for any reason other than proximately by reason of the actions or positions taken by any of the Bond Insurers, or their failure to support the Plan as described in Section 3.1 of the UTGO Settlement Agreement, solely in their capacity as the insurers of the Prior UTGO Bonds and not in any other capacity (including, for the avoidance of doubt in their capacity as insurers of any other obligations of the City), the City will be obligated to pay into an escrow to be established with the Settlement Escrow Trustee under this Agreement the October 2014 scheduled interest debt service payment that would otherwise be made on the Restructured UTGO Bonds as if the transaction contemplated by the UTGO Settlement Agreement (other than the MFA Bond issuance) had closed (the “**Pro Forma Restructured UTGO Bonds**”), and any pro rata payments of principal and interest due thereafter, as further described in Section 2.8 of the UTGO Settlement Agreement and herein;

WHEREAS, the City has executed the Debt Millage Escrow Agreement pursuant to which the City will be required, as of the Effective Date, to segregate and deposit the UTGO Tax Levy with the Debt Millage Escrow Trustee;

NOW, THEREFORE, in consideration of the mutual undertakings, provisions and agreements herein contained, the sufficiency of which are hereby acknowledged, and in order to provide for the payment of the Pro Forma Restructured UTGO Bonds should the Effective Date

not occur on or prior to September 30, 2014, and to secure the performance and observance of the conditions and covenants herein set forth and for other valuable consideration, the receipt of which is hereby acknowledged, the City covenants and agrees with the Settlement Escrow Trustee and the Bond Insurers as follows:

**ARTICLE I.**  
**ESTABLISHMENT OF FUNDS AND ACCOUNTS**

Section 101 Establishment of Settlement Escrow Fund. There is hereby created and established with the Settlement Escrow Trustee, pursuant to Order No. \_\_\_ and this Agreement, a single and common trust fund designated the “Settlement Escrow Fund” (the “**Settlement Escrow Fund**”).

Section 102 Deposits to the Settlement Escrow Fund.

(a) If the Effective Date of the Plan does not occur on or prior to September 30, 2014 for any reason other than proximately by reason of the actions or positions taken by any of the Bond Insurers, or their failure to support the Plan as described in Section 3.1 of the UTGO Settlement Agreement, solely in their capacity as the insurers of the Prior UTGO Bonds and not in any other capacity (including, for the avoidance of doubt in their capacity as insurers of any other obligations of the City), the City shall pay the Settlement Escrow Trustee, from Debt Millage Revenues, for deposit into the Settlement Escrow Fund the October 2014 scheduled interest debt service payment with respect to the Pro Forma Restructured UTGO Bonds, as shown on Exhibit A, and any pro rata payments of principal and interest due thereafter, as shown on Exhibit A, as if the transaction contemplated by the UTGO Settlement Agreement (other than the MFA Bond issuance) had closed. Any such monies in the Settlement Escrow Fund which would have been payable on October 1, 2014 shall be released to the Bond Insurers on the Effective Date of the Plan. Any other monies then on deposit in the Settlement Escrow Fund shall be transferred on the Effective Date to the Debt Millage Escrow Trustee for deposit in the 2014 UTGO Municipal Obligation Subaccount in the 2014 UTGO Bonds Account established pursuant to the Debt Millage Escrow Agreement.

(b) If the Plan is not effective by March 31, 2015, and the Bankruptcy Court has issued an Approval Order (that is not stayed pending appeal) approving the settlement embodied in the UTGO Settlement Agreement, the monies in the Settlement Escrow Fund will be released and paid to the Bond Insurers in the amounts shown in Exhibit A for each prior interest payment date and the City shall make, or shall cause the Debt Millage Escrow Trustee to make, all subsequent debt service payments on each interest date payment (as shown on Exhibit A) directly to the paying agent for the Prior UTGO Bonds. If an Approval Order is entered but is subject to a stay pending appeal, the City shall continue to pay into the Settlement Escrow Fund the scheduled debt service on the Pro Forma Restructured UTGO Bonds as shown on Exhibit A for so long as such stay remains in effect, and, as soon as such order is no longer subject to stay, shall thereafter apply all monies in the Settlement Escrow Fund first, to immediately reimburse the Bond Insurers for payments of principal and interest made on and after October 1, 2014 with respect to the Prior UTGO Bonds, and thereafter to make payments directly to the Paying Agent for the UTGO Bonds.

(c) Notwithstanding the foregoing, if any Bond Insurer shall have defaulted in its obligation to make payments under its respective Bond Insurance Policy or Policies, any payment required to be made to such Bond Insurer shall be made to the holders of the Prior UTGOs at the direction of the City but only to the extent of any uncured failure or shortfall in the Bond Insurer's payment.

Section 103 Partial Payments; Accounting.

(a) If on any interest payment date amounts held in the Settlement Escrow Fund are less than the amounts due with respect to all Pro Forma Restructured UTGO Bonds (as shown on Exhibit A), such payments shall distributed pro rata based upon the aggregate amount payable to each Bond Insurer. If the City fails to deposit into the Settlement Escrow Fund, or to otherwise pay to the Bond Insurers or holders of the Prior UTGO the amounts required by this Agreement, any deficiencies shall be paid into the Settlement Escrow Fund from the first available amounts of the Aggregate UTGO Tax Levy as provided for in Section 2.4(b)(i) of the UTGO Settlement Agreement, and shall be distributed to, or at the direction of the Bond Insurers, pro rata, as soon as practicable (subject to Section 102(b)) hereof.

(b) The Settlement Escrow Trustee shall keep and maintain a record showing each deposit into the Settlement Escrow Fund, and all transfers of funds made therefrom, which shall be provided to any Bond Insurer upon request.

(c) Any payment to a Bond Insurer shall be paid by wire transfer in immediately available funds into the accounts as shown in Section 501.

**ARTICLE II.**  
**INVESTMENT OF FUNDS**

Section 201 Permitted Investments. All money held by the Settlement Escrow Fund, without the need for further direction by the City, shall be invested by the Settlement Escrow Trustee in accordance with written instructions from the City in mutual funds registered under the investment company act of 1940, title I of chapter 686, 54 Stat. 789, 15 USC 80a-1 to 80a-3 and 80a-4 to 80a-64, that are at the time of purchase within the highest classification established by not less than two standard rating services and so long as the portfolio of such mutual funds is limited to bonds, and other obligations on which the full and timely payment of principal and interest is unconditionally guaranteed by the full faith and credit of the United States. All investments shall mature or be redeemable at the option of the holder no later than the next interest payment date on the Pro Forma Restructured UTGO Bonds. In the absence of any written direction delivered to the Settlement Escrow Trustee by the City, the Settlement Escrow Trustee shall hold funds uninvested. The Settlement Escrow Trustee shall be entitled to rely on any written direction from the City as to the suitability and legality of the directed investment.

**ARTICLE III.**  
**THE SETTLEMENT ESCROW TRUSTEE**

Section 301 Powers and Duties of Settlement Escrow Trustee. (a) The Settlement Escrow Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees, and shall be entitled to act upon the opinion or advice of its counsel concerning all matters hereof, and may in all cases be reimbursed hereunder for reasonable compensation paid to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trust hereof. The Settlement Escrow Trustee may act upon an opinion of counsel and shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion of counsel.

(b) The Settlement Escrow Trustee shall not be responsible for any recital herein, or for the validity of the execution by the City of this Settlement Escrow Agreement, or of any supplements thereto or instruments of further assurance, or for the validity or sufficiency of, or filing of documents related to the security for the Prior UTGO Bonds intended to be secured hereby.

(c) The Settlement Escrow Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Settlement Escrow Agreement.

(d) The Settlement Escrow Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

(e) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Settlement Escrow Trustee shall be entitled to rely upon a certificate believed in good faith to be genuine and correct, signed on behalf of the City or a Bond Insurer by an authorized officer of the City or Bond Insurer, as the case may be, as sufficient evidence of the facts therein contained. The Settlement Escrow Trustee may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(f) The permissive right of the Settlement Escrow Trustee to do things enumerated in this Settlement Escrow Agreement, as amended, shall not be construed as a duty, and the Settlement Escrow Trustee shall not be answerable for other than its gross negligence or willful misconduct. The immunities and exceptions from liability of the Settlement Escrow Trustee shall extend to its officers, directors, employees and agents.

(g) The Settlement Escrow Trustee shall not be required to give any note or surety in respect to the execution of its rights and obligations hereunder.

(h) All moneys received by the Settlement Escrow Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purpose for which they

were received, but need not be segregated from other funds except to the extent required by this Settlement Escrow Agreement, as amended, or by law. The Settlement Escrow Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(i) The Settlement Escrow Trustee shall not be under any obligation to initiate any suit or to take any remedial proceeding under this Settlement Escrow Agreement or to take any steps in the execution of the trusts created by this Settlement Escrow Agreement or in the enforcement of any rights and powers under this Settlement Escrow Agreement until it has been indemnified to its satisfaction against any and all fees, costs and expenses and other reasonable disbursements and against all liability.

(j) The Settlement Escrow Trustee shall have no responsibility or liability with respect to any information, statement or recital in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Prior UTGO Bonds, except for liability for its own gross negligence or willful misconduct.

(k) The Settlement Escrow Trustee may become the holder of any of the Prior UTGO Bonds with the same rights it would have if it were not Settlement Escrow Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of holders, whether or not such committee shall represent the holders of a majority in principal amount of any of the Prior UTGO Bonds of such series then outstanding.

(l) The Settlement Escrow Trustee shall not be liable for any error of judgment made in good faith by any of its officers, employees, agents or representatives, unless it shall be proved that the Settlement Escrow Trustee was negligent in ascertaining the pertinent facts.

(m) The Settlement Escrow Trustee has no obligation or liability to the holders for the payment of interest on, principal of or redemption premium, if any, with respect to the Prior UTGO Bonds from its own funds; but rather the Settlement Escrow Trustee’s obligations shall be limited to the performance of its duties hereunder.

(n) Whether or not therein expressly so provided, every provision of this Agreement or related documents, relating to the conduct or affecting the liability of or affording protection to the Settlement Escrow Trustee shall be subject to the provisions of this Article.

Section 302 Fees and Expenses of Settlement Escrow Trustee. (a) The Settlement Escrow Trustee shall be entitled to reasonable and customary fees for services rendered under this Agreement, as amended, and shall be reimbursed for all expenses reasonably incurred in connection with such services. Such fees and expenses shall be payable by the City and shall be determined in accordance with the Fee Schedule attached as Exhibit E of this Agreement or as otherwise may be agreed to by the City and the Settlement Escrow Trustee. The Settlement Escrow Trustee shall not have a lien for the payment of its fees and expenses upon any of the money deposited with it in accordance with this Agreement.

(b) The City shall be liable for all fees, expenses, charges, losses, costs, liabilities and damages (including reasonable attorneys’ or other professional fees) incurred by the Settlement

Escrow Trustee pursuant to this Agreement except for those which are adjudicated to have resulted from the gross negligence or willful misconduct of the Settlement Escrow Trustee, and shall pay such amounts to or at the direction of the Settlement Escrow Trustee.

Section 303 Resignation; Appointment of Successor Settlement Escrow Trustee; Successor Settlement Escrow Trustee Upon Merger, Consolidation or Sale. (a) The Settlement Escrow Trustee and any successor Settlement Escrow Trustee may resign only upon giving 60 days' prior written notice to the City and the Bond Insurers. Such resignation shall take effect only upon the appointment of a successor Settlement Escrow Trustee and the acceptance of such appointment by the successor Settlement Escrow Trustee. Upon appointment of a successor Settlement Escrow Trustee, the resigning Settlement Escrow Trustee shall, after payment of its fees, costs and expenses, assign all of its right, title and interest in the Settlement Escrow Fund, and transfer and assign its right, title and interest in the Settlement Escrow Agreement to the successor Settlement Escrow Trustee. The successor Settlement Escrow Trustee shall meet the requirements of Section 303(b) below and shall accept in writing its duties and responsibilities hereunder and file such acceptance with the City.

(b) In case the Settlement Escrow Trustee shall give notice of resignation or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public office or offices, or of a receiver appointed by a court, a successor may be appointed by the Bond Insurers, with the prior written consent of the City (to the extent that no breach by the City of any material agreement or covenant, i.e. an "Event of Default," shall have occurred and be continuing under this Settlement Escrow Agreement, written notice of which has been provided by the Bond Insurers to the City and the Settlement Escrow Trustee), which consent shall not be unreasonably be withheld. Every such Settlement Escrow Trustee appointed pursuant to the provisions of this Section 303(b) (i) shall at all times be a bank having trust powers or a trust company, (ii) shall at all times be organized and doing business under the laws of the United States of America or of any state, (iii) shall have, or be wholly owned by an entity having, a combined capital and surplus of at least \$75,000,000, (iv) shall be authorized under such laws to exercise corporate trust powers, and (v) shall be subject to supervision or examination by federal or state authority.

(c) Any corporation or association into which the Settlement Escrow Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, provided such company shall be eligible under Section 303(b) hereof, shall be and become successor Settlement Escrow Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 304 Removal of Settlement Escrow Trustee. The Settlement Escrow Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Settlement Escrow Trustee signed by the City and by all of the Bond Insurers. No removal of the Settlement Escrow Trustee and no appointment of a successor Settlement Escrow Trustee



The City and the Settlement Escrow Trustee may, by giving notice hereunder, in writing, designate any further or different addresses to which subsequent notices, certificates, requests, complaints, demands or other communications hereunder shall be sent.

All payments to the Bond Insurers shall be made by wire transfer to the following accounts, unless otherwise changed by any Bond Insurer by written notice to the Escrow Agent:

[TO COME]

Section 402 Termination. This Agreement shall terminate following delivery of written direction from the City and the Bond Insurers to the Settlement Escrow Trustee to so terminate, together with written notice that all fees owed to the Settlement Escrow Trustee have been paid in full. Upon termination of this Agreement, any money remaining on deposit in the funds and accounts created and established hereunder shall be paid to the City.

Section 403 Amendments. This Agreement shall only be amended by the written agreement of all Parties.

Section 404 Severability. If any one or more sections, clauses or provisions of this Settlement Escrow Agreement shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions of the Agreement.

Section 405 Headings. Any headings shall be solely for convenience of reference and shall not constitute a part of the Agreement, nor shall they affect its meaning, construction or effect.

Section 406 Settlement Escrow Agreement Executed in Counterparts. This Settlement Escrow Agreement may be executed simultaneously in several counterparts, each of which shall be deemed an original, and such counterparts together shall and will constitute one and the same instrument.

Section 407 Parties Interested Herein. Nothing in this Settlement Escrow Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Settlement Escrow Trustee, the City and the Bond Insurers any right, remedy or claim under or by reason of this Settlement Escrow Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Agreement on behalf of the City shall be for the sole and exclusive benefit of the Settlement Escrow Trustee, the City, and the Bond Insurers.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date set forth above.

CITY OF DETROIT

By \_\_\_\_\_  
Kevyn D. Orr  
Its: Emergency Manager

AMBAC ASSURANCE CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

ASSURED GUARANTY CORP.

By: \_\_\_\_\_  
Name:  
Title:

ASSURED GUARANTY MUNICIPAL CORP.

By: \_\_\_\_\_  
Name:  
Title:

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

U. S. BANK NATIONAL ASSOCIATION,  
as Escrow Trustee

By \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**  
**RESTRUCTURED UTGO BONDS DEBT SERVICE REQUIREMENTS**  
**AND APPLICABLE BOND INSURER**



# UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| STP            | Moaturity Date | Rate   | Principal        | Insurer | 10/1/14        | 4/1/15         | 10/1/15        | 4/1/16         | 10/1/16        | 4/1/17         | 10/1/17        | 4/1/18         | 10/1/18        | 4/1/19         | 10/1/19        | 4/1/20         | 10/1/20        | 4/1/21         |             |
|----------------|----------------|--------|------------------|---------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|
|                |                |        |                  |         | Interest       |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| UTGO 2004-B(1) |                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9327P8         | 4/1/15         | 5.000% | \$7,538,575.00   | Ambac   | \$188,464.38   | \$188,464.38   |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9327Q6         | 4/1/16         | 5.250% | \$7,912,245.00   | Ambac   | \$207,696.43   | \$207,696.43   |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9327R4         | 4/1/17         | 4.000% | \$5,300,945.00   | Ambac   | \$5,300.90     | \$5,300.90     | \$5,300.90     |                |                |                |                |                |                |                |                |                |                |                |             |
| 9327S2         | 4/1/17         | 5.250% | \$8,064,320.00   | Ambac   | \$211,688.40   | \$211,688.40   | \$211,688.40   |                |                |                |                |                |                |                |                |                |                |                |             |
| 25109327T0     | 4/1/18         | 5.250% | \$1,738,000.00   | Ambac   | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50 |
|                |                |        | \$25,518,185.00  |         | \$658,772.61   | \$658,772.61   | \$470,308.23   | \$470,308.23   | \$262,611.80   | \$262,611.80   | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50    | \$45,622.50 |
| UTGO 2004-B(2) |                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9328X1         | 4/1/19         | 5.240% | \$499,675.00     | Ambac   | \$13,091.49    | \$13,091.49    | \$9,562.48     | \$9,562.48     | \$5,805.79     | \$5,805.79     | \$1,935.26     | \$1,935.26     |                |                |                |                |                |                |             |
| UTGO 2005-B    |                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9329G5         | 4/1/15         | 5.000% | \$1,990,010.00   | Assured | \$49,750.25    | \$49,750.25    |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9329G6         | 4/1/16         | 5.000% | \$2,089,945.00   | Assured | \$52,248.63    | \$52,248.63    |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9329G7         | 4/1/17         | 4.000% | \$2,189,880.00   | Assured | \$47,082.42    | \$47,082.42    | \$47,082.42    |                |                |                |                |                |                |                |                |                |                |                |             |
| 25109329H1     | 4/1/18         | 5.000% | \$2,289,815.00   | Assured | \$57,245.38    | \$57,245.38    | \$57,245.38    |                |                |                |                |                |                |                |                |                |                |                |             |
| 25109329H2     | 4/1/19         | 5.000% | \$2,400,000.00   | Assured | \$60,069.63    | \$60,069.63    | \$60,069.63    |                |                |                |                |                |                |                |                |                |                |                |             |
| 25109329H3     | 4/1/20         | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |             |
| 25109329H4     | 4/1/21         | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |             |
| 25109329H5     | 4/1/22         | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |             |
| 25109331G0     | 4/1/24         | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |             |
| 9331H7         | 4/1/25         | 5.000% | \$4,345,000.00   | Assured | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   | \$108,625.00   |             |
|                |                |        | \$37,032,435.00  |         | \$918,146.30   | \$918,146.30   | \$868,396.05   | \$868,396.05   | \$816,147.42   | \$816,147.42   | \$769,065.00   | \$769,065.00   | \$711,819.63   | \$711,819.63   | \$651,750.00   | \$651,750.00   | \$543,125.00   | \$543,125.00   |             |
| UTGO 2005-C    |                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9332J2         | 4/1/15         | 5.000% | \$2,003,045.00   | Assured | \$50,076.13    | \$50,076.13    |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9332K5         | 4/1/16         | 5.000% | \$2,107,325.00   | Assured | \$52,683.13    | \$52,683.13    |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9332L3         | 4/1/17         | 4.000% | \$2,211,605.00   | Assured | \$47,549.51    | \$47,549.51    | \$47,549.51    |                |                |                |                |                |                |                |                |                |                |                |             |
| 9332M2         | 4/1/17         | 5.000% | \$2,256,470.00   | Assured | \$57,136.75    | \$57,136.75    | \$57,136.75    |                |                |                |                |                |                |                |                |                |                |                |             |
| 9332N5         | 4/1/18         | 5.250% | \$2,507,065.00   | Assured | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    | \$62,388.77    |             |
| 9332O6         | 4/1/20         | 5.250% | \$13,491,225.00  | Assured | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    |             |
|                |                |        | \$13,491,225.00  |         | \$335,644.73   | \$335,644.73   | \$285,568.61   | \$285,568.61   | \$232,885.48   | \$232,885.48   | \$185,335.98   | \$185,335.98   | \$128,199.23   | \$128,199.23   | \$65,810.46    | \$65,810.46    | \$65,810.46    | \$65,810.46    |             |
| UTGO 2008-A    |                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9333M5         | 4/1/15         | 5.000% | \$2,498,375.00   | Assured | \$62,459.38    | \$62,459.38    |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9333M6         | 4/1/16         | 5.000% | \$2,620,350.00   | Assured | \$65,500.88    | \$65,500.88    |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9333M7         | 4/1/17         | 5.000% | \$2,754,730.00   | Assured | \$68,868.25    | \$68,868.25    | \$68,868.25    |                |                |                |                |                |                |                |                |                |                |                |             |
| 9333M8         | 4/1/18         | 4.000% | \$2,889,425.00   | Assured | \$57,788.50    | \$57,788.50    | \$57,788.50    |                |                |                |                |                |                |                |                |                |                |                |             |
| 9333M9         | 4/1/19         | 5.000% | \$3,006,740.00   | Assured | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    | \$75,168.50    |             |
| 9333N2         | 4/1/20         | 5.000% | \$3,154,470.00   | Assured | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    | \$78,861.75    |             |
| 9333N3         | 4/1/21         | 5.000% | \$3,315,235.00   | Assured | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    | \$82,880.88    |             |
| 9333N4         | 4/1/22         | 5.000% | \$3,480,345.00   | Assured | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    | \$87,008.63    |             |
| 9333N5         | 4/1/24         | 5.000% | \$7,490,780.00   | Assured | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   | \$187,269.50   |             |
| 9333N6         | 4/1/28         | 5.000% | \$7,362,620.00   | Assured | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   | \$434,065.50   |             |
|                |                |        | \$48,572,755.00  |         | \$1,199,871.75 | \$1,199,871.75 | \$1,137,412.38 | \$1,137,412.38 | \$1,071,911.50 | \$1,071,911.50 | \$1,003,043.25 | \$1,003,043.25 | \$945,254.75   | \$945,254.75   | \$870,086.25   | \$870,086.25   | \$791,224.50   | \$791,224.50   |             |
| UTGO 2008-B(1) |                |        |                  |         |                |                |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9334P5         | 4/1/15         | 5.000% | \$6,925,930.00   | Assured | \$173,148.25   | \$173,148.25   |                |                |                |                |                |                |                |                |                |                |                |                |             |
| 9334P6         | 4/1/16         | 5.000% | \$2,989,360.00   | Assured | \$74,734.00    | \$74,734.00    | \$74,734.00    |                |                |                |                |                |                |                |                |                |                |                |             |
| 9334P7         | 4/1/17         | 5.000% | \$3,111,020.00   | Assured | \$77,775.50    | \$77,775.50    | \$77,775.50    |                |                |                |                |                |                |                |                |                |                |                |             |
| 9334P8         | 4/1/18         | 5.000% | \$4,079,950.00   | Assured | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    |             |
|                |                |        | \$16,310,820.00  |         | \$407,995.50   | \$407,995.50   | \$234,847.25   | \$234,847.25   | \$160,113.25   | \$160,113.25   | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    | \$82,337.75    |             |
|                |                |        | \$287,560,790.00 |         | \$7,303,799.99 | \$7,303,799.99 | \$6,509,252.86 | \$6,509,252.86 | \$5,773,048.66 | \$5,773,048.66 | \$5,016,593.72 | \$5,016,593.72 | \$4,240,145.92 | \$4,240,145.92 | \$3,480,721.39 | \$3,480,721.39 | \$2,698,849.50 | \$2,698,849.50 |             |



# UTGO Series 2014 DSA Fourth Lien Restructured Bonds - Debt Service

| CUSIP                        | Maturity Date | Rate   | Principal               | Insurer | Interest              |                       |                       |                       |                       |                       |                       |                       |                       |                       | Total Interest        | Total Principal & Interest |                       |                         |
|------------------------------|---------------|--------|-------------------------|---------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|-----------------------|-------------------------|
|                              |               |        |                         |         | 10/1/21               | 4/1/22                | 10/1/22               | 4/1/23                | 10/1/23               | 4/1/24                | 10/1/24               | 4/1/25                | 10/1/25               | 4/1/26                |                       |                            | 10/1/26               | 4/1/27                  |
| <b>UTGO Series 2004-B(0)</b> |               |        |                         |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            |                       |                         |
| 251332P8                     | 4/1/15        | 5.000% | \$7,538,575.00          | Ambac   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$376,928.75          | \$7,915,503.75          |
| 251332Q6                     | 4/1/16        | 5.250% | \$7,912,245.00          | Ambac   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$830,785.73          | \$8,743,030.73          |
| 251332R4                     | 4/1/17        | 4.000% | \$265,045.00            | Ambac   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$31,805.40           | \$296,850.40            |
| 251332S2                     | 4/1/17        | 5.250% | \$8,064,320.00          | Ambac   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$1,270,130.40        | \$9,334,450.40          |
| 251093ZT0                    | 4/1/18        | 5.250% | \$1,738,000.00          | Ambac   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$364,980.00          | \$2,102,980.00          |
|                              |               |        | <b>\$25,518,185.00</b>  |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            | <b>\$2,874,630.28</b> | <b>\$28,392,815.28</b>  |
| <b>UTGO Series 2004-B(2)</b> |               |        |                         |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            |                       |                         |
| 251332X1                     | 4/1/19        | 5.240% | \$499,675.00            | Ambac   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$60,790.03           | \$560,465.03            |
| <b>UTGO Series 2005-B</b>    |               |        |                         |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            |                       |                         |
| 251332Y3                     | 4/1/15        | 5.000% | \$1,990,010.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$99,500.50           | \$2,089,510.50          |
| 251332G1                     | 4/1/16        | 5.000% | \$2,089,945.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$208,994.50          | \$2,298,939.50          |
| 251332G7                     | 4/1/17        | 4.300% | \$2,189,880.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$282,494.52          | \$2,472,374.52          |
| 251332G8                     | 4/1/18        | 5.000% | \$2,289,815.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$457,963.00          | \$2,747,778.00          |
| 251332G5                     | 4/1/19        | 5.000% | \$2,402,785.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$600,696.25          | \$3,003,481.25          |
| 251332H9                     | 4/1/20        | 5.000% | \$4,345,000.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$1,303,500.00        | \$5,648,500.00          |
| 251331H7                     | 4/1/21        | 5.000% | \$4,345,000.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$1,520,750.00        | \$5,865,750.00          |
| 251331H4                     | 4/1/22        | 5.000% | \$4,345,000.00          | Assured | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00               | \$1,738,000.00        | \$6,300,250.00          |
| 251331H2                     | 4/1/23        | 5.000% | \$4,345,000.00          | Assured | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00               | \$1,955,250.00        | \$6,300,250.00          |
| 251331H0                     | 4/1/24        | 5.000% | \$4,345,000.00          | Assured | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00               | \$2,172,500.00        | \$6,517,500.00          |
| 251331H8                     | 4/1/25        | 5.000% | \$4,345,000.00          | Assured | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00          | \$108,625.00               | \$2,389,750.00        | \$6,734,750.00          |
|                              |               |        | <b>\$37,032,435.00</b>  |         | <b>\$434,500.00</b>   | <b>\$325,875.00</b>        | <b>\$1,729,398.77</b> | <b>\$49,761,833.77</b>  |
| <b>UTGO Series 2005-C</b>    |               |        |                         |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            |                       |                         |
| 251332J2                     | 4/1/15        | 5.000% | \$2,003,045.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$100,152.25          | \$2,103,197.25          |
| 251332K2                     | 4/1/16        | 5.000% | \$2,107,325.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$210,732.50          | \$2,318,057.50          |
| 251332K3                     | 4/1/17        | 4.300% | \$2,211,605.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$285,297.05          | \$2,496,902.05          |
| 251332K4                     | 4/1/18        | 5.000% | \$2,285,470.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$457,094.00          | \$2,742,564.00          |
| 251332K5                     | 4/1/19        | 5.250% | \$2,376,715.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$623,887.69          | \$3,000,602.69          |
| 251332K6                     | 4/1/20        | 5.250% | \$2,507,065.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$789,725.48          | \$3,296,790.48          |
|                              |               |        | <b>\$13,491,225.00</b>  |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            | <b>\$2,466,868.96</b> | <b>\$15,958,113.96</b>  |
| <b>UTGO Series 2008-A</b>    |               |        |                         |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            |                       |                         |
| 251332M5                     | 4/1/15        | 5.000% | \$2,498,375.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$124,918.75          | \$2,623,293.75          |
| 251332M6                     | 4/1/16        | 5.000% | \$2,620,035.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$262,003.50          | \$2,882,038.50          |
| 251332M7                     | 4/1/17        | 5.000% | \$2,754,730.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$413,209.50          | \$3,167,939.50          |
| 251332M8                     | 4/1/18        | 4.000% | \$2,889,425.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$462,308.00          | \$3,351,733.00          |
| 251332M9                     | 4/1/19        | 5.000% | \$3,006,740.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$751,685.00          | \$3,758,425.00          |
| 251332N2                     | 4/1/20        | 5.000% | \$3,154,470.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$946,341.00          | \$4,100,811.00          |
| 251332N3                     | 4/1/21        | 5.000% | \$3,315,235.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$1,160,332.25        | \$4,475,567.25          |
| 251332N4                     | 4/1/22        | 5.000% | \$3,480,345.00          | Assured | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63           | \$87,008.63                | \$1,392,138.00        | \$4,872,483.00          |
| 251332N5                     | 4/1/24        | 5.000% | \$7,490,780.00          | Assured | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50               | \$3,562,682.75        | \$11,053,462.75         |
| 251332N6                     | 4/1/24        | 5.000% | \$7,490,780.00          | Assured | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50          | \$187,269.50               | \$3,562,682.75        | \$11,053,462.75         |
| 251332N3                     | 4/1/28        | 5.000% | \$17,562,620.00         | Assured | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50          | \$434,065.50               | \$10,904,429.25       | \$28,267,049.25         |
|                              |               |        | <b>\$48,572,755.00</b>  |         | <b>\$708,343.63</b>   | <b>\$621,335.00</b>        | <b>\$227,569.38</b>   | <b>\$19,980,048.00</b>  |
| <b>UTGO Series 2008-B(0)</b> |               |        |                         |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            |                       |                         |
| 251332P5                     | 4/1/15        | 5.000% | \$6,925,930.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$346,296.50          | \$7,272,226.50          |
| 251332P6                     | 4/1/16        | 5.000% | \$2,989,360.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$298,936.00          | \$3,288,296.00          |
| 251332P7                     | 4/1/17        | 5.000% | \$3,111,020.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$466,653.00          | \$3,577,673.00          |
| 251332P8                     | 4/1/18        | 5.000% | \$3,293,510.00          | Assured | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                          | \$658,702.00          | \$3,952,212.00          |
|                              |               |        | <b>\$16,319,820.00</b>  |         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                            | <b>\$1,770,567.50</b> | <b>\$18,090,387.50</b>  |
|                              |               |        | <b>\$287,560,790.00</b> |         | <b>\$1,899,608.47</b> | <b>\$1,378,700.00</b>      | <b>\$227,569.38</b>   | <b>\$90,881,991.64</b>  |
|                              |               |        |                         |         | <b>\$542,690.50</b>        | <b>\$116,554.63</b>   | <b>\$368,442,781.64</b> |



**EXHIBIT B**  
**FEE SCHEDULE**

B-1



U.S. Bank Customer Confidential

Schedule of Fees for Services as  
ESCROW AGENT  
For  
Settlement Escrow Agreement

|           |   |            |
|-----------|---|------------|
| CTS01010A | <b>Acceptance Fee</b> The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.  | \$1,000.00 |
| CTS04460  | <b>Escrow Agent</b> Annual fee for the standard escrow agent services associated with the administration of the account. Administration fees are payable in advance.  | \$5,000.00 |
|           | <b>Direct Out of Pocket Expenses</b> Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.  | At Cost    |
|           | <b>Extraordinary Services</b> Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect. |            |

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Dated: July 21, 2014

Exhibit E

CONFIRMATION ORDER INSERT

**UTGO Settlement Agreement – Insert for Confirmation Order**

**Findings of Fact and Conclusions of Law**

A. After sufficient notice and opportunity for all parties to be heard, and after due deliberation, based on the Court’s thorough review and full consideration of the UTGO Settlement Agreement and good and sufficient cause appearing therefor, the Court makes the following findings of fact and conclusions of law. Any finding of fact constitutes a finding of fact even if it is stated as a conclusion of law, and any conclusion of law constitutes a conclusion of law even if it is stated as a finding of fact. All findings of fact and conclusions of law announced by the Court on the record in connection with confirmation of the Plan or otherwise at the Confirmation Hearing are incorporated herein by reference.<sup>1</sup> The findings and conclusions set forth herein and in the record of the Confirmation Hearing constitute the Court’s findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014.

B. The UTGO Settlement described in the Plan and the UTGO Settlement Agreement are fair, equitable, reasonable, and in the best interests of the City and its creditors and residents.<sup>2</sup> The UTGO Settlement Agreement is the result of extensive arms’ length negotiations among the City and the UTGO Bond Insurers – all of whom were represented by

---

<sup>1</sup> The findings of fact and conclusions of law set forth herein and announced on the record during the Confirmation Hearing shall be construed in a manner consistent with each other so as to effect the purpose of each; provided, however, that if there is any direct conflict that cannot be reconciled, then, solely to the extent of such conflict, the provisions of this Confirmation Order shall govern and shall control and take precedence over any findings of fact or conclusions of law announced on the record at the Confirmation Hearing.

<sup>2</sup> Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Plan or the UTGO Settlement Agreement, a copy of which is attached to the Plan as Exhibit \_\_\_\_.

sophisticated counsel. The compromises and settlements embodied in the UTGO Settlement (a) resolve all disputes with respect to claims classified in Class 8 under the Plan and the issues raised by the UTGO Bond Insurers in the UTGO Litigation and (b) are, collectively, a key compromise upon which several provisions of the Plan rest. In the absence of such compromises and settlements, the City's emergence from chapter 9 would likely have been delayed by litigation and burdened with additional expenses. The UTGO Settlement and the UTGO Settlement Agreement: (a) were negotiated and entered into in good faith, (b) comport with policies and purposes of chapter 9, (c) are fair, equitable and reasonable; (d) are in the best interests of the City and its creditors and residents as they not only fully resolve the UTGO Litigation but also permit the City's assignees to receive value from the Assigned UTGO Bond Tax Proceeds as set forth in the Plan; (e) are within the range of reasonable results if the disputes resolved by the UTGO Settlement, including the Assured/NPFG Action and the Ambac Action as they relate to the UTGO Bonds, were instead litigated to a conclusion; (f) fall above the lowest point in the range of reasonableness; and (g) meet the standards for approval under sections 105(a) and 1123(b) of the Bankruptcy Code, Bankruptcy Rule 9019(a) and other applicable law.

C. Without limiting any of the foregoing, the Court hereby finds that:

- a. The Plan incorporates the UTGO Settlement Agreement, and the effectiveness of the Plan is expressly conditioned upon: (a) the Michigan Finance Authority board having approved the issuance of the MFA Bonds and such bonds having been issued; and (b) the City having obtained all governmental and Emergency Manager consents and approvals required to carry out the terms of the UTGO Settlement Agreement.

- b. As of the Effective Date, the Plan represents a full, final and complete compromise, settlement, release and resolution of, among other matters, all disputes and pending or potential litigation (including any appeals), including, without limitation, the UTGO Litigation, regarding the allowability, amount, priority and treatment of the Unlimited Tax General Obligation Bond Claims. The treatment of Class 8 UTGO Claims under the Plan is a component of a settlement and compromise of the UTGO Litigation.
- c. Good and valuable consideration has been provided for all releases and exculpations granted pursuant to the UTGO Settlement Agreement, including, without limitation, the releases and exculpations granted pursuant to sections 6.1 and 6.2 of the UTGO Settlement Agreement. Such provisions are fair, equitable, reasonable and integral elements of the UTGO Settlement Agreement.
- d. The Court confirms that as of the Effective Date and pursuant to Emergency Manager Order No. \_\_, the Municipal Obligation shall be secured, to the extent permitted by law, including without limitation section 12(1)(x) of Act 436, by a lien granted by the City on the UTGO Bond Tax Levy for so long as either the Municipal Obligation or the Stub UTGO Bonds are outstanding.
- e. As of the Effective Date, the UTGO Bond Tax Levy shall constitute “special revenues,” as defined in section 902 of the Bankruptcy Code, and

“pledged special revenues,” as that term is used in section 922(d) of the Bankruptcy Code.

- f. As of the Effective Date, the MFA shall possess a valid and enforceable statutory fourth lien and trust on Distributable State Aid, as provided in section 15(2) of the Shared Credit Rating Act or as otherwise provided under applicable law.
- g. As of the Effective Date, Holders of the MFA Bonds shall possess all of the MFA’s rights and interest in the Municipal Obligation including all the rights and interest provided herein and under the UTGO Settlement Agreement, subject to the reservation by the MFA of rights to indemnification and to make all determinations and approvals and receive all notices accorded to it under the Municipal Obligation and related documents. Accordingly, the MFA Bonds will be payable from and secured by (i) payments made by the City on the Municipal Obligation and to the extent permitted by law, including without limitation section 12(1)(x) of Act 436, a lien on the portion of the UTGO Bond Tax Levy allocable to the Municipal Obligation, pledged by the City to secure the Municipal Obligation and (ii) a lien, made a statutory lien as provided by the Shared Credit Rating Act, on moneys in the funds and accounts established for the MFA Bonds under the authorizing resolution for such bonds, including payments pledged by the City and received and held by the MFA or its trustee for the MFA Bonds, which include, without

limitation, all payments of (x) the proceeds of the UTGO Bond Tax Levy and (y) Distributable State Aid.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The UTGO Settlement. Consistent with the findings herein, the UTGO Settlement and the UTGO Settlement Agreement, including without limitation all of the transactions contemplated, the liens granted, and the protections created therein, are APPROVED in their entirety as a good faith, fair, reasonable, and equitable compromise and settlement of all disputes with respect to claims classified in Class 8 under the Plan that is in the best interests of the City and its creditors and residents. The entry of this Confirmation Order constitutes approval of the UTGO Settlement Agreement pursuant to the Bankruptcy Rules, including Bankruptcy Rule 9019, the Bankruptcy Code, including section 1123, and Act 279, Public Acts of Michigan, 1909, as amended; Act 436, Public Acts of Michigan, 2012; Act 34, Public Acts of Michigan, 2001, as amended; and Act 80, Public Acts of Michigan, 1981, as amended. As provided in the Plan, on the Effective Date, the UTGO Settlement Agreement shall be binding on the City, Ambac, Assured and NPF.

2. Approval of Exculpations and Releases. All exculpations and releases granted pursuant to the UTGO Settlement, including, without limitation, the releases and exculpations granted pursuant to sections 6.1 and 6.2 of the UTGO Settlement Agreement, are hereby approved in their entirety. The Court approves such settlements and releases on the grounds that good and valuable consideration has been provided therefor, and that such provisions are fair, equitable, reasonable, and integral elements of the UTGO Settlement Agreement.

3. Segregation of UTGO Bond Tax Levy. The proceeds of the UTGO Bond Tax Levy collected by the City shall be segregated and transmitted to the Debt Millage Escrow Trustee under the Debt Millage Deposit Escrow Agreement, and the Debt Millage Escrow Trustee shall segregate and transmit the proceeds allocable to the Municipal Obligation to the Master Trustee in accordance with section 2.4(a) of the UTGO Settlement Agreement.

4. Annual Certification of Debt Millage Levy. Pursuant to the Section 2.7(b) of the UTGO Settlement Agreement, the City shall certify annually, not later than June 30 of each year, that it has imposed the debt millage levy as required by and in accordance with the terms of the UTGO Settlement Agreement.

5. Retention of Jurisdiction. Pursuant to section 945(a) of the Bankruptcy Code, the Court shall retain jurisdiction over the UTGO Settlement and the UTGO Settlement Agreement and any dispute arising from or related to the UTGO Settlement Agreement. For the avoidance of doubt and as the City has consented, the Court shall retain exclusive post-confirmation authority and power, to implement, interpret and enforce the UTGO Settlement Agreement and all Settlement-Related Documents, including, without limitation, all exhibits to the UTGO Settlement Agreement, the Restructured UTGO Bonds, the Municipal Obligation and the MFA Bonds. As the City has consented, the Court reserves all powers as are necessary or appropriate to enforce or to give effect to the Court's retained jurisdiction under the Plan and this Confirmation Order, including by way of injunction, as long as any of the Municipal Obligation, Stub UTGO Bonds or MFA Bonds are outstanding.

**EXHIBIT II.B.3.g.ii.A**

SCHEDULE OF PAYMENTS AND SOURCES OF  
PAYMENTS FOR MODIFIED PFRS PENSION BENEFITS

**City of Detroit**  
**PFRS Pension contributions (FY14 - FY23)**

\$ in Billions

| PFRS Source: | 2014 | 2015    | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 10-Year |
|--------------|------|---------|------|------|------|------|------|------|------|------|---------|
| State        | \$ - | \$ 96.0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 96.0 |
| Foundations  | -    | 18.3    | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 164.7   |
| Total        | -    | 114.3   | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 18.3 | 260.7   |

EXHIBIT II.B.3.g.ii.C

TERMS OF PFRS PENSION RESTORATION

## TERMS OF PFRS PENSION RESTORATION

### Pension Restoration Process

The following rules shall govern how accrued pensions, including COLA benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the Confirmation Order. The pension restoration process shall be supervised, and restoration decisions undertaken by the Investment Committee of PFRS and in accordance with the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto. This pension restoration program shall be deemed a part of Component II of the Combined Plan for the Police and Fire Retirement System, but in the event of any conflict between the language set forth herein and the Combined Plan the terms of this Pension Restoration Agreement will govern.

### GENERAL RESTORATION RULES

#### I. PFRS RESTORATION

##### 1. Waterfall Categories

There will be three Waterfall Classes:

- a. PFRS Waterfall Class 1 – Retirees in retirement benefit pay status as of June 30, 2014, and their surviving spouses and beneficiaries
- b. PFRS Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving spouses and beneficiaries, and who are in pay status as of the end of the PFRS Fiscal Year prior to the year in which the restoration decision is made
- c. PFRS Waterfall Class 3 – All retirees, surviving spouses, and beneficiaries in pay status and all other PFRS participants who as of June 30, 2014 are not in retirement benefit pay status

##### 2. General PFRS Pension Restoration Through June 30, 2023

Each year in conjunction with the annual actuarial valuation report, the PFRS actuary will project the PFRS funded ratio as of 2023 based upon the market value of plan assets relative to the actuarial accrued liabilities (the “Funded Level”). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses (administrative and investment), future employer contributions as set forth in the Plan of Adjustment (subject to conditions in the Plan of Adjustment), and such other actuarial

assumptions as utilized by the PFRS actuary. For purposes of PFRS Restoration through June 30, 2023, the Funding Target will be a 75% funded ratio, and the Restoration Target will be a 78% funded ratio, both projected to June 30, 2023. For purposes of calculating the funded ratio, the assets in the Restoration Reserve Account will be excluded. Each year, if the actuary projects that the Funded Level as of 2023 (excluding Restoration Account assets to avoid double counting) exceeds the Restoration Target (i.e., exceeds 78%), a credit of assets for bookkeeping purposes will be made into a new notional Restoration Reserve Account. The notional credit will be an amount equal to the excess of assets above the amount projected to be needed to satisfy the Restoration Target. Once the Restoration Reserve Account is established, each year thereafter, Restoration Account assets will be credited with interest in an amount equal to the net return on plan investments but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses and any required transfer to the PFRS Pension Reserve Account as provided herein.

Actual restoration payments and restoration credits will work as follows: each year, in conjunction with the preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the PFRS actuary will determine whether there are sufficient funds in such account to restore COLA benefits in a minimum incremental amount of 10% or more. For example: If a retiree's then current COLA benefit is a 1.0% annual compounded COLA, the minimum incremental restoration would increase the COLA benefit to 1.225%. COLA restoration only will occur if the funding level in the Restoration Reserve Account can fund 100% of the COLA increase over the actuarially-projected lives of the eligible recipient PFRS Waterfall Class. If the actuary certifies that the Restoration Reserve Account as of the end of the prior PFRS fiscal year satisfies the required funding level for one or more increments of restoration, then in the next immediate PFRS fiscal year actual COLA restoration payments will be made to PFRS Waterfall Class 1 members in such increments until an amount sufficient to fund 66% of the value of their future COLA payments (e.g., a 1.5% compound COLA, or as otherwise applicable) has been funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account would fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), PFRS Waterfall Class 2 members will receive COLA restoration, until an amount sufficient to fund 66% of the value of their future COLA payments has been funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account would fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), PFRS Waterfall Class 3 members will receive COLA restoration on a pro-rata basis. For PFRS Waterfall Class 3 members who are in pay status at that time of restoration, they will receive COLA payments; for active employees at the time of restoration, they will receive credits granting them a right upon retirement to receive COLA restoration equal to the 10% increments that are fully funded to PFRS Waterfall Class 3 members. For Example: Assume there are sufficient assets credited to the Restoration Reserve Account as of the

end of a fiscal year to fully fund 66% of the value of the COLA for all PFRS Waterfall Class 1 and Class 2 members for their actuarially projected lives. To the extent additional assets remain in the Restoration Reserve Account to fully fund at least a 10% COLA increment for PFRS Waterfall Class 3 members for their actuarially projected lives, then (i) all retirees would receive a restoration payment of 76% of the value of their COLAs (their having already received by virtue of their membership in PFRS Waterfall Classes 1 and 2 an increase to 66% of the value of their COLAs) and also a 10% COLA increment would be credited to eligible active employees which would be included in their benefit payments upon retirement (thus causing their COLAs to increase in value from 45% to 55%). Restoration amounts actually paid from the Restoration Reserve Account will be debited from such account. Restoration payments will be calculated and paid on a prospective basis only.

Once restoration payments and credits begin, as long as the Restoration Reserve Account continues to have assets to fund 100% of an incremental COLA restoration amount for such Waterfall Class for their actuarially projected lives, the restoration payments and credits will continue; provided, however, that in the event the Restoration Reserve Account, after having sufficient assets to fund 100% of two or more increments, falls below 100% for the second or greater increment, the annual amounts to pay such second or greater increment can continue until the Restoration Reserve Account lacks any assets to fund such additional increment. For Example, assume a 10% increment in PFRS Waterfall Class 1 requires \$10 million in assets to be fully funded for the PFRS Waterfall Class' actuarially projected lives, and that based on FY 2018 results the Restoration Reserve Account has assets of \$22 million so as to fund two increments of restoration in FY 2019. Assume further that in the following year the Restoration Reserve Account drops in value to \$17 million; in such event two increments could still be paid, and the second increment would cease being paid only if the value of assets in the Restoration Reserve Account dropped to or below \$10 million (in the event they dropped below \$10 million, the first increment also would cease being paid). For purposes of restoration reduction, restoration increments will be taken away in reverse order in which they were granted (i.e. last in, first out).

If the PFRS Funded Level (excluding Restoration Reserve Assets) projected to 2023 falls below 76% (hereinafter, "Restoration Reserve Suspension Trigger"), then, until such time as the projected PFRS Funded Level in 2023 is 76% or above, further interest credits to the notional Restoration Reserve Account will cease notwithstanding the actual net PFRS investment returns for the fiscal year in question. Furthermore, if the PFRS Funded Level projected to 2023 falls below the Funding Target (i.e., 75%) then restoration payments to retirees and credits to active employees in the following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the PFRS Pension Reserve Account in sufficient amounts to restore the projected PFRS Funded Level in 2023 to 75%; (2) following such transfer, the remaining assets in the Restoration Reserve Account shall be applied to

make restoration payments in accordance with and pursuant to the same mechanism described in the previous paragraph.

In connection with preparation of the actuarial report for FY 2023, the PFRS actuary will determine whether PFRS has satisfied the Permanent Restoration Target, which shall be 78%. Transfers from the Restoration Reserve Account for credit to the PFRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers, the PFRS Funded Level as of June 30, 2023 has satisfied the Permanent Restoration Target (*i.e.*, 78%), then the residual amounts, if any, in the Restoration Reserve Account (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of COLA restoration payments for one or more PFRS Waterfall Classes for their actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the PFRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored for the applicable PFRS Waterfall Class and shall no longer be variable from year to year.

Following receipt of the actuarial reports for 2019, and in the event that the projected Funded Level of PFRS as of 2023 is less than 76%, the PFRS actuary shall revisit the restoration calculations that it made during each of the prior 4 years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2023, or (ii) an amount of annual administrative expenses until 2023 equal to the average annual normal course administrative expenses in the prior 4 years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the PFRS Restoration Reserve Account than actually were transferred during such look back period, then the PFRS Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2023 PFRS Funded Level to 76%.

3. General PFRS Pension Restoration from July 1, 2023 to June 30, 2033.

If and to the extent that all COLA payments have not been restored pursuant to the permanent restoration feature as of June 30, 2023 described in the immediately preceding paragraph, then during this period and for purposes of variable restoration, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth on Exhibit A hereto, all projected as of June 30, 2033. The same rules for restoration payments that applied during the period ending June 30, 2023 shall apply (including ceasing interest credits in

the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers in the event the 2033 PFRS Funded Level falls below the 2033 Funding Target), except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan actuary shall project investment returns through June 30, 2033 at the then current investment return assumption which is assumed to be net of expenses (administrative and investment), and the then applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the Plan actuary shall assume, merely for purposes of determining whether the Restoration Target is satisfied, that the annual City contribution amount shall be the annual amount necessary to fund the PFRS based upon an amortization of the actual 2023 UAAL (using the market value of assets) over 30 years (hereinafter, the "2023 UAAL Amortization") and in such manner that the resulting annual contribution stream would achieve the applicable PFRS' Funding Target (on Exhibit A) as of 2033. (Such projected, hypothetical contributions shall be for purposes only of making restoration determinations, and shall not necessarily be the actual contributions made or required to be made by the City or recommended during such period; all of which shall be determined independent of the restoration calculation process). For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded

To the extent that the City's actual contributions to the PFRS in any of the FYs 2024 (i.e., the year ending June 30, 2024) through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in PFRS called the Extra Contribution Account. In determining pension restoration during the period from FY 2024 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected funded level for the Restoration Target or Permanent Restoration Target. To the extent that the City's actual contributions to the PFRS in any of the FYs 2024 through 2033 are less than the projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Restoration Reserve Account.

Each year, in addition to the crediting of assets that exceed the amount necessary to satisfy the Restoration Target, existing Restoration Account assets will be credited with interest equal to the net return on plan investments, but capped at the then actuarial investment return assumption. In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses.

In connection with preparation of the annual actuarial valuation report for FY 2033, the PFRS actuary will determine whether PFRS has satisfied the applicable Permanent Restoration Target, as set forth on Exhibit A. Transfers from the Restoration Reserve Account for credit to the PFRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the funding level as of June 30, 2033 has satisfied the applicable Permanent Restoration

Target , then the residual amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of COLA restoration payments for one or more PFRS Waterfall Classes, shall be transferred from the Restoration Reserve Account and credited to the PFRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored for the applicable PFRS Waterfall Class and shall no longer be variable from year to year.

Following receipt of the actuarial reports for 2028, and in the event that the projected Funded Level of PFRS as of 2033 is less than 79%, the PFRS actuary shall revisit the restoration calculations that it made during each of the prior 4 years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2033, or (ii) an amount of annual administrative expenses until 2033 equal to the average annual normal course administrative expenses in the prior 4 years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the PFRS Restoration Reserve Account than actually were transferred during such look back period, then the PFRS Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the applicable look-back period or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the applicable look-back period); or (iii) the amount required to increase the projected 2033 PFRS Funded Level to 79%.

4. General PFRS Pension Restoration from July 1, 2033 to June 30, 2043.

If and to the extent that all COLA payments have not been restored pursuant to the permanent restoration feature as of June 30, 2033 described in the immediately preceding paragraph, then during the period ending June 30, 2044 and for purposes of variable restoration, the Funding Target , the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth on Exhibit A hereto. The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers in the event the 2043 PFRS Funded Level falls below the 2043 Funding Target), and shall be rolled forward. For example, for purposes of determining whether the 2043 Restoration Target has been satisfied, the Plan actuary shall project annual contributions using the same 2023 UAAL Amortization. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded, and no Extra Contribution Account assets shall be included for purposes of determining whether the Funded Level meets the Restoration Target or Permanent Restoration Target, including any additions to such account after 2033.

In connection with preparation of the annual actuarial valuation report for FY 2043, the PFRS actuary will determine whether PFRS has satisfied the applicable Permanent Restoration Target, as set forth on Exhibit A. Transfers from the Restoration Reserve Account for credit to the PFRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the PFRS Funded Level as of June 30, 2043 is equal to or greater than the applicable Permanent Restoration Target, then the residual amounts in the Restoration Reserve Account, if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), shall be transferred from the Restoration Reserve Account and credited to the PFRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored for the applicable PFRS Waterfall Class and shall no longer be variable from year to year.

5. Modification of the Pension Restoration Program

If any time after July 1, 2026, the PFRS Investment Committee (by vote of 5 of its 7 members), or the PFRS Board of Trustees (by a greater than 66% vote) determines that a change in relevant circumstances has occurred, or there was a mutual mistake of fact in developing this Pension Restoration Agreement, such that the continued operation of this Agreement without amendment will: (a) materially harm the long-term economic interests of the City, or Retirement System; (b) materially impair the City's ability to fully fund over a reasonable period the then existing frozen benefit liabilities; or (c) materially hinder the Restoration program, if as of that juncture (and for purposes of applying this subsection 5(c)) annual funding levels (excluding the Extra Contribution Account) had materially exceeded the applicable PFRS Restoration Targets for a substantial period yet without any material actual restoration of benefits as contemplated herein having been made, the Investment Committee or the Board, as the case may be, shall provide written notice to the other entity of such a determination and of the need to amend this Restoration Agreement (it being understood that the post-Chapter 9, 40-year amortization period (to 2053) to fully fund PFRS frozen liabilities is, unless the relevant facts demonstrate otherwise, presumptively reasonable). The Investment Committee and the Board shall then meet to negotiate amendments to this Agreement that address the identified risk of harm or impairment, but which also considers this Agreement's objective of providing pension restoration. Such negotiations shall take into account reasonable actions the City has pursued or could pursue to mitigate such harm or impairment. Any such amendments shall require the approval of a majority vote of the combined members of the Committee and Board (persons who sit on both the Board and Committee shall have one vote). Such parties shall consult with the Mayor, City Council and the Governor in connection with such negotiation. If the Board, acting through a majority, and the Investment Committee, acting through a majority, cannot agree to such amendments within the 90-day period following the provision of such notice by the determining party, then the Board and Investment Committee shall proceed to mediation upon demand from either the Board or the Investment Committee. In this regard, within 30-days following expiration of the 90-day period the Board and the Investment Committee shall each select a mediator from the list of approved mediators for the United States District Court for the Eastern District of Michigan. The two selected mediators shall

appoint a third neutral mediator from the approved list. Each party shall furnish a written statement to the mediators within 30 days of selection of the neutral mediator. Representatives of the Mayor and the Governor shall be consulted in connection with such mediations. If following a 90-day mediation period following submission of the written statements the matter is not settled, then either the Investment Committee or the Board can file an action in the United States District Court for the Eastern District of Michigan asking it to declare, inter alia, whether or in what manner to amend this Agreement.

**EXHIBIT A**

**PFRS** - The 2033 and 2043 Funding Targets shall be 3.0% and 6% higher than the actual 2023 Funded Level rounded to the nearest 10<sup>th</sup> decimal. The Restoration Target shall be 3.0% higher than the Funding Target but not less than 81% and 84% in 2033 and 2043, respectively. The Permanent Restoration Targets shall be equal to the Restoration Targets for all time periods. The Restoration Reserve Suspension Trigger will be set 1% higher than the projected Funding Target for all time periods.

| <u>2023 Funded Level</u> | <u>2033 Projected Funding Target /Restoration Target</u> | <u>2043 Projected Funding Target /Restoration Target</u> |
|--------------------------|--|--|
| 78%                      | 81%/84%  | 84%/87%  |
| 77%                      | 80%/83%  | 83%/86%  |
| 76%                      | 79%/82%  | 82%/85%  |
| 75%                      | 78%/81%  | 81%/84%  |
| 74% or lower             | 3% > than 2023 Funded Level %/81%                        | 3% > than 2023 Funded Level %/84%                        |
|                          | <u>2033 Permanent Restoration Target</u>                 | <u>2043 Permanent Restoration Target</u>                 |
|                          | Same as 2033 Restoration Target                          | Same as 2043 Restoration Target                          |

**EXHIBIT II.B.3.r.ii.A**

SCHEDULE OF PAYMENTS AND SOURCES OF  
PAYMENTS FOR MODIFIED GRS PENSION BENEFITS

**City of Detroit**  
**GRS Pension contributions (FY14 - FY23)**

\$ in millions

| GRS     | 2014 | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    | 2023    | 10-Year  |
|---------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| Source: |      |         |         |         |         |         |         |         |         |         |          |
| DWSD    | \$ - | \$ 65.4 | \$ 45.4 | \$ 45.4 | \$ 45.4 | \$ 45.4 | \$ 45.4 | \$ 45.4 | \$ 45.4 | \$ 45.4 | \$ 428.5 |
| UTGO    | -    | 4.4     | 4.0     | 4.0     | 3.9     | 3.7     | 3.7     | 3.6     | 2.3     | 2.0     | 31.7     |
| State   | -    | 98.8    | -       | -       | -       | -       | -       | -       | -       | -       | 98.8     |
| DIA     | -    | 5.0     | 5.0     | 5.0     | 5.0     | 5.0     | 5.0     | 5.0     | 5.0     | 5.0     | 45.0     |
| Other   | -    | 14.6    | 22.5    | 22.5    | 22.5    | 22.5    | 2.5     | 2.5     | 2.5     | 2.5     | 114.6    |
| Total   | -    | 188.2   | 76.9    | 76.9    | 76.8    | 76.6    | 56.5    | 56.5    | 55.2    | 54.9    | 718.6    |

EXHIBIT II.B.3.r.ii.C

TERMS OF GRS PENSION RESTORATION

# TERMS OF GRS PENSION RESTORATION

## Pension Restoration Process

The following rules shall govern how accrued pensions, including COLA benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the Confirmation Order. The pension restoration process shall be supervised, and restoration decisions undertaken by the Investment Committee of GRS and in accordance with the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto. This pension restoration program shall be deemed a part of Component II of the Combined Plan for the General Retirement System of the City of Detroit, but in the event of any conflict between the language set forth herein and the Combined Plan the terms of this Pension Restoration Agreement will govern.

## GENERAL RESTORATION RULES

### I. GRS RESTORATION

#### 1. Waterfall Categories

There will be three Waterfall Classes:

- a. GRS Waterfall Class 1 – Retirees, in retirement benefit pay status as of June 30, 2014, and their surviving spouses and beneficiaries
- b. GRS Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving spouses and beneficiaries, and who are in pay status as of the end of the GRS Fiscal Year prior to the year in which the restoration decision is made
- c. GRS Waterfall Class 3 – All other GRS participants who as of June 30, 2014 are not in retirement benefit pay status

#### 2. General GRS Pension Restoration Through June 30, 2023

Each year in conjunction with the annual actuarial valuation report, the GRS actuary will project the GRS funded ratio as of 2023 based upon the market value of plan assets relative to the actuarial accrued liabilities (the “Funded Level”). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses (investment and administrative), future employer contributions as set forth in the Plan of Adjustment (subject to the conditions in the Plan of Adjustment) and such other actuarial assumptions as utilized by the GRS actuary. For purposes of GRS Restoration through June 30, 2023, the Funding Target will be a 70% funded ratio, the Restoration Target will be a 75% funded ratio, and the Restoration Reserve Suspension Trigger will be a

71% funded ratio, all projected to June 30, 2023. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded. Each year, if the actuary projects that the projected Funded Level as of June 30, 2023 (excluding Restoration Account assets to avoid double counting) exceeds the Restoration Target (i.e., exceeds 75%), a credit of assets for bookkeeping purposes will be made into a new notional Restoration Reserve Account. The notional credit will be in an amount equal to the excess of assets above the amount projected to be needed to satisfy the Restoration Target. Once the Restoration Reserve Account is established, each year thereafter, Restoration Account assets will be credited with interest in an amount equal to the net return on plan investments, but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses and any required transfer to the GRS Pension Reserve Account.

To the extent that the City's (including DWSD or a successor authority) actual contributions in any of the FYs 2015 through 2023 are less than the contributions provided for in the Plan of Adjustment, such difference and any investment earnings thereon shall be notionally allocated to the Pension Fund Reserve Account.

Actual restoration payments and credits will work as follows: Each year in conjunction with preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the GRS actuary will determine whether there are sufficient funds in such account to restore a portion of the 4.5% across the board pension cuts in one or more minimum incremental amounts equal to ½% of the monthly benefit for each member of GRS Waterfall Class 1 (i.e. reducing the initial across the board cut to 4.0%). This restoration only occurs if the funding level in the Restoration Reserve Account can fund 100% of each incremental increase over the remaining actuarially projected lives of the eligible recipients in GRS Waterfall Class 1. If the Restoration Reserve Account satisfies the required funding level, then in the next GRS fiscal year, actual restoration payments will be made to GRS Waterfall Class 1 members in amounts equal to the benefit associated with each increment that have been fully funded in the Restoration Reserve Account. Once Waterfall Class 1 has sufficient assets in the GRS Restoration Reserve Account to fully fund and restore the 4.5% cut in their monthly benefits, and to the extent that additional assets in the Restoration Reserve Account remain and will fully fund at least ½% of the monthly benefit for each member of GRS Waterfall Class 2 over their remaining actuarially projected lives, then GRS Waterfall Class 2 members will receive pension restoration in minimum ½% benefit increments until an amount equal to the 4.5% cuts in their monthly benefits has been fully funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account remain and will fund at least a minimum ½% of the monthly benefit of each member in GRS Waterfall Class 3 over their remaining actuarially projected

lives, then each such member of the class shall receive a credit granting them a right upon retirement to receive pension restoration equal to the benefit increments that are fully funded. Restoration payments will be calculated and paid on a prospective basis only.

After the full 4.5% across the board pension cuts are restored for all three GRS Waterfall Classes, and to the extent there are additional assets in the Restoration Reserve Account to fully fund COLA benefits over the actuarially-projected lives of the eligible recipient GRS Waterfall Class, such assets will be used to fully fund and restore a portion of the COLA values that were eliminated as part of the Plan of Adjustment. COLA will be restored in minimum 10% COLA value increments up to 50% of the future COLA values for each member of GRS Waterfall Class 1 (i.e., a 50% future COLA value will constitute a 1.25% simple COLA), then up to 50% of the future COLA values for each member of Waterfall Class 2, and then up to 50% of the future COLA values for each member of Waterfall Class 3 until all members of the three GRS Waterfall Classes have had 50% of the value of their COLAs fully funded and restored. After 50% of the future values of COLA have been fully funded and restored, and to the extent there are additional assets in the Restoration Reserve Account for each of the three GRS Waterfall Classes, then a second 50% COLA restoration will be made, first to members of GRS Waterfall Class 1, then Waterfall Class 2, and then Waterfall Class 3. Classes will be restored in minimum 10% COLA value increments. Restoration payments will be calculated and paid on a prospective basis only.

If the amounts in the Restoration Reserve Account are sufficient to fully-fund the 4.5% across the board pension cuts for all three GRS Waterfall Classes and 100% COLA restoration for all three GRS Waterfall Classes, then any additional assets in the Restoration Reserve Account shall be used to increase the frozen accrued benefits of active and other GRS participants whose ASF accounts were diminished as part of the ASF Recoupment, such that they receive treatment equal to the 20%/20% ceiling applied to retirees in pay status under the Plan of Adjustment. If after such pension restoration there are additional assets in the Restoration Reserve Account to fully fund benefit increments over their remaining actuarially projected lives, GRS Waterfall Class 1 members will receive pension restoration in ½% benefit increments of the reductions to their monthly pension due to ASF Recoupment, and once such pension benefits are restored, Waterfall Class 2 members will receive pension restoration in ½% benefit increments in connection with the reductions to their monthly pensions due to ASF Recoupment. Restoration payments will be calculated and paid on a prospective basis only.

Once restoration payments to applicable retirees and restoration credits to active employees begin, as long as the Restoration Reserve Account continues to have assets sufficient to fund 100% of an incremental pension restoration amount for such GRS Waterfall Class members for their actuarially projected lives, such restoration payments and credits will continue; provided, however,

that in the event the Restoration Reserve Account , after having sufficient assets to fund 100% of two or more increments (over their actuarially projected lives), falls below 100% for the second or greater increment, the annual amounts to pay such second or other additional increment can continue until the Restoration Reserve Account lacks any assets to fund it. For example, assume a ½% increment in GRS Waterfall Class 1 requires \$10 million in assets to be fully funded for the GRS Waterfall Class' actuarially projected lives, and that based on FY 2018 results the Restoration Reserve Account has assets of \$22 million so as to fund two increments of restoration in FY 2019, *i.e.*, a 1% pension increase. Assume further that in the following year the Restoration Reserve Account drops in value to \$17 million; in such event two increments could still be paid, and the second increment of ½% would cease being paid only if the value of assets in the Restoration Reserve Account dropped to or below \$10 million (in the event they dropped below \$10 million, the first increment also would cease being paid). For purposes of restoration reduction, restoration increments will be taken away in reverse order in which they were granted (*i.e.* last in, first out).

In the event the GRS Funded Level (not including Restoration Reserve Assets) falls below 71% (hereinafter, "Restoration Reserve Suspension Trigger"), then, until such time as the projected GRS Funded Level in 2023 is 71% or above, further interest credits to the notional Restoration Reserve Account will cease notwithstanding the actual net GRS investment returns for the fiscal year in question. Furthermore, if the GRS Funded Level projected to 2023 falls below the Funding Target (*i.e.*, 70%) then restoration payments and credits in the following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the GRS Pension Reserve Account in sufficient amounts to restore the projected GRS Funded Level in 2023 to 70%; (2) following such transfer, the remaining assets in the Restoration Reserve Account shall be applied to make restoration payments in accordance with and pursuant to the same mechanism described in the previous paragraph.

Following receipt of the actuarial reports for 2019, and in the event that the projected Funded Level of GRS as of 2023 is less than 71%, the GRS actuary shall revisit the restoration calculations that it made during each of the prior 4 years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2023, or (ii) an amount of annual administrative expenses until 2023 equal to the average annual normal course administrative expenses in the prior 4 years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the GRS Restoration Reserve Account than actually were transferred during such look back period, then the GRS Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period or (ii) the dollars that were actually paid out in restoration

payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2023 GRS Funded Level to 71%.

3. General GRS Pension Restoration from July 1, 2023 to June 30, 2033.

During this period, the Funding Target, the Restoration Target, the Permanent Restoration Targets and the Restoration Reserve Suspension Trigger shall be as set forth on Exhibit A hereto. The same rules for variable restoration payments and credits that applied during the period ending June 30, 2023 shall apply during the period ending June 30, 2033 (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers in the event the 2033 GRS Funded Level falls below the 2033 Funding Target), except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan actuary shall project investment returns through June 30, 2033 at the then current investment return assumption which is assumed to be net of expenses (administrative and investment) and the applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the GRS Plan actuary shall assume, merely for purposes of determining whether the Restoration Target is satisfied, that the annual City contribution amount shall be the annual amount necessary to fund the GRS based upon an amortization of the actual 2023 UAAL at market value over 30 years (hereinafter, the "2023 UAAL Amortization") and in such manner that the resulting annual contribution stream would achieve the GRS Funding Target (on Exhibit A) as of 2033. (Such projected, hypothetical contributions shall be for purposes only of making restoration determinations, and shall not necessarily be the actual contributions made or required to be made by the City or recommended during such period; all of which shall be determined independent of the restoration calculation process.). For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded.

To the extent that the City's actual contributions to the GRS in any of the FYs 2024 (the year ending June 30, 2024) through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in GRS called the Extra Contribution Account. In determining pension restoration during the period from FY 2024 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected funded level for the Restoration Target or Permanent Restoration Targets. To the extent that the City's (including for this purpose DWSD or a successor authority) actual contributions in any of the FYs 2024 through 2033 are less than the projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Pension Fund Reserve Account.

Each year, in addition to the credit of assets that exceed the amount necessary to satisfy the Restoration Target, existing Restoration Account assets will be credited with interest equal to the net return on plan investments, but capped at the then investment return assumption. In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished to reflect such losses.

In connection with preparation of the actuarial report for FY 2028, the GRS actuary will determine whether GRS has satisfied the applicable Permanent Restoration Target, which shall be 75%. Transfers from the Restoration Reserve Account for credit to the GRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the GRS Funded Level as of June 30, 2028 has satisfied the Permanent Restoration Target(75%), then the amounts in the Restoration Reserve Account , if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of restoration payments for one or more GRS Waterfall Classes over such GRS Waterfall Class members' actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the GRS Pension Reserve Account and the applicable incremental payments shall be permanently restored for the applicable GRS Waterfall Class and shall no longer be variable from year to year. Variable restoration payments will continue to be paid or credited during the period from July 1, 2028 through June 30, 2033 based on the applicable Restoration Target set forth in Exhibit A and otherwise in accordance with this restoration memorandum, notwithstanding whether the Restoration Target during this period is less than the Permanent Restoration Target as of June 30, 2028 of 75%.

In connection with preparation of the annual actuarial valuation report for FY 2033, the GRS actuary will determine whether GRS has satisfied the Permanent Restoration Target for 2033, as set forth on Exhibit A. Transfers from the Restoration Reserve Account for credit to the GRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target . If following such transfers the GRS Funded Level as of June 30, 2033 has satisfied the applicable Permanent Restoration Target, then the amounts in the Restoration Reserve Account if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target), and which fully fund one or more increments of restoration payments for one or more GRS Waterfall Classes over such GRS Waterfall Class members' actuarially projected lives, shall be transferred from the Restoration Reserve Account and credited to the GRS Pension Reserve Account and the applicable incremental payments shall be permanently restored for the applicable GRS Waterfall Class and shall no longer be variable from year to year.

Following receipt of the actuarial reports for 2028, and in the event that the projected Funded Level of GRS as of 2033 is less than 71%, the GRS actuary shall revisit the restoration calculations that it made during each of the prior 4 years. It shall recalculate each such prior year's Funded Level projection, this time by assuming the lesser of (i) \$4.5 million in annual administrative expenses until 2033, or (ii) an amount of annual normal course administrative expenses until 2033 equal to the average annual administrative expenses in the prior 4 years applicable to Component II, in addition to a net 6.75% annual investment return. If such retrospective recalculation indicates that fewer amounts would have transferred to the GRS Restoration Reserve Account than actually were transferred during such look back period, then the GRS Restoration Reserve Account shall be debited by the lesser of (i) this difference (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period or (ii) the dollars that were actually paid out in restoration payments during such look-back period (plus interest at a rate equal to the rate that was credited to the Restoration Reserve Account during the look-back period); or (iii) the amount required to increase the projected 2033 GRS Funded Level to 71%.

4. General GRS Pension Restoration from July 1, 2033 to June 30, 2043.

During this period, the Funding Target, the Restoration Target, the Permanent Restoration Target and the Restoration Reserve Suspension Trigger shall be as set forth on Exhibit A hereto. The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply (including ceasing interest credits in the event of a Restoration Reserve Suspension Trigger, and making Restoration Account asset transfers in the event the 2043 GRS Funded Level falls below the 2043 Funding Target). For example, for purposes of determining whether the 2043 Restoration Target has been satisfied, the Plan actuary shall project annual contributions using the same 2023 UAAL Amortization. For purposes of calculating the funded ratio, the assets in the Restoration Reserve account will be excluded, and no Extra Contribution Account assets shall be included for purposes of determining whether the Funded Level meets the Restoration Target or Permanent Restoration Target, including any additions to such account after 2033.

In connection with preparation of the annual actuarial valuation report for FY 2043, the GRS actuary will determine whether GRS has satisfied the applicable Permanent Restoration Target, as set forth on Exhibit A. Transfers from the Restoration Reserve Account for credit to the GRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If following such transfers the GRS Funded Level as of June 30, 2043 is equal to or greater than the applicable Permanent Restoration Target, then the amounts in the Restoration Reserve Account if any (which will necessarily represent excess not necessary to satisfy the Permanent Restoration Target),

shall be transferred from the Restoration Reserve Account and credited to the GRS Pension Reserve Account and the applicable payments for the applicable GRS Waterfall Class shall be permanently restored and shall no longer be variable.

#### 5. Modification of the Pension Restoration Program

If any time after July 1, 2026, the GRS Investment Committee (by vote of 5 of its 7 members), or the GRS Board of Trustees (by a greater than 66% vote) determines that a change in relevant circumstances has occurred, or there was a mutual mistake of fact in developing this Pension Restoration Agreement, such that the continued operation of this Agreement without amendment will: (a) materially harm the long-term economic interests of the City, or Retirement System; (b) materially impair the City's ability to fully fund over a reasonable period the then existing frozen benefit liabilities; or (c) materially hinder the Restoration program, if as of that juncture (and for purposes of applying this subsection 5(c)) annual funding levels (excluding the Extra Contribution Account) had materially exceeded the applicable PFRS Restoration Targets for a substantial period yet without any material actual restoration of benefits as contemplated herein having been made, the Investment Committee or the Board, as the case may be, shall provide written notice to the other entity of such a determination and of the need to amend this Restoration Agreement (it being understood that the post-Chapter 9, 40-year amortization period (to 2053) to fully fund GRS frozen liabilities is, unless the relevant facts demonstrate otherwise, presumptively reasonable). The Investment Committee and the Board shall then meet to negotiate amendments to this Agreement that address the identified risk of harm or impairment, but which also considers this Agreement's objective of providing pension restoration. Such negotiations shall take into account reasonable actions the City has pursued or could pursue to mitigate such harm or impairment. Any such amendments shall require the approval of a majority vote of the combined members of the Committee and Board (persons who sit on both the Board and Committee shall have one vote). Such parties shall consult with the Mayor, City Council and the Governor in connection with such negotiation. If the Board, acting through a majority, and the Investment Committee, acting through a majority, cannot agree to such amendments within the 90-day period following the provision of such notice by the determining party, then the Board and Investment Committee shall proceed to mediation upon demand from either the Board or the Investment Committee. In this regard, within 30-days following expiration of the 90-day period the Board and the Investment Committee shall each select a mediator from the list of approved mediators for the United States District Court for the Eastern District of Michigan. The two selected mediators shall appoint a third neutral mediator from the approved list. Each party shall furnish a written statement to the mediators within 30 days of selection of the neutral mediator. Representatives of the Mayor and the Governor shall be consulted in connection with such

mediations. If following a 90-day mediation period following submission of the written statements the matter is not settled, then either the Investment Committee or the Board can file an action in the United States District Court for the Eastern District of Michigan asking it to declare, *inter alia*, whether or in what manner to amend this Agreement.

## EXHIBIT A TO THE GRS PENSION RESTORATION PROGRAM

**GRS -** The 2033 and 2043 Funding Targets shall be equal to the actual 2023 Funded Level rounded to the nearest 10<sup>th</sup> decimal . The Restoration Target shall be 3.0% higher than the Funding Target but not less than 73%. The Permanent Restoration Targets shall be 75% in 2028, and 1% higher than the Restoration Targets in 2033 and 2024, but not less than 75%.. The Restoration Reserve Suspension Trigger will be set 1% higher than the projected Funding Target for all time periods.

| <u>2023 Funded Level</u> | <u>2033 Funding Target/Restoration Target</u> | <u>2043 Funding Target/Restoration Target</u> |
|--------------------------|---|---|
|--------------------------|---|---|

|              |                                    |                                    |
|--------------|------------------------------------|------------------------------------|
| 75%          | 75%/78%                            | 75%/78%                            |
| 74%          | 74%/77%                            | 74%/77%                            |
| 73%          | 73%/76%                            | 73%/76%                            |
| 72%          | 72%/75%                            | 72%/75%                            |
| 71%          | 71%/74%                            | 71%/74%                            |
| 70%          | 70%/73%                            | 70%/73%                            |
| 69% or lower | the % = to 2023 Funded Level %/73% | the % = to 2023 Funded Level %/73% |

| <u>2033 Permanent Restoration Target</u>                 | <u>2043 Permanent Restoration Target</u>                 |
|--|--|
| 75% ,or if greater, 1% more than 2033 Restoration Target | 75%, or if greater, 1% more than 2043 Restoration Target |

\_\_\_\_\_

**EXHIBIT II.D.5**

SCHEDULE OF POSTPETITION COLLECTIVE BARGAINING AGREEMENTS

**EXHIBIT II.D.5**

**SCHEDULE OF POSTPETITION COLLECTIVE BARGAINING AGREEMENTS**

**I. FULLY APPROVED AGREEMENTS<sup>1</sup>**

**A. City of Detroit Collective Bargaining Agreements**

- 1) Master Agreement Between the City of Detroit and the Police Officers Association of Michigan (POAM), 2013-2018, dated November 12, 2013.
- 2) Master Agreement Between the City of Detroit and the International Brotherhood of Teamsters Local 214 2013-2018, dated December 18, 2013.
  - a. Supplemental Agreement Between the City of Detroit Police Department and Teamsters State, County and Municipal Workers, Local 214 2013-2018, dated December 18, 2013.
  - b. Supplemental Agreement Between the Department of Public Works and Teamsters Local 214 2013-2018, dated December 18, 2013.
  - c. Supplemental Agreement Between the General Services Department and Teamsters Local 214 2013-2018, dated December 18, 2013.
  - d. Supplemental Agreement between the City of Detroit Municipal Parking Department and Local #214 Teamsters State, County and Municipal Workers, 2013-2018, dated December 18, 2013.
- 3) Master Agreement Between the City of Detroit and the International Union of Operating Engineers (IUOE) Local 324 2013-2018, dated December 18, 2013.
- 4) Master Agreement Between the City of Detroit and the International Union of Operating Engineers (IUOE) Local 324 (Park Management) 2013-2018, dated December 18, 2013.
- 5) Master Agreement Between the City of Detroit and the International Union of Operating Engineers (IUOE) Local 324 (Principal Clerks) 2013-2018, dated December 18, 2013.
- 6) Master Agreement Between the Assistant Supervisors of Street Maintenance and Construction and the City of Detroit 2014-2018, dated February 26, 2014.
- 7) Master Agreement Between the City of Detroit and the Michigan Building and Construction Trades Council 2014-2018, dated May 1, 2014.
- 8) Master Agreement Between the City of Detroit and the Emergency Medical Service Officers Association (EMSOA) 2014-2019, dated June 11, 2014.
- 9) Master Agreement Between the City of Detroit and Local 1863 of the American Federation of State County and Municipal Employees, AFL-CIO (Detroit Civilian Crossing Guards) 2014-2018, dated June 27, 2014.
- 10) Master Agreement Between the City of Detroit and Local 542 of the American Federation of State County and Municipal Employees, AFL-CIO (Motor City Seasonals) 2014-2018, dated June 27, 2014.

---

<sup>1</sup> "Fully Approved Agreements" means those collective bargaining agreements that have been (i) ratified by the applicable bargaining unit or units, as necessary (ii) approved by the applicable City or Detroit Water and Sewerage Department bargaining representatives, (iii) approved by the Emergency Manager and (iv) approved by the Office of the Treasurer of the State of Michigan.

- 11) Master Agreement Between the City of Detroit and Local 1206 of the American Federation of State County and Municipal Employees, AFL-CIO (Detroit Forestry and Landscape Foreman's Union) 2014-2018, dated June 27, 2014.
- 12) Master Agreement Between the City of Detroit and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.
  - a. Supplemental Agreement Between the City of Detroit Elections Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.
  - b. Supplemental Agreement Between the City of Detroit Municipal Parking Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.
  - c. Supplemental Agreement Between the City of Detroit Planning and Development Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.
  - d. Supplemental Agreement Between the City of Detroit Police Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.
  - e. Supplemental Agreement Between the City of Detroit Recreation Department and Local 2394 of the American Federation of State County and Municipal Employees, AFL-CIO (Supervisory Unit) 2014-2018, dated June 27, 2014.
- 13) Master Agreement Between the City of Detroit and Local 6087 of the American Federation of State County and Municipal Employees, AFL-CIO (Paving Forepersons) 2014-2018, dated June 27, 2014.
- 14) Master Agreement Between the City of Detroit and the Detroit Police Command Officers Association 2014-2019, dated June 18, 2014.
- 15) Master Agreement Between the City of Detroit and the Detroit Income Tax Investigators Association 2014-2018, dated August 11, 2014.
- 16) Master Agreement Between the City of Detroit and the Association of Municipal Inspectors 2014-2018, dated June 27, 2014.
- 17) Master Agreement Between the City of Detroit and the Service Employees International Union (SEIU) Local 517-M (Supervisory Unit) 2014-2018, dated June 25, 2014.
- 18) Master Agreement Between the City of Detroit and the Service Employees International Union (SEIU) Local 517-M (Non-Supervisory Unit) 2014-2018, dated June 25, 2014.
- 19) Master Agreement Between the City of Detroit and the Service Employees International Union (SEIU) Local 517-M (Professional and Technical Unit) 2014-2018, dated June 25, 2014.
- 20) Master Agreement Between the City of Detroit and the Association of City of Detroit Supervisors 2014-2018, dated June 27, 2014.
- 21) Master Agreement Between the City of Detroit and the Association of Professional and Technical Employees 2014-2018, dated July 22, 2014.
- 22) Master Agreement Between the City of Detroit and the Senior Accountants, Analysts and Appraisers Association 2014-2018, dated May 27, 2014.

- 23) Master Agreement Between the City of Detroit and Michigan Council 25 of the American Federation of State, County and Municipal Employees, AFL-CIO (Non-Supervisory Bargaining Unit) 2014-2018, dated June 27, 2014.
- 24) Master Agreement Between the City of Detroit and the Detroit Police Officers Association (DPOA) 2014-2019, dated October 1, 2014.
- 25) Master Agreement Between the City of Detroit and the Association of Professional Construction Inspectors 2014-2018, dated September 30, 2014.
- 26) Master Agreement Between the City of Detroit and the United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) Local 212 – Police Commission Investigators 2014-2018, dated October 20, 2014.
- 27) Master Agreement Between the City of Detroit and the United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) Local 412 – Legal Assistants 2014-2018, dated October 20, 2014.

**B. Detroit Water and Sewerage Department Collective Bargaining Agreements**

- 1) 2012-2018 Master Agreement Between the Detroit Water & Sewerage Department and AFSCME, Michigan Council 25 Local 2920.
- 2) Master Agreement Between the City of Detroit and the Michigan Building and Construction Trades Council 2013-2016, dated June 26, 2013.
  - a. Memorandum of Agreement between the Detroit Water and Sewerage Department and the Michigan Building & Construction Trades Council to amend their June 26, 2013 - June 30, 2016 collective bargaining agreement.
- 3) 2013-2016 Master Agreement Between the Detroit Water & Sewerage Department and the Building Trades Foremen, dated June 26, 2013.
- 4) 2014-2016 Master Agreement Between the Detroit Water & Sewerage Department and the Detroit Senior Water Systems Chemists Association.
- 5) 2014-2019 Master Agreement Between the DWSD and Teamsters State, County and Municipal Workers, Local 214.
- 6) Memorandum of Agreement between the Detroit Water and Sewerage Department and the International Union of Operating Engineers, Local 324 to amend their March 25, 2013 - June 30, 2022 collective bargaining agreement.
- 7) Memorandum of Agreement between the Detroit Water and Sewerage Department and the Association of Professional Construction Inspectors to amend their March 26, 2013 - June 30, 2020 collective bargaining agreement.

## II. RATIFIED AGREEMENTS PENDING FINAL APPROVALS<sup>2</sup>

### A. Ratified City of Detroit Collective Bargaining Agreements Pending Final Approvals

- 1) Master Agreement Between the City of Detroit and the Detroit Police Lieutenants and Sergeants Association 2014-2019.
  - a. Tentative Agreement Between the City of Detroit and the Detroit Police Lieutenants and Sergeants Association, dated June 19, 2014.
- 2) Master Agreement Between the City of Detroit and the Association of Detroit Engineers 2014-2018.
- 3) Master Agreement Between the City of Detroit and Michigan Building and Construction Trades Council – Tripartite 2014-2018.

---

<sup>2</sup> "Ratified Agreements Pending Final Approvals" means those collective bargaining agreements approved by the City bargaining representatives, and ratified by the applicable bargaining unit or units, as necessary, that remain subject to approval by either, or both, the Emergency Manager and the Office of the Treasurer of the State of Michigan. The inclusion of such collective bargaining agreements in this Exhibit does not, and shall not be deemed to, modify or waive the requirement for such approvals in any way.

**EXHIBIT II.D.6**

EXECUTORY CONTRACTS AND UNEXPIRED LEASES TO BE REJECTED

## Exhibit II.D.6

Executory Contracts and Unexpired Leases to be Rejected  
In re City of Detroit, Michigan, Case No. 13-53846 (Bankr. E.D. Mich)

| Name of Counterparty                    | Vendor # | Contract # | Description                           | City Department                     |
|---|----------|------------|---------------------------------------|-------------------------------------|
| 151 W FORT ST ASSOCIATES LLC            | 1075036  | 2635434    |                                       | INFORMATION TECHNOLOGY SERVICES     |
| 1600 ASSOCIATES LLC                     | 20396    | 2501191    |                                       | MUNICIPAL PARKING DEPARTMENT        |
| 3M CONTRACTING INC                      | 1107578  | 2809948    |                                       | HUMAN SERVICES DEPARTMENT           |
| 455 ASSOCIATES LLC                      | 19602    | 2600416    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| 455 ASSOCIATES LLC                      | 19602    | 2722656    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| 660 WOODWARD ASSOCIATES LLC             | 1117401  | 2604895    |                                       | INFORMATION TECHNOLOGY SERVICES     |
| 660 WOODWARD ASSOCIATES LLC             | 1117401  | 2809305    |                                       | LAW DEPARTMENT                      |
| 660 WOODWARD ASSOCIATES LLC             | 1117401  | 2866561    |                                       | LAW DEPARTMENT                      |
| A & H CONTRACTORS                       | 1090249  | 2797590    | ICE RINK IMPROVEMENTS                 | RECREATION DEPARTMENT               |
| A NEW BEGINNING II INC                  | 1010270  | 2626822    |                                       | EMPLOYMENT AND TRAINING DEPARTMENT  |
| AARON L FORD                            | 1101801  | 2759870    |                                       | HEALTH DEPARTMENT                   |
| ABAYOMI CDC                             | 1055088  | 2597193    |                                       | FINANCE DEPARTMENT                  |
| ABBOT NICHOLSON                         | 1064317  | 2605132    | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| ACCENTURE LLP                           | 19843    | 2582670    |                                       | HUMAN SERVICES DEPARTMENT           |
| ACHIEVEMENT RESOURCES LLC               | 1075198  | 2640120    |                                       | DEPARTMENT OF PUBLIC WORKS          |
| ADAMS HOME REPAIR SERVICE INC           | 1031652  | 2532093    | HOME REPAIR FOR LOW INCOME CITIZENS.  | HUMAN SERVICES DEPARTMENT           |
| ADULT WELL BEING SERVICES               | 17259    | 2507595    | ADULT WELL BEING SERVICES             | HEALTH DEPARTMENT                   |
| ADULT WELL BEING SERVICES               | 17259    | 2501821    | EZ-PUBLIC SERVICES                    | PLANNING AND DEVELOPMENT DEPARTMENT |
| ADVANCED ENGINEERING SOLUTION INC       | 1043861  | 2613331    |                                       | ENVIRONMENTAL AFFAIRS DEPARTMENT    |
| AFFILIATED INTERNISTS CORPORATION       | 1007088  | 2541129    | PROVIDE MEDICAL STAFF                 | HEALTH DEPARTMENT                   |
| AFL CIO COUNCIL                         | 9713     | 2505335    |                                       | FINANCE DEPARTMENT                  |
| AFL CIO COUNCIL                         | 9713     | 2504234    | AFL/CIO COUNCIL-METRO COUNCIL         | FINANCE DEPARTMENT                  |
| AGAR LAWN SPRINKLER SYSTEMS INC         | 1019225  | 2871984    | FURNISH UNDERGROUND SPRINKLER MAINT.  | GENERAL SERVICES DEPARTMENT         |
| AIRGAS GREAT LAKES                      | -        | 2754331    | PURCHASE ORDER FOR COMMERCIAL GASES   | GENERAL SERVICES DEPARTMENT         |
| AKT PEERLESS ENVIRONMENTAL SERVICES LLC | 1025663  | 2845810    | DEMOLITION OF PROPERTIES              | BUILDINGS AND SAFETY DEPARTMENT     |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2554416    | CONTRACTUAL RESOURCES                 | INFORMATION TECHNOLOGY SERVICES     |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2572989    |                                       | HEALTH DEPARTMENT                   |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2511247    | AUDITING SERVICES FY 98/99 FICS 78653 | HUMAN SERVICES DEPARTMENT           |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2501399    | PROFESSIONAL SERVICES                 | FINANCE DEPARTMENT                  |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2507833    | AUDITING - ALAN C YOUNG               | HEALTH DEPARTMENT                   |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2515896    | AUDIT DRUG TREATMENT/AIDS PROGRAMS    | HUMAN SERVICES DEPARTMENT           |
| ALAN C YOUNG ASSOCIATES PC              | 20513    | 2780084    |                                       | HEALTH DEPARTMENT                   |

| Name of Counterparty                    | Vendor # | Contract # | Description                             | City Department              |
|---|----------|------------|---|------------------------------|
| ALKEBU LAN VILLAGE                      | 1043877  | 2588741    |   | HUMAN SERVICES DEPARTMENT    |
| ALKEBU LAN VILLAGE                      | 1043877  | 2533139    | YOUTH PROGRAM                           | HUMAN SERVICES DEPARTMENT    |
| ALKEBU LAN VILLAGE                      | 1043877  | 2619692    |   | HUMAN SERVICES DEPARTMENT    |
| ALKEBU LAN VILLAGE                      | 1043877  | 2804801    |   | HUMAN SERVICES DEPARTMENT    |
| ALKEBU LAN VILLAGE                      | 1043877  | 2775178    |   | HUMAN SERVICES DEPARTMENT    |
| ALKEBU LAN VILLAGE                      | 1043877  | 2772580    | PROFESSIONAL SERVICES CONTRACT          | RECREATION DEPARTMENT        |
| ALLEN & ASSOCIATES APPRAISAL GROUP INC  | 20517    | 2502141    | PROFESSIONAL SERVICES: CASINO APPRAISAL | LAW DEPARTMENT               |
| ALLIANCE FOR A SAFER GREATER DETROIT    | 1102712  | 2767089    |   | POLICE DEPARTMENT            |
| ALPHA ELECTRIC INC                      | 1026028  | 2625782    |   | PUBLIC LIGHTING DEPARTMENT   |
| ALPHA ELECTRIC INC                      | 1026028  | 2625784    |   | PUBLIC LIGHTING DEPARTMENT   |
| ALPHA ELECTRIC INC                      | 1026028  | 2625780    |   | PUBLIC LIGHTING DEPARTMENT   |
| ALPHA KAPPA ALPHA FOUNDATION OF DETROIT | 19649    | 2592410    |   | FINANCE DEPARTMENT           |
| ALTERNATIVE FOR GIRLS                   | 16279    | 2503526    | TRANSITIONAL HOUSING                    | FINANCE DEPARTMENT           |
| AMERICAN INDIAN HEALTH & FAMILY         | 18997    | 2500866    | SUBSTANCE ABUSE COORDINATION AGENCY     | NO DEPARTMENT INDICATED      |
| AMERITECH                               | 20497    | 2506112    |   | PUBLIC LIGHTING DEPARTMENT   |
| AMPCO SYSTEM PARKING                    | 18489    | 2501028    | PARKING SERVICES                        | MUNICIPAL PARKING DEPARTMENT |
| AMPCO SYSTEM PARKING                    | 18489    | 2501362    | KENNEDY SQUARE PARKING SERVICES         | MUNICIPAL PARKING DEPARTMENT |
| AMPCO SYSTEM PARKING                    | 18489    | 2501356    | PARKING SERVICE FOR KENNEDY SQUARE      | MUNICIPAL PARKING DEPARTMENT |
| AMPCO SYSTEM PARKING                    | 18489    | 2501789    | PARKING LOT MANAGEMENT                  | FINANCE DEPARTMENT           |
| AMPRO CONSTRUCTION LLC                  | 1026137  | 2524825    | WEATHERIZATION PROGRAM                  | HUMAN SERVICES DEPARTMENT    |
| AMPRO CONSTRUCTION LLC                  | 1026137  | 2525177    | LIHEAP                                  | HUMAN SERVICES DEPARTMENT    |
| AMPRO CONSTRUCTION LLC                  | 1026137  | 2544432    | HOME WEATHERIZATION                     | HUMAN SERVICES DEPARTMENT    |
| AMPRO CONSTRUCTION LLC                  | 1026137  | 2607320    |   | HUMAN SERVICES DEPARTMENT    |
| AMPRO CONSTRUCTION LLC                  | 1026137  | 2789077    |   | HUMAN SERVICES DEPARTMENT    |
| AMPRO CONSTRUCTION LLC                  | 1026137  | 2761179    |   | HUMAN SERVICES DEPARTMENT    |
| ANACAPA SCIENCE INC                     | 1012433  | 2507585    |   | POLICE DEPARTMENT            |
| ANDREW J BEAN                           | 1003634  | 2530372    | LEGAL SERVICES: DAVIS/WILLIAMS V CITY   | FINANCE DEPARTMENT           |
| ANDREW J BEAN                           | 1003634  | 2634325    |   | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2538079    | LEGAL SERVICES: TOMMIE THOMAS V CITY    | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2561944    | LEGAL SERVICES: MICHELLE HARPER, ET AL  | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2561936    | LEGAL SERVICES                          | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2501547    | LEGAL SERVICES: RYAN MULLINS V CITY     | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2545467    | LEGAL SERVICES: BOSWELL V JORDAN/CITY   | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2505202    | LEGAL SERVICES                          | LAW DEPARTMENT               |
| ANDREW J BEAN                           | 1003634  | 2512646    | LEGAL SERVICES                          | FINANCE DEPARTMENT           |
| ANDREW J BEAN                           | 1003634  | 2505710    | LEGAL SERVICES: KEITH THORNTON V CITY   | LAW DEPARTMENT               |

| <u>Name of Counterparty</u>                                 | <u>Vendor #</u> | <u>Contract #</u> | <u>Description</u>                                  | <u>City Department</u>             |
|---|-----------------|-------------------|---|------------------------------------|
| ANDREW J BEAN   | 1003634         | 2576673           |   | LAW DEPARTMENT                     |
| ANDREW J BEAN   | 1003634         | 2505715           | LEGAL SERVICES                                      | FINANCE DEPARTMENT                 |
| ANDREW J BEAN   | 1003634         | 2574494           |   | LAW DEPARTMENT                     |
| AON RISK SERVICES INC OF MICHIGAN                           | 17959           | 2506866           | AUDIT   | AUDITOR GENERAL                    |
| APCOA INC   | 18982           | 2504151           | COBO COMPLEX PARKINGMANAGEMENT SERVICES             | MUNICIPAL PARKING DEPARTMENT       |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2546963           | PARTNERSHIP FOR ADULT LEARNING                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2563067           | WORK FIRST & WELFARE TO WORK                        | EMPLOYMENT AND TRAINING DEPARTMENT |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2778448           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2797753           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2806229           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2775339           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2714444           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB AMERICAN & CHALDEAN COUNCIL                            | 19955           | 2717186           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB COMMUNITY CENTER                                       | 20424           | 2549478           | ENGLISH AS A SECOND LANGUAGE                        | EMPLOYMENT AND TRAINING DEPARTMENT |
| ARAB COMMUNITY CENTER                                       | 20424           | 2519169           | JOB SEARCH AND TRAINING (WORK FIRST)                | EMPLOYMENT AND TRAINING DEPARTMENT |
| ARAB COMMUNITY CENTER                                       | 20424           | 2740257           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB COMMUNITY CENTER FOR ECONOMIC SOCIAL SERVICES (ACCESS) | 1070466         | 2778446           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB COMMUNITY CENTER FOR ECONOMIC SOCIAL SERVICES (ACCESS) | 1070466         | 2797751           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB COMMUNITY CENTER FOR ECONOMIC SOCIAL SERVICES (ACCESS) | 1070466         | 2800934           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARAB COMMUNITY CENTER FOR ECONOMIC SOCIAL SERVICES (ACCESS) | 1070466         | 2778768           |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ARTHUR F SMITH ARCHITECTS                                   | 19092           | 2500783           | CAMP MASTERPLAN                                     | NO DEPARTMENT INDICATED            |
| ASHPAUGH & SCULCO CPA PLC                                   | 1026075         | 2506711           | RATE CONSULTANT                                     | NON-DEPARTMENTAL                   |
| AVANCE COMMUNICATIONS INC                                   | 1017277         | 2589125           |   | DEPARTMENT OF TRANSPORTATION       |
| AVANCE COMMUNICATIONS INC                                   | 1017277         | 2544753           | COMMUNICATIONS                                      | HUMAN SERVICES DEPARTMENT          |
| B & B POOLS AND SPAS  | 8897            | 2680662           |   | RECREATION DEPARTMENT              |
| B E I ASSOCIATES INC  | 1002153         | 2500794           | PROFESSIONAL ENGINEERING SERVICES                   | DEPARTMENT OF PUBLIC WORKS         |
| BABBIE DEVELOPERS   | 1100891         | 2753822           | ROOF REPLACEMENT FORT WAYNE-QUARTERMASTER WAREHOUSE | RECREATION DEPARTMENT              |
| BAPCO-SUBSTANCE ABUSE                                       | 15997           | 2501510           | MEDICAID SUBSTANCE ABUSE                            | NO DEPARTMENT INDICATED            |
| BARNEY MCCOSKY BASEBALL LEAGUE                              | 17329           | 2540757           | 36-NTV-NOF PUBLIC SERVICE CONTRACT                  | FINANCE DEPARTMENT                 |
| BARTECH GROUP   | 19194           | 2578539           |   | FINANCE DEPARTMENT                 |
| BARTHEL CONTRACTING   | 6174            | 2506716           | PAVEMENT RESURFACING, GROUP 95-3                    | DEPARTMENT OF PUBLIC WORKS         |
| BARTHEL CONTRACTING   | 6174            | 2508554           | WIDENING & RESURFACING                              | DEPARTMENT OF PUBLIC WORKS         |

| Name of Counterparty                | Vendor # | Contract # | Description                           | City Department                     |
|-------------------------------------|----------|------------|---------------------------------------|-------------------------------------|
| BARTHEL CONTRACTING                 | 6174     | 2508474    | PAVEMENT RESURFACING, GROUP 96-5      | DEPARTMENT OF PUBLIC WORKS          |
| BARTHEL CONTRACTING                 | 6174     | 2630995    |                                       | DEPARTMENT OF PUBLIC WORKS          |
| BARTHEL CONTRACTING                 | 6174     | 2658806    |                                       | DEPARTMENT OF PUBLIC WORKS          |
| BDN INDUSTRIAL HYGIENE CONSULTANT   | 19807    | 2502471    | ABATEMENT OF ASBESTOS                 | DEPARTMENT OF PUBLIC WORKS          |
| BDO SEIDMAN LLP                     | 1073285  | 2659484    |                                       | LAW DEPARTMENT                      |
| BEACON ENERGY LLC                   | 1088904  | 2699766    |                                       | SEWERAGE DEPARTMENT                 |
| BEACON ENERGY LLC                   | 1088904  | 2763942    | PROVIDE CONSULTING SERVICES           | PUBLIC LIGHTING DEPARTMENT          |
| BEAL INC                            | 1104822  | 2786319    |                                       | RECREATION DEPARTMENT               |
| BEI ASSOCIATES INC                  | 19420    | 2586915    |                                       | DEPARTMENT OF PUBLIC WORKS          |
| BEI ASSOCIATES INC                  | 19420    | 2576869    |                                       | PUBLIC LIGHTING DEPARTMENT          |
| BELLANCA BEATTIE & DELISLE PC       | 1002283  | 2515001    | LEGAL SERVICES                        | FINANCE DEPARTMENT                  |
| BELLANCA BEATTIE & DELISLE PC       | 1002283  | 2502106    | LEGAL SERVICES                        | NO DEPARTMENT INDICATED             |
| BELLANCA BEATTIE & DELISLE PC       | 1002283  | 2618387    | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| BELMARC INC                         | 1012648  | 2505560    | PROFESSIONAL SERVICES                 | LAW DEPARTMENT                      |
| BERG MUIRHEAD AND ASSOCIATES        | 1051572  | 2758875    |                                       | MAYOR'S OFFICE                      |
| BEST AMERICAN INDUSTRIAL            | 17038    | 2501442    | SKILLED TRADES                        | NO DEPARTMENT INDICATED             |
| BETTS MEDICAL GROUP LLC             | 1030943  | 2531569    | PHYSICIAN SERVICES                    | HEALTH DEPARTMENT                   |
| BLACK & VEATCH                      | 20115    | 2501009    | PROFESSIONAL SERVICES                 | NO DEPARTMENT INDICATED             |
| BLACK CAUCUS FOUNDATION OF MICHIGAN | 18481    | 2501792    |                                       | HEALTH DEPARTMENT                   |
| BLACK FAMILY DEVELOPMENT INC        | 1012009  | 2508726    | PROGRAM COORDINATION OF COOPER        | FINANCE DEPARTMENT                  |
| BLACK FAMILY DEVELOPMENT INC        | 1012009  | 2506003    | MEDICAID SUBSTANCE ABUSE              | HEALTH DEPARTMENT                   |
| BLACK FAMILY DEVELOPMENT INC        | 1012009  | 2784374    |                                       | HUMAN SERVICES DEPARTMENT           |
| BLACK FAMILY DEVELOPMENT INC        | 1012009  | 2761029    |                                       | HUMAN SERVICES DEPARTMENT           |
| BLOUNT ENGINEERS INC.               | 13566    | 2500972    | PROFESSIONAL SERVICES                 | PUBLIC LIGHTING DEPARTMENT          |
| BODMAN LONGLEY DAHLING LLP          | 1000341  | 2507188    | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| BODMAN LONGLEY DAHLING LLP          | 1000341  | 2501800    | LEGAL SERVICES                        | PUBLIC LIGHTING DEPARTMENT          |
| BODMAN LONGLEY DAHLING LLP          | 1000341  | 2505006    | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| BODMAN LONGLEY DAHLING LLP          | 1000341  | 2501852    | LEGAL SERVICES                        | PLANNING AND DEVELOPMENT DEPARTMENT |
| BONIFACE HUMAN SRVS                 | 19449    | 2501513    | MEDICAID SUBSTANCE ABUSE              | NO DEPARTMENT INDICATED             |
| BOOKER T WASHINGTON                 | 17389    | 2517857    | PUBLIC FACILITY REHABILITATION        | FINANCE DEPARTMENT                  |
| BOOMER CO                           | 19949    | 2784930    | CITY OF DETROIT CONSTRUCTION CONTRACT | RECREATION DEPARTMENT               |
| BOOTH RESEARCH GROUP INC            | 1058277  | 2585080    |                                       | POLICE DEPARTMENT                   |
| BOOTH RESEARCH GROUP INC            | 1058277  | 2759498    | DPD PROMOTIONAL EXAMINATION           | POLICE DEPARTMENT                   |
| BRACEFUL & ASSOCIATES PC            | 1002357  | 2508823    | LEGAL SERVICES                        | FINANCE DEPARTMENT                  |
| BRACEFUL & ASSOCIATES PC            | 1002357  | 2507332    | LEGAL SERVICES: TROMEUR V CITY        | LAW DEPARTMENT                      |
| BRADY HATHAWAY PC                   | 20356    | 2505092    | LEGAL SERVICES: VINES/CHILDS V CITY   | LAW DEPARTMENT                      |
| BRIGHTMOOR COMMUNITY CENTER         | 18407    | 2501479    | PUBLIC FACILITY REHAB                 | NO DEPARTMENT INDICATED             |

| Name of Counterparty                        | Vendor # | Contract # | Description                           | City Department                     |
|---|----------|------------|---------------------------------------|-------------------------------------|
| C & H BUILDERS                              | 1025257  | 2544437    | HOME WEATHERIZATION                   | FINANCE DEPARTMENT                  |
| C & H BUILDERS                              | 1025257  | 2524574    | WEATHERIZATION PROGRAM                | HUMAN SERVICES DEPARTMENT           |
| C & H BUILDERS                              | 1025257  | 2543531    | LIHEAP-HOME WEATHERIZATION PROGRAM    | HUMAN SERVICES DEPARTMENT           |
| C & H BUILDERS                              | 1025257  | 2793400    |                                       | HUMAN SERVICES DEPARTMENT           |
| CAASTI CONTRACTING SERVICES INC             | 1066086  | 2799257    | CPATTON PARK IMPROVEMENT              | RECREATION DEPARTMENT               |
| CAASTI CONTRACTING SERVICES INC             | 1066086  | 2799260    | BELLE ISLE - TENNIS COURT RENOVATIONS | RECREATION DEPARTMENT               |
| CAASTI CONTRACTING SERVICES INC             | 1066086  | 2789963    | LITTLEFIELD PLAYFIELD RENOVATIONS     | RECREATION DEPARTMENT               |
| CAASTI CONTRACTING SERVICES INC             | 1066086  | 2798602    | WINGLE PLAYLOT IMPROVEMENTS           | RECREATION DEPARTMENT               |
| CADILLAC TOWER MI LLC                       | 1117104  | 2810553    |                                       | BUDGET DEPARTMENT                   |
| CAPITAL ACCESS INC                          | 1033428  | 2536054    | CONSULTING AGREEMENT                  | PLANNING AND DEVELOPMENT DEPARTMENT |
| CAPITAL COMPUTER SOLUTIONS                  | 16316    | 2507466    | IMAGING SYSTEM (FICS #76497)          | HEALTH DEPARTMENT                   |
| CAPITAL COMPUTER SOLUTIONS                  | 16316    | 2760099    |                                       | HEALTH DEPARTMENT                   |
| CARE GIVERS                                 | 19339    | 2510116    | HOMELESSNESS PREVENTION               | FINANCE DEPARTMENT                  |
| CAREERWORKS INC                             | 10310    | 2501469    | SUMMER PROGRAM                        | NO DEPARTMENT INDICATED             |
| CAREERWORKS INC                             | 10310    | 2518192    | WORK FIRST JOB PLACEMENT              | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2526127    | YOUTH SERVICES PROGRAM PY2000         | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2539830    | FOOD STAMP - 10/01/00 - 9/30/01       | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2560643    | FOOD STAMP 2001-2002                  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2553148    | WIA SUMMER COORDINATION               | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2530117    | WIA SUMMER - MICROSOFT PROGRAM        | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2536669    | WIA-ELECTRONICS & TELECOMMUNICATIONS  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CAREERWORKS INC                             | 10310    | 2740262    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| CARNEGIE MORGAN PARTNERS                    | 18655    | 2600434    |                                       | FINANCE DEPARTMENT                  |
| CASS COMMUNITY SOCIAL SERVICES INC          | 1057639  | 2539246    | PUBLIC SERVICE FOR THE HOMELESS       | HUMAN SERVICES DEPARTMENT           |
| CASS COMMUNITY SOCIAL SERVICES INC          | 1057639  | 2521565    | FOOD PROGRAM, EASTSIDE AND WESTSIDE   | HUMAN SERVICES DEPARTMENT           |
| CASS COMMUNITY SOCIAL SERVICES INC          | 1057639  | 2570923    |                                       | HUMAN SERVICES DEPARTMENT           |
| CASS COMMUNITY SOCIAL SERVICES INC          | 1057639  | 2775168    |                                       | HUMAN SERVICES DEPARTMENT           |
| CASS COMMUNITY UNITED                       | 18514    | 2559508    | CASE MANAGEMENT AND COUNSELING        | DEPARTMENT OF PUBLIC WORKS          |
| CASS COMMUNITY UNITED                       | 18514    | 2515503    | WARMING CENTER FOR HOMELESS           | HUMAN SERVICES DEPARTMENT           |
| CASS COMMUNITY UNITED METHODIST             | 7182     | 2588909    |                                       | HUMAN SERVICES DEPARTMENT           |
| CASS CORRIDOR NEIGHBORHOOD DEVELOPMENT CORP | 20452    | 2506844    | PRE-DEVELOPMENT ACTIVITIES            | FINANCE DEPARTMENT                  |
| CATHOLIC SOCIAL SERVICES                    | 3536     | 2501515    | MEDICAID SUBSTANCE ABUSE              | NO DEPARTMENT INDICATED             |
| CATHOLIC YOUTH ORGANIZATION                 | 1961     | 2501808    | SUBSTANCE ABUSE COORDINATION AGENCY   | NO DEPARTMENT INDICATED             |
| CDL TRAINING SCHOOL LLC                     | 1064701  | 2804809    |                                       | HUMAN SERVICES DEPARTMENT           |
| CDL TRAINING SCHOOL LLC                     | 1064701  | 2775174    |                                       | HUMAN SERVICES DEPARTMENT           |
| CEI MICHIGAN LLC                            | 1104760  | 2785400    | EASTERN MARKET SHED NO. 3 RENOVATIONS | RECREATION DEPARTMENT               |

| <u>Name of Counterparty</u>                | <u>Vendor #</u> | <u>Contract #</u> | <u>Description</u>                                  | <u>City Department</u>              |
|--|-----------------|-------------------|---|-------------------------------------|
| CEI MICHIGAN LLC                           | 1104760         | 2785393           | CONSTRUCTION CONTRACT FOR EASTERN MARKET SHED NO. 3 | RECREATION DEPARTMENT               |
| CENTRAL MAINTENANCE SERVICE                | 9209            | 2501782           | 36/LS - MANAGEMENT SERVICES                         | PLANNING AND DEVELOPMENT DEPARTMENT |
| CENTRAL UNITY METHODIST CHURCH             | 5570            | 2503083           | PUBLIC SERVICE CONTRACT                             | FINANCE DEPARTMENT                  |
| CENTURY CEMENT CO INC                      | 1393            | 2520066           | REPAIR OF DAMAGED SIDEWALKS                         | DEPARTMENT OF PUBLIC WORKS          |
| CENTURY CEMENT CO INC                      | 1393            | 2541213           | REPAIR OF DAMAGED SIDEWALKS                         | DEPARTMENT OF PUBLIC WORKS          |
| CHARFOOS & CHRISTENSEN                     | 19681           | 2599095           | LEGAL SERVICES                                      | LAW DEPARTMENT                      |
| CHARLES MERZ                               | 19485           | 2501931           | BELLE ISLE PICNIC SHELTER                           | NO DEPARTMENT INDICATED             |
| CHECKER CAB                                | 1002656         | 2533466           |   | HUMAN SERVICES DEPARTMENT           |
| CHECKER CAB                                | 1002656         | 2620877           |   | HUMAN SERVICES DEPARTMENT           |
| CHECKER CAB                                | 1002656         | 2775459           |   | HUMAN SERVICES DEPARTMENT           |
| CHECKER CAB                                | 1002656         | 2803649           |   | HUMAN SERVICES DEPARTMENT           |
| CHECKER CAB                                | 6574            | 2743785           |   | HUMAN SERVICES DEPARTMENT           |
| CHILD CARE COORDINATING COUNCIL OF DETROIT | 18279           | 2751505           |   | HUMAN SERVICES DEPARTMENT           |
| CHILD CARE COORDINATING COUNCIL OF DETROIT | 18279           | 2774001           |   | HUMAN SERVICES DEPARTMENT           |
| CHILDREN & YOUTH INITIATIVE OF DETROIT     | 18304           | 2516007           | EMPOWERMENT ZONE- PUBLIC SERVICES                   | PLANNING AND DEVELOPMENT DEPARTMENT |
| CHILDREN & YOUTH INITIATIVE OF DETROIT     | 18304           | 2500872           |   | NO DEPARTMENT INDICATED             |
| CHILDREN & YOUTH INITIATIVE OF DETROIT     | 18304           | 2554216           | EMPOWERMENT ZONE- PUBLIC SERVICES                   | FINANCE DEPARTMENT                  |
| CHILDREN & YOUTH INITIATIVE OF DETROIT     | 18304           | 2532118           | EMPOWERMENT ZONE - PUBLIC SERVICES                  | PLANNING AND DEVELOPMENT DEPARTMENT |
| CHILDRENS AID SOCIETY                      | 1002607         | 2618760           |   | POLICE DEPARTMENT                   |
| CHILDRENS AID SOCIETY                      | 1002607         | 2620357           |   | HUMAN SERVICES DEPARTMENT           |
| CHILDRENS AID SOCIETY                      | 1002607         | 2563913           |   | FINANCE DEPARTMENT                  |
| CHILDRENS AID SOCIETY                      | 1002607         | 2740222           |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| CHILDRENS AID SOCIETY                      | 1002607         | 2775157           |   | HUMAN SERVICES DEPARTMENT           |
| CHILDRENS AID SOCIETY                      | 1049240         | 2614565           |   | HUMAN SERVICES DEPARTMENT           |
| CHILDRENS AID SOCIETY                      | 1049240         | 2778775           |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| CHILDRENS AID SOCIETY                      | 1049240         | 2778778           |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| CHILDRENS AID SOCIETY                      | 1049240         | 2800817           |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| CHILDRENS CENTER OF WAYNE COUNTY           | 12390           | 2501646           | MEDICAID SUBSTANCE ABUSE                            | NO DEPARTMENT INDICATED             |
| CHILDRENS CENTER OF WAYNE COUNTY           | 12390           | 2535133           | HEAD START MENTAL CONSULTANT SERVICES               | HUMAN SERVICES DEPARTMENT           |
| CHILDRENS CENTER OF WAYNE COUNTY           | 12390           | 2516136           | MENTAL HEALTH CONSULTANT SERVICES                   | HUMAN SERVICES DEPARTMENT           |
| CHILDRENS CENTER OF WAYNE COUNTY           | 12390           | 2569653           |   | HUMAN SERVICES DEPARTMENT           |

| Name of Counterparty             | Vendor # | Contract # | Description                         | City Department                  |
|----------------------------------|----------|------------|-------------------------------------|----------------------------------|
| CHILDRENS CENTER OF WAYNE COUNTY | 12390    | 2501812    | SUBSTANCE ABUSE COORDINATION AGENCY | HEALTH DEPARTMENT                |
| CHRISTIAN GUIDANCE CENTER        | 18739    | 2501814    | SUBSTANCE ABUSE COORDINATION AGENCY | HEALTH DEPARTMENT                |
| CITY CONNECT DETROIT             | 1082718  | 2796700    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT |
| CLARK & ASSOCIATES PC            | 1008458  | 2543328    | ADDICTION TREATMENT                 | HEALTH DEPARTMENT                |
| CLARK & ASSOCIATES PC            | 1008458  | 2539765    | TRAINING WORK FIRST PROGRAM         | HEALTH DEPARTMENT                |
| CLARK & ASSOCIATES PC            | 1008458  | 2539650    | YOUTH DEPARTMENT SAFETY PROGRAM     | HEALTH DEPARTMENT                |
| CLARK & ASSOCIATES PC            | 1008458  | 2675311    |                                     | HUMAN SERVICES DEPARTMENT        |
| CLARK ASSOCIATES INC             | 15176    | 2625022    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2504251    | MEDICAID SUBSTANCE ABUSE            | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2518285    | CLARK MASTER - SUBSTANCE ABUSE      | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2588764    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2536507    | CLARK - MEDICAID                    | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2670290    |                                     | HUMAN SERVICES DEPARTMENT        |
| CLARK ASSOCIATES INC             | 15176    | 2689636    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2534097    | SUBSTANCE ABUSE MASTER AGREEMENT    | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2559955    | CLARK- MEDICAID                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2518292    | CLARK MEDICAID-MASTER               | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2518483    | CLARK - DRUG EDUCATION              | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2506642    | EDUCATE FYE 6/30/99 CLARK/POLICE    | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2501252    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2557597    | CLARK MASTER - SUBSTANCE ABUSE      | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2625016    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2527241    | YOUTH DEPT. SAFETY ASSESSMENT PROG. | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2618554    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2502443    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2618552    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2700218    |                                     | RECREATION DEPARTMENT            |
| CLARK ASSOCIATES INC             | 15176    | 2515854    | CLARK - CCA- FYE 6/30/00 SPO2515857 | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2779347    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2797389    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2750134    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2747666    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2779369    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2756507    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2805210    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2875766    | S.A.F.E.T.Y. PROGRAM                | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2776664    |                                     | HEALTH DEPARTMENT                |
| CLARK ASSOCIATES INC             | 15176    | 2779355    |                                     | HEALTH DEPARTMENT                |

| Name of Counterparty                  | Vendor # | Contract # | Description                         | City Department                 |
|---------------------------------------|----------|------------|-------------------------------------|---------------------------------|
| CLARK ASSOCIATES INC                  | 15176    | 2755767    |                                     | HEALTH DEPARTMENT               |
| CLARK ASSOCIATES INC                  | 15176    | 2801963    |                                     | HEALTH DEPARTMENT               |
| CLARK ASSOCIATES INC                  | 15176    | 2803778    |                                     | HEALTH DEPARTMENT               |
| CLARK ASSOCIATES INC                  | 15176    | 2786574    |                                     | HEALTH DEPARTMENT               |
| CLARK ASSOCIATES INC                  | 15176    | 2759243    |                                     | HEALTH DEPARTMENT               |
| CLARK HILL                            | 7778     | 2501937    | LEGAL SERVICES                      | LAW DEPARTMENT                  |
| CLARK HILL                            | 7778     | 2543385    | LEGAL SERVICES                      | LAW DEPARTMENT                  |
| CLARKS CONSTRUCTION                   | 1016952  | 2679759    |                                     | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2636522    |                                     | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2713626    |                                     | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2714063    |                                     | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2715398    |                                     | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2731184    | PARK & PLAYGROUND IMPROVEMENTS      | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2709777    |                                     | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2756725    | PARK & PLAYGROUND IMPROVEMENTS      | RECREATION DEPARTMENT           |
| CLARKS CONSTRUCTION                   | 1016952  | 2789767    | LAKER PLAYGROUND IMPROVEMENTS       | RECREATION DEPARTMENT           |
| CLAYTON ENVIRONMENTAL                 | 1002564  | 2519814    | EPA PERMITS & DEREGULATIONS         | PUBLIC LIGHTING DEPARTMENT      |
| CMTS INC                              | 18181    | 2501924    | FICS 074776 INSPECTION SERVICES     | DEPARTMENT OF PUBLIC WORKS      |
| COHL STOKER TOSKEY & MCCLINCHEY PC    | 1081162  | 2661933    |                                     | CITY COUNCIL                    |
| COMMUNITY & EDUCATIONAL SERVICES INC  | 1059876  | 2777992    | EMERGENCY SHELTER SERVICES          | HUMAN SERVICES DEPARTMENT       |
| COMMUNITY DEVELOPMENT SOLUTIONS LLC   | 1057282  | 2695015    |                                     | RECREATION DEPARTMENT           |
| COMMUNITY DEVELOPMENT SOLUTIONS LLC   | 1057282  | 2675021    |                                     | RECREATION DEPARTMENT           |
| COMMUNITY HEALTH AWARENESS GROUP INC  | 1051231  | 2571474    |                                     | HEALTH DEPARTMENT               |
| COMMUTER TRANSPORTATION               | 15328    | 2510505    | SHUTTLE SERVICE                     | CIVIC CENTER DEPARTMENT         |
| COMPREHENSIVE DATA PROCESSING         | 11248    | 2502241    | PROGRAMMING CODING                  | INFORMATION TECHNOLOGY SERVICES |
| COMPUTECH CORPORATION                 | 1054040  | 2574424    |                                     | NON-DEPARTMENTAL                |
| COMPUTECH CORPORATION                 | 1054040  | 2620775    |                                     | NON-DEPARTMENTAL                |
| COMPUWARE CORPORATION                 | 1003122  | 2595111    |                                     | NON-DEPARTMENTAL                |
| CONNOLLY RODGERS & SCHARMAN PLLC      | 1089154  | 2703083    |                                     | LAW DEPARTMENT                  |
| CONSULTING ENGINEERING ASSOCIATES INC | 1806     | 2514647    | ELECTRICAL DESIGN-HIGHWAYS PROJECTS | DEPARTMENT OF PUBLIC WORKS      |
| CONSULTING ENGINEERING ASSOCIATES INC | 1806     | 2508478    | ENGINEERING                         | WATER DEPARTMENT                |

| Name of Counterparty                         | Vendor # | Contract # | Description                               | City Department                     |
|--|----------|------------|---|-------------------------------------|
| CONSULTING ENGINEERING ASSOCIATES INC        | 1806     | 2544911    | FICS CONTRACT # 064150, ELECTRICAL DESIGN | DEPARTMENT OF PUBLIC WORKS          |
| CONSULTING ENGINEERING ASSOCIATES INC        | 1806     | 2544914    | FICS CONTRACT 065783, ELECTRICAL DESIGN   | DEPARTMENT OF PUBLIC WORKS          |
| CORPORATE ASSET MANAGEMENT INC               | 1022860  | 2607935    |   | DEPARTMENT OF TRANSPORTATION        |
| COUNCIL OF ACTION UNITED FOR SERVICE EFFORTS | 14189    | 2608202    |   | FINANCE DEPARTMENT                  |
| COUNCIL OF ISLAMIC ORGANIZATIONS             | 20305    | 2501825    | SUBSTANCE ABUSE COORDINATION AGENCY       | NO DEPARTMENT INDICATED             |
| COURRIER & I                                 | -        | 2506952    |   | LAW DEPARTMENT                      |
| COUZENS LANSKY FEALK ELLIS ROEDER & LAZAR    | 19705    | 2534094    | LEGAL SERVICES                            | LAW DEPARTMENT                      |
| COVENANT HOUSE OF MICHIGAN                   | 1049191  | 2614501    |   | EMPLOYMENT AND TRAINING DEPARTMENT  |
| COVENANT HOUSE OF MICHIGAN                   | 1049191  | 2622827    |   | EMPLOYMENT AND TRAINING DEPARTMENT  |
| COVENANT HOUSE OF MICHIGAN                   | 1049191  | 2563788    | SUPPORTIVE HOUSING                        | HUMAN SERVICES DEPARTMENT           |
| CREEKSIDE COMMUNITY DEVELOPMENT CORPORATION  | 1024525  | 2752940    |   | PLANNING AND DEVELOPMENT DEPARTMENT |
| CSFB 1998 P1 WOODWARD OFFICE LLC             | 1074168  | 2652205    |   | FINANCE DEPARTMENT                  |
| CUMMINGS MCCLOREY DAVIS                      | 19999    | 2502111    | LEGAL SERVICES: JANE DOE V P.O. JOURNEY   | LAW DEPARTMENT                      |
| CUMMINGS MCCLOREY DAVIS                      | 19999    | 2502154    | LEGAL SERVICES                            | NO DEPARTMENT INDICATED             |
| CURTIS & ASSOCIATES                          | 18886    | 2563163    | JOB SEARCH WORK FIRST/WTW 2001            | EMPLOYMENT AND TRAINING DEPARTMENT  |
| CVS  | 1026222  | 2782910    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| D A CENTRAL INC                              | 1020403  | 2860051    | SECURITY SURVEILLANCE SYSTEM              | NO DEPARTMENT INDICATED             |
| D C BYERS COMPANY DETROIT                    | 15847    | 2502244    | FORD RD RESERVOIR REHAB                   | WATER DEPARTMENT                    |
| D P VANBLARICOM INC                          | 1011787  | 2517238    | ESTATE OF LARRY BELL V CITY               | LAW DEPARTMENT                      |
| DATA COMPRESSION TECHNOLOGY INC.             | 1057080  | 2584759    |   | FINANCE DEPARTMENT                  |
| DATA CONSULTING GROUP INC                    | 18268    | 2507857    | PARKING TICKETS                           | MUNICIPAL PARKING DEPARTMENT        |
| DAVID ANDERSON & CATHY STULL                 | 16925    | 2500749    |   | LAW DEPARTMENT                      |
| DBAKER SOLUTIONS                             | 1027729  | 2526961    | CONCESSIONS CONTRACT CONSULTANT           | ZOO                                 |
| DECISION CONSULTANTS INC                     | 14788    | 2502051    | PROGRAMMING CODING                        | INFORMATION TECHNOLOGY SERVICES     |
| DELOITTE & TOUCHE LLP                        | 17837    | 2592267    |   | CITY COUNCIL                        |
| DEMARIA BUILDING COMPANY                     | 19428    | 2819183    | SKILLED TRADES REPAIR AND MAINTENANCE     | GENERAL SERVICES DEPARTMENT         |
| DEM/ARIA BUILDING COMPANY                    | 19428    | 2706154    | BELLE ISLE CONSERVATORY RENOVATIONS       | RECREATION DEPARTMENT               |
| DEM/ARIA BUILDING COMPANY                    | 19428    | 2832912    | EQUIPMENT PURCHASE AND INSTALLATION       | WATER DEPARTMENT                    |
| DETROIT AREA AGENCY ON AGING                 | 10643    | 2803629    |   | HUMAN SERVICES DEPARTMENT           |
| DETROIT AREA AGENCY ON AGING                 | 10643    | 2743788    |   | HUMAN SERVICES DEPARTMENT           |
| DETROIT AREA AGENCY ON AGING                 | 10643    | 2775457    |   | HUMAN SERVICES DEPARTMENT           |
| DETROIT AREA HEALTH COUNCIL INC              | 1069815  | 2619988    |   | RECREATION DEPARTMENT               |
| DETROIT ASSOC OF WOMENS CLUBS                | 14566    | 2514218    | PUBLIC FACILITY REHAB-FICS #74834         | FINANCE DEPARTMENT                  |

| Name of Counterparty                       | Vendor # | Contract # | Description  | City Department                     |
|--|----------|------------|--|-------------------------------------|
| DETROIT ASSOCIATION OF BLACK ORGANIZATIONS | 16148    | 2501915    | PUBLIC SERVICE   | NO DEPARTMENT INDICATED             |
| DETROIT ASSOCIATION OF BLACK ORGANIZATIONS | 16148    | 2502124    |  | NO DEPARTMENT INDICATED             |
| DETROIT ASSOCIATION OF BLACK ORGANIZATIONS | 16148    | 2807055    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DETROIT ASSOCIATION OF BLACK ORGANIZATIONS | 16148    | 2761547    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DETROIT ASSOCIATION OF BLACK ORGANIZATIONS | 16148    | 2740241    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DETROIT BOARD OF EDUCATION                 | 1569     | 2503530    | JOB SEARCH & PLACEMENT                                   | EMPLOYMENT AND TRAINING DEPARTMENT  |
| DETROIT BOARD OF EDUCATION                 | 1569     | 2508003    | EZ-PUBLIC SERVICE  | FINANCE DEPARTMENT                  |
| DETROIT BOARD OF EDUCATION                 | 1569     | 2516130    | DISABILITY SUPPORT TEAM                                  | HUMAN SERVICES DEPARTMENT           |
| DETROIT BOARD OF EDUCATION                 | 1569     | 2501369    | CAREER PREP PLANNING                                     | EMPLOYMENT AND TRAINING DEPARTMENT  |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2500796    | WINTER HOLDING & LIGHTING                                | ZOO                                 |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2510115    | DPD SECURITY SYSTEM UPGRADE                              | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2500859    | HUBER BUILDING RESTORE                                   | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2513351    |  | INFORMATION TECHNOLOGY SERVICES     |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2593193    |  | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2530203    | CENTER & SITE IMPROVE                                    | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2526905    | FIRE DETECTION, ALARM & SUPPRESSION                      | ZOO                                 |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2501859    | EASTERN MARKET RENOVATIONS                               | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2545275    | SECURITY SYSTEM UPGRADE                                  | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2503827    | CUSTOMER SERVICE CENTER                                  | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2501051    | FIRESTATION RENOVATION PROGRAM                           | FIRE DEPARTMENT                     |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2636298    |  | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2508408    | BUILDING RENOVATIONS                                     | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2500748    | PARKING IMPROVEMENTS                                     | ZOO                                 |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2540535    |  | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2502360    |  | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2630384    |  | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2514346    | INFRASTRUCTURE IMPROVEMENTS                              | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2516282    | FIRE SUPPRESSION AND DETECTION SYSTEM                    | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2501977    | ADAMS BUTZEL CENTER                                      | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2506561    | COLEMAN A. YOUNG & ROBERTO CLEMENTE CENTERS IMPROVEMENTS | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY                 | 9266     | 2560470    | 2001-02 CAPITAL IMPROVEMENT PROGRAM                      | CIVIC CENTER DEPARTMENT             |

| Name of Counterparty       | Vendor # | Contract # | Description                          | City Department                     |
|----------------------------|----------|------------|--------------------------------------|-------------------------------------|
| DETROIT BUILDING AUTHORITY | 9266     | 2500743    | BIRD & TIGER RENOVATION              | ZOO                                 |
| DETROIT BUILDING AUTHORITY | 9266     | 2691117    |                                      | FIRE DEPARTMENT                     |
| DETROIT BUILDING AUTHORITY | 9266     | 2506912    |                                      | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY | 9266     | 2501579    | MCCABE FIELD HOUSE SITE IMPROVEMENTS | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY | 9266     | 2501961    | MADISON CTR IMPROVEMENTS             | NO DEPARTMENT INDICATED             |
| DETROIT BUILDING AUTHORITY | 9266     | 2653472    |                                      | ZOO                                 |
| DETROIT BUILDING AUTHORITY | 9266     | 2505570    | B.I. CANAL FICS CONTRACT# 073005     | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY | 9266     | 2594879    |                                      | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY | 9266     | 2517916    |                                      | HUMAN SERVICES DEPARTMENT           |
| DETROIT BUILDING AUTHORITY | 9266     | 2600472    |                                      | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY | 9266     | 2544837    | PUBLIC IMPROVEMENTS AT WOODWARD      | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT BUILDING AUTHORITY | 9266     | 2654364    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2532375    |                                      | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY | 9266     | 2505579    |                                      | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY | 9266     | 2536241    | COBO CENTERS CAPITAL PROGRAM         | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2619410    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2688656    |                                      | FIRE DEPARTMENT                     |
| DETROIT BUILDING AUTHORITY | 9266     | 2505726    | MINATURE RAILROAD RENOVATION         | ZOO                                 |
| DETROIT BUILDING AUTHORITY | 9266     | 2531292    | ARCHITECTURAL PROGRAMMING            | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY | 9266     | 2561933    | CAPITAL IMPROVEMENTS                 | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2517985    |                                      | HISTORICAL                          |
| DETROIT BUILDING AUTHORITY | 9266     | 2638245    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2500762    |                                      | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY | 9266     | 2545352    |                                      | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY | 9266     | 2706199    |                                      | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY | 9266     | 2767791    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2630436    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2739330    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2726923    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2719133    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2630388    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2501957    | CAPITAL PROJECTS                     | HEALTH DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY | 9266     | 2697790    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2630408    |                                      | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY | 9266     | 2626704    |                                      | HISTORICAL                          |
| DETROIT BUILDING AUTHORITY | 9266     | 2675809    |                                      | ZOO                                 |
| DETROIT BUILDING AUTHORITY | 9266     | 2550346    | GROUND CARE PROJECT                  | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY | 9266     | 2675818    |                                      | ZOO                                 |

| Name of Counterparty                | Vendor # | Contract # | Description                           | City Department                     |
|-------------------------------------|----------|------------|---------------------------------------|-------------------------------------|
| DETROIT BUILDING AUTHORITY          | 9266     | 2583964    |                                       | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY          | 9266     | 2627766    |                                       | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY          | 9266     | 2653471    |                                       | ZOO                                 |
| DETROIT BUILDING AUTHORITY          | 9266     | 2710513    |                                       | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY          | 9266     | 2651003    |                                       | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY          | 9266     | 2697809    |                                       | CIVIC CENTER DEPARTMENT             |
| DETROIT BUILDING AUTHORITY          | 9266     | 2560660    | DETENTION CENTERS/POLICE HEADQUARTERS | FINANCE DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY          | 9266     | 2796726    |                                       | AIRPORT DEPARTMENT                  |
| DETROIT BUILDING AUTHORITY          | 9266     | 2865303    |                                       | DETROIT OFFICE OF HOMELAND SECURITY |
| DETROIT BUILDING AUTHORITY          | 9266     | 2749361    |                                       | PUBLIC LIGHTING DEPARTMENT          |
| DETROIT BUILDING AUTHORITY          | 9266     | 2568320    |                                       | RECREATION DEPARTMENT               |
| DETROIT BUILDING AUTHORITY          | 9266     | 2510335    | RENOVATION AT PRECINCTS 2, 5, 7, & 11 | POLICE DEPARTMENT                   |
| DETROIT BUILDING AUTHORITY          | 9266     | 2510162    |                                       | POLICE DEPARTMENT                   |
| DETROIT CATHOLIC PASTORAL           | 18185    | 2855625    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT CATHOLIC PASTORAL           | 18185    | 2778107    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT CATHOLIC PASTORAL           | 18185    | 2554997    | NEW CONTRACT SET-UP                   | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT CENTRAL CITY COMMUNITY      | 17253    | 2501790    | PUBLIC FACILITY REHAB                 | NO DEPARTMENT INDICATED             |
| DETROIT DISCOUNT DISTRIBUTORS INC   | 1027457  | 2526361    | EMERGENCY FOOD                        | HUMAN SERVICES DEPARTMENT           |
| DETROIT EAST COMMUNITY MENTAL       | 1005394  | 2663209    |                                       | DEPARTMENT OF TRANSPORTATION        |
| DETROIT EAST COMMUNITY MENTAL       | 1005394  | 2719895    |                                       | DEPARTMENT OF TRANSPORTATION        |
| DETROIT EAST INC                    | 13771    | 2520517    | TRANSITIONAL HOUSING                  | HUMAN SERVICES DEPARTMENT           |
| DETROIT ECONOMIC GROWTH CORPORATION | 7662     | 2515604    | PROFESSIONAL ECONOMIC DEVELOPMENT     | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT ECONOMIC GROWTH CORPORATION | 7662     | 2784670    | ECONOMIC DEVELOPMENT SERVICES         | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT ECONOMIC GROWTH CORPORATION | 7662     | 2753574    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT ECONOMIC GROWTH CORPORATION | 7662     | 2809284    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT ECONOMIC GROWTH CORPORATION | 7662     | 2725283    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT EDISON COMPANY              | 5636     | 2501179    |                                       | NO DEPARTMENT INDICATED             |
| DETROIT ELECTRICAL SERVICES LLC     | 1059639  | 2676228    |                                       | WATER DEPARTMENT                    |
| DETROIT ENTREPRENEURSHIP INST       | 1036516  | 2562737    | SELF EMPLOYMENT INITIATIVE            | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DETROIT ENTREPRENEURSHIP INST       | 1036516  | 2507446    | P&DD/PS FICS CONTRACT #75285          | FINANCE DEPARTMENT                  |

| Name of Counterparty  | Vendor # | Contract # | Description  | City Department                     |
|---|----------|------------|--|-------------------------------------|
| DETROIT GENERAL RETIREMENT SYSTEM SERVICE CORPORATION         | -        | -          | GRS SERVICE CONTRACT 2005, DATED MAY 25, 2005, BY AND BETWEEN THE CITY AND THE DETROIT GENERAL RETIREMENT SYSTEM SERVICE CORPORATION                                 | NO DEPARTMENT INDICATED             |
| DETROIT GENERAL RETIREMENT SYSTEM SERVICE CORPORATION         | -        | -          | GRS SERVICE CONTRACT 2006, DATED JUNE 7, 2006, BY AND BETWEEN THE CITY AND THE DETROIT GENERAL RETIREMENT SYSTEM SERVICE CORPORATION, AS THEREAFTER AMENDED          | NO DEPARTMENT INDICATED             |
| DETROIT HISPANIC  | 20401    | 2564466    | JOB SEARCH AND PLACEMENT   | EMPLOYMENT AND TRAINING DEPARTMENT  |
| DETROIT HOUSING COMMISSION                                    | 1033965  | 2801908    | FUNDING AGREEMENT  | DEPARTMENT OF PUBLIC WORKS          |
| DETROIT HOUSING COMMISSION                                    | 1033965  | 2833063    | FUNDING AGREEMENT  | DEPARTMENT OF PUBLIC WORKS          |
| DETROIT HOUSING COMMISSION                                    | 1033965  | 2669571    |  | HOUSING DEPARTMENT                  |
| DETROIT LIGHT HOUSE PROGRAM                                   | 1001492  | 2501736    | MEDICAID SUBSTANCE ABUSE   | HEALTH DEPARTMENT                   |
| DETROIT LIGHT HOUSE PROGRAM                                   | 1001492  | 2515558    | SUBSTANCE ABUSE FYE 9/99   | HEALTH DEPARTMENT                   |
| DETROIT MEDICAL CENTER  | 20097    | 2501916    | MEDICAL SERVICES   | NO DEPARTMENT INDICATED             |
| DETROIT METRO CONVENTION                                      | 1027508  | 2615728    |  | CIVIC CENTER DEPARTMENT             |
| DETROIT NEIGHBORHOOD & FAMILY INITIATIVE                      | 1018914  | 2520602    | EMPOWERMENT ZONE - PUBLIC SERVICE  | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT NEIGHBORHOOD DEVELOPMENT CORP                         | 1035571  | 2539512    | NEIGHBORHOOD REVITALIZATION  | PLANNING AND DEVELOPMENT DEPARTMENT |
| DE HOI NONPROFIT HOUSING CORPORATION                          | 10641    | 2514457    | NOF PUBLIC SERVICE CONTRACI  | FINANCE DEPARTMENT                  |
| DETROIT POLICE AND FIRE RETIREMENT SYSTEM SERVICE CORPORATION | -        | -          | PFRS SERVICE CONTRACT 2005, DATED MAY 25, 2005, BY AND BETWEEN THE CITY AND THE DETROIT POLICE AND FIRE RETIREMENT SYSTEM SERVICE CORPORATION                        | NO DEPARTMENT INDICATED             |
| DETROIT POLICE AND FIRE RETIREMENT SYSTEM SERVICE CORPORATION | -        | -          | PFRS SERVICE CONTRACT 2006, DATED JUNE 7, 2006, BY AND BETWEEN THE CITY AND THE DETROIT POLICE AND FIRE RETIREMENT SYSTEM SERVICE CORPORATION, AS THEREAFTER AMENDED | NO DEPARTMENT INDICATED             |
| DETROIT PUBLIC SCHOOLS  | 1835     | 2587295    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT PUBLIC SCHOOLS  | 1835     | 2557062    | 2001-2002 HEAD START CONTRACT  | HUMAN SERVICES DEPARTMENT           |
| DETROIT PUBLIC SCHOOLS  | 1835     | 2532505    | HEAD START PROGRAM   | HUMAN SERVICES DEPARTMENT           |
| DETROIT PUBLIC SCHOOLS  | 1835     | 2617076    |  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| DETROIT PUBLIC SCHOOLS  | 1835     | 2657665    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DETROIT PUBLIC SCHOOLS  | 1835     | 2663934    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |

| Name of Counterparty                   | Vendor # | Contract # | Description                              | City Department                     |
|--|----------|------------|--|-------------------------------------|
| DETROIT PUBLIC SCHOOLS                 | 1835     | 2571396    |  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| DETROIT PUBLIC SCHOOLS                 | 1835     | 2512549    | HEAD START SERVICES                      | HUMAN SERVICES DEPARTMENT           |
| DETROIT PUBLIC SCHOOLS                 | 1835     | 2771471    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT PUBLIC SCHOOLS                 | 1835     | 2767770    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2502297    | PERMANENT SHELTER & SUPPORT              | HEALTH DEPARTMENT                   |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2560689    | SUPPORTIVE SERVICES                      | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2619840    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2548291    | TRANSITIONAL HOUSING (FICS #076950)      | FINANCE DEPARTMENT                  |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2501406    | SHELTER FOR THE HOMELESS (FICS #079045)  | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2559511    | CASE MANAGEMENT AND COUNSELING           | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2588816    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2751508    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT RESCUE MISSION MIINISTRIES     | 14618    | 2774007    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT SNAP INC                       | 19532    | 2501606    | PUBLIC SERVICE                           | NO DEPARTMENT INDICATED             |
| DETROIT SPECTRUM PAINTERS INC          | 11290    | 2785384    | EASTERN MARKET RENOVATIONS               | RECREATION DEPARTMENT               |
| DETROIT TIGERS BASEBALL CLUB           | 1036628  | 2575026    |  | PLANNING AND DEVELOPMENT DEPARTMENT |
| DETROIT TRANSPORTATION CORP DN2        | 14896    | 2624573    |  | DEPARTMENT OF TRANSPORTATION        |
| DETROIT URBAN LEAGUE                   | 1587     | 2518492    | DHS EMERGENCY NEED SERVICES PROGRAM      | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2504264    | CAREER DEVELOPMENT TRAINING              | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2620591    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2575580    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2563476    | WAGES AND MILEAGE WEATHERIZATION WORKERS | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2515009    | WEATHERIZATION SPECIALIST                | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2512778    | WEATHERIZATION INSPECTORS                | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2672024    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2608694    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2557533    | JOB READINESS TRAINING                   | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2557619    | EMERGENCY NEEDS PROGRAM                  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2533037    | CAREER DEVELOPMENT PROGRAM               | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2620874    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2535487    | EMERGENCY NEEDS PROGRAM.                 | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2518497    | PROVIDE COMPUTER SKILLS TRAINING         | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2588385    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2804820    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT URBAN LEAGUE                   | 1587     | 2775162    |  | HUMAN SERVICES DEPARTMENT           |
| DETROIT WAYNE JOINT BUILDING AUTHORITY | 19336    | 2693328    |  | BUDGET DEPARTMENT                   |

| <u>Name of Counterparty</u>             | <u>Vendor #</u> | <u>Contract #</u> | <u>Description</u>                   | <u>City Department</u>             |
|---|-----------------|-------------------|--------------------------------------|------------------------------------|
| DETROIT WAYNE JOINT BUILDING AUTHORITY  | 19336           | 2825805           |                                      | BUDGET DEPARTMENT                  |
| DETROIT WAYNE JOINT BUILDING AUTHORITY  | 19336           | 2738647           |                                      | BUDGET DEPARTMENT                  |
| DETROIT WAYNE JOINT BUILDING AUTHORITY  | 19336           | 2770051           |                                      | BUDGET DEPARTMENT                  |
| DETROIT WAYNE JOINT BUILDING AUTHORITY  | 19336           | 2714701           |                                      | BUDGET DEPARTMENT                  |
| DDETROIT WAYNE JOINT BUILDING AUTHORITY | 19336           | 2800319           |                                      | BUDGET DEPARTMENT                  |
| DETROIT WAYNE PORT AUTHORITY            | 10780           | 2501783           |                                      | NON-DEPARTMENTAL                   |
| DETROIT WORKFORCE NETWORK INC           | 1071709         | 2623415           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DEVELOPMENT CENTER INC                  | 16686           | 2563727           | JOB SEARCH AND PLACEMENT             | EMPLOYMENT AND TRAINING DEPARTMENT |
| DEVELOPMENT CENTER INC                  | 16686           | 2597991           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DEVELOPMENT CENTER INC                  | 16686           | 2627616           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DEVELOPMENT CENTER INC                  | 16686           | 2658738           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DEVELOPMENT CENTER INC                  | 16686           | 2778452           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DEVELOPMENT CENTER INC                  | 16686           | 2725743           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DEVELOPMENT CENTER INC                  | 16686           | 2806231           |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| DFT SECURITY TEAM JV                    | 1081574         | 2658119           |                                      | WATER DEPARTMENT                   |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2504635           | NEAL/WHITFIELD V ARCHER/JAMES        | LAW DEPARTMENT                     |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2501914           | LEGAL SERVICES                       | NO DEPARTMENT INDICATED            |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2502116           | LEGAL SERVICES: JOAN GHOGIAN V CITY  | LAW DEPARTMENT                     |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2500792           | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2501982           | LEGAL SERVICES                       | NO DEPARTMENT INDICATED            |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2502108           | NORDE JAMES V CHIEF ISIAH MCKINNON   | LAW DEPARTMENT                     |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2504874           | LEGAL SERVICES: CHILDS V CITY        | LAW DEPARTMENT                     |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2502115           | LEGAL SERVICES: TAMARA HARMON V CITY | LAW DEPARTMENT                     |
| DICKINSON WRIGHT MOON VANDUSEN PLLC     | 7769            | 2502105           | NAOMI CONAWAY V CITY OF DETROIT      | LAW DEPARTMENT                     |

| Name of Counterparty                | Vendor # | Contract # | Description                            | City Department                     |
|-------------------------------------|----------|------------|--|-------------------------------------|
| DICKINSON WRIGHT PLLC               | 1023465  | 2522227    | ANALYSIS OF PA 374; ARCHER V STATE     | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2553236    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2534973    | TIGER STADIUM MGMT AGREEMENT           | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2546606    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2543718    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2803153    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2765485    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DICKINSON WRIGHT PLLC               | 1023465  | 2781254    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DIVERSIFIED EDUCATIONAL SERVICE INC | 18910    | 2561519    | WORK FIRST/WELFARE TO WORK             | EMPLOYMENT AND TRAINING DEPARTMENT  |
| DIVERSIFIED EDUCATIONAL SERVICE INC | 18910    | 2734876    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DOGWOOD BROOKSIDE NEIGHBORHOODS     | 1103646  | 2781555    | SIDEWALKS, CURBS, AND APPROACHES       | PLANNING AND DEVELOPMENT DEPARTMENT |
| DOMBROWSKI, ROBERT                  | 20565    | 2501542    | UNIFORM RELOCATION ASSISTANCE          | LAW DEPARTMENT                      |
| DON BOSCO HALL                      | 20026    | 2501185    |  | NO DEPARTMENT INDICATED             |
| DON BOSCO HALL                      | 20026    | 2595057    |  | RECREATION DEPARTMENT               |
| DON BOSCO HALL                      | 20026    | 2622063    |  | RECREATION DEPARTMENT               |
| DON BOSCO HALL                      | 20026    | 2778547    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DON BOSCO HALL                      | 20026    | 2801085    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DOPAR SUPPORT SYSTEMS INC           | 21284    | 2713282    |  | INFORMATION TECHNOLOGY SERVICES     |
| DOWNTOWN DEVELOPMENT AUTHORITY      | 17716    | 2770230    | LOWER WOODWARD IMPROVEMENT             | DEPARTMENT OF PUBLIC WORKS          |
| DOWNTOWN DEVELOPMENT AUTHORITY      | 17716    | 2563708    | EQUIPMENT INSTALLATION                 | PUBLIC LIGHTING DEPARTMENT          |
| DTWR LLC C/O FARBMAN GROUP          | 1066425  | 2604131    |  | FINANCE DEPARTMENT                  |
| DTWR LLC C/O FARBMAN GROUP          | 1066425  | 2770218    |  | BUDGET DEPARTMENT                   |
| DTWR LLC C/O FARBMAN GROUP          | 1066425  | 2738724    |  | BUDGET DEPARTMENT                   |
| DUREN & ASSOCIATES                  | 20479    | 2658590    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| DYKEMA GOSSETT PLLC                 | 22091    | 2517349    | WASHINGTON, D.C. LEGISLATIVE SERVICES  | LAW DEPARTMENT                      |
| DYKEMA GOSSETT PLLC                 | 22091    | 2518125    | U.S. DEPT OF JUSTICE DOT INVESTIGATION | LAW DEPARTMENT                      |
| DYKEMA GOSSETT PLLC                 | 22091    | 2537039    | ANDRE YOUNG A/K/A DR. DRE V CITY       | LAW DEPARTMENT                      |
| DYKEMA GOSSETT PLLC                 | 22091    | 2537005    | WASHINGTON D.C. LIAISON                | LAW DEPARTMENT                      |
| DYKEMA GOSSETT PLLC                 | 22091    | 2501222    |  | PLANNING AND DEVELOPMENT DEPARTMENT |
| DYKEMA GOSSETT PLLC                 | 22091    | 2561984    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DYKEMA GOSSETT PLLC                 | 22091    | 2501872    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| DYKEMA GOSSETT PLLC                 | 22091    | 2550459    | EUGENE BROWN V CITY                    | LAW DEPARTMENT                      |
| DYNALECTRIC                         | 1103998  | 2765307    | CLOSED CIRCUIT TELEVISION FOR DOT      | DEPARTMENT OF TRANSPORTATION        |
| E L S CONSTRUCTION                  | 1098327  | 2785558    | EASTERN MARKET SHED NO. 3 RENOVATIONS  | RECREATION DEPARTMENT               |
| EARTH TECH INC                      | 20544    | 2500983    | BELT FILTER PRESSES                    | SEWERAGE DEPARTMENT                 |
| EARTH TECH INC                      | 20544    | 2502192    | CASINO SITE APPRAISALS                 | LAW DEPARTMENT                      |
| EARTH TECH INC                      | 20544    | 2510034    | ENVIRONMENTAL REAL ESTATE-FICS #71021  | FINANCE DEPARTMENT                  |
| EASTERN OIL CO.                     | -        | 2809177    | LUBRICANT OIL                          | GENERAL SERVICES DEPARTMENT         |

| Name of Counterparty                   | Vendor # | Contract # | Description                           | City Department                     |
|--|----------|------------|---------------------------------------|-------------------------------------|
| EASTSIDE COMMUNITY RESOURCE            | 1018050  | 2538974    | JOB ACCESS REVERSE COMMUTE            | EMPLOYMENT AND TRAINING DEPARTMENT  |
| EASTSIDE EMERGENCY CTR                 | 16519    | 2502205    | TRANSITIONAL HOUSING                  | HUMAN SERVICES DEPARTMENT           |
| EASTSIDE EMERGENCY CTR                 | 16519    | 2532107    | TRANSITIONAL HOUSING                  | HUMAN SERVICES DEPARTMENT           |
| EASTSIDE EMERGENCY CTR                 | 16519    | 2543569    | EMERGENCY SHELTER                     | HUMAN SERVICES DEPARTMENT           |
| EASTWOOD CLINICS CORP OFFICE           | 1000451  | 2501528    | MEDICAID SUBSTANCE ABUSE              | NO DEPARTMENT INDICATED             |
| EASTWOOD CLINICS CORP OFFICE           | 1000451  | 2501826    | SUBSTANCE ABUSE COORDINATION AGENCY   | HEALTH DEPARTMENT                   |
| EBI DETROIT                            | 1000452  | 2517413    | WW-529 SCREEN HOUSE REHABILITATION    | WATER DEPARTMENT                    |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2515748    | PROFESSIONAL ECONOMIC DEVELOPMENT     | PLANNING AND DEVELOPMENT DEPARTMENT |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2764614    | FOX CREEK INFRASTRUCTURE PROJECT      | DEPARTMENT OF PUBLIC WORKS          |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2818723    | EAST RIVERFRONT IMPROVEMENT PROJECT   | DEPARTMENT OF PUBLIC WORKS          |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2641018    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2784665    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2753580    |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| ECONOMIC DEVELOPMENT CORPORATION       | 1000454  | 2809038    | ECONOMIC DEVELOPMENT SERVICES         | PLANNING AND DEVELOPMENT DEPARTMENT |
| EDUCATIONAL DATA SYSTEMS INC           | 20423    | 2724428    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| EDUCATIONAL DATA SYSTEMS INC           | 1055746  | 2806233    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| EDUCATIONAL DATA SYSTEMS INC           | 1055746  | 2778455    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| EDWARD C. GEORGE                       | 9826     | 2502379    |                                       | HUMAN SERVICES DEPARTMENT           |
| EDWARD C LEVY CO DBA PLANT MAINTENANCE | 1020737  | 2502151    | BITUMINOUS SURFACE REMOVAL            | DEPARTMENT OF PUBLIC WORKS          |
| EJH CONSTRUCTION                       | 1020562  | 2808924    |                                       | HUMAN SERVICES DEPARTMENT           |
| ELEVATOR TECHNOLOGY                    | 1000471  | 2500082    | ELEVATOR MAINTENANCE SERVICE          | GENERAL SERVICES DEPARTMENT         |
| ELMHURST HOME INC                      | 10998    | 2501829    | SUBSTANCE ABUSE COORDINATION AGENCY   | HEALTH DEPARTMENT                   |
| ELMHURST HOME INC                      | 10998    | 2501729    | MEDICAID SUBSTANCE ABUSE              | HEALTH DEPARTMENT                   |
| EMERSON PROCESS MANAGEMENT POWER       | 1016248  | 2847526    | GAS TURBINE UPGRADE AND REPAIR        | PUBLIC LIGHTING DEPARTMENT          |
| EMPCO INC                              | 1118906  | 2878252    |                                       | MAYOR'S OFFICE                      |
| EMPOWERMENT ZONE DEVELOPMENT CORP      | 19637    | 2513278    | ADMINISTRATIVE ACTIVITY               | PLANNING AND DEVELOPMENT DEPARTMENT |
| EMPOWERMENT ZONE DEVELOPMENT CORP      | 19637    | 2529275    | EMPOWERMENT ZONE - PUBLIC SERVICES    | PLANNING AND DEVELOPMENT DEPARTMENT |
| EMPRESA                                | 1099489  | 2776404    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT    |
| ENERGY GROUP INC                       | 1017472  | 2509158    | FICS CONTRACT 076115 - TREE TRIMMING  | PUBLIC LIGHTING DEPARTMENT          |
| ENGINE SUPPLY OF NOVI                  | 1994     | 2505264    | PARTS COMPLETE ENGINES (M80372)       | FINANCE DEPARTMENT                  |
| ENOTA INC                              | 1092130  | 2717072    | CLERICAL ASSISTANCE                   | POLICE DEPARTMENT                   |
| ENTECH PERSONNEL SERVICES INC          | 1000768  | 2544596    |                                       | CITY CLERK                          |
| ENVIRONMENTAL CONSULTING & TECHNOLOGY  | 1106148  | 2551431    | ENVIRONMENTAL SVCS/GREATER RIVERFRONT | PLANNING AND DEVELOPMENT DEPARTMENT |

| Name of Counterparty                    | Vendor # | Contract # | Description                             | City Department                     |
|---|----------|------------|---|-------------------------------------|
| ENVIRONMENTAL TESTING & CONSULTING INC  | 1003675  | 2502196    | ABATEMENT OF ASBESTOS                   | DEPARTMENT OF PUBLIC WORKS          |
| EPIPEC GROUP INC                        | 1045979  | 2556386    | PROFESSIONAL SERVICES CONTRACT          | INFORMATION TECHNOLOGY SERVICES     |
| EPIPEC GROUP INC                        | 1045979  | 2573836    |   | NON-DEPARTMENTAL                    |
| EPIPEC GROUP INC                        | 1045979  | 2620773    |   | NON-DEPARTMENTAL                    |
| ESTHER LYNISE BRYANT                    | 1019604  | 2508103    | IUOE/GIBSON V CITY                      | LAW DEPARTMENT                      |
| EVANS GROUP                             | 1019232  | 2515534    | JOSEPHINE MILLS V CITY                  | LAW DEPARTMENT                      |
| EVEREST SOLUTIONS LLC                   | 1000830  | 2503912    | CONVERSION OF YEAR 2000                 | FINANCE DEPARTMENT                  |
| EVO ACCOUNTING & FINANCIAL SERVICES     | 1070752  | 2761823    |   | FINANCE DEPARTMENT                  |
| FAMILY SERVICE INC                      | 4010     | 2541124    | CASE MANAGEMENT/COUNSELING SERVICES     | HUMAN SERVICES DEPARTMENT           |
| FAMILY SERVICE INC                      | 4010     | 2508864    | P&DD PUBLIC SERVICE                     | FINANCE DEPARTMENT                  |
| FAMILY SERVICE INC                      | 4010     | 2559513    | ASE MANAGEMENT AND COUNSELING           | HUMAN SERVICES DEPARTMENT           |
| FAMILY SERVICE INC                      | 4010     | 2597464    |   | FINANCE DEPARTMENT                  |
| FAMILY SERVICE INC                      | 4010     | 2620491    |   | HUMAN SERVICES DEPARTMENT           |
| FAMILY SERVICE INC                      | 4010     | 2588790    |   | HUMAN SERVICES DEPARTMENT           |
| FAMILY SERVICE INC                      | 4010     | 2773997    |   | HUMAN SERVICES DEPARTMENT           |
| FAMILY SERVICE INC                      | 4010     | 2751502    |   | HUMAN SERVICES DEPARTMENT           |
| FARBMAN DEVELOPMENT GROUP INC           | 1052543  | 2574590    |   | PLANNING AND DEVELOPMENT DEPARTMENT |
| FELIX J LIDDELL MID                     | 9742     | 2619048    |   | HUMAN SERVICES DEPARTMENT           |
| FELIX J LIDDELL MID                     | 9742     | 2771950    |   | HUMAN SERVICES DEPARTMENT           |
| FEMI TALABI & ASSOCIATES IINC           | 1025786  | 2693989    |   | PLANNING AND DEVELOPMENT DEPARTMENT |
| FERGUSON ENTERPRISES INC                | 1002829  | 2762820    | WATER SYSTEM IMPROVEMENTS               | WATER DEPARTMENT                    |
| FERGUSON ENTERPRISES INC                | 1002829  | 2708886    |   | RECREATION DEPARTMENT               |
| FIRST AMERICAN EQUITY LOAN SERVICES INC | 1053418  | 2572513    |   | LAW DEPARTMENT                      |
| FIRST TEE OF DETROIT                    | 1106838  | 2509532    | JUNIOR GOLF PROGRAM                     | RECREATION DEPARTMENT               |
| FLORISE E NEVILLE EWELL                 | 18953    | 2511634    | LAW DEPARTMENT CONTRACTS SECTION        | FINANCE DEPARTMENT                  |
| FOCUS HOPE                              | 20156    | 2595470    |   | EMPLOYMENT AND TRAINING DEPARTMENT  |
| FOCUS HOPE                              | 20156    | 2517834    | MACHINIST TRAINING                      | EMPLOYMENT AND TRAINING DEPARTMENT  |
| FOCUS HOPE                              | 20156    | 2782889    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| FOLIA INDUSTRIES INC                    | 1078969  | 2647895    |   | RECREATION DEPARTMENT               |
| FORBES MANAGEMENT INC                   | 13713    | 2500738    | 8TH FL 2111 WOODWARD                    | NO DEPARTMENT INDICATED             |
| FORBES MANAGEMENT INC                   | 13713    | 2500736    |   | NO DEPARTMENT INDICATED             |
| FORENSIC EXAMINATION SERVICE            | 19765    | 2511601    | ESTATE OF CARA BELL JONES               | LAW DEPARTMENT                      |
| FORT WAYNE CONSTRUCTION INC             | 1002341  | 2508445    | EMER. REPAIR OF STORM DAMAGED SIDEWALKS | DEPARTMENT OF PUBLIC WORKS          |
| FOUNDATION FOR BEHAVIORAL RESOURCES     | 1001251  | 2562165    | WORK FIRST & WTW                        | EMPLOYMENT AND TRAINING DEPARTMENT  |

| Name of Counterparty                | Vendor # | Contract # | Description                               | City Department                    |
|-------------------------------------|----------|------------|---|------------------------------------|
| FOUNDATION FOR BEHAVIORAL RESOURCES | 1001251  | 2629097    |   | EMPLOYMENT AND TRAINING DEPARTMENT |
| FOUNDATION FOR BEHAVIORAL RESOURCES | 1001251  | 2778457    |   | WORKFORCE DEVELOPMENT DEPARTMENT   |
| FRANCES GREENEBAUM                  | 15339    | 2500958    |   | HUMAN SERVICES DEPARTMENT          |
| FRANCES GREENEBAUM                  | 15339    | 2500968    |   | HUMAN SERVICES DEPARTMENT          |
| FRANCES S GREENEBAUM                | 1001353  | 2663660    |   | HUMAN SERVICES DEPARTMENT          |
| FRANKLIN WRIGHT SETTLEMENTS INC     | 1001261  | 2557088    | 2001-2002 EARLY HEAD START CONTRACT       | HUMAN SERVICES DEPARTMENT          |
| FRANKLIN WRIGHT SETTLEMENTS INC     | 1001261  | 2532391    | EARLY HEAD START 2000-2001                | FINANCE DEPARTMENT                 |
| FRANKLIN WRIGHT SETTLEMENTS INC     | 1001261  | 2512564    | HEAD START SERVICES                       | HUMAN SERVICES DEPARTMENT          |
| FRANKLIN WRIGHT SETTLEMENTS INC     | 1001261  | 2501500    | PUBLIC FACILITY REHAB                     | NO DEPARTMENT INDICATED            |
| FREEDOM HOUSE                       | 19860    | 2551708    | EMERGENCY SHELTER                         | HUMAN SERVICES DEPARTMENT          |
| G4S SECURE SOLUTIONS USA, INC.      | 1116038  | 2741015    | SECURITY SERVICES                         | GENERAL SERVICES DEPARTMENT        |
| GARAN LUCOW MILLER PC               | 1007550  | 2525486    | ELIZABETH HURD, ET AL V CITY OF DETROIT   | LAW DEPARTMENT                     |
| GARAN LUCOW MILLER PC               | 1007550  | 2540460    | LEGAL SERVICES                            | LAW DEPARTMENT                     |
| GARAN LUCOW MILLER PC               | 1007550  | 2505197    | JOHNSON V JECZEN, ET AL                   | LAW DEPARTMENT                     |
| GARAN LUCOW MILLER PC               | 1007550  | 2502158    | LEGAL SERVICES: TROMEUR V ADKINS          | LAW DEPARTMENT                     |
| GARAN LUCOW MILLER PC               | 1007550  | 2505077    | LEGAL SERVICES                            | LAW DEPARTMENT                     |
| GARAN LUCOW MILLER PC               | 1007550  | 2574321    |   | LAW DEPARTMENT                     |
| GARAN LUCOW MILLER PC               | 1007550  | 2505187    | LEGAL SERVICES: BERNICE MARTIN V CITY     | FINANCE DEPARTMENT                 |
| GENESIS ENERGY SOLUTIONS LLC        | 1059170  | 2623273    |   | PUBLIC LIGHTING DEPARTMENT         |
| GENESIS ENERGY SOLUTIONS LLC        | 1059170  | 2630629    |   | PUBLIC LIGHTING DEPARTMENT         |
| GENESIS ENERGY SOLUTIONS LLC        | 1059170  | 2623274    |   | PUBLIC LIGHTING DEPARTMENT         |
| GENESIS ENERGY SOLUTIONS LLC        | 1059170  | 2625340    |   | PUBLIC LIGHTING DEPARTMENT         |
| GEORGE E SANSOUY P E LLC            | 1034071  | 2537262    | PROFESSIONAL SERVICES: APPRAISALS         | LAW DEPARTMENT                     |
| GEORGE JOHNSON & COMPANY            | 1826     | 2754359    |   | HUMAN SERVICES DEPARTMENT          |
| GERALD K EVELYN                     | 1102554  | 2765473    | LEGAL SERVICES                            | LAW DEPARTMENT                     |
| GERALD K EVELYN                     | 1102554  | 2765475    | LEGAL SERVICES                            | LAW DEPARTMENT                     |
| GHAFARI ASSOCIATES LLC              | 16840    | 2500978    | ADAMS ROAD IMPROVEMENTS                   | NO DEPARTMENT INDICATED            |
| GHAFARI ASSOCIATES LLC              | 16840    | 2520892    | ELECTRICAL SERVICES AT 2633 MICHIGAN AVE. | DEPARTMENT OF PUBLIC WORKS         |
| GIORGI CONCRETE LLC                 | 1010405  | 2764704    | REPAIR OF WATER SYSTEM                    | WATER DEPARTMENT                   |
| GIRL SCOUTS OF METRO DETROIT        | 7539     | 2588820    |   | HUMAN SERVICES DEPARTMENT          |
| GIRL SCOUTS OF METRO DETROIT        | 7539     | 2775160    |   | HUMAN SERVICES DEPARTMENT          |
| GIS DATA RESOURCES INC              | 1087473  | 2696020    |   | POLICE DEPARTMENT                  |
| GLEANERS COMMUNITY FOOD BANK 1      | 16611    | 2775453    |   | HUMAN SERVICES DEPARTMENT          |
| GLEANERS COMMUNITY FOOD BANK 1      | 16611    | 2803612    |   | HUMAN SERVICES DEPARTMENT          |
| GLEANERS COMMUNITY FOOD BANK 1      | 16611    | 2778130    |   | HUMAN SERVICES DEPARTMENT          |

| Name of Counterparty                        | Vendor # | Contract # | Description                      | City Department                     |
|---|----------|------------|----------------------------------|-------------------------------------|
| GLEANERS COMMUNITY FOOD BANK 1              | 16611    | 2746566    |                                  | HUMAN SERVICES DEPARTMENT           |
| GLEN OLIVACHE CPA PC                        | 1001562  | 2507371    |                                  | FINANCE DEPARTMENT                  |
| GLOBEWIDE FAVOR CONSTRUCTION CO LLC         | 1085092  | 2808926    |                                  | HUMAN SERVICES DEPARTMENT           |
| GLOBEWIDE FAVOR CONSTRUCTION CO LLC         | 1085092  | 2793406    |                                  | HUMAN SERVICES DEPARTMENT           |
| GODFREY J DILLARD ESQ                       | 1103303  | 2779417    |                                  | LAW DEPARTMENT                      |
| GOODMAN & HURWITZ PC                        | 1101745  | 2760433    | SPECIAL COUNSEL                  | CITY COUNCIL                        |
| GOODMAN MUSCAT INC                          | 1015305  | 2509737    | ORGANIZATIONAL ASSESSMENT        | ENVIRONMENTAL AFFAIRS DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2563438    | WORKFIRST/WTW JS/JR              | EMPLOYMENT AND TRAINING DEPARTMENT  |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2559919    | FOOD STAMPS                      | EMPLOYMENT AND TRAINING DEPARTMENT  |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2539285    | WORKFIRST JS/JP 10/01/00-9/30/01 | EMPLOYMENT AND TRAINING DEPARTMENT  |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2628317    |                                  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2797757    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2736042    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2782892    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2761556    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2740308    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2770617    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GOODWILL INDUSTRIES OF GREATER DETROIT      | 14999    | 2770613    |                                  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| GRAY & GRAY PRODUCTIONS                     | 18090    | 2594537    |                                  | RECREATION DEPARTMENT               |
| GREAT LAKES CENTER FOR INDEPENDENT LIVING   | 19673    | 2501926    | PUBLIC SERVICE                   | PLANNING AND DEVELOPMENT DEPARTMENT |
| GREAT DETROIT COMMUNITY OUTREACH CENTER INC | 19466    | 2501509    | PUBLIC FACILITY REHAB            | NO DEPARTMENT INDICATED             |
| GREEN GREEN ADAMS PALMER & CRAIG PC         | 1014038  | 2508762    | LEGAL SERVICES                   | CITY COUNCIL                        |

| Name of Counterparty                 | Vendor # | Contract # | Description                          | City Department                  |
|--------------------------------------|----------|------------|--------------------------------------|----------------------------------|
| GREGORY TERRELL & COMPANY            | 14501    | 2506562    | AUDIT                                | HUMAN SERVICES DEPARTMENT        |
| GRIER & COPELAND PC                  | 11779    | 2527604    | LEGAL SERVICES                       | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2546243    | SANDRA MILLER V EUGENE BROWN, ET AL  | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2502429    | CHISHOLM, ET AL V CITY               | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2550395    | LEGAL SERVICES                       | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2548219    | LEGAL SERVICES                       | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2632136    |                                      | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2545753    | BRANDON BRYANT V EUGENE BROWN/CITY   | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2502093    | LEGAL SERVICES                       | NO DEPARTMENT INDICATED          |
| GRIER & COPELAND PC                  | 11779    | 2502430    | LEGAL SERVICES: MCHUGH, ET AL V CITY | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2505089    | LEGAL SERVICES                       | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2597158    |                                      | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2576025    |                                      | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2708898    |                                      | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2634211    |                                      | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2649862    | CONTRACT FOR LEGAL SERVICES          | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2688106    | DAREL DEON CHANCELLOR V CITY         | LAW DEPARTMENT                   |
| GRIER & COPELAND PC                  | 11779    | 2551543    | WILLIE BRYANT V EUGENE BROWN         | LAW DEPARTMENT                   |
| GS EQUITIES LLC                      | 1088912  | 2700328    |                                      | LAW DEPARTMENT                   |
| HALCROW INC                          | 1102933  | 2769474    |                                      | MAYOR'S OFFICE                   |
| HALE CONTRACTING INC                 | 1025577  | 2757453    | VENTILATION SYSTEM                   | RECREATION DEPARTMENT            |
| HALEY & ALDRICH INC                  | 1098676  | 2740779    |                                      | WATER DEPARTMENT                 |
| HAMILTON ANDERSON ASSOCIATES         | 18698    | 2507157    | BELLE ISLE MASTER PLAN               | RECREATION DEPARTMENT            |
| HAMILTON ANDERSON ASSOCIATES         | 18698    | 2530873    | FARWELL FIELD ARCHITECTURAL SERVICES | RECREATION DEPARTMENT            |
| HAMILTON ANDERSON ASSOCIATES         | 18698    | 2508644    | BELLE ISLE'S LOITER WAY REFECTORY    | RECREATION DEPARTMENT            |
| HAMILTON ANDERSON ASSOCIATES         | 18698    | 2563405    | BELLE ISLE'S MASTER PLAN             | RECREATION DEPARTMENT            |
| HAMPTON RIDGE PROPERTIES LLC         | 1019230  | 2515341    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT |
| HARBIN GROUP INC                     | 16607    | 2507665    | CASINO SITE APPRAISAL                | FINANCE DEPARTMENT               |
| HARPER HOUSE                         | 1003691  | 2501737    |                                      | HEALTH DEPARTMENT                |
| HARTFORD MEMORIAL BAPTIST CHURCH     | 14442    | 2502480    | SENIOR CITIZENS MEALS                | HEALTH DEPARTMENT                |
| HAYES LAND DEVELOPMENT CORPORATION   | 1106003  | 2613519    |                                      | WATER DEPARTMENT                 |
| HEALTH MANAGEMENT SYSTEMS            | 5654     | 2542966    | EMPLOYEE ASSISTANCE PROGRAM          | HUMAN RESOURCES DEPARTMENT       |
| HEALTH MANAGEMENT SYSTEMS            | 1043088  | 2613135    |                                      | HUMAN RESOURCES DEPARTMENT       |
| HEALTH SERVICES TECHNICAL ASSISTANCE | 9042     | 2504678    | TARGET CITIES FYE 9/30/99            | FINANCE DEPARTMENT               |
| HEALTH SERVICES TECHNICAL ASSISTANCE | 9042     | 2501833    | SUBSTANCE ABUSE COORDINATION AGENCY  | HEALTH DEPARTMENT                |
| HEALTH SERVICES TECHNICAL ASSISTANCE | 9042     | 2568871    |                                      | HEALTH DEPARTMENT                |
| HEALTH SERVICES TECHNICAL ASSISTANCE | 9042     | 2570277    |                                      | HEALTH DEPARTMENT                |

| Name of Counterparty                                    | Vendor # | Contract # | Description                         | City Department                    |
|---|----------|------------|-------------------------------------|------------------------------------|
| HEALTH SERVICES TECHNICAL ASSISTANCE                    | 9042     | 2504742    | MEDICAID SUBSTANCE ABUSE            | HEALTH DEPARTMENT                  |
| HEALTH SERVICES TECHNICAL ASSISTANCE                    | 9042     | 2512068    | SUBSTANCE ABUSE ASSESSMENT          | HEALTH DEPARTMENT                  |
| HEAT & WARMTH FUND                                      | 18570    | 2717114    |                                     | WATER DEPARTMENT                   |
| HEIGHTS HEATING & COOLING INC                           | 1032472  | 2741890    | AIR CONDITIONING INSTALLATION       | RECREATION DEPARTMENT              |
| HENRY FORD HEALTH SYSTEM                                | 1012926  | 2505277    | MEDICAL SERVICES                    | HEALTH DEPARTMENT                  |
| HENRY FORD HEALTH SYSTEM                                | 1012926  | 2605168    |                                     | HEALTH DEPARTMENT                  |
| HENRY FORD HEALTH SYSTEM                                | 1012926  | 2574218    |                                     | HEALTH DEPARTMENT                  |
| HENRY FORD HEALTH SYSTEM                                | 1012926  | 2621296    |                                     | HEALTH DEPARTMENT                  |
| HENRY FORD HEALTH SYSTEM                                | 1012926  | 2752105    |                                     | HEALTH DEPARTMENT                  |
| HERBERT REALTY & MANAGEMENT                             | 1018769  | 2559115    |                                     | FINANCE DEPARTMENT                 |
| HERITAGE OPTICAL CENTER INC                             | 16451    | 2515148    | OPTOMETRIC SERVICES                 | HEALTH DEPARTMENT                  |
| HERITAGE OPTICAL CENTER INC                             | 16451    | 2530208    |                                     | HEALTH DEPARTMENT                  |
| HINES FINANCIAL SERVICES                                | 1059682  | 2604598    |                                     | FINANCE DEPARTMENT                 |
| HINES FINANCIAL SERVICES                                | 1059682  | 2761160    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2775593    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2757513    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2783105    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2761157    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2706006    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2804847    |                                     | HUMAN SERVICES DEPARTMENT          |
| HINES FINANCIAL SERVICES                                | 1059682  | 2744129    |                                     | HUMAN SERVICES DEPARTMENT          |
| HNTB MICHIGAN INC                                       | 1025696  | 2589459    |                                     | DEPARTMENT OF PUBLIC WORKS         |
| HNTB MICHIGAN INC                                       | 1025696  | 2800235    | PROFESSIONAL SERVICES               | AIRPORT DEPARTMENT                 |
| HOUSING & COMMUNITY DEVELOPMENT<br>CORP OF WAYNE COUNTY | 1021017  | 2518243    | HOUSING REHABILITATION SERVICES     | FINANCE DEPARTMENT                 |
| HOWARD & HOWARD ATTORNEYS PC                            | 1013410  | 2773508    | LEGAL SERVICES                      | LAW DEPARTMENT                     |
| HTC GLOBAL SERVICES INC                                 | 1003630  | 2501175    |                                     | INFORMATION TECHNOLOGY SERVICES    |
| HUBBARD RICHARD COMMON COUNCIL                          | 9225     | 2501533    |                                     | NO DEPARTMENT INDICATED            |
| HUFFMASTER ASSOCIATES LLC                               | 1010540  | 2506275    | INVESTIGATIVE SERVICES              | FINANCE DEPARTMENT                 |
| HUNGER ACTION COALITION OF MICHIGAN                     | 16897    | 2510332    | NOF PUBLIC SERVICE CONTRACT         | FINANCE DEPARTMENT                 |
| HUNT ASSOCIATES 1 INC                                   | 19746    | 2537045    | WIA OUT OF SCHOOL YOUTH             | EMPLOYMENT AND TRAINING DEPARTMENT |
| HUNT ASSOCIATES 1 INC                                   | 19746    | 2628062    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT   |
| HUTZEL HOSPITAL   | 15175    | 2501837    | SUBSTANCE ABUSE COORDINATION AGENCY | NO DEPARTMENT INDICATED            |
| HUTZEL HOSPITAL   | 15175    | 2508866    |                                     | HEALTH DEPARTMENT                  |
| IBM CORPORATION   | 2865     | 2505095    |                                     | INFORMATION TECHNOLOGY SERVICES    |
| ICDS  | 1003163  | 2501182    |                                     | PUBLIC LIGHTING DEPARTMENT         |
| IMAGE SCAN INC  | 18157    | 2512900    | DATA ENTRY SOFTWARE                 | INFORMATION TECHNOLOGY SERVICES    |

| Name of Counterparty                                | Vendor # | Contract # | Description                            | City Department                     |
|---|----------|------------|--|-------------------------------------|
| IMPERIAL CONSTRUCTION CO                            | 12464    | 2746886    |  | WATER DEPARTMENT                    |
| IMPERIAL CONSTRUCTION CO                            | 12464    | 2685161    |  | WATER DEPARTMENT                    |
| IMPERIAL CONSTRUCTION CO                            | 12464    | 2679721    |  | WATER DEPARTMENT                    |
| IN LAND WATERS POLLUTION                            | 14434    | 2502291    | REMOVAL OF STORAGE TANKS               | DEPARTMENT OF PUBLIC WORKS          |
| IN LAND WATERS POLLUTION                            | 14434    | 2502290    | UST UPGRADES                           | DEPARTMENT OF PUBLIC WORKS          |
| INDUSTRIAL RELATIONS INC                            | 1027976  | 2527324    | PERFORMANCE MANAGEMENT SYSTEM          | FINANCE DEPARTMENT                  |
| INDUSTRIAL RELATIONS INC                            | 1027976  | 2513432    | EMPLOYEE DEVELOPMENT PROGRAM           | HUMAN RESOURCES DEPARTMENT          |
| INFRASTRUCTURE MANAGEMENT GROUP INC                 | 1061121  | 2634315    |  | PUBLIC LIGHTING DEPARTMENT          |
| INLAND WATERS POLLUTION CONTROL INC                 | 1055642  | 2556880    | UNDERGROUND STORAGE TANKS              | DEPARTMENT OF PUBLIC WORKS          |
| INTERCLEAN EQUIPMENT INC                            | 1011180  | 2504773    | INSTALLATION OF TRUCK WASH SYSTEMS     | DEPARTMENT OF PUBLIC WORKS          |
| INTERGRAPH CORPORATION                              | 6153     | 2516412    | 953625- COMPUTER RELATED PRODUCTS      | INFORMATION TECHNOLOGY SERVICES     |
| INTERNATIONAL INSTITUTE OF METROPOLITAN DETROIT INC | 9144     | 2521334    |  | FINANCE DEPARTMENT                  |
| ISLANDVIEW VILLAGE DEVELOPMENT CORP                 | 20425    | 2509212    | SITE PREP/STREET IMPROVEMENT           | FINANCE DEPARTMENT                  |
| ITW MORTGAGE INVESTMENTS III INC                    | 1561     | 2501775    |  | FINANCE DEPARTMENT                  |
| J & J YOUTH SERVICES                                | 1012849  | 2506553    | NOF PUBLIC SERVICE CONTRACT            | FINANCE DEPARTMENT                  |
| JJ ASSOCIATES                                       | 17711    | 2589033    |  | INFORMATION TECHNOLOGY SERVICES     |
| JJ ASSOCIATES                                       | 17711    | 2502052    | PROGRAMMING CODING                     | INFORMATION TECHNOLOGY SERVICES     |
| JJ ASSOCIATES                                       | 17711    | 2560948    | 2002 PROFESSIONAL SERVICES CON I RAC I | INFORMATION TECHNOLOGY SERVICES     |
| J O A CONSTRUCTION CO INC                           | 1001666  | 2642903    |  | RECREATION DEPARTMENT               |
| JACKETS FOR JOBS INC                                | 1064297  | 2778459    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| JACKETS FOR JOBS INC                                | 1064297  | 2754535    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| JACKSON & KELLY PLLC                                | 1016929  | 2511861    | LEGAL SERVICES                         | LAW DEPARTMENT                      |
| JAMES C COBB JR PC                                  | 10571    | 2504319    | LEGAL SERVICES                         | PLANNING AND DEVELOPMENT DEPARTMENT |
| JAMES C COBB JR PC                                  | 10571    | 2501780    | LEGAL SERVICES                         | PLANNING AND DEVELOPMENT DEPARTMENT |
| JAMES HANEY MD                                      | 1012073  | 2544158    | DRUG TREATMENT PROGRAM PHYSICIAN       | HUMAN SERVICES DEPARTMENT           |
| JAMES HANEY MD                                      | 1012073  | 2513136    | DRUG TREATMENT PROGRAM PHYSICIAN       | HUMAN SERVICES DEPARTMENT           |
| JAMES HANEY MD                                      | 1012073  | 2559396    | DRUG TREATMENT PROGRAM PHYSICIAN       | HUMAN SERVICES DEPARTMENT           |
| JAMES HANEY MD                                      | 1012073  | 2508122    | DRUG TREATMENT PROGRAM PHYSICIAN       | FINANCE DEPARTMENT                  |
| JAMES HANEY MD                                      | 1012073  | 2591486    |  | HUMAN SERVICES DEPARTMENT           |
| JAMES HANEY MD                                      | 1012073  | 2746434    |  | HUMAN SERVICES DEPARTMENT           |
| JAMES HANEY MD                                      | 1012073  | 2771944    |  | HUMAN SERVICES DEPARTMENT           |
| JAMES W BURDICK PC                                  | 1101618  | 2760028    |  | LAW DEPARTMENT                      |
| JEFFERSON WELLS INTERNATIONAL INC                   | 1032623  | 2546414    | PROFESSIONAL SERVICES                  | AUDITOR GENERAL                     |
| JEFFERSON WELLS INTERNATIONAL INC                   | 1032623  | 2534548    | INTERNAL AUDIT PARTNER                 | AUDITOR GENERAL                     |

| Name of Counterparty              | Vendor # | Contract # | Description                          | City Department                    |
|-----------------------------------|----------|------------|--------------------------------------|------------------------------------|
| JENKINS CONSTRUCTION INC          | 17037    | 2541121    | WS-621 WATER MAIN REPAIRS            | WATER DEPARTMENT                   |
| JENKINS CONSTRUCTION INC          | 17037    | 2501854    | CONSTRUCTION                         | DEPARTMENT OF PUBLIC WORKS         |
| JENKINS CONSTRUCTION INC          | 17037    | 2691365    |                                      | WATER DEPARTMENT                   |
| JESSE TOLBERT MD                  | 1012082  | 2559428    | DRUG TREATMENT PROGRAM PHYSICIAN     | HUMAN SERVICES DEPARTMENT          |
| JESSE TOLBERT MD                  | 1012082  | 2544148    | DRUG TREATMENT PROGRAM PHYSICIAN     | HUMAN SERVICES DEPARTMENT          |
| JESSE TOLBERT MD                  | 1012082  | 2508116    | DRUG TREATMENT PROGRAM               | FINANCE DEPARTMENT                 |
| JESSE TOLBERT MD                  | 1012082  | 2513142    | DRUG TREATMENT PROGRAM PHYSICIAN     | HUMAN SERVICES DEPARTMENT          |
| JESSE TOLBERT MD                  | 1012082  | 2591460    |                                      | HUMAN SERVICES DEPARTMENT          |
| JEWISH VOCATIONAL SERVICE         | 1015533  | 2797759    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| JEWISH VOCATIONAL SERVICE         | 1015533  | 2726449    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| JEWISH VOCATIONAL SERVICE         | 1015533  | 2777965    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| JEWISH VOCATIONAL SERVICE         | 1015533  | 2778659    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| JEWISH VOCATIONAL SERVICE         | 11835    | 2552853    | CASE MANAGEMENT                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| JEWISH VOCATIONAL SERVICE         | 11835    | 2513901    | NO WRONG DOOR                        | EMPLOYMENT AND TRAINING DEPARTMENT |
| JEWISH VOCATIONAL SERVICE         | 11835    | 2550062    | PAL BASIC LITERACY                   | EMPLOYMENT AND TRAINING DEPARTMENT |
| JEWISH VOCATIONAL SERVICE         | 11835    | 2538061    | WORK FIRST JOB SEARCH & PLACEMENT    | EMPLOYMENT AND TRAINING DEPARTMENT |
| JOHN KING                         | 1070289  | 2799418    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| JOHN KING                         | 1070289  | 2781812    |                                      |                                    |
| JOHN PETER QUINN                  | 1088277  | 2751148    |                                      | LAW DEPARTMENT                     |
| JOHN W HEAD JR DR                 | 1016367  | 2544130    | DRUG TREATMENT PROGRAM PHYSICIAN     | HUMAN SERVICES DEPARTMENT          |
| JOHN W HEAD JR DR                 | 1016367  | 2559403    | MEDICAL DIRECTOR                     | HUMAN SERVICES DEPARTMENT          |
| JOHN W HEAD JR DR                 | 1016367  | 2771947    |                                      | HUMAN SERVICES DEPARTMENT          |
| JOHNSON ROSATI LABARGE            | 1012630  | 2577160    |                                      | LAW DEPARTMENT                     |
| JOHNSON ROSATI LABARGE            | 1012630  | 2600509    |                                      | LAW DEPARTMENT                     |
| JOHNSON ROSATI LABARGE            | 1012630  | 2508107    | LEGAL SERVICES                       | FINANCE DEPARTMENT                 |
| JORDAN CLINCS LIMITED PARTNERSHIP | 1098511  | 2770685    |                                      | HEALTH DEPARTMENT                  |
| JOWA ASSOCIATES                   | 7422     | 2501000    | UNIFORMED GUARD SERVICE              | AIRPORT DEPARTMENT                 |
| JOWA ASSOCIATES                   | 7422     | 2513434    | GUARD SERVICE FOR DEPARTMENT CLINICS | HUMAN SERVICES DEPARTMENT          |
| JOYFIELD CAREGIVERS               | 1048950  | 2597503    |                                      | FINANCE DEPARTMENT                 |
| JOYFIELD CAREGIVERS               | 1048950  | 2563712    | 36-NTV-NOF PUBLIC SERVICE CONTRACT   | FINANCE DEPARTMENT                 |
| JVS DETROITS WORKPLACE            | 1034682  | 2575844    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| JVS DETROITS WORKPLACE            | 1034682  | 2592232    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| JVS DETROITS WORKPLACE            | 1034682  | 2597745    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| JVS DETROITS WORKPLACE            | 1034682  | 2566265    | WORK FIRST JOB SEARCH & PLACEMENT    | EMPLOYMENT AND TRAINING DEPARTMENT |
| KASIBORSKI RONANYRI FLASKA PC     | 19685    | 2503637    | LEGAL SERVICES                       | FINANCE DEPARTMENT                 |
| KASIBORSKI RONANYRI FLASKA PC     | 19685    | 2531995    | WAYNE COUNTY V CITY OF DETROIT       | LAW DEPARTMENT                     |
| KASIBORSKI RONANYRI FLASKA PC     | 19685    | 2502453    | LEGAL SERVICES                       | FINANCE DEPARTMENT                 |
| KELLER THOMA SCHWARTZ             | 1020326  | 2517263    | EMPLOYMENT-RELATED INVESTIGATIONS    | LAW DEPARTMENT                     |

| Name of Counterparty        | Vendor # | Contract # | Description                            | City Department                  |
|-----------------------------|----------|------------|--|----------------------------------|
| KELLY SERVICES INC          | 1000576  | 2583741    |  | FINANCE DEPARTMENT               |
| KEO AND ASSOCIATES INC      | 1040014  | 2760784    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2664187    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2706955    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2755384    | ROOF PLACEMENT                         | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2798610    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2733881    | BUTZEL PLAYFIELD RENOVATIONS           | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2734358    | ACTIVITIES CENTER RENOVATIONS          | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2760999    | WISH-EGAN PLAYFIELD RENOVATIONS        | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2761019    | MILAN PLAYFIELD RENOVATIONS            | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2761662    | KRAINZ PARK RENOVATIONS                | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2789769    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2734388    | DRAINAGE/SEWER                         | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2731179    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2712232    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2760990    | OPTOMIST-STOUT RENOVATIONS             | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2762087    | 2008 PARK IMPROVEMENTS                 | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2711290    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2712252    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2714050    |  | RECREATION DEPARTMENT            |
| KEO AND ASSOCIATES INC      | 1040014  | 2807770    | REPAIRS AT HENDERSON MARINA            | RECREATION DEPARTMENT            |
| KIDSMART SOFTWARE COMPANY   | 1072607  | 2781805    |  | WORKFORCE DEVELOPMENT DEPARTMENT |
| KIMLEY-HORN OF MICHIGAN INC | 1003415  | 2502474    | CASINO SITE APPRAISER                  | LAW DEPARTMENT                   |
| KOHN FINANCIAL CONSULTING   | 1014434  | 2511508    | PASSALAQUA CHOP HOUSE V DETROIT        | FINANCE DEPARTMENT               |
| KOHN FINANCIAL CONSULTING   | 1014434  | 2537217    | PROFESSIONAL SERVICES: STILLMON V CITY | LAW DEPARTMENT                   |
| KOHN FINANCIAL CONSULTING   | 1014434  | 2794993    | PROVIDE ADVICE ON SOLID WASTE FUND     | BUDGET DEPARTMENT                |
| KPMG CONSULTING, INC        | 1028311  | 2529517    | AUDITING SERVICES                      | AUDITOR GENERAL                  |
| KPMG CONSULTING, INC        | 1028311  | 2552186    | AUDITING SERVICES                      | AUDITOR GENERAL                  |
| KPMG LLP                    | 1440     | 2510105    | IMPLEMENT TIDEMARK COMPUTER SYSTEM     | BUILDINGS AND SAFETY DEPARTMENT  |
| KPMG LLP                    | 1440     | 2513477    | AUDITING SERVICES                      | AUDITOR GENERAL                  |
| KPMG LLP                    | 1440     | 2504566    | CONSULTING SERVICES                    | BUDGET DEPARTMENT                |
| KVM DOOR SYSTEMS INC        | 1099793  | 2785386    | EASTERN MARKET SHED NO. 3 RESERVATIONS | RECREATION DEPARTMENT            |
| L D' AGOSTINI & SONS INC    | 1000677  | 2500927    | LATERAL SEWER REPLACEMENT              | NO DEPARTMENT INDICATED          |
| LACEY & ASSOCIATES          | 1010869  | 2590826    |  | FINANCE DEPARTMENT               |
| LACEY & JONES LLP           | 1013697  | 2562865    | DPOA ACT 312 2001-2004 PROCEEDINGS     | LAW DEPARTMENT                   |
| LACEY & JONES LLP           | 1013697  | 2502300    | BLUE CROSS/BLUE SHIELD RESERVE FUND    | LAW DEPARTMENT                   |
| LACEY & JONES LLP           | 1013697  | 2518960    | LEGAL SERVICES                         | LAW DEPARTMENT                   |
| LACEY & JONES LLP           | 1013697  | 2534969    | KELLY FOREMAN V CITY                   | LAW DEPARTMENT                   |

| Name of Counterparty              | Vendor # | Contract # | Description                             | City Department                     |
|-----------------------------------|----------|------------|---|-------------------------------------|
| LACEY & JONES LLP                 | 1013697  | 2518952    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2518964    | EDWARD LEWIS V P.O. STEVEN PEIL/CITY    | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2539980    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2520968    | LEGAL SERVICES: KEMP V NOETZEL & KEMP   | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2539975    | LEGAL SERVICES: MAURICE BROWN V CITY    | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2518969    | MICHAEL MCHUGH V CITY OF DETROIT        | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2518967    | JESSE WILLIAMS V CITY OF DETROIT        | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2501959    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2518973    | BEAUCHAMP V OWENS/CITY                  | LAW DEPARTMENT                      |
| LACEY & JONES LLP                 | 1013697  | 2562836    | MAXIMILIAN ENGRAM, ET AL V CITY         | LAW DEPARTMENT                      |
| LAKESHORE ENGINEERING SERVICE INC | 19808    | 2502201    | ABATEMENT ASBESTOS                      | DEPARTMENT OF PUBLIC WORKS          |
| LAMONT TITLE CORPORATION          | 1070200  | 2501595    | 36/LS - TITLE COMMITMENTS               | PLANNING AND DEVELOPMENT DEPARTMENT |
| LAMONT TITLE CORPORATION          | 1070200  | 2603572    |   | PLANNING AND DEVELOPMENT DEPARTMENT |
| LANIER                            | 1012355  | 2533656    | EMERGENCY USE FOR POLICE PAYROLL        | FINANCE DEPARTMENT                  |
| LANZO CONSTRUCTION CO             | 13425    | 2613521    |   | WATER DEPARTMENT                    |
| LARDNER ELEVATOR COMPANY          | 24166    | 2507678    | ELEVATOR LOAD & NO-LOAD TEST            | WATER DEPARTMENT                    |
| LASED                             | 11513    | 2560786    | WIA IN SCHOOL YOUTH PROGRAM             | EMPLOYMENT AND TRAINING DEPARTMENT  |
| LASED                             | 11513    | 2501749    | PUBLIC FACILITY REHAB                   | NO DEPARTMENT INDICATED             |
| LASED                             | 11513    | 2740243    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| LASED                             | 11513    | 2719927    |   | DEPARTMENT OF TRANSPORTATION        |
| LASED                             | 11513    | 2801087    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| LASED                             | 11513    | 2778540    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| LATINO FAMILY SERVICES INC        | 16339    | 2504667    | MEDICAID FYE 9/30/99                    | HEALTH DEPARTMENT                   |
| LATINO FAMILY SERVICES INC        | 16339    | 2501843    | SUBSTANCE ABUSE COORDINATION AGENCY     | NO DEPARTMENT INDICATED             |
| LAW OFFICES COLLINS EINHORN       | 1049868  | 2765611    |   | LAW DEPARTMENT                      |
| LAWTON SCHOOL                     | 1100766  | 2806424    |   | HUMAN SERVICES DEPARTMENT           |
| LEWIS & MUNDAY PC                 | 12439    | 2502307    | LEGAL SERVICES: CRUMBIE V GUYTON, ET AL | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2502427    | GAINES/HARRIS/HINES/HUGHES V CITY       | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2539985    | SANDRA/DARREN MILLER V EUGENE BROWN     | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2539983    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2536840    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2553151    | BERRY/CHENAULT/CROCKETT ET AL V CITY    | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2553122    | KUE/WALKER/SMITH/WIGGINS V CITY         | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2634333    |   | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2655854    |   | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2529631    | BRAZIL/PENA V CITY/HOOD                 | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2561951    | ALLEN/BATTLE/COOPER/GRIFFIN V CITY      | LAW DEPARTMENT                      |
| LEWIS & MUNDAY PC                 | 12439    | 2600494    |   | LAW DEPARTMENT                      |

| Name of Counterparty                  | Vendor # | Contract # | Description                          | City Department                    |
|---------------------------------------|----------|------------|--------------------------------------|------------------------------------|
| LEWIS & MUNDAY PC                     | 12439    | 2774620    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| LEWIS & MUNDAY PC                     | 12439    | 2502303    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| LEWIS & MUNDAY PC                     | 12439    | 2641462    |                                      | LAW DEPARTMENT                     |
| LEWIS & MUNDAY PC                     | 12439    | 2649874    |                                      | LAW DEPARTMENT                     |
| LIEDEL GRINNAN & LIEDEL PC            | 1007353  | 2500765    | LEGAL SERVICES: VELA V PRICE/CITY    | LAW DEPARTMENT                     |
| LIEDEL GRINNAN & LIEDEL PC            | 1007353  | 2539960    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| LIEDEL GRINNAN & LIEDEL PC            | 1007353  | 2517379    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| LIEDEL GRINNAN & LIEDEL PC            | 1007353  | 2548909    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| LIFE FITNESS INC                      | 1085199  | 2704235    |                                      | RECREATION DEPARTMENT              |
| LIONEL SAWYER COLLINS                 | 19940    | 2502230    | PROFESSIONAL SERVICES                | CITY COUNCIL                       |
| LOCAL INITIATIVES SUPPORT CORPORATION | 1014122  | 2562574    | PROFESSIONAL SERVICES                | CITY COUNCIL                       |
| LOCAL INITIATIVES SUPPORT CORPORATION | 18595    | 2502034    | EMPOWERED ZONE                       | NO DEPARTMENT INDICATED            |
| LOCAL INITIATIVES SUPPORT CORPORATION | 1014122  | 2592262    |                                      | FINANCE DEPARTMENT                 |
| LOCAL INITIATIVES SUPPORT CORPORATION | 1014122  | 2567588    |                                      | FINANCE DEPARTMENT                 |
| LOOKING FOR MY SISTER                 | 1104410  | 2784890    | BLOCK GRANT PROGRAM                  | POLICE DEPARTMENT                  |
| LOUIS G REDSTONE ASSCS INC            | 16448    | 2502006    | DESIGN FOR ROGELL GLF CRS            | NO DEPARTMENT INDICATED            |
| LUXURY SEDAN VAN SERVICE              | 1015148  | 2570671    |                                      | MUNICIPAL PARKING DEPARTMENT       |
| MACDERMOTT ROOFING & SHEET METAL      | 16537    | 2732369    | BELLE ISLE GARAGE - ROOF REPLACEMENT | RECREATION DEPARTMENT              |
| MACDERMOTT ROOFING & SHEET METAL      | 16537    | 2796454    | ROOF REPAIRS                         | RECREATION DEPARTMENT              |
| MACK ALIVE INC                        | 19676    | 2801089    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| MACK ALIVE INC                        | 19676    | 2778765    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT   |
| MAJOR CEMENT CO                       | 22141    | 2502189    | PW 7561 REPAIR DAMAGED               | NO DEPARTMENT INDICATED            |
| MAJOR CEMENT CO                       | 22141    | 2634038    |                                      | DEPARTMENT OF PUBLIC WORKS         |
| MARINERS INN                          | 5159     | 2509995    | WTW SUBSTANCE ABUSE COUNSELING       | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARINERS INN                          | 5159     | 2549595    | CAREER INITIATIVES CENTER PROJECT    | HUMAN SERVICES DEPARTMENT          |
| MARJORIE R MALARNEY & ASSOCIATES      | 12830    | 2500751    | LANSING LOBBYIST                     | LAW DEPARTMENT                     |
| MARYGROVE COLLEGE                     | 6279     | 2589338    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE COLLEGE                     | 6279     | 2629691    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE COLLEGE                     | 6279     | 2595777    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE COLLEGE                     | 6279     | 2627961    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE NONPROFIT CORPORATION       | 1014543  | 2507022    | FIC #76292 WORK FIRST                | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE NONPROFIT CORPORATION       | 1014543  | 2512792    | ASSESSMENT CTR TITLES IIA/IIC & III  | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE NONPROFIT CORPORATION       | 1014543  | 2555328    | WIA ADULT & OUT-OF-SCHOOL YOUTH      | EMPLOYMENT AND TRAINING DEPARTMENT |
| MARYGROVE NONPROFIT CORPORATION       | 1014543  | 2529603    | ASSESS CTR MOD#1                     | FINANCE DEPARTMENT                 |

| Name of Counterparty                   | Vendor # | Contract # | Description                         | City Department                     |
|--|----------|------------|-------------------------------------|-------------------------------------|
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2563669    | LEARNING RESOURCE CTR WORK FIRST    | EMPLOYMENT AND TRAINING DEPARTMENT  |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2571652    |                                     | EMPLOYMENT AND TRAINING DEPARTMENT  |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2777810    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2771650    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2740292    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2725976    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2740278    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MARYGROVE NONPROFIT CORPORATION        | 1014543  | 2754537    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MATRIX HUMAN SERVICES                  | 1584     | 2512563    | HEAD START SERVICES                 | HUMAN SERVICES DEPARTMENT           |
| MATRIX HUMAN SERVICES                  | 1584     | 2528270    | EMPOWERMENT ZONE- PUBLIC SERVICES   | PLANNING AND DEVELOPMENT DEPARTMENT |
| MATRIX HUMAN SERVICES                  | 1584     | 2541817    | PAROLEE EMPLOYMENT TRAINING PROGRAM | EMPLOYMENT AND TRAINING DEPARTMENT  |
| MATRIX HUMAN SERVICES                  | 1584     | 2557083    | 2001-2002 HEAD START CONTRACT       | HEALTH DEPARTMENT                   |
| MATRIX HUMAN SERVICES                  | 1584     | 2502075    | HEAD START SERVICES                 | HUMAN SERVICES DEPARTMENT           |
| MATRIX HUMAN SERVICES                  | 1584     | 2532520    | HEAD START PROGRAM                  | HUMAN SERVICES DEPARTMENT           |
| MATRIX HUMAN SERVICES                  | 1584     | 2501666    | JOB SEARCH AND PLACEMENT            | NO DEPARTMENT INDICATED             |
| MATRIX HUMAN SERVICES                  | 1584     | 2512181    | SHELTER FOR HOMELESS YOUTH          | HUMAN SERVICES DEPARTMENT           |
| MATRIX HUMAN SERVICES                  | 1584     | 2561392    | WORK FIRST & WTW. 2001-2002         | EMPLOYMENT AND TRAINING DEPARTMENT  |
| MATRIX HUMAN SERVICES                  | 1584     | 2606499    |                                     | EMPLOYMENT AND TRAINING DEPARTMENT  |
| MATRIX HUMAN SERVICES                  | 1584     | 2847169    |                                     | HUMAN SERVICES DEPARTMENT           |
| MATRIX HUMAN SERVICES                  | 1584     | 2767093    |                                     | HUMAN SERVICES DEPARTMENT           |
| MAYOR'S TIME                           | 1070618  | 2780286    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| METCO SERVICES INC                     | 13250    | 2502148    |                                     | DEPARTMENT OF PUBLIC WORKS          |
| METROPOLITAN BAPTIST CHURCH HEAD START | 9004     | 2557075    | 2001-2002 HEAD START CONTRACT       | HUMAN SERVICES DEPARTMENT           |
| METROPOLITAN BAPTIST CHURCH HEAD START | 9004     | 2532514    | HEAD START PROGRAM                  | HUMAN SERVICES DEPARTMENT           |
| METROPOLITAN BAPTIST CHURCH HEAD START | 9004     | 2505351    |                                     | HUMAN SERVICES DEPARTMENT           |
| METROPOLITAN BAPTIST CHURCH HEAD START | 9004     | 2512558    | HEAD START SERVICES                 | HUMAN SERVICES DEPARTMENT           |
| METROPOLITAN BAPTIST CHURCH HEAD START | 9004     | 2768826    |                                     | HUMAN SERVICES DEPARTMENT           |
| METRO EAST DRUG TREATMENT              | 10996    | 2501534    | MEDICAID SUBSTANCE ABUSE            | NO DEPARTMENT INDICATED             |
| METRO EMPLOYMENT SOLUTIONS             | 1007722  | 2564007    | WORK FIRST & WELFARE TO WORK        | EMPLOYMENT AND TRAINING DEPARTMENT  |
| METRO EMPLOYMENT SOLUTIONS             | 1007722  | 2626981    |                                     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| METROPOLITAN ARTS COMPLEX INC          | 1001141  | 2501630    | MEDICAID SUBSTANCE ABUSE            | NO DEPARTMENT INDICATED             |
| METROPOLITAN ARTS COMPLEX INC          | 1001141  | 2501857    | SUBSTANCE ABUSE COORDINATION AGENCY | NO DEPARTMENT INDICATED             |
| METROPOLITAN CHILDREN & YOUTH INC      | 1082096  | 2847163    |                                     | HUMAN SERVICES DEPARTMENT           |

| Name of Counterparty                                      | Vendor # | Contract # | Description  | City Department                    |
|---|----------|------------|--|------------------------------------|
| METROPOLITAN DETROIT AFL-CIO                              | 1001142  | 2502169    | JOB SEARCH   | NO DEPARTMENT INDICATED            |
| METROPOLITAN DETROIT AFL-CIO                              | 1001142  | 2603384    |  | EMPLOYMENT AND TRAINING DEPARTMENT |
| METROPOLITAN DETROIT VISITORS                             | 21182    | 2530321    | ADVERTISING AND PROMOTIONAL EXPERTISE                                    | CIVIC CENTER DEPARTMENT            |
| METROPOLITAN DETROIT VISITORS                             | 21182    | 2550871    | PROMOTION FOR COBO CENTER  | CIVIC CENTER DEPARTMENT            |
| METROPOLITAN DETROIT VISITORS                             | 21182    | 2767846    | PROFESSIONAL SERVICES CONTRACT   | CIVIC CENTER DEPARTMENT            |
| MGM LEGAL MGMT SOLUTIONS                                  | 20133    | 2502235    |  | NO DEPARTMENT INDICATED            |
| MICHIGAN CONFERENCE SDA<br>DETROIT/METRO                  | 1012847  | 2506682    | NOF PUBLIC SERVICE CONTRACT  | FINANCE DEPARTMENT                 |
| MICHIGAN DEPARTMENT OF CAREER                             | 1016600  | 2511440    | EMPLOYMENT SERVICES  | EMPLOYMENT AND TRAINING DEPARTMENT |
| MICHIGAN DEPARTMENT OF CAREER                             | 1016600  | 2620233    |  | EMPLOYMENT AND TRAINING DEPARTMENT |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2510495    | ADVANCE-TRAFFIC SIGNAL MODERNIZATION                                     | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2517085    | BITUMINIOUS COLDMILLING WORK ALONG HWY<br>M102 FROM HWY M53TO KELLY ROAD | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2500761    | DECK REPLACEMENT   | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2518505    | COLDMILLING ALONG HWY. US-24 FROM HWY.<br>M-5(GRAND RIVER) TO M-102      | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2501400    | RESURFACING  | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2501407    | RECONSTRUCTION OF DECK   | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2511603    | TRAFFIC SIGNALS AND PAVEMENT MARKINGS                                    | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2501807    | DECK REPLACEMENT   | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2500758    | SCREENING  | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2518522    | DECK REPLACEMENT   | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2500787    | REPLACE BRIDGES  | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2512565    | CONCRETE OVERLAY FOR STRUCTURE WHICH<br>CARRIES PORTER ST. OVER I-75     | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2501877    | BRIDGE   | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE<br>HIGHWAYS & TRANSPORTATION | 2100     | 2521604    | DECK REPLACEMENT   | DEPARTMENT OF PUBLIC WORKS         |

| Name of Counterparty                                   | Vendor # | Contract # | Description  | City Department                    |
|--|----------|------------|--|------------------------------------|
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2524693    | PEDESTRAIN SCREENING FOR VARIOUS STRUCTURES                              | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2502178    | RECONSTRUCT HWY - I 75 SPRINGWELL  | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2501411    | BRIDGE AND DECK REPLACEMENT  | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2567088    |  | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2502469    | RESURFACE DECK   | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2538766    | TRAFFIC SIGNALWORK AT DICKERSON ROAD                                     | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2520074    | RECONSTRUCTION OF STRUCTURE WHICH CARRIES GREENFIELD ROAD OVER HWY. M-10 | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2500781    | DECK REPLACEMENT   | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2500779    | RESURFACING  | NO DEPARTMENT INDICATED            |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2622755    |  | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2740688    |  | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2517764    | DECK REPLACEMENT WORK ON BRIDGE  | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN DEPARTMENT OF STATE HIGHWAYS & TRANSPORTATION | 2100     | 2511049    | BITUMINOUS RESURFACING AND CURB WORK ALONG LIVERNOIS                     | DEPARTMENT OF PUBLIC WORKS         |
| MICHIGAN FOOD AND BEVERAGE ASSOCIATION                 | 1101727  | 2759218    | PERIOD SERVICES FOR METRO YOUTH DAY                                      | RECREATION DEPARTMENT              |
| MICHIGAN FOOD AND BEVERAGE ASSOCIATION                 | 1101727  | 2786573    | METRO YOUTH DAY  | RECREATION DEPARTMENT              |
| MICHIGAN HVAC VOCATIONAL                               | 17478    | 2512764    | RETRAINING SERVICES  | EMPLOYMENT AND TRAINING DEPARTMENT |
| MICHIGAN STATE AFL-CIO HRDI                            | 1027005  | 2769866    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| MICHIGAN STATE UNIVERSITY                              | 8167     | 2795800    | ACCIDENT INVESTIGATION COURSES   | POLICE DEPARTMENT                  |
| MIDNIGHT GOLF PROGRAM                                  | 1055952  | 2778544    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| MIDWEST CAREERS INSTITUTE                              | 1062863  | 2540054    | JOB SEARCH & PLACEMENT   | EMPLOYMENT AND TRAINING DEPARTMENT |
| MIDWEST CAREERS INSTITUTE                              | 1062863  | 2562793    | WORK FIRST PROGRAM   | EMPLOYMENT AND TRAINING DEPARTMENT |
| MIDWEST CAREERS INSTITUTE                              | 1062863  | 2778461    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| MIDWEST CAREERS INSTITUTE                              | 1062863  | 2806239    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |

| Name of Counterparty                   | Vendor # | Contract # | Description  | City Department                     |
|--|----------|------------|--|-------------------------------------|
| MILWAUKEE INVESTMENT CO                | 17041    | 2501818    |  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| MILWAUKEE INVESTMENT CO                | 17041    | 2524249    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| MIRO WEINER & KRAMER PC                | 1039572  | 2665562    |  | LAW DEPARTMENT                      |
| MISDEMEANOR DEFENDERS LAW CLINIC PC    | 1009823  | 2534641    | LEGAL SERVICES   | NO DEPARTMENT INDICATED             |
| MITCHCO                                | 1022053  | 2553859    | GAS, COMPRESSED NATURAL                                      | DEPARTMENT OF TRANSPORTATION        |
| MOLLY LEVITT                           | 1951     | 2500956    |  | HUMAN SERVICES DEPARTMENT           |
| MOLLY LEVITT                           | 1951     | 2500955    |  | HUMAN SERVICES DEPARTMENT           |
| MOMS & BABES TOO MISP/ISSP INC         | 1013849  | 2508892    | 25-WIC 9/99 CERTIFICATION                                    | HEALTH DEPARTMENT                   |
| MONTEZ GROUP                           | 1100889  | 2769654    |  | MAYOR'S OFFICE                      |
| MOORE & ASSOCIATES INC                 | 1001299  | 2501402    | EMPOWERMENT ZONE PROJECT                                     | RECREATION DEPARTMENT               |
| MOORISH SCIENCE TEMPLE OF AMERICA      | 1003703  | 2506282    | NOF PUBLIC SERVICE   | FINANCE DEPARTMENT                  |
| MORGAN FRAZIER SPECIALIZED SERVICES    | 1001308  | 2502273    | CONSULTANT NUISANCE ABATEMENT                                | BUILDINGS AND SAFETY DEPARTMENT     |
| MOSAIC YOUTH THEATRE OF DETROIT        | 1001332  | 2543835    | THEATRICAL TRAINING  | RECREATION DEPARTMENT               |
| MOTOR CITY ELECTRIC CO                 | 13102    | 2581185    |  | PUBLIC LIGHTING DEPARTMENT          |
| MOTOR CITY ELECTRIC CO                 | 13102    | 2501432    | ELECTRICAL CONSTRUCTION PL 130                               | NO DEPARTMENT INDICATED             |
| MOTOR CITY ELECTRIC CO                 | 13102    | 2611714    |  | PUBLIC LIGHTING DEPARTMENT          |
| MOTOR CITY ELECTRIC CO                 | 13102    | 2611719    |  | PUBLIC LIGHTING DEPARTMENT          |
| MOTOR CITY ELECTRIC/METCO SERVICES AUV | 1033698  | 2537241    | FREQUENCY DRIVES AT WWTP'S INTERMEDIATE LIFT PUMP STATION #2 | SEWERAGE DEPARTMENT                 |
| MOTOR CITY PIPE                        | 1001344  | 2753399    | WING SEALS STAINLESS STEEL STRAPPING                         | GENERAL SERVICES DEPARTMENT         |
| MOTOR CITY PIPE                        | 1001344  | 2763247    | PLUMBING & STEAM FITTING SUPPLIES                            | GENERAL SERVICES DEPARTMENT         |
| NARDIN PARK DRUG ABUSE CENTER          | 1706     | 2501540    | MEDICAID SUBSTANCE ABUSE                                     | NO DEPARTMENT INDICATED             |
| NARDIN PARK DRUG ABUSE CENTER          | 1706     | 2506559    | SUBSTANCE ABUSE FYE9/98 NARDIN PARK                          | HEALTH DEPARTMENT                   |
| NATIONAL COUNCIL ON ALCOHOLISM         | 16455    | 2501541    | MEDICAID SUBSTANCE ABUSE                                     | NO DEPARTMENT INDICATED             |
| NEIGHBORHOOD DEVELOPMENT CORPORATION   | 20509    | 2501589    | LAND ACQUISITION SITE PREPARATION                            | PLANNING AND DEVELOPMENT DEPARTMENT |
| NEIGHBORHOOD RECONCILIATION CENTER INC | 1000268  | 2533307    |  | HUMAN RIGHTS DEPARTMENT             |
| NEIGHBORHOOD SERVICE ORGANIZATION      | 8118     | 2547780    | WALK IN CENTER FOR THE HOMELESS                              | HUMAN SERVICES DEPARTMENT           |
| NEIGHBORHOOD SERVICE ORGANIZATION      | 8118     | 2532814    | 24 HOUR WALK IN CENTER                                       | HUMAN SERVICES DEPARTMENT           |
| NEIGHBORHOOD SERVICE ORGANIZATION      | 8118     | 2527949    | 963-STAY (HOMELESS HOTLINE)                                  | HUMAN SERVICES DEPARTMENT           |
| NEIGHBORHOOD SERVICE ORGANIZATION      | 8118     | 2501594    | SERVICES FOR THE HOMELESS                                    | HUMAN SERVICES DEPARTMENT           |
| NEIGHBORHOOD SERVICE ORGANIZATION      | 8118     | 2557085    | 2001-2002 HEAD START (HIPPI) CONTRACT                        | HUMAN SERVICES DEPARTMENT           |
| NEIGHBORHOOD SERVICE ORGANIZATION      | 8118     | 2849011    |  | HEALTH DEPARTMENT                   |
| NESS BORIS CORPORATION                 | 1087558  | 2693925    |  | PLANNING AND DEVELOPMENT DEPARTMENT |
| NETCOL ASSOCIATES INC                  | 1101173  | 2782059    |  | HEALTH DEPARTMENT                   |
| NETCOL ASSOCIATES INC                  | 1101173  | 2756230    |  | HEALTH DEPARTMENT                   |

| Name of Counterparty                    | Vendor # | Contract # | Description                        | City Department                     |
|---|----------|------------|------------------------------------|-------------------------------------|
| NETIMATION INC                          | 20384    | 2502117    | PROFESSIONAL SERVICES              | NO DEPARTMENT INDICATED             |
| NEW CENTER COMMUNITY                    | 19199    | 2502090    |                                    | NO DEPARTMENT INDICATED             |
| NEW DAY MULTI-PURPOSE COMMUNITY         | 14872    | 2510758    | NUTRITIONAL MEALS, TRANSPORTATION  | HUMAN SERVICES DEPARTMENT           |
| NEW DAY MULTI-PURPOSE COMMUNITY         | 14872    | 2533571    | SHELTER AND SUPPORTIVE SERVICES    | HUMAN SERVICES DEPARTMENT           |
| NEW DETROIT INC                         | 10869    | 2529859    | WIA CLASSROOM INSTRUCTION          | EMPLOYMENT AND TRAINING DEPARTMENT  |
| NEW DETROIT INC                         | 10869    | 2502172    | EZ-PUBLIC SERVICE                  | PLANNING AND DEVELOPMENT DEPARTMENT |
| NEW LIFE HOME FOR RECOVERING            | 18726    | 2501457    | SUBSTANCE ABUSE COOR AGENCY 9-99   | HEALTH DEPARTMENT                   |
| NEW LIFE HOME FOR RECOVERING            | 18726    | 2501621    | MEDICAID SUBSTANCE ABUSE           | NO DEPARTMENT INDICATED             |
| NEW LIGHT RECOVERY CENTER INC           | 1003695  | 2501638    | MEDICAID SUBSTANCE ABUSE           | NO DEPARTMENT INDICATED             |
| NEW ST PAUL HEAD START AGENCY           | 1048766  | 2620502    |                                    | HUMAN SERVICES DEPARTMENT           |
| NEW ST PAUL HEAD START AGENCY           | 1048766  | 2587304    |                                    | HUMAN SERVICES DEPARTMENT           |
| NEW TECHNOLOGY LTD                      | 16280    | 2500969    |                                    | SEWERAGE DEPARTMENT                 |
| NITRO TELECOM COMMUNICATIONS SPECIALIST | 1012632  | 2582916    |                                    | FINANCE DEPARTMENT                  |
| NOETIX CORPORATION                      | 1067921  | 2649928    |                                    | NON-DEPARTMENTAL                    |
| NORTH CENTRAL COMMUNITY MENTAL HEALTH   | 1003696  | 2501657    |                                    | NO DEPARTMENT INDICATED             |
| NORTHEAST HEALTH SERVICES INC           | 1003700  | 2507303    | MEDICAID SERVICES                  | HEALTH DEPARTMENT                   |
| NORTHERN AREA ASSOCIATION               | 19677    | 2509233    | HOME REPAIR TECHNICAL ASSISTANCE   | FINANCE DEPARTMENT                  |
| NORTHSTAR COMMUNITY DEVELOPMENT CORP    | 1018049  | 2565847    | PREDEVELOPMENT ACTIVITIES          | FINANCE DEPARTMENT                  |
| NORTHSTAR COMMUNITY DEVELOPMENT CORP    | 1018049  | 2536554    | 36/LS-CHDO OPERATING SUPPORT       | FINANCE DEPARTMENT                  |
| NORTHSTAR COMMUNITY DEVELOPMENT CORP    | 1018049  | 2517450    | NOF PUBLIC SERVICE CONTRACT        | FINANCE DEPARTMENT                  |
| NORTHWEST COMMUNITY PROGRAMS INC        | 1062722  | 2676860    |                                    | HUMAN SERVICES DEPARTMENT           |
| NORTHWEST COMMUNITY PROGRAMS INC        | 1062722  | 2765500    | PROFESSIONAL SERVICES CONTRACT     | RECREATION DEPARTMENT               |
| NORTHWEST DETROIT NON-PROFIT            | 12557    | 2510026    | PUBLIC FACILITY REHAB.-FICS #74895 | FINANCE DEPARTMENT                  |
| NOVA CONTRACTING CORPORATION            | 14983    | 2504312    | ENLOADER / W OPERATOR (M-80754)    | SEWERAGE DEPARTMENT                 |
| NOVA DEVELOPMENT GROUP DETROIT LLC      | 1107544  | 2809435    |                                    | HUMAN SERVICES DEPARTMENT           |
| NTH CONSULTANTS LTD                     | 16602    | 2504056    | CONSULTING UGS TANKS               | DEPARTMENT OF PUBLIC WORKS          |
| NTH CONSULTANTS LTD                     | 16602    | 2501727    | ENVIRONMENTAL SERVICES-FICS #73837 | PLANNING AND DEVELOPMENT DEPARTMENT |
| NTH CONSULTANTS LTD                     | 16602    | 2627188    |                                    | RECREATION DEPARTMENT               |
| OFFICE EXPRESS                          | 1105974  | 2731413    |                                    | MAYOR'S OFFICE                      |
| O'LAUGHLIN CONSTRUCTION                 | 12053    | 2507308    | RENOVATION OF HYDRAULIC STRUCTURES | WATER DEPARTMENT                    |
| O'LAUGHLIN CONSTRUCTION                 | 12053    | 2574640    | PC-695 IN SYSTEM STORAGE           | SEWERAGE DEPARTMENT                 |

| Name of Counterparty                      | Vendor # | Contract # | Description                           | City Department                    |
|---|----------|------------|---------------------------------------|------------------------------------|
| OLYMPIA ENTERTAINMENT                     | 1007150  | 2507725    | PARKING FACILITY MANAGEMENT SERVICES  | MUNICIPAL PARKING DEPARTMENT       |
| OMNICARE HEALTH PLAN                      | 1005707  | 2546137    | WIC CERTIFICATION                     | HEALTH DEPARTMENT                  |
| OMNICARE HEALTH PLAN                      | 1005707  | 2507763    | 25 WIC 1999 CERTIFICATION             | HEALTH DEPARTMENT                  |
| OMNILEARN LLC                             | 1066579  | 2633220    |                                       | NON-DEPARTMENTAL                   |
| OPERATION ABLE OF MICHIGAN                | 17427    | 2519090    | BASIC SKILLS AND OCCUPATIONAL SKILLS  | EMPLOYMENT AND TRAINING DEPARTMENT |
| OPERATION ABLE OF MICHIGAN                | 17427    | 2519079    | BASIC SKILLS AND OCCUPATIONAL SKILLS. | EMPLOYMENT AND TRAINING DEPARTMENT |
| OPERATION ABLE OF MICHIGAN                | 17427    | 2501939    | PUBLIC SERVICE EZ                     | NO DEPARTMENT INDICATED            |
| OPERATION ABLE OF MICHIGAN                | 17427    | 2797761    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT   |
| OPERATION ABLE OF MICHIGAN                | 17427    | 2771757    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT   |
| OPERATION ABLE OF MICHIGAN                | 17427    | 2740218    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT   |
| OPERATION GET DOWN                        | 3347     | 2550216    | TRANSITIONAL HOUSING                  | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2533044    | EMERGENCY NEED RESOURCES              | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2518996    | EMERGENCY NEED RESOURCES              | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2588310    |                                       | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2557544    | FAMILY AND COMMODITY SERVICES         | FINANCE DEPARTMENT                 |
| OPERATION GET DOWN                        | 3347     | 2776867    |                                       | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2746767    |                                       | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2810794    |                                       | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2775349    |                                       | HUMAN SERVICES DEPARTMENT          |
| OPERATION GET DOWN                        | 3347     | 2803609    |                                       | HUMAN SERVICES DEPARTMENT          |
| OPERATION HELP INC                        | 1442     | 2501652    | WF EMP SKILLS & JOB PLACEMENT         | EMPLOYMENT AND TRAINING DEPARTMENT |
| OPERATION HELP INC                        | 1442     | 2721152    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT   |
| OPERATION HELPING HAND INC                | 19338    | 2511433    | EMERGENCY SHELTER                     | FINANCE DEPARTMENT                 |
| ORCHARDS CHILDRENS SERVICE                | 1015406  | 2778756    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT   |
| ORDER OF THE FISHERMEN MINISTRY           | 1057660  | 2557060    | 2001-2002 HEAD START CONTRACT         | HUMAN SERVICES DEPARTMENT          |
| ORDER OF THE FISHERMEN MINISTRY           | 1057660  | 2532503    | HEAD START PROGRAM                    | HUMAN SERVICES DEPARTMENT          |
| ORDER OF THE FISHERMEN MINISTRY           | 1057660  | 2512545    | HEAD START SERVICES                   | RECREATION DEPARTMENT              |
| ORDER OF THE FISHERMEN MINISTRY           | 1057660  | 2620494    |                                       | HUMAN SERVICES DEPARTMENT          |
| ORDER OF THE FISHERMEN MINISTRY           | 1057660  | 2502084    |                                       | HUMAN SERVICES DEPARTMENT          |
| ORDER OF THE FISHERMEN MINISTRY           | 1057660  | 2797263    |                                       | HUMAN SERVICES DEPARTMENT          |
| ORGANIZATION & SYSTEMS CHANGE CONSULTANTS | 1101841  | 2779409    |                                       | WORKFORCE DEVELOPMENT DEPARTMENT   |
| PARK RITE                                 | 18490    | 2504157    | PROFESSIONAL PARKING MANAGEMENT       | MUNICIPAL PARKING DEPARTMENT       |
| PARK RITE                                 | 18490    | 2570673    |                                       | MUNICIPAL PARKING DEPARTMENT       |
| PARK RITE                                 | 18490    | 2504154    | PROFESSIONAL PARKING MANAGEMENT       | MUNICIPAL PARKING DEPARTMENT       |
| PARK RITE                                 | 18490    | 2504153    | PROFESSIONAL PARKING MANAGEMENT       | MUNICIPAL PARKING DEPARTMENT       |
| PARK RITE                                 | 18490    | 2501379    | EASTERN MARKET GARAGE                 | MUNICIPAL PARKING DEPARTMENT       |
| PARKVIEW COUNSELING CENTER                | 1003697  | 2501728    | MEDICAID SUBSTANCE ABUSE              | HEALTH DEPARTMENT                  |

| Name of Counterparty                                | Vendor # | Contract # | Description                             | City Department                     |
|---|----------|------------|---|-------------------------------------|
| PARSONS BRINCKEROFF MICHIGAN INC                    | 1025586  | 2531875    | DEVELOP TRAFFIC MASTER PLAN             | DEPARTMENT OF PUBLIC WORKS          |
| PARSONS BRINCKEROFF MICHIGAN INC                    | 1025586  | 2666820    |   | RECREATION DEPARTMENT               |
| PARTRIDGE ENTERPRISES INC                           | 19090    | 2515024    | REMOVAL OF DEAD ANIMALS                 | HEALTH DEPARTMENT                   |
| PARTRIDGE ENTERPRISES INC                           | 19090    | 2773727    |   | HEALTH DEPARTMENT                   |
| PATTERSON PHIFER                                    | 1007814  | 2508834    | KUE/SWANGER/ WALKER/BOONE V CITY        | LAW DEPARTMENT                      |
| PATTERSON PHIFER                                    | 1007814  | 2509732    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| PATTERSON PHIFER                                    | 1007814  | 2521163    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| PATTERSON PHIFER                                    | 1007814  | 2521178    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| PATTERSON PHIFER                                    | 1007814  | 2513517    | MAURICE BROWN V CITY OF DETROIT, ET AL  | LAW DEPARTMENT                      |
| PATTERSON PHIFER & PHILLIPS                         | 17376    | 2505725    | LEGAL SERVICES                          | FINANCE DEPARTMENT                  |
| PATTERSON PHIFER & PHILLIPS                         | 17376    | 2505728    | LEGAL SERVICES                          | LAW DEPARTMENT                      |
| PAYNE-PULLIAM SCHOOL OF TRADE                       | 7737     | 2564267    | WORKFIRST/WTW, 10/1/01 - 9/30/02, JS/JR | EMPLOYMENT AND TRAINING DEPARTMENT  |
| PAYNE-PULLIAM SCHOOL OF TRADE                       | 7737     | 2528278    | WIA BASIC EDUCATION AGES 14-18          | EMPLOYMENT AND TRAINING DEPARTMENT  |
| PAYNE-PULLIAM SCHOOL OF TRADE                       | 7737     | 2740260    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| PAYNE-PULLIAM SCHOOL OF TRADE AND COMMERCE          | 1030662  | 2778463    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| PAYNE-PULLIAM SCHOOL OF TRADE AND COMMERCE          | 1030662  | 2801097    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| PAYNE-PULLIAM SCHOOL OF TRADE AND COMMERCE          | 1030662  | 2778760    |   | WORKFORCE DEVELOPMENT DEPARTMENT    |
| PCT SECURITY LLC                                    | 1107205  | 2812357    | SURVEILLANCE EQUIPMENT INSTALLATION     | WORKFORCE DEVELOPMENT DEPARTMENT    |
| PEGGY YOUNG & ASSOCIATES INC                        | 7333     | 2502363    | APPRAISAL SERVICES                      | PLANNING AND DEVELOPMENT DEPARTMENT |
| PEGGY YOUNG & ASSOCIATES INC                        | 7333     | 2763958    |   | PLANNING AND DEVELOPMENT DEPARTMENT |
| PEOPLE'S COMMUNITY SERVICES OF METROPOLITAN DETROIT | 10686    | 2501460    | SUBSTANCE ABUSE COORDINATION AGENCY     | NO DEPARTMENT INDICATED             |
| PEOPLE'S CREATIVE ENSEMBLE                          | 14786    | 2501435    | PUBLIC SERVICE                          | NO DEPARTMENT INDICATED             |
| PEPPER HAMILTON LLP                                 | 1009412  | 2635807    |   | LAW DEPARTMENT                      |
| PEPPER HAMILTON LLP                                 | 1009412  | 2719996    |   | LAW DEPARTMENT                      |
| PERRY MATHIS MD                                     | 1012076  | 2559401    | DRUG TREATMENT PROGRAM PHYSICIAN        | FINANCE DEPARTMENT                  |
| PERRY MATHIS MD                                     | 1012076  | 2544150    | DRUG TREATMENT PROGRAM PHYSICIAN        | HUMAN SERVICES DEPARTMENT           |
| PERRY MATHIS MD                                     | 1012076  | 2508114    | DRUG TREATMENT PROGRAM                  | FINANCE DEPARTMENT                  |
| PERRY MATHIS MD                                     | 1012076  | 2513140    | DRUG TREATMENT PROGRAM PHYSICIAN        | HUMAN SERVICES DEPARTMENT           |
| PHARMACY EMPLOYMENT SERVICE                         | 1053611  | 2572655    |   | HEALTH DEPARTMENT                   |
| PHIFER & WHITE PC                                   | 1027627  | 2537538    | LEGAL SERVICES: SMITH/WIGGINS V CITY    | LAW DEPARTMENT                      |
| PHIFER & WHITE PC                                   | 1027627  | 2537563    | LEGAL SERVICES: WOODWARD/JEAN V CITY    | LAW DEPARTMENT                      |
| PHIFER & WHITE PC                                   | 1027627  | 2623900    |   | LAW DEPARTMENT                      |
| PHILLIP G CRAMER MD                                 | 1019205  | 2527982    | TB MEDICAL SERVICES                     | HEALTH DEPARTMENT                   |
| PHILLIP G CRAMER MD                                 | 1019205  | 2579701    |   | HEALTH DEPARTMENT                   |

| Name of Counterparty           | Vendor # | Contract # | Description  | City Department                    |
|--------------------------------|----------|------------|--|------------------------------------|
| PHOENIX SERVICES UNLIMITED INC | 19496    | 2501351    | BATTERER'S SCHOOL  | NO DEPARTMENT INDICATED            |
| PHOENIX SERVICES UNLIMITED INC | 19496    | 2548814    | DOMESTIC VIOLENCE COUNSELING                               | POLICE DEPARTMENT                  |
| PIERCE MONROE & ASSOCIATES INC | 18223    | 2501044    |  | FINANCE DEPARTMENT                 |
| PIERCE MONROE & ASSOCIATES INC | 18223    | 2502104    |  | FINANCE DEPARTMENT                 |
| PIQUETTE MARKET INC            | 1072282  | 2803604    |  | HUMAN SERVICES DEPARTMENT          |
| PIQUETTE MARKET INC            | 1072282  | 2775345    |  | HUMAN SERVICES DEPARTMENT          |
| PIQUETTE MARKET INC            | 1072282  | 2743795    |  | HUMAN SERVICES DEPARTMENT          |
| PLANNED PARENTHOOD             | 1012848  | 2603682    |  | FINANCE DEPARTMENT                 |
| PLUNKETT & COONEY PC           | 10371    | 2527611    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2536997    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2590835    |  | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2540467    | LEGAL SERVICES: ADAMS, ET AL V CITY, ET AL                 | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2508813    | IRA LEE TODD V CITY OF DETROIT, ET AL                      | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2508816    | GRAZES/IVERZAI/SMITH, ET AL V CITY                         | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2527406    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2538058    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2501702    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2538244    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2652076    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2502112    | LEGAL SERVICES   | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2537223    | LORETTA BOOTH V CITY OF DETROIT                            | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2569755    |  | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2570503    |  | LAW DEPARTMENT                     |
| PLUNKETT & COONEY PC           | 10371    | 2774678    |  | LAW DEPARTMENT                     |
| POLICE ATHLETIC LEAGUE INC     | 3703     | 2535838    | TENNIS PROGRAM   | RECREATION DEPARTMENT              |
| POPKIN SOFTWARE SYSTEMS        | 20304    | 2518460    | SYSTEMS ARCHITECT AND OPTIONS                              | INFORMATION TECHNOLOGY SERVICES    |
| POSEN CONSTRUCTION CO          | 20208    | 2748229    | BELLE ISLE SCOTT FOUNTAIN LAGOON PIPELINE SYSTEM CLEAN-OUT | RECREATION DEPARTMENT              |
| POSEN CONSTRUCTION CO          | 20208    | 2584529    |  | WATER DEPARTMENT                   |
| POSITIVE IMAGES                | 19950    | 2501495    |  | HEALTH DEPARTMENT                  |
| POSITIVE IMAGES                | 19950    | 2501653    | MEDICAID SUBSTANCE ABUSE                                   | HEALTH DEPARTMENT                  |
| PREMIER STAFFING SOURCE INC    | 1118976  | 2877577    | TEMPORARY STAFFING SERVICES                                | HUMAN RESOURCES DEPARTMENT         |
| PRISM SOLUTIONS LLC            | 1051836  | 2610132    |  | RECREATION DEPARTMENT              |
| PROBE ENVIRONMENTAL INC        | 19803    | 2502194    | ABATEMENT OF ASBESTOS                                      | DEPARTMENT OF PUBLIC WORKS         |
| PROJECT GET                    | 20363    | 2540814    | JOB SEARCH & PLACEMENT-WORK FIRST                          | EMPLOYMENT AND TRAINING DEPARTMENT |
| PROJECT GET                    | 20363    | 2563946    | JOB SEARCH & PLACEMENT                                     | EMPLOYMENT AND TRAINING DEPARTMENT |
| PROJECT GET                    | 20363    | 2501733    | JOB SEARCH   | NO DEPARTMENT INDICATED            |
| PROJECT GET                    | 20363    | 2778465    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |

| <u>Name of Counterparty</u>                     | <u>Vendor #</u> | <u>Contract #</u> | <u>Description</u>  | <u>City Department</u>                          |
|---|-----------------|-------------------|---|---|
| PROJECT GET                                     | 20363           | 2806247           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| PROVIDENCE COMMUNITY SERVICES/ROSS<br>IES       | 1095234         | 2778467           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| PROVIDENCE COMMUNITY SERVICES/ROSS<br>IES       | 1095234         | 2778477           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| PROVIDENCE COMMUNITY SERVICES/ROSS<br>IES       | 1095234         | 2761554           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| PROVIDENCE COMMUNITY SERVICES/ROSS<br>IES       | 1095234         | 2778661           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| PVS TECHNOLOGIES INC                            | 24231           | 2501270           |   | SEWERAGE DEPARTMENT                             |
| R L WINIGER & COMPANY                           | 1033182         | 2506508           | INVESTIGATIVE SERVICES  | FINANCE DEPARTMENT                              |
| RALPH CALDER & ASSOC                            | 20041           | 2502210           | PATTON PARK POOL/RECREATION FACILITY<br>CONSTRUCTION CONTRACT | RECREATION DEPARTMENT<br>RECREATION DEPARTMENT  |
| RAM CONSTRUCTION SERVICES OF<br>MICHIGAN        | 1104845         | 2786314           |   |   |
| RAMA RAO & ALFRED INC                           | 15030           | 2502274           | A/E SERVICES WATER WORKS                                      | NO DEPARTMENT INDICATED                         |
| RAMA RAO & ALFRED INC                           | 15030           | 2500977           | BLUEHILL STATION ADDITIONS                                    | NO DEPARTMENT INDICATED                         |
| RAMA RAO & ALFRED INC                           | 15030           | 2767688           | CONTRACT FOR PROFESSIONAL SERVICES<br>LEGAL SERVICES          | INFORMATION TECHNOLOGY SERVICES<br>OMBUDSPERSON |
| RANDALL S LEVINE PC DBA LEVINE & LEVINE<br>PC   | 1017685         | 2513748           |   |   |
| RANDY LANE PC                                   | 1070228         | 2879763           | CONTRACT FOR ACCOUNTING SERVICES                              | FINANCE DEPARTMENT                              |
| RAYMOND JONES MD                                | 10770           | 2513137           | DRUG TREATMENT PROGRAM PHYSICIAN                              | HUMAN SERVICES DEPARTMENT                       |
| RAYMOND JONES MD                                | 10770           | 2544138           | DRUG TREATMENT PROGRAM PHYSICIAN                              | HUMAN SERVICES DEPARTMENT                       |
| RAYMOND JONES MD                                | 10770           | 2508115           | SERVICES FOR DRUG TREATMENT PROGRAM                           | FINANCE DEPARTMENT                              |
| RAYMOND JONES MD                                | 10770           | 2559423           | PHISICIAN FOR DRUG TREATMENT PROGRAM                          | FINANCE DEPARTMENT                              |
| RAYMOND JONES MD                                | 10770           | 2591480           |   | HUMAN SERVICES DEPARTMENT                       |
| REACH INC                                       | 17260           | 2504789           | NOF-PUBLIC SERVICE CONTRACT                                   | FINANCE DEPARTMENT                              |
| REACH PROJECT INC                               | 1048827         | 2599632           |   | HEALTH DEPARTMENT                               |
| REDSTONE ARCHITECTS                             | 1001648         | 2506677           | CAMPUS MARTIUS PARK DEVELOPMENT                               | RECREATION DEPARTMENT                           |
| REID & REID PC                                  | 1012544         | 2633008           |   | LAW DEPARTMENT                                  |
| RENAISSANCE PROPERTIES INC                      | 1032580         | 2562053           |   | FINANCE DEPARTMENT                              |
| RENAISSANCE PROPERTIES INC                      | 1032580         | 2534576           |   | HUMAN SERVICES DEPARTMENT                       |
| RESOURCE DATA SYSTEMS CORP                      | 10349           | 2500772           | LAW DEPARTMENT COMPUTER SYSTEMS                               | LAW DEPARTMENT                                  |
| RESOURCE NETWORK                                | 1007604         | 2560345           | JOB SEARCH AND PLACEMENT                                      | EMPLOYMENT AND TRAINING DEPARTMENT              |
| RESOURCE NETWORK                                | 1007604         | 2726455           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| RESOURCE NETWORK                                | 1007604         | 2778663           |   | WORKFORCE DEVELOPMENT DEPARTMENT                |
| RESPONSE NETWORK                                | 1103012         | 2771949           | CUSTOM SOFTWARE DEVELOPMENT                                   | POLICE DEPARTMENT                               |
| RIGHT ASSOCIATES /JANNOTTA BRAY &<br>ASSOCIATES | 20383           | 2511677           | EXECUTIVE COACHING SERVICES                                   | HUMAN RESOURCES DEPARTMENT                      |

| Name of Counterparty                    | Vendor # | Contract # | Description                          | City Department                    |
|---|----------|------------|--------------------------------------|------------------------------------|
| RILEY ROUMELL & CONNOLLY PC             | 1060612  | 2623897    |                                      | LAW DEPARTMENT                     |
| RILEY ROUMELL & CONNOLLY PC             | 1060612  | 2623906    |                                      | LAW DEPARTMENT                     |
| RILEY ROUMELL & CONNOLLY PC             | 1060612  | 2623942    |                                      | LAW DEPARTMENT                     |
| RLI INSURANCE COMPANY                   | 1099957  | 2765028    |                                      | WATER DEPARTMENT                   |
| ROBERT C BIRKS MD PC                    | 7251     | 2578999    |                                      | HUMAN SERVICES DEPARTMENT          |
| ROBERT C BIRKS MD PC                    | 7251     | 2592085    |                                      | HUMAN SERVICES DEPARTMENT          |
| ROBERT MATHEWS & ASSOCIATES INC         | 1059586  | 2620918    |                                      | HUMAN SERVICES DEPARTMENT          |
| ROBERT SEDLER                           | 9851     | 2769756    | CONSULTANT SERVICES                  | LAW DEPARTMENT                     |
| ROSE & ROSE                             | 15597    | 2500750    | LEGAL SERVICES                       | NO DEPARTMENT INDICATED            |
| ROSS LEARNING INC                       | 10675    | 2562588    | WF WTW TIREMAN/GREYDALE PY 2002      | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2562593    | WF & WTW FORT WAYNE PY 2002          | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2554055    | BASIC LITERACY & COORDINATION        | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2562407    | WF & WTW LTC PY 2002                 | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2549631    | WTW COMPETITIVE COORDINATION         | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2537106    | WIA ITA IMPLEMENTATION PY 01         | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2540277    | WF & FOOD STAMP ITA PY 01            | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2572344    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2624160    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROSS LEARNING INC                       | 10675    | 2599059    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT |
| ROY F WESTON INC                        | 16868    | 2512933    | ENVIRONMENTAL SERVICES - FICS #74431 | FINANCE DEPARTMENT                 |
| ROY F WESTON INC                        | 16868    | 2501574    | WATERFRONT RECLAMATION PROJECT       | LAW DEPARTMENT                     |
| ROYAL ROOFING CO INC                    | 13119    | 2730710    | ROOF REPLACEMENT                     | RECREATION DEPARTMENT              |
| S D HAMILTON GROUP                      | 1019484  | 2603327    |                                      | FINANCE DEPARTMENT                 |
| SABRE CONTRACTING LLC                   | 1106108  | 2797979    | RENOVATIONS                          | RECREATION DEPARTMENT              |
| SACRED HEART MAJOR SEMINARY             | 1576     | 2501491    | FICS CONTRACT 078684 SPO 2510159     | HEALTH DEPARTMENT                  |
| SACRED HEART REHABILITATION CENTER, INC | 1013401  | 2507443    | MEDICAID S.A. F.YE 9/99 SACRED HEART | HEALTH DEPARTMENT                  |
| SAFE CENTER INC                         | 19547    | 2501207    |                                      | NO DEPARTMENT INDICATED            |
| SAFE CENTER INC                         | 19547    | 2557542    | FAMILY SERVICES AND COUNSELING       | FINANCE DEPARTMENT                 |
| SAFE CENTER INC                         | 19547    | 2533141    | EMERGENCY SERVICES                   | HUMAN SERVICES DEPARTMENT          |
| SALVATION ARMY BOOTH SERVICES           | 15401    | 2510155    | TRANSITIONAL HOUSING                 | FINANCE DEPARTMENT                 |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2538824    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2538789    | LEGAL SERVICES                       | LAW DEPARTMENT                     |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2538820    | LEGAL SERVICES: CLAUDE NELSON V CITY | LAW DEPARTMENT                     |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2505098    | LEGAL SERVICES                       | FINANCE DEPARTMENT                 |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2538816    | BRADFORD ERVING V CITY/HAYWARD       | LAW DEPARTMENT                     |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2538794    | EST. OF TOMMIE THOMAS V CITY         | LAW DEPARTMENT                     |
| SANDERS & JOHNSON PLLC                  | 1003611  | 2534988    | PATRICK HATFIELD V CITY              | LAW DEPARTMENT                     |

| Name of Counterparty                 | Vendor # | Contract # | Description                            | City Department                     |
|--------------------------------------|----------|------------|--|-------------------------------------|
| SCHINDLER ELEVATOR CORPORATION       | 6926     | 2558355    | MADISON CENTER ELEVATOR MAINTENANCE    | NO DEPARTMENT INDICATED             |
| SCHUMAKER & COMPANY INC              | 1064547  | 2689171    |  | BUDGET DEPARTMENT                   |
| SER CASA ACADEMY                     | 1025139  | 2589594    | EMPOWERMENT ZONE- PUBLIC SERVICE       | PLANNING AND DEVELOPMENT DEPARTMENT |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2528378    | YOUTH OPPORTUNITY GRANT # 2            | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2519316    | YOUTH OPPORTUNITIES                    | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2622682    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2536987    | INDIVIDUAL TRAINING ACCOUNTS           | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2594584    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2501434    | PUBLIC FACILITY REHAB                  | NO DEPARTMENT INDICATED             |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2778762    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2775948    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SER METRO DETROIT - JOB FOR PROGRESS | 3369     | 2761551    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SERCO INC                            | 16569    | 2568070    |  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SERCO INC                            | 16569    | 2623557    |  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SERCO INC                            | 16569    | 2548196    | PARTNERSHIP FOR ADULT LEARNING         | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SERCO INC                            | 16569    | 2561194    | JOB SEARCH AND JOB PLACEMENT (JSP)     | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SERCO INC                            | 16569    | 2561177    | JOB SEARCH AND PLACEMENT(DEC-2K)       | EMPLOYMENT AND TRAINING DEPARTMENT  |
| SERCO INC                            | 16569    | 2778471    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SERCO INC                            | 16569    | 2806253    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SFT INCORPORATED                     | 1033579  | 2536333    | FOR MISTERSKI POWER PLANT PROJECT      | CITY COUNCIL                        |
| SHAR HOUSE                           | 11024    | 2501503    | SUBSTANCE ABUSE COORDINATION AGENCY    | NO DEPARTMENT INDICATED             |
| SHAR HOUSE                           | 11024    | 2501501    | SUBSTANCE ABUSE COORDINATION AGENCY    | NO DEPARTMENT INDICATED             |
| SHAR HOUSE                           | 11024    | 2564200    | WOMEN AND CHILDREN EXPANSION GRANT     | HEALTH DEPARTMENT                   |
| SHAR HOUSE                           | 11024    | 2501642    | MEDICAID SUBSTANCE ABUSE               | NO DEPARTMENT INDICATED             |
| SHARON RODDY MD                      | 1016242  | 2544065    |  | HUMAN SERVICES DEPARTMENT           |
| SHEVRIN CONSULTING SERVICES          | 1081120  | 2658592    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| SIEMENS BUILDING TECHNOLOGIES INC    | 1080147  | 2799544    | CONTROL SYSTEM IMPROVEMENTS            | RECREATION DEPARTMENT               |
| SIEMENS HEALTHCARE DIAGNOSTICS       | 1101501  | 2849348    | ON-SITE DRUG TESTING                   | HEALTH DEPARTMENT                   |
| SILVERI ARCHITECTS                   | 1031901  | 2549574    | EMPOWERMENT ZONE IMPROVEMENT           | RECREATION DEPARTMENT               |
| SIMON HOUSE                          | 18009    | 2541640    | PERMANENT HOUSING (FICS#074931)        | FINANCE DEPARTMENT                  |
| SIMON HOUSE                          | 18009    | 2510640    | EMERGENCY SHELTER                      | FINANCE DEPARTMENT                  |
| SIMONE CONTRACTING CORPORATION       | 1000476  | 2786501    | CONSTRUCTION CONTRACT                  | RECREATION DEPARTMENT               |
| SMITH BROS ELECTRIC INC              | 1018473  | 2582919    |  | FINANCE DEPARTMENT                  |
| SMITH BROS ELECTRIC INC              | 1018473  | 2505208    | INSTALL VOICE AND DATA WIRING SERVICES | INFORMATION TECHNOLOGY SERVICES     |
| SMITH GROUP JUR LLC                  | 1003317  | 2504102    | LONG TERM MANAGEMENT                   | FINANCE DEPARTMENT                  |
| SNELL ENVIRONMENTAL GROUP INC        | 1000483  | 2502200    | ABATEMENT ASBESTOS                     | DEPARTMENT OF PUBLIC WORKS          |
| SNELL ENVIRONMENTAL GROUP INC        | 1000483  | 2500795    | ENGINEERING SERVICES FOR NEW BRIDGES   | DEPARTMENT OF PUBLIC WORKS          |
| SOBH PROPERTY MANAGEMENT LLC         | 1018847  | 2515472    |  | HEALTH DEPARTMENT                   |

| Name of Counterparty                                 | Vendor # | Contract # | Description                              | City Department            |
|--|----------|------------|--|----------------------------|
| SOBRIETY HOUSE INC                                   | 1797     | 2501505    | SUBSTANCE ABUSE COORDINATION AGENCY      | HEALTH DEPARTMENT          |
| SOBRIETY HOUSE INC                                   | 1797     | 2501734    | MEDICAID SUBSTANCE ABUSE                 | HEALTH DEPARTMENT          |
| SOCIETY OF ST VINCENT DE PAUL                        | 10460    | 2587915    |  | FINANCE DEPARTMENT         |
| SONDRA E JENKINS                                     | 1013274  | 2507145    | JOINT L-M/OI PROJECT CONSULTANT          | HUMAN RESOURCES DEPARTMENT |
| SOUTHEAST CHILDREN AND FAMILY DEVELOPMENT HEAD START | 10372    | 2587309    |  | HUMAN SERVICES DEPARTMENT  |
| SOUTHEAST CHILDREN AND FAMILY DEVELOPMENT HEAD START | 10372    | 2532516    | HEAD START PROGRAM                       | HUMAN SERVICES DEPARTMENT  |
| SOUTHEAST CHILDREN AND FAMILY DEVELOPMENT HEAD START | 10372    | 2504138    | HEAD START PROGRAM 1998-99               | HUMAN SERVICES DEPARTMENT  |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2593437    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2501895    | HEALTHY START INIT 8/98                  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2560866    | CPBC MASTER AGREEMENT                    | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2516778    | FIDUCIARY SERVICES                       | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2538658    | HEALTHY START INITIATIVE PROGRAM         | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2556341    | FIDUCIARY SERVICES FOR LEAD FREE DETROIT | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2537516    | CPBC MASTER CONTRACT                     | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2501527    | EPSDT (HEALTHY KIDS)                     | NO DEPARTMENT INDICATED    |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2625403    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2522514    | HEALTHY START INITIATIVE                 | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2507951    | HIV EMERGENCY RELIEF 2/00                | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2501918    | 25 STD CONTROL 9-98 AND 9-99             | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2501498    | HOPWA-PERSONS W/AIDS HSG                 | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2505868    | 25 STD & TB PHYSICIAN SERVICES           | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2502007    | STD & TB PYHSICIAN                       | NO DEPARTMENT INDICATED    |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2536778    | FETAL INFANT MORTALITY REVIEW GRANT      | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2516123    | EPSDT ( HEALTHY KIDS)                    | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2528888    | SEMHA - CCA ADMINISTRATION               | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2538739    | HIV/AIDS PROJECT CPO                     | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2665698    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2587750    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2506174    | 25 TB/HIV CONTROL PROGRAM - 12/99        | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2510504    | LEAD FREE DETROIT PROJECT                | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2581401    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2504657    | FISCAL MANAGEMENT SERVICES               | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2614575    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2612915    |  | HEALTH DEPARTMENT          |
| SOUTHEASTERN MICHIGAN HEALTH                         | 8092     | 2619300    |  | HEALTH DEPARTMENT          |

| Name of Counterparty                   | Vendor # | Contract # | Description                         | City Department                 |
|--|----------|------------|-------------------------------------|---------------------------------|
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2538646    | REFUGEE HEALTH SCREENING PROGRAM    | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2613498    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2571721    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2766781    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2766314    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2793186    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2770373    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2753985    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2761660    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2788671    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2755765    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2784430    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2799776    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2796870    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2797934    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2797936    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2624694    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2799792    |                                     | HEALTH DEPARTMENT               |
| SOUTHEASTERN MICHIGAN HEALTH           | 8092     | 2776660    |                                     | HEALTH DEPARTMENT               |
| SOUTHWEST COUNSELING                   | 1000589  | 2549618    | CAREER INITIATIVES CENTER PROJECT   | HUMAN SERVICES DEPARTMENT       |
| SOUTHWEST COUNSELING                   | 1000589  | 2593318    |                                     | FINANCE DEPARTMENT              |
| SOUTHWEST DETROIT BUSINESS ASSOCIATION | 19640    | 2548414    |                                     | FINANCE DEPARTMENT              |
| SOUTHWEST DETROIT COMMUNITY            | 1067854  | 2606819    |                                     | FINANCE DEPARTMENT              |
| SPALDING DEDECKER ASSOCIATES INC       | 1427     | 2632652    |                                     | RECREATION DEPARTMENT           |
| SPEC ASSOCIATES                        | 19262    | 2765376    |                                     | HUMAN SERVICES DEPARTMENT       |
| SPECTRUM HUMAN SERVICES                | 20301    | 2501508    | SUBSTANCE ABUSE COORDINATION AGENCY | NO DEPARTMENT INDICATED         |
| SPIEGEL & MCDIARMID                    | 19669    | 2501813    | LEGAL SERVICES                      | PUBLIC LIGHTING DEPARTMENT      |
| ST GREGORY COMMUNITY CENTER            | 16937    | 2511397    | P&DD PUBLIC SERVICE                 | FINANCE DEPARTMENT              |
| ST PATRICKS SENIOR CENTER INC          | 12493    | 2502481    | SENIOR CITIZENS MEAL                | HEALTH DEPARTMENT               |
| ST REGIS DETROIT PARTNERS LLC          | 1102961  | 2770016    |                                     | POLICE DEPARTMENT               |
| STAR CENTERS INC                       | 1003699  | 2501619    | MEDICAID SUBSTANCE ABUSE            | NO DEPARTMENT INDICATED         |
| STELLA B SEIDEN                        | 2398     | 2502097    |                                     | NO DEPARTMENT INDICATED         |
| STONE & WEBSTER MICHIGAN INC           | 8561     | 2500914    | MISTERSKY PWR PLANT CONSULTING      | PUBLIC LIGHTING DEPARTMENT      |
| STRATEGIC STAFFING SOLUTIONS           | 17268    | 2620837    |                                     | NON-DEPARTMENTAL                |
| STRATEGIC STAFFING SOLUTIONS           | 17268    | 2767687    | CONTRACT FOR PROFESSIONAL SERVICES  | INFORMATION TECHNOLOGY SERVICES |
| STRATEGIC STAFFING SOLUTIONS           | 17268    | 2681666    |                                     | INFORMATION TECHNOLOGY SERVICES |
| STRATEGIC STAFFING SOLUTIONS           | 17268    | 2554729    | 2001/2002 CONTRACTUAL RESOURCES     | INFORMATION TECHNOLOGY SERVICES |



| Name of Counterparty               | Vendor # | Contract # | Description                              | City Department                    |
|------------------------------------|----------|------------|--|------------------------------------|
| TIMMIS & INMAN LLP                 | 19998    | 2562570    | LEGAL SERVICES                           | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2508654    | SHANNON L. TROMEUR V JULIUS LIGE         | HEALTH DEPARTMENT                  |
| TIMMIS & INMAN LLP                 | 19998    | 2502450    | LEGAL SERVICES: WILLIAM BURKES V CITY    | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2544404    | TITO BURLEIGH V CITY/WILLIAMS            | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2508661    | LEGAL SERVICES: TUCKER V CITY OF DETROIT | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2562575    | HENRY BROWN V CITY/JULIUS TATE           | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2562563    | LEGAL SERVICES                           | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2544430    | TOMMIE THOMAS V CITY, ET AL              | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2562559    | TORI CARTER, ET AL V CITY                | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2502452    | LEGAL SERVICES                           | LAW DEPARTMENT                     |
| TIMMIS & INMAN LLP                 | 19998    | 2544420    | RUPERT/HAYES/BOWERS V BROWN              | LAW DEPARTMENT                     |
| TISEO BROTHERS INC                 | 18296    | 2501389    | VIRGINIA PARK PAVING                     | NO DEPARTMENT INDICATED            |
| TODD PHILLIPS CHILDRENS HOME       | 16998    | 2501778    |  | NO DEPARTMENT INDICATED            |
| TRAVELLERS AID SOCIETY OF DET      | 15890    | 2501964    | EMERGENCY SHELTER                        | HUMAN SERVICES DEPARTMENT          |
| TWW & ASSOCIATES INC               | 15821    | 2563101    | WORKFIRST/WELFARE TO WORK                | EMPLOYMENT AND TRAINING DEPARTMENT |
| TWW & ASSOCIATES INC               | 15821    | 2550329    | OPERATION FAST BREAK/ PAL                | EMPLOYMENT AND TRAINING DEPARTMENT |
| TWW & ASSOCIATES INC               | 15821    | 2696181    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| TWW & ASSOCIATES INC               | 15821    | 2803891    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| TWW & ASSOCIATES INC               | 15821    | 2778474    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| TWW & ASSOCIATES INC               | 15821    | 2806255    |  | WORKFORCE DEVELOPMENT DEPARTMENT   |
| TXU ENERGY SERVICE                 | 1021990  | 2525960    | CITY WIDE NATURAL GAS PURCHASE           | PUBLIC LIGHTING DEPARTMENT         |
| UNIGLOBE CONSTRUCTION CO           | 19275    | 2793402    |  | HUMAN SERVICES DEPARTMENT          |
| UNITED COMMUNITY HOUSING COALITION | 9812     | 2510128    | HOMELESS ASSISTANCE PROGRAM              | FINANCE DEPARTMENT                 |
| UNIVERSAL SYSTEM TECHNOLOGIES INC  | 20223    | 2589037    |  | INFORMATION TECHNOLOGY SERVICES    |
| UNIVERSAL SYSTEM TECHNOLOGIES INC  | 20223    | 2768088    | PROFESSIONAL SERVICES CONTRACT           | INFORMATION TECHNOLOGY SERVICES    |
| UNIVERSITY FAMILY PHYSICIANS       | 1045603  | 2541597    | ENV: MEDICAL MONITORING SERVICES         | ENVIRONMENTAL AFFAIRS DEPARTMENT   |
| UNIVERSITY OF DETROIT MERCY        | 1051358  | 2722921    |  | RECREATION DEPARTMENT              |
| UNIVERSITY OF MICHIGAN             | 8466     | 2500990    | EMERGENCY RESPONSE PLANNING              | WATER DEPARTMENT                   |
| UNIVERSITY PHYSICIAN GROUP         | 1093137  | 2799075    |  | HEALTH DEPARTMENT                  |
| UNIVERSITY WOMEN'S CARE            | 1030044  | 2530120    |  | HEALTH DEPARTMENT                  |
| UNIVERSITY WOMEN'S CARE            | 1030044  | 2595456    |  | HEALTH DEPARTMENT                  |
| UNIVERSITY WOMEN'S CARE            | 1030044  | 2567920    |  | HEALTH DEPARTMENT                  |
| UNIVERSITY WOMEN'S CARE            | 1030044  | 2614558    |  | HEALTH DEPARTMENT                  |
| UNLIMITED SOLUTIONS INC            | 17906    | 2502050    | PROGRAMMING CODING                       | INFORMATION TECHNOLOGY SERVICES    |
| UNLIMITED SOLUTIONS INC            | 17906    | 2554534    | 2001/2001 CONTRACTUAL RESOURCES          | INFORMATION TECHNOLOGY SERVICES    |
| UPTOWN LAND DEVELOPMENT CORP       | 18833    | 2501758    |  | EMPLOYMENT AND TRAINING DEPARTMENT |
| URBAN MANAGEMENT CORP              | 20310    | 2502173    | FLEET MAINTENANCE SERVICES               | DEPARTMENT OF PUBLIC WORKS         |

| <u>Name of Counterparty</u>        | <u>Vendor #</u> | <u>Contract #</u> | <u>Description</u>                    | <u>City Department</u>              |
|------------------------------------|-----------------|-------------------|---------------------------------------|-------------------------------------|
| URBANWERKS LLC                     | 1083053         | 2664787           |                                       | RECREATION DEPARTMENT               |
| URS CORPORATION                    | 1052537         | 2607949           |                                       | ENVIRONMENTAL AFFAIRS DEPARTMENT    |
| URSO PALMER & ROSS PC              | 1048532         | 2574335           |                                       | CITY COUNCIL                        |
| U-SNAP BAC NON-PROFIT CORP         | 20364           | 2506589           | PUBLIC SERVICE AND REHAB              | FINANCE DEPARTMENT                  |
| U-SNAP BAC NON-PROFIT CORP         | 20364           | 2584237           |                                       | PLANNING AND DEVELOPMENT DEPARTMENT |
| U-SNAP BAC NON-PROFIT CORP         | 20364           | 2501597           | SITE IMPROVEMENTS HOUSING             | NO DEPARTMENT INDICATED             |
| V W PROPERTIES                     | 1084250         | 2531882           |                                       | POLICE DEPARTMENT                   |
| V W PROPERTIES                     | 1084250         | 2509482           |                                       | POLICE DEPARTMENT                   |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2505192           | LEGAL SERVICES: DEWOLF, ET AL V CITY  | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2521182           | LYNN/BEAUCHAMP V CITY/RADFORD         | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2505073           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2539172           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2515553           | LEGAL SERVICES: KIMBER V CITY/ADUROJA | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2521167           | LEGAL SERVICES: LONGSTREET V JORDAN   | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2536310           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VAN OVERBEKE & ASSOCIATES          | 20121           | 2511869           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VAN SCOYOC ASSOCIATES INC          | 1070940         | 2617193           |                                       | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2594482           |                                       | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2563075           | BLUE CROSS/BLUE SHIELD RESERVE FUND   | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2544823           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2546318           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2591271           |                                       | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2563068           | TOYIA MOODY/STEPHANIE BENNETT V CITY  | LAW DEPARTMENT                      |
| VANOVERBEKE MICHAUD & TIMMONY P C  | 1026688         | 2632746           |                                       | LAW DEPARTMENT                      |
| VARNUM RIDDERING SCHMIDT           | 17517           | 2502367           | TELECOMMUNICATIONS/FIBER OPTICS       | LAW DEPARTMENT                      |
| VARNUM RIDDERING SCHMIDT           | 17517           | 2514143           | LEGAL SERVICES                        | LAW DEPARTMENT                      |
| VENABLE BAETJER HOWARD LLP         | 20054           | 2503723           | PROFESSIONAL SERVICES                 | CITY COUNCIL                        |
| VIRCHOW KRAUSE & CO LLP            | 1099691         | 2746850           |                                       | FINANCE DEPARTMENT                  |
| VIRGINIA PARK CITIZENS SERVICE     | 16867           | 2719711           |                                       | DEPARTMENT OF TRANSPORTATION        |
| VISION INFORMATION TECHNOLOGIES    | 1011855         | 2542788           | WEB DEVELOPMENT                       | INFORMATION TECHNOLOGY SERVICES     |
| VOICE PRINT INTERNATIONAL INC      | 1045791         | 2816063           | MAINTENANCE FOR VOICE SERVICES        | POLICE DEPARTMENT                   |
| VORHIES ESTATE INC                 | 1005399         | 2517975           |                                       | HUMAN SERVICES DEPARTMENT           |
| VS VISUAL STATEMENT INC            | 1076618         | 2796124           |                                       | POLICE DEPARTMENT                   |
| W D LEE CENTER FOR LIFE MANAGEMENT | 1003687         | 2502211           | MEDICAID SUBSTANCE ABUSE              | NO DEPARTMENT INDICATED             |
| W-3 CONSTRUCTION COMPANY           | 1022302         | 2796096           | LIGHTING IMPROVEMENTS                 | RECREATION DEPARTMENT               |
| WALBRIDGE-ALDINGER CO              | 2782            | 2588907           |                                       | WATER DEPARTMENT                    |
| WALBRIDGE-ALDINGER CO              | 2782            | 2529880           | PRIMARY CLARIFIER NUMBERS 17 AND 18   | SEWERAGE DEPARTMENT                 |
| WALBRIDGE-ALDINGER CO              | 2782            | 2517999           | SECONDARY CLARIFIER IMPROVEMENTS      | SEWERAGE DEPARTMENT                 |

| Name of Counterparty                 | Vendor # | Contract # | Description  | City Department                     |
|--------------------------------------|----------|------------|--|-------------------------------------|
| WALSH CONSTRUCTION                   | 1003706  | 2540999    | CONNER CREEK PILOT CSO CONTROL FACILITY                                      | SEWERAGE DEPARTMENT                 |
| WARM TRAINING CENTER                 | 1099138  | 2798140    |  | HUMAN SERVICES DEPARTMENT           |
| WARM TRAINING CENTER                 | 1099138  | 2761360    |  | HUMAN SERVICES DEPARTMENT           |
| WARM TRAINING PROGRAM INC            | 1001814  | 2637413    |  | HUMAN SERVICES DEPARTMENT           |
| WARM TRAINING PROGRAM INC            | 1001814  | 2592885    |  | FINANCE DEPARTMENT                  |
| WARM TRAINING PROGRAM INC            | 1001814  | 2746897    |  | HUMAN SERVICES DEPARTMENT           |
| WARM TRAINING PROGRAM INC            | 1001814  | 2808870    |  | HUMAN SERVICES DEPARTMENT           |
| WARM TRAINING PROGRAM INC            | 1001814  | 2706004    |  | HUMAN SERVICES DEPARTMENT           |
| WARREN CONNER DEVELOPMENT COALITIONS | 1015379  | 2515838    | WARREN CONNER SA FYE 9/99  | HEALTH DEPARTMENT                   |
| WARREN CONNER DEVELOPMENT COALITIONS | 1015379  | 2736044    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| WAYNE COUNTY                         | 18789    | 2560623    | WF/WTW JOB SEARCH AND JOB PLACEMENT  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| WAYNE COUNTY                         | 18789    | 2574696    |  | POLICE DEPARTMENT                   |
| WAYNE COUNTY                         | 18789    | 2772891    |  | POLICE DEPARTMENT                   |
| WAYNE COUNTY                         | -        | -          | PURCHASE AGREEMENT, DATED JULY 28, 1976 BETWEEN THE CITY AND COUNTY OF WAYNE | NO DEPARTMENT INDICATED             |
| WAYNE COUNTY COMMUNITY COLLEGE       | 1008933  | 2782908    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| WAYNE COUNTY COMMUNITY COLLEGE       | 1008933  | 2782906    |  | WORKFORCE DEVELOPMENT DEPARTMENT    |
| WAYNE STATE UNIVERSITY               | 1015979  | 2539793    |  | HEALTH DEPARTMENT                   |
| WAYNE STATE UNIVERSITY               | 1015979  | 2539816    | PREVENTATIVE SERVICES  | HEALTH DEPARTMENT                   |
| WAYNE STATE UNIVERSITY               | 1015979  | 2539788    | TARGET CITIES  | HEALTH DEPARTMENT                   |
| WAYNE STATE UNIVERSITY               | 1015979  | 2539821    | PREVENTATIVE SERVICES  | HEALTH DEPARTMENT                   |
| WAYNE STATE UNIVERSITY               | 1015979  | 2516330    | WSU - UNIVERSITY CONSORTIUM  | HUMAN RESOURCES DEPARTMENT          |
| WAYNE STATE UNIVERSITY               | 1015979  | 2539807    | PREVENTATIVE SERVICES  | HEALTH DEPARTMENT                   |
| WAYNE STATE UNIVERSITY               | 3116     | 2560543    | CITY/UNIVERSITY CONSORTIUM   | HUMAN RESOURCES DEPARTMENT          |
| WAYNE STATE UNIVERSITY               | 3116     | 2532723    | WIA TITLE I OFFICE AUTOMATION TRAINING                                       | EMPLOYMENT AND TRAINING DEPARTMENT  |
| WAYNE STATE UNIVERSITY               | 3116     | 2501980    | TITLE III OFFICE AUTOMATION TRAINING   | EMPLOYMENT AND TRAINING DEPARTMENT  |
| WAYNE STATE UNIVERSITY               | 3116     | 2571280    |  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| WAYNE STATE UNIVERSITY               | 3116     | 2552859    | OFFICE AUTOMATION & WORD PROCESSING  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| WAYNE STATE UNIVERSITY               | 3116     | 2519218    | WORD PROCESS TRAINING  | EMPLOYMENT AND TRAINING DEPARTMENT  |
| WAYNE STATE UNIVERSITY               | 3116     | 2611249    |  | POLICE DEPARTMENT                   |
| WAYNE STATE UNIVERSITY               | 3116     | 2501174    |  | NO DEPARTMENT INDICATED             |
| WAYNE STATE UNIVERSITY               | 3116     | 2765357    |  | CITY COUNCIL                        |
| WAYNE STATE UNIVERSITY               | 3116     | 2797492    |  | HEALTH DEPARTMENT                   |
| WAYNE STATE UNIVERSITY COLLEGE       | 19759    | 2502190    |  | PLANNING AND DEVELOPMENT DEPARTMENT |
| WAYNE STATE UNIVERSITY COLLEGE       | 19759    | 2500873    | EZ PROGRAM OPERATIONS  | NO DEPARTMENT INDICATED             |



| Name of Counterparty                  | Vendor # | Contract # | Description                          | City Department                                 |
|---------------------------------------|----------|------------|--------------------------------------|---|
| WOMENS JUSTICE CENTER/MY SISTER PLACE | 1031434  | 2535491    | DOMESTIC VIOLENCE SERVICES           | POLICE DEPARTMENT                               |
| WORKBRAIN INC                         | 1087022  | 2688977    |                                      | NON-DEPARTMENTAL                                |
| WTF COMPANY LLC                       | 1009825  | 2509611    |                                      | POLICE DEPARTMENT                               |
| XEROX CORPORATION                     | 20143    | 2527583    | PHOTOCOPIER MAINTENANCE              | COMMUNICATIONS AND CREATIVE SERVICES DEPARTMENT |
| YMCA OF METRO DETROIT                 | 17203    | 2502285    | PUBLIC FACILITY REHABILITATION       | NO DEPARTMENT INDICATED                         |
| YMCA OF METROPOLITAN DETROIT          | 1071155  | 2801079    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT                |
| YOUNG DETROIT BUILDERS                | 1008086  | 2516595    |                                      | EMPLOYMENT AND TRAINING DEPARTMENT              |
| YOUNG DETROIT BUILDERS                | 1008086  | 2797765    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT                |
| YOUNG DETROIT BUILDERS                | 1008086  | 2775343    |                                      | HUMAN SERVICES DEPARTMENT                       |
| YOUNG DETROIT BUILDERS                | 1008086  | 2743797    |                                      | HUMAN SERVICES DEPARTMENT                       |
| YOUNG DETROIT BUILDERS                | 1008086  | 2803602    |                                      | HUMAN SERVICES DEPARTMENT                       |
| YOUTH CONNECTION                      | 1054883  | 2801091    |                                      | WORKFORCE DEVELOPMENT DEPARTMENT                |
| YOUTH LINKS USA                       | 1044013  | 2552463    | OPERATION FAST BREAK                 | EMPLOYMENT AND TRAINING DEPARTMENT              |
| YWCA INTERIM HOUSE                    | 2143     | 2535474    | SERVICES WITH DOMESTIC VIOLENCE UNIT | POLICE DEPARTMENT                               |
| YWCA INTERIM HOUSE                    | 2143     | 2508609    | ESG CONTRACT FICS # 078503           | FINANCE DEPARTMENT                              |
| ZETA STORK'S NEST FOUNDATION          | 13210    | 2508767    | NOF PUBLIC SERVICE CONTRACT          | FINANCE DEPARTMENT                              |

All collective bargaining agreements that had expired prior to confirmation to the extent that they purported to, or would be determined by applicable law to, provide continuing contractual benefits to employees or former employees of the City

EXHIBIT III.D.2

RETAINED CAUSES OF ACTION

## EXHIBIT III.D.2

Reference is made to Section III.D.2 of the Plan. Capitalized terms used but not defined herein shall have the meanings given to them in Section I.A of the Plan.

Without limiting any relevant provision of the Plan (including Section III.D.2 thereof), the City expressly reserves and retains, and may enforce, any and all of its rights with respect to: (i) Causes of Action related to the City's Municipal Parking Department, (ii) Causes of Action related to the City's Finance Department, (iii) Causes of Action related to the City's Airport Department, (iv) Causes of Action related to the City's Public Lighting Department, (v) Causes of Action related to the City's Planning and Development Department, (vi) Causes of Action related to the City's Building Safety, Engineering and Environmental Department, (vii) Causes of Action related to the City's Water and Sewerage Department, (viii) Causes of Action related to the City's Department of Public Works, (ix) Causes of Action related to the City's Police Department, (x) Causes of Action related to the City's Fire Department, (xi) Causes of Action related to the City's Assessment Division, (xii) Causes of Action related to the City's Law Department, (xiii) Causes of Action related to any other City department, (xiv) Causes of Action against all litigation parties listed on Schedule H of the Second Amended List of Creditors and Claims [Docket No. 1059] and (xv) the Causes of Action in the following proceedings:

1. City of Detroit v. MTZ Incorporated, No. 05-121906, Mich. 36<sup>th</sup> Dist. Ct.;
2. City of Detroit v. Big Daddy's Soul Food, No. 04-109681, Mich. 36<sup>th</sup> Dist. Ct.;
3. City of Detroit v. Louie's Foods, Inc., No. 05-115153, Mich. 36<sup>th</sup> Dist. Ct.;
4. City of Detroit v. Robinson Group Home and Rodney Robinson, No. 07-125747, Mich. 36<sup>th</sup> Dist. Ct.;
5. City of Detroit v. Arthur R. Jett and Mildred S. Jett, No. 97-713173, Mich. 36<sup>th</sup> Dist. Ct.;
6. City of Detroit v. Celia Y. Collins, No. 02-107182, Mich. 36<sup>th</sup> Dist. Ct.;
7. City of Detroit v. Anthony Gillam & Kimberly Gillam, No. 01-113119, Mich. 36<sup>th</sup> Dist. Ct.;
8. City of Detroit v. Caesar Austin and Evelyn Austin, No. 02-119500, Mich. 36<sup>th</sup> Dist. Ct.;
9. City of Detroit v. Means Construction, Inc., Eric J. Means and Ted Smith, No. 03-105353, Mich. 36<sup>th</sup> Dist. Ct.;
10. City of Detroit v. Eick B. Jeter and Crystal B. Jeter, No. 03-146312, Mich. 36<sup>th</sup> Dist. Ct.;
11. City of Detroit v. Albert Green and Loretta Green, No. 06-102852, Mich. 36<sup>th</sup> Dist. Ct.;
12. City of Detroit v. Marlon Currie, No. 04-110183-GC, Mich. 36<sup>th</sup> Dist. Ct.;
13. City of Detroit v. Tamara Smith and James Smith, No. 04-114151, Mich. 36<sup>th</sup> Dist. Ct.;
14. City of Detroit v. Juan Rosado and Lori Rosado, No. 04-420691, Mich. 36<sup>th</sup> Dist. Ct.;
15. City of Detroit v. Victor Barnes and Gwendolyn Barnes, No. 04-130939, Mich. 36<sup>th</sup> Dist. Ct.;
16. City of Detroit v. Charles Selmon, No.04-132032-GC, Mich. 36<sup>th</sup> Dist. Ct.;



43. City of Detroit v. Carter Stevenson and Barbara Stevenson, No. 10-106505, Mich. 36<sup>th</sup> Dist. Ct.;
44. City of Detroit v. Jacqueline Murry, Mich. 36<sup>th</sup> Dist. Ct.;
45. City of Detroit v. James Gulley and Phyllis Gulley, Mich. 36<sup>th</sup> Dist. Ct.;
46. City of Detroit v. John Reed, No.10-124047, Mich. 36<sup>th</sup> Dist. Ct.;
47. City of Detroit v. Coleman Reed and Laurine Reed, No. 11-118847-GC, Mich. 36<sup>th</sup> Dist. Ct.;
48. City of Detroit v. Ernest Gardner, No. 11-117750, Mich. 36<sup>th</sup> Dist. Ct.;
49. City of Detroit v. Ronald Carrington and Delores Carrington, No. 12-109805, Mich. 36<sup>th</sup> Dist. Ct.;
50. City of Detroit v. Lawrence Harris, Mich. 36<sup>th</sup> Dist. Ct.;
51. City of Detroit v. Raymond McMurrian, No. 12-117043, Mich. 36<sup>th</sup> Dist. Ct.;
52. City of Detroit v. Luis Arroyo and Braka Higgins a.k.a. Arroyo, Mich. 36<sup>th</sup> Dist. Ct.;
53. City of Detroit v. Adrian Austin, Mich. 36<sup>th</sup> Dist. Ct.;
54. City of Detroit v. Joel Ruffin and Willma Orange-Ruffin, Mich. 36<sup>th</sup> Dist. Ct.;
55. City of Detroit v. Paulette Cochran, Mich. 36<sup>th</sup> Dist. Ct.;
56. City of Detroit v. April Kincaid, No. 12-113636, Mich. 36<sup>th</sup> Dist. Ct.;
57. City of Detroit v. James & Adino, No. 14-10436, Mich. 36<sup>th</sup> Dist. Ct.;
58. City of Detroit v. Dennis Denmark & Elana Denmark, No. 13-102803, Mich. 36<sup>th</sup> Dist. Ct.;
59. City of Detroit v. Clarinda Barnett-Harrison, Mich. 36<sup>th</sup> Dist. Ct.;
60. City of Detroit v. Jason Jordan, Mich. 36<sup>th</sup> Dist. Ct.;
61. City of Detroit v. Mondry Hardware & Mondrey, Louis, Mich. 36<sup>th</sup> Dist. Ct.;
62. City of Detroit v. Roland, Lisa, Mich. 36<sup>th</sup> Dist. Ct.;
63. City of Detroit v. Lazana, Deandre & Natalie, No. 12-123542-GC, Mich. 36<sup>th</sup> Dist. Ct.;
64. City of Detroit v. William Landrum and Caroline Landrum, No. 13-119468, Mich. 36<sup>th</sup> Dist. Ct.;
65. City of Detroit v. James Bates and Pricilla Bates, No. 13-102805, Mich. 36<sup>th</sup> Dist. Ct.;
66. City of Detroit v. Coutia Ramsey, No. 13-102804, Mich. 36<sup>th</sup> Dist. Ct.;
67. City of Detroit v. Ann Fletcher, No. 13-108163, Mich. 36<sup>th</sup> Dist. Ct.;
68. City of Detroit v. Jackie Hunter and Mary Hunter, Mich. 36<sup>th</sup> Dist. Ct.;
69. City of Detroit v. Monica Gordon, Mich. 36<sup>th</sup> Dist. Ct.;
70. City of Detroit v. Patricia Brown, No. 13-119470, Mich. 36<sup>th</sup> Dist. Ct.;

71. City of Detroit v. Ronald Coleman & Alice Coleman, No. 13-117682 GC, Mich. 36<sup>th</sup> Dist. Ct.;
72. City of Detroit v. Rennilda Graham, No. 13-119472, Mich. 36<sup>th</sup> Dist. Ct.;
73. City of Detroit v. Kamin Davis & Tana Davis, Mich. 36<sup>th</sup> Dist. Ct.;
74. City of Detroit v. Elaine Ivery, Mich. 36<sup>th</sup> Dist. Ct.;
75. City of Detroit v. Eric Smith, No. 13-122869, Mich. 36<sup>th</sup> Dist. Ct.;
76. City of Detroit v. Mary Waters, Mich. 36<sup>th</sup> Dist. Ct.;
77. City of Detroit v. Todd Philson, Mich. 36<sup>th</sup> Dist. Ct.;
78. City of Detroit v. Kenneth Holms, Sr., Mich. 36<sup>th</sup> Dist. Ct.;
79. City of Detroit v. Jack Kene Obi, No. 05-104554-GC, Mich. 36<sup>th</sup> Dist. Ct.;
80. City of Detroit v. Brandy Marie Duke aka Brandy Niang, No. 08-124279, Mich. 36<sup>th</sup> Dist. Ct.;
81. City of Detroit v. Cevonia Cherise McClure, No. 07-110343, Mich. 36<sup>th</sup> Dist. Ct.;
82. City of Detroit v. Henry Ricardo Smith, No. 07-2093, Mich. 36<sup>th</sup> Dist. Ct.;
83. City of Detroit v. Abdul Raheem Rashed, No. 07-1556323, Mich. 36<sup>th</sup> Dist. Ct.;
84. City of Detroit v. Milton Lee Newman, No. 07-121142, Mich. 36<sup>th</sup> Dist. Ct.;
85. City of Detroit v. Andre Williams, Mich. 36<sup>th</sup> Dist. Ct.;
86. City of Detroit v. Helen Roberts, Mich. 36<sup>th</sup> Dist. Ct.;
87. City of Detroit v. Terry Darnell Jackson , No. 06-119826-GC, Mich. 36<sup>th</sup> Dist. Ct.;
88. City of Detroit v. Bushierra McDonald, No. 07-132889, Mich. 36<sup>th</sup> Dist. Ct.;
89. City of Detroit v. Denna Belton, No. 06-160876, Mich. 36<sup>th</sup> Dist. Ct.;
90. City of Detroit v. Georgianna Colston , No. 07-132886, Mich. 36<sup>th</sup> Dist. Ct.;
91. City of Detroit v. Terrance Omar Ford, No. 07-144864, Mich. 36<sup>th</sup> Dist. Ct.;
92. City of Detroit v. Jessie Al McQuarter, No. 07-127234, Mich. 36<sup>th</sup> Dist. Ct.;
93. City of Detroit v. Kevin Labrell Howell, No. 07-127238, Mich. 36<sup>th</sup> Dist. Ct.;
94. City of Detroit v. Deconte Jerdo, Mich. 36<sup>th</sup> Dist. Ct.;
95. City of Detroit v. Sheila Marie-Maxwell Coleman, Mich. 36<sup>th</sup> Dist. Ct.;
96. City of Detroit v. Jessie Crutcher and Adrienne Smith, No. 08-133795, Mich. 36<sup>th</sup> Dist. Ct.;
97. City of Detroit v. Joachba D. Hammound-Grace, Mich. 36<sup>th</sup> Dist. Ct.;
98. City of Detroit v. Lamont Street, Mich. 36<sup>th</sup> Dist. Ct.;
99. City of Detroit v. William F. & Constance Harris, No. 08-124278, Mich. 36<sup>th</sup> Dist. Ct.;
100. City of Detroit v. Shealtiel N. Moore, Mich. 36<sup>th</sup> Dist. Ct.;



132. City of Detroit v. Ambassador Nursing Home, Inc. aka Pembroke Nursing Center, No. 02-238630, Mich. Third Judicial Cir.;
133. City of Detroit v. Tyrone and Janice Winfrey, Mich. 36<sup>th</sup> Dist. Ct.;
134. City of Detroit v. Mark Kulbaba, Inc. dba Servicemaster & Mark Kulbaba, No. 03-302931, Mich. Third Judicial Cir.;
135. City of Detroit v. Nardin Park Recovery Center, Mich. Third Judicial Cir.;
136. City of Detroit v. Page Litho, Inc., No. 11-006743-CZ, Mich. Third Judicial Cir.;
137. City of Detroit v. The Printing Professionals, No. 11-006745-CZ, Mich. Third Judicial Cir.;
138. City of Detroit v. Waterman & Sons Printing Company, Inc., No. 11-007078-CZ, Mich. Third Judicial Cir.;
139. City of Detroit v. Opus One, Mich. Third Judicial Cir.;
140. City of Detroit v. Kyler Reamules, Mich. Third Judicial Cir.;
141. City of Detroit v. B & J Enameling Inc. & Holtshouser, Erin & Kownacki, Sandra, Mich. Third Judicial Cir.;
142. City of Detroit v. Jacquettier Coleman, No. 13-116327, Mich. 36<sup>th</sup> Dist. Ct.;
143. City of Detroit v. Nardin Park Drug Abuse Center et al., No. 13-011688-CZ, Mich. Third Judicial Cir.;
144. City of Detroit v. Sheila A. Kimbrough, No. 07-155641, Mich. 36<sup>th</sup> Dist. Ct.;
145. City of Detroit v. Counselo Maurico, No. 07-155674, Mich. 36<sup>th</sup> Dist. Ct.;
146. City of Detroit v. Christina Morris, No. 07-155726, Mich. 36<sup>th</sup> Dist. Ct.;
147. DuJon Johnson v. City of Detroit; No. 12-202678, Mich. 36<sup>th</sup> Dist. Ct.;
148. Bella Marshall, aka Bella Marshall Barden, No. 2012-777-270-DE (Probate);
149. William S. Jordan, No. 03-41137, Bankr. E.D. Mich.;
150. Catherine Gaskin, No. 03-67569, Bankr. E.D. Mich.;
151. Catherine Gaskin, No. 03-41232, Bankr. E.D. Mich.;
152. Dwayne Akra, No. 03-69349, Bankr. E.D. Mich.;
153. Dwayne Akra, No. 00-47216, Bankr. E.D. Mich.;
154. Diana Daniel, No. 05-56536, Bankr. E.D. Mich.;
155. Jerry Lee Miller, No. 09-62314, Bankr. E.D. Mich.;
156. Lyall T Hoggatt and Gwendolyn Hoggatt, No. 09-76296, Bankr. E.D. Mich.;
157. Terri L. Sykes, No. 11-72188, Bankr. E.D. Mich.;
158. Shanta Corporation, No. 12-43956, Bankr. E.D. Mich.;
159. Sareta Jean Cheathem, No. 12-59435, Bankr. E.D. Mich.;



190. City of Detroit v. Wilcox, Martha, No. 12-014867-CC (Condemnation);
191. City of Detroit v. CE Detroit, LLC, No. 12-014803-CC (Condemnation);
192. City of Detroit v. Lucido, Steven J., et al., No. 13-05828-CC (Condemnation);
193. City of Detroit v. Detroit Leasing, Inc., No. 13-005829-CC (Condemnation);
194. City of Detroit v. Newell, Nema N., No. 13-005830-CC (Condemnation);
195. City of Detroit v. Jones, James N., No. 13-005831-CC (Condemnation);
196. City of Detroit v. Jones, James N., No. 13-005832-CC (Condemnation);
197. Manos, Dino v. City of Detroit and Abram, Frank H. , No. 12-011400, Mich. 36<sup>th</sup> Dist. Ct.;
198. City of Detroit v. Priscilla White, No. 06-120153-GC, Mich. 36<sup>th</sup> Dist. Ct.;
199. City of Detroit v. Tommie L. Douglas, Jr., No. 13-116328, Mich. 36<sup>th</sup> Dist. Ct.;
200. City of Detroit v. Natoshia Lane Lucas, No. GC-08H559, Mich. 36<sup>th</sup> Dist. Ct.;
201. City of Detroit v. James Strickland, No. 12-103387-GC, Mich. 36<sup>th</sup> Dist. Ct.;
202. City of Detroit v. Giant Janitorial Services Inc & Peter J. Huthwaite, No. 02-147508, Mich. 36<sup>th</sup> Dist. Ct.;
203. City of Detroit v. Deborah Davenport Bankruptcy, No. 03-65075, Bankr. E.D. Mich.;
204. City of Detroit v. Renaissance West Comental Helath Services et al., No. 04-405900-CZ, Mich. Third Judicial Cir.;
205. City of Detroit v. Ernest Karr, No. 13-009376, Mich. 36<sup>th</sup> Dist. Ct.;
206. City of Detroit v. Clarence & Marilyn Bell, Mich. 36<sup>th</sup> Dist. Ct.;
207. City of Detroit v. John W. & Martha Higgins, Mich. 36<sup>th</sup> Dist. Ct.;
208. City of Detroit v. Beverly Jeanette, Mich. 36<sup>th</sup> Dist. Ct.;
209. City of Detroit v. Gwendolyn Broadnax, Mich. 36<sup>th</sup> Dist. Ct.;
210. City of Detroit v. Emily Talbert-Holt, No. 09-003020-CZ, Mich. Third Judicial Cir.;
211. City of Detroit v. Linda Terry, No. 09-17213-GC, Mich. 36<sup>th</sup> Dist. Ct.;
212. City of Detroit v. Dwayne B. Toles, No. 07-157206-GC, Mich. 36<sup>th</sup> Dist. Ct.;
213. City of Detroit v. Victor C. Travier, No. 08-126677-GC, Mich. 36<sup>th</sup> Dist. Ct.;
214. City of Detroit v. Victoria L. Cliett, No. 13-118142, Mich. 36<sup>th</sup> Dist. Ct.;
215. City of Detroit v. Bessie Harris, No. 08-126678-GC, Mich. 36<sup>th</sup> Dist. Ct.;
216. City of Detroit v. Donald R. & Latania C. McClendon, No. 08-145303-GC, Mich. 36<sup>th</sup> Dist. Ct.;
217. City of Detroit v. Jeanette Beverly, No. 09-108564-GC, Mich. 36<sup>th</sup> Dist. Ct.;
218. City of Detroit v. Linda Terry, No. 09-17213-GC, Mich. 36<sup>th</sup> Dist. Ct.;
219. City of Detroit v. Sharon Brown, No. 09-114024-GC, Mich. 36<sup>th</sup> Dist. Ct.;

220. City of Detroit v. Emily Talbert-Holt, No. 09-003020-CZ, Mich. 36th Dist. Ct.;
221. City of Detroit v. Deborah Hicks, No. 13-012387, Mich. 36<sup>th</sup> Dist. Ct.;
222. City of Detroit v. Flozelle Crosby, No. 09-112041-GC, Mich. 36th Dist. Ct.;
223. City of Detroit v. Vanessa A. Hall, No. 09-112039-GC, Mich. 36th Dist. Ct.;
224. City of Detroit v. Milton s. & Brenda K. Campbell, No. 09-114017-GC, Mich. 36th Dist. Ct.;
225. City of Detroit v. Jerel Johnson & Deshawn L. Morrison, No. 09-131660-GC, Mich. 36th Dist. Ct.;
226. City of Detroit v. Will Ivey, No. 13-118143, Mich. 36<sup>th</sup> Dist. Ct.;
227. City of Detroit v. Melvin Eades and Rachel Eades, No. 09-135760, Mich. 36th Dist. Ct.;
228. City of Detroit v. James Woodget, No. 10-104902-GC, Mich. 36th Dist. Ct.;
229. City of Detroit v. Pamela Franklin and Marvin Franklin, No. 10B2476, Mich. 36th Dist. Ct.;
230. City of Detroit v. Yvette Pugh, No. 11-107209-GC, Mich. 36th Dist. Ct.;
231. City of Detroit v. Everette Driver & Sheila Driver, No. 11-107031-GC, Mich. 36th Dist. Ct.;
232. City of Detroit v. Paul Swanson, No. 1102022H-GC, Mich. 41B Dist. Ct.;
233. City of Detroit v. Gillian John, No. 13-118144, Mich. 36<sup>th</sup> Dist. Ct.;
234. City of Detroit v. Luther Gray III, No. 07-122557-GC, Mich. 36th Dist. Ct.;
235. City of Detroit v. Tony Davis Garnishment, No. 08-114619-CD, Mich. 36th Dist. Ct.;
236. City of Detroit v. Bennie Hayden, No. 13-C3512-GC, Mich. 36th Dist. Ct.;
237. City of Detroit v. Raymond McMurrian, No. 12-117043-GC, Mich. 36th Dist. Ct.;
238. City of Detroit v. Timothy Ebendick and Colleen Ebendick, No. 13-117680-gc, Mich. 36th Dist. Ct.;
239. City of Detroit v. Sea-Breeze Traing Corp dba City Laundry Pers Prop, Mich. Third Judicial Cir.;
240. City of Detroit v. Jean James, No. 13-117268-GC, Mich. 36th Dist. Ct.;
241. City of Detroit v. Chezcore Inc. & Cieskowksi, David, Mich. Third Judicial Cir.;
242. City of Detroit v. Monica Chavers, No. 13-118145, Mich. 36<sup>th</sup> Dist. Ct.;
243. City of Detroit v. Slack, Jonathon, No. 13-117270-GC, Mich. 36th Dist. Ct.;
244. City of Detroit v. Kevin Doss, No. 13-117269-GC, Mich. 36th Dist. Ct.;
245. City of Detroit v. Mack Orangelo, No. 13-39949-GC, Mich. 36th Dist. Ct.;
246. Markos Patty Store v. City of Detroit, No. 13-000003-CZ, Mich. Third Judicial Cir.;
247. City of Detroit v. Gloria Ballard, Mich. 36th Dist. Ct.;

248. City of Detroit v. Daryl Johnson & Nadeine Johnson, Mich. 36th Dist. Ct.;
249. City of Detroit v. Rebecca Shelton, Mich. 36th Dist. Ct.;
250. City of Detroit v. Cynthia Snith & Kwame Smith, No. 13-117678-GC, Mich. 36th Dist. Ct.;
251. City of Detroit v. Zeola Carey, No. 09-107281, Mich. 36<sup>th</sup> Dist. Ct.;
252. City of Detroit v. Kenneth Tinsley & Cheryl Tinsley, Mich. 36th Dist. Ct.;
253. City of Detroit v. Louis Parker, Mich. 36th Dist. Ct.;
254. City of Detroit v. Matthew Underwood & Vantress Underwood, No. 13-117679-GC, Mich. 36th Dist. Ct.;
255. City of Detroit v. James D. & Marva E. Washington, No. 03-145330-GC, Mich. 36th Dist. Ct.;
256. City of Detroit v. Belda P. Garza, No. 07-122553-GC, Mich. 36th Dist. Ct.;
257. City of Detroit v. Fred Hill, No. 14-101263-GC, Mich. 36th Dist. Ct.;
258. City of Detroit v. Kathrine Luckett, No. 13-122872-GC, Mich. 36th Dist. Ct.;
259. City of Detroit v. Mary Majek, No. 14-101262-GC, Mich. 36th Dist. Ct.;
260. City of Detroit v. Kyler Reamules, No. 13-122874-GC, Mich. 36th Dist. Ct.;
261. City of Detroit v. Mary Waters, No. 13-121800, Mich. 36<sup>th</sup> Dist. Ct.;
262. City of Detroit v. Meal Tech Products, Inc. & Letitia Gordon, No. 14--000586-CZ, Mich. Third Judicial Cir.;
263. City of Detroit v. Davis McGill & Juwana D. McGill, No. 13-20224-GC, Mich. 36th Dist. Ct.;
264. City of Detroit v. Majestic Theater center Inc., No. 11-007260-CZ, Mich. Third Judicial Cir.;
265. City of Detroit v. Shelbourne Group In. Y Leipsitz-Makino, Kathy, No. 14-102379-GC, Mich. 36th Dist. Ct.;
266. City of Detroit v. Ali Beidoun, No. 13-121801, Mich. 36<sup>th</sup> Dist. Ct.;
267. City of Detroit v. Marcel Maurice Moore, No. 07-04395T-GC, Mich. 41B Dist. Ct.;
268. City of Detroit v. Shashu Makeda Harris, No. 06-101803-GC, Mich. 36th Dist. Ct.;
269. City of Detroit v. Lesley Girard Gates, No. 06-120154-GC, Mich. 36th Dist. Ct.;
270. City of Detroit v. Shawn Myatt, Mich. 36th Dist. Ct.;
271. City of Detroit v. Angela Nicole Shelly, No. 07-122578-GC, Mich. 36th Dist. Ct.;
272. City of Detroit v. Ann Francine Smith, No. 07-117414-GC, Mich. 36th Dist. Ct.;
273. City of Detroit v. Saun Roland Scott, No. 07-122576-GC, Mich. 36th Dist. Ct.;
274. City of Detroit v. Faynese deeneil Robinson-Law, No. 06-101802-GC, Mich. 36th Dist. Ct.;

275. City of Detroit v. Celia Harris, No. 13-121803, Mich. 36<sup>th</sup> Dist. Ct.;
276. City of Detroit v. Delois Kirkman, No. 07-134556-GC, Mich. 36<sup>th</sup> Dist. Ct.;
277. City of Detroit v. Michael Anthony Hines, No. 06-120152-GC, Mich. 36<sup>th</sup> Dist. Ct.;
278. City of Detroit v. Derrick James McDowell, No. 07-58101-GC, Mich. 36<sup>th</sup> Dist. Ct.;
279. City of Detroit v. Tamaara Morris, No. 06-101804-GC, Mich. 36<sup>th</sup> Dist. Ct.;
280. City of Detroit v. Rhonda Joann White, No. 07-134557-GC, Mich. 36<sup>th</sup> Dist. Ct.;
281. City of Detroit v. Danetta L. Simpson, No. 12-121739-GC, Mich. 36<sup>th</sup> Dist. Ct.;
282. City of Detroit v. Kildare Clarke, No. 08-00468-GC, Mich. 36<sup>th</sup> Dist. Ct.;
283. City of Detroit v. Aretha Lula Crawford, No. 07-145090-GC, Mich. 36<sup>th</sup> Dist. Ct.;
284. City of Detroit v. Euel Kinsey, No. 14-304163, Mich. 36<sup>th</sup> Dist. Ct.;
285. City of Detroit v. Natasha Nakie-Nacole Coats, No. 08-C0945-GC, Mich. 36<sup>th</sup> Dist. Ct.;
286. City of Detroit v. Rebecca Marie Dunn, No. 07155738-GC, Mich. 36<sup>th</sup> Dist. Ct.;
287. City of Detroit v. Eve Reedy Doster, No. 08-106725-GC, Mich. 36<sup>th</sup> Dist. Ct.;
288. City of Detroit v. Barnstormer Pilot Club, LLC, No. 14-002984, Mich. 36<sup>th</sup> Dist. Ct.;
289. City of Detroit v. Virginia Francnessa Flamer, No. 07-145091-GC, Mich. 36<sup>th</sup> Dist. Ct.;
290. City of Detroit v. Gregory Lynn Delaney, No. 07-145091-GC, Mich. 36<sup>th</sup> Dist. Ct.;
291. City of Detroit v. Tyrone Jemall Peals, No. 07-117411-GC, Mich. 36<sup>th</sup> Dist. Ct.;
292. City of Detroit v. Paul Douglas Bosman, No. 07-1805-GC, Mich. 22<sup>nd</sup> Dist. Ct.;
293. City of Detroit v. Ann Francien Smith, Mich. 36<sup>th</sup> Dist. Ct.;
294. City of Detroit v. Khatoon Dawood, No. 08-C01778-GC-01, 52<sup>nd</sup> Dist. Ct.;
295. City of Detroit v. Jaroslaw Sziejter, No. 09-114019, Mich. 36<sup>th</sup> Dist. Ct.;
296. City of Detroit v. Kimberly James, Mich. 36<sup>th</sup> Dist. Ct.;
297. City of Detroit v. Rachel Erika Thomas-Sharpe, Mich. 36<sup>th</sup> Dist. Ct.;
298. City of Detroit v. Tawanda Latreese Wilder, No. 09-114021-GC, Mich. 36<sup>th</sup> Dist. Ct.;
299. City of Detroit v. Elgin R. Taylor, No. 09-114022-GC, Mich. 36<sup>th</sup> Dist. Ct.;
300. City of Detroit v. Lasonia Smith, Mich. 36<sup>th</sup> Dist. Ct.;
301. City of Detroit v. Lamont Street, Mich. 36<sup>th</sup> Dist. Ct.;
302. City of Detroit v. Shealtiel N. Moore, Mich. 36<sup>th</sup> Dist. Ct.;
303. City of Detroit v. Jaroslaw Sziejter, No. 09-114019, Mich. 36<sup>th</sup> Dist. Ct.;
304. City of Detroit v. Christine Myers, Gavin Harrison, Karen Kialka, No. 09-114016-GC, Mich. 36<sup>th</sup> Dist. Ct.;
305. City of Detroit v. Verizon, Mich. 36<sup>th</sup> Dist. Ct.;
306. City of Detroit v. Marcus Ricardo Gary, No. 09-114018-GC, Mich. 36<sup>th</sup> Dist. Ct.;

307. City of Detroit v. Christine Myers, Gavin Harrison, Karen Kialka, No. 09-114016-GC, Mich. 36th Dist. Ct.;
308. City of Detroit v. Derek Culver, No. 13-121802, Mich. 36<sup>th</sup> Dist. Ct.;
309. City of Detroit v. Rita Lynette Powell-Pyles, No. 09-131657-GC, Mich. 36th Dist. Ct.;
310. City of Detroit v. Kari Burge, No. 10-106504-GC, Mich. 36th Dist. Ct.;
311. City of Detroit v. Jerea Deana Jackson, No. 08-106730-GC, Mich. 36th Dist. Ct.;
312. City of Detroit v. Angelo Iafrate, Mich. 36<sup>th</sup> Dist. Ct.;
313. City of Detroit v. Jamal Anthony Gaddie, No. 07-141061-GC, Mich. 36th Dist. Ct.;
314. City of Detroit v. Sophia Hawkins, No. 07-141894-GC, Mich. 36th Dist. Ct.;
315. City of Detroit v. Terrance Thomas, No. 10-108337-GC, Mich. 36th Dist. Ct.;
316. City of Detroit v. Terrance Thomas, No. 10-108337-GC, Mich. 36th Dist. Ct.;
317. City of Detroit v. Maia Williams, Mich. 36th Dist. Ct.;
318. City of Detroit v. Frances Blue, No. 10-118297-GC, Mich. 36th Dist. Ct.;
319. City of Detroit v. Jerel D. Matthaw, No. 10-122303, Mich. 36th Dist. Ct.;
320. City of Detroit v. Ashli R. Thomas, No. 10-122302-GC, Mich. 36th Dist. Ct.;
321. City of Detroit v. George Webb, No. 10-121743-GC, Mich. 36th Dist. Ct.;
322. City of Detroit v. Elsie L. Green & Sadie Reynolds, No. 10-124040-GC, Mich. 36th Dist. Ct.;
323. City of Detroit v. Wayne County 7 Raymond J. Wojtowicz, No. 13-000036-MZ-C30, Mich. 36<sup>th</sup> Dist. Ct.;
324. City of Detroit v. Kenneth L. Hurt, No. 11-105194-GC, Mich. 36th Dist. Ct.;
325. City of Detroit v. Tiyunna George, Mich. 36th Dist. Ct.;
326. City of Detroit v. Dejuan L. Washington, No. 11-105192-GC, Mich. 36th Dist. Ct.;
327. City of Detroit v. Marc Williams, No. 12-103384-GC, Mich. 36th Dist. Ct.;
328. City of Detroit v. Charles Williams, Mich. 36th Dist. Ct.;
329. City of Detroit v. Jennifer Bramer, No. 12-103386-GC, Mich. 36th Dist. Ct.;
330. City of Detroit v. Ronald Taylor, No. 04-117439-GC, Mich. 36th Dist. Ct.;
331. City of Detroit v. Empire Leasing, No. 14-15917-GC, Mich. 36th Dist. Ct.;
332. City of Detroit v. Wise Finley, No. 14-105916-GC, Mich. 36th Dist. Ct.;
333. City of Detroit v. John Louis Herring, Mich. 36th Dist. Ct.;
334. City of Detroit v. Damon Key, No. 14-15921-GC, Mich. 36th Dist. Ct.;
335. City of Detroit v. Claudio Lopez, Mich. 36th Dist. Ct.;
336. City of Detroit v. Michael Mingo, No. 14-105920-GC, Mich. 36th Dist. Ct.;

- 337. City of Detroit v. Myrtle Pasha, Mich. 36th Dist. Ct.;
- 338. City of Detroit v. Larry Callahan, No. 08-105046-GC, Mich. 36th Dist. Ct.;
- 339. City of Detroit v. Anthony Caslio, No. 07-154008-GC, Mich. 36th Dist. Ct.;
- 340. City of Detroit v. Antonio L. Johnson, No. 08-122838-GC, Mich. 36th Dist. Ct.;
- 341. City of Detroit v. Markeeda Morgan, No. 07-124692-GC, Mich. 36th Dist. Ct.;
- 342. City of Detroit v. 19696 Omira, No. 09-110228-GC, Mich. 36th Dist. Ct.;
- 343. City of Detroit v. Cadolba Management and Associates, No. 09-120755-GC, Mich. 36th Dist. Ct.;
- 344. City of Detroit v. Clarence Edward Key, No. 09-114023-GC, Mich. 36th Dist. Ct.;
- 345. Motor City Bending Inc vs City of Detroit, No. 07-729179, Mich. 36th Dist. Ct.;
- 346. City of Detroit v. 19696 Omira, No. 09-110228, Mich. 36th Dist. Ct.;
- 347. City of Detroit v. Cadpba Management and Associates, No. 09-120755, Mich. 36th Dist. Ct.;
- 348. City of Detroit v. Clarence Edward Key, No. 09-114023, Mich. 36th Dist. Ct.;

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

-----X  
In re : Chapter 9  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
Debtor. : Hon. Steven W. Rhodes  
-----X

**ORDER CONFIRMING EIGHTH AMENDED PLAN FOR  
THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT**

**TABLE OF CONTENTS**

FINDINGS OF FACT AND CONCLUSIONS OF LAW .....4

    Jurisdiction and Venue .....4

    Modifications of the Plan .....5

    Standards for Confirmation Under Section 943 of the  
    Bankruptcy Code .....6

        Section 943(b)(1).....6

            Section 1122.....7

            Section 1123(a)(1).....7

            Section 1123(a)(2).....8

            Section 1123(a)(3).....8

            Section 1123(a)(4).....8

            Section 1123(a)(5).....10

            Section 1123(b)(1) .....10

            Section 1123(b)(2) .....10

            Section 1123(b)(3) .....11

            Section 1123(b)(5) .....11

            Section 1123(b)(6) .....11

            Section 1123(d) .....12

            Section 1127(d) .....12

            Section 1129(a)(2).....12

            Section 1129(a)(3).....19

            Section 1129(a)(6).....20

            Section 1129(a)(8).....21

            Section 1129(a)(10) .....21

            Section 1129(b)(1) – Unfair Discrimination.....21

            Sections 1129(b)(1), (b)(2) – Fair and Equitable.....25

        Section 943(b)(2).....26

        Section 943(b)(3).....27

|   |    |
|---|----|
| Section 943(b)(4).....                          | 29 |
| Section 943(b)(5).....                          | 30 |
| Section 943(b)(6).....                          | 30 |
| Section 943(b)(7).....                          | 31 |
| Best Interests of Creditors.....                | 31 |
| Feasibility.....                                | 36 |
| Executory Contracts.....                        | 42 |
| Settlements and Releases.....                   | 43 |
| The DIA Settlement.....                         | 44 |
| The UTGO Settlement .....                       | 48 |
| The LTGO Settlement.....                        | 52 |
| The OPEB Settlement .....                       | 53 |
| The 36th District Court Settlement .....        | 54 |
| The Syncora Settlement .....                    | 55 |
| The FGIC/COP Settlement.....                    | 58 |
| ASF Recoupment.....                             | 60 |
| Plan Releases .....                             | 63 |
| Miscellaneous .....                             | 66 |
| Exit Facility .....                             | 66 |
| Waiver of Stay of Confirmation Order .....      | 68 |
| ORDER.....                                      | 68 |
| A. Confirmation of Plan.....                    | 68 |
| B. Findings of Fact and Conclusions of Law..... | 69 |
| C. Approval of Settlements.....                 | 70 |
| D. Approval of Releases and Exculpation .....   | 78 |
| E. Order Binding on All Parties.....            | 86 |
| F. Discharge of Claims .....                    | 87 |
| G. Release of Liens .....                       | 88 |
| H. Injunction.....                              | 89 |

|     |   |     |
|-----|---|-----|
| I.  | State Contribution Agreement.....   | 93  |
| J.  | DWSD Authority Transaction.....   | 94  |
| K.  | ASF Recoupment .....  | 95  |
| L.  | Survival of Indemnities .....   | 98  |
| M.  | Issuance of New Securities and Exemption From<br>Securities Laws.....           | 99  |
| N.  | Executory Contracts and Unexpired Leases .....                                  | 100 |
| O.  | Plan Distributions .....  | 103 |
| P.  | Retained Causes of Action .....   | 103 |
| Q.  | Claims Bar Dates and Other Claims Matters .....                                 | 104 |
| R.  | Plan Implementation.....  | 109 |
| S.  | Cancellation of Existing Bonds, Bond Documents,<br>COPs and COP Documents ..... | 110 |
| T.  | Binding Effect of Prior Orders .....  | 114 |
| U.  | Final Order; Waiver of Stay .....   | 115 |
| V.  | Reversal .....  | 115 |
| W.  | Notice of Confirmation of Plan.....   | 115 |
| X.  | Miscellaneous Provisions.....   | 116 |
| Y.  | No Diminution of State Power .....  | 124 |
| Z.  | Post-Effective Date Governance .....  | 125 |
| AA. | Retention of Jurisdiction .....   | 125 |

|             |                     |
|-------------|---------------------|
| Appendix I  | Plan of Adjustment  |
| Appendix II | Confirmation Notice |

The City of Detroit (the "City" or the "Debtor") having proposed its Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (October 22, 2014) (the "Plan" or the "Eighth Amended Plan"),<sup>1</sup> a true and correct copy of which (without exhibits) is attached hereto as Appendix I; the Court having conducted a 24-day evidentiary hearing to consider confirmation of the Plan on August 18, September 2-5, September 8-9, September 15-18, September 29 to October 3, October 6, October 14-16, October 20-22 and October 27, 2014 (the "Confirmation Hearing"); the Court having conducted a hearing on July 15, 2014, at which 46 individuals who (i) filed objections to Confirmation of the Plan with the Court and (ii) appeared in the Chapter 9 Case *pro se* made presentations with respect to such objections to the Court (the "Pro Se Hearing") and the Court having considered the arguments of such parties at the *Pro Se* Hearing;<sup>2</sup> the Court having conducted hearings on certain legal issues related to confirmation of the Plan on July 16, 2014 and August 19, 2014; the Court having considered: (i) the testimony of the 41 witnesses called at the

---

<sup>1</sup> On May 5, 2014, the City filed its Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (May 5, 2014) (the "Fourth Amended Plan"), which version of the Plan was included in the contents of the solicitation packages distributed to creditors entitled to vote thereon.

All capitalized terms used but not defined herein have the meanings given to them in the Plan.

<sup>2</sup> See Notice of Hearing to Individuals Who Filed Plan Objections (Docket No. 5264) (June 10, 2014).

Confirmation Hearing, as well as the affidavits and declarations included among the approximately 2,300 exhibits admitted into evidence at the Confirmation Hearing; (ii) the arguments of counsel presented at the Confirmation Hearing; (iii) the pleadings filed by the City in support of the Plan, including the following:

- Consolidated Reply to Certain Objections to Confirmation of Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 5034) (the "Consolidated Reply"), filed by the City on May 26, 2014;
- Debtor's Supplemental Brief on Legal Issues Relating to Confirmation of Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 5707), filed by the City on June 30, 2014;
- City's Supplemental Brief Regarding Standing of Syncora to Raise Certain Objections to Confirmation (Docket No. 6010), filed by the City on July 14, 2014;
- The City of Detroit's Brief Regarding the Court's Authority to Determine the Reasonableness of Fees Under 11 U.S.C. § 943(b)(3) (Docket No. 6842), filed by the City on August 18, 2014;
- Consolidated (A) Pretrial Brief in Support of Confirmation of Sixth Amended Plan for the Adjustment of Debts of the City of Detroit and (B) Response to (I) Certain Objections Filed by Individual Bondholders and Individual Retirees and (II) Supplemental Objections (Docket No. 7143), filed by the City on August 27, 2014 (the "Pretrial Brief"), including the summary of the City's compliance with the standards of section 943 of the Bankruptcy Code (inclusive of the standards of sections 1122, 1123(a)(1)-(a)(5), 1123(b), 1123(d), 1124, 1125, 1126(a)-1126(c), 1126(e)-1126(g), 1127(d), 1128, 1129(a)(2), 1129(a)(3), 1129(a)(6), 1129(a)(8), 1129(a)(10), 1129(b)(1), 1129(b)(2)(A) and 1129(b)(2)(B) of the Bankruptcy

Code) attached as Exhibit A thereto (the "Confirmation Standards Exhibit");

- Consolidated Response to Certain *Pro Se* Objections to Confirmation of the Sixth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 7303) (the "Response to *Pro Se* Objections"), filed by the City on September 5, 2014;
- Consolidated Reply to Supplemental Objections to Confirmation of the Seventh Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 7707), filed by the City on September 26, 2014, as well as all other pleadings filed in support of the Plan by parties in interest; and
- Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (October 22, 2014) (Docket No. 8045), including all Exhibits thereto.

(iv) all other papers filed in support of, and in opposition to, Confirmation of the Plan, including the objections filed with respect to Confirmation of the Plan;<sup>3</sup>

(v) the resolution, settlement or withdrawal of timely objections to Confirmation of the Plan filed by, among others, FGIC, Syncora, the FGIC COP Holders, the DWSD Settlement Parties, the LTGO Insurer, certain insurers of Unlimited Tax General Obligation Bonds, Michigan Council 25 of the American Federation of

---

<sup>3</sup> See Summary of the City's Responses to Initial Plan Objections, attached as Exhibit A to the Consolidated Reply; Summary of the City's Responses to (I) Supplemental Objections and (II) Objections filed by (A) the UAW and (B) AFSCME, attached as Exhibit B to the Pretrial Brief; Summary of the City's Responses to (I) *Pro Se* Objections Specified in the Order Requiring City to Respond to Certain *Pro Se* Objections to Confirmation [Docket No. 6640] and (II) *Pro Se* Objections Not Addressed in the Consolidated Reply to Certain Objections to Confirmation of Fourth Amended Plan for the Adjustment of Debts of the City of Detroit [Docket No. 5034], attached as Exhibit A to the Response to *Pro Se* Objections.

State, County and Municipal Employees, AFL-CIO ("AFSCME"), the International Union, UAW, each of the Counties and the Macomb Interceptor Drain Drainage District; and the Court being familiar with the Plan and other relevant factors affecting this Chapter 9 Case; the Court having taken judicial notice of the entire docket of the City's Chapter 9 Case maintained by the Clerk of the Court and/or its duly appointed agent, pursuant to Federal Rule of Evidence 201(c) (made applicable to this case by Bankruptcy Rule 9017), including, but not limited to, those orders, pleadings and other documents set forth in the Confirmation Standards Exhibit; the Court having found that due and proper notice has been given with respect to the Confirmation Hearing and the deadlines and procedures for filing objections to the Plan; the appearance of all interested parties having been duly noted in the record of the Confirmation Hearing; and upon the record of the Confirmation Hearing, and after due deliberation thereon, and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND CONCLUDED, that:

**JURISDICTION AND VENUE**

A. The Court has jurisdiction over this matter and this Chapter 9 Case pursuant to 28 U.S.C. § 1334 and Rule 83.50(a) of the Local Rules of the United States District Court for the Eastern District of Michigan.

B. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(L), and this Court has jurisdiction to enter a final order with respect thereto.

C. The City is a proper debtor under section 109 of the Bankruptcy Code<sup>4</sup> and the proper proponent of the Plan under section 941 of the Bankruptcy Code.

D. On the Effective Date of the Plan, or as soon thereafter as is practicable, all appeals of the Opinion Regarding Eligibility and the Order for Relief, in accordance with settlements by and among the appellants and the City, shall be withdrawn.

### **MODIFICATIONS OF THE PLAN**

E. The Plan does not materially and adversely affect or change the treatment of any Claim against the City under the Fourth Amended Plan. Pursuant to sections 942 and 1127(d) of the Bankruptcy Code and Bankruptcy Rule 3019, the Plan does not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of acceptances or rejections of the Fourth Amended Plan under section 1126 of the Bankruptcy Code, nor does it require that

---

<sup>4</sup> See Opinion Regarding Eligibility (Docket No. 1945), entered on December 5, 2013 (the "Opinion Regarding Eligibility"); Order for Relief Under Chapter 9 of the Bankruptcy Code (Docket No. 1946), entered on December 5, 2013 (the "Order for Relief").

holders of Claims against the City be afforded an opportunity to change previously cast acceptances or rejections of the Fourth Amended Plan as filed with the Court. The filing of the Plan, and the disclosure of certain modifications and amendments to the Fourth Amended Plan contained therein on the record at the Confirmation Hearing, constitute due and sufficient notice thereof under the circumstances of the Chapter 9 Case. Accordingly, the Plan is properly before the Court, and, except as set forth in the Plan or later orders of the Court, all votes cast with respect to the Fourth Amended Plan prior to the filing of the Plan shall be binding and shall apply with respect to the Plan.

**STANDARDS FOR CONFIRMATION  
UNDER SECTION 943 OF THE BANKRUPTCY CODE**

F. The evidentiary record of the Confirmation Hearing and the Confirmation Standards Exhibit support the findings of fact and conclusions of law set forth in the following paragraphs.

G. The Court's supplemental opinion regarding confirmation of the Plan (the "Confirmation Opinion"), to be issued, is incorporated fully herein.

H. Section 943(b)(1). The Plan complies with the provisions of the Bankruptcy Code made applicable to this Chapter 9 Case by sections 103(e) and 901 of the Bankruptcy Code.<sup>5</sup> In particular:

1. *Section 1122*. In accordance with section 1122(a) of the Bankruptcy Code, Section II.B of the Plan classifies each Claim against the City into a Class containing only substantially similar Claims. The legal rights under applicable law of each holder of Claims within each Class under the Plan are substantially similar in nature and character to the legal rights of all other holders of Claims within such Class. No Claims were separately classified under the Plan to gerrymander favorable votes with respect to the Plan. In accordance with section 1122(b) of the Bankruptcy Code, Convenience Claims are separately classified in Class 15 under the Plan solely for the purpose of administrative convenience.

2. *Section 1123(a)(1)*. In accordance with section 1123(a)(1) of the Bankruptcy Code, Section II.B of the Plan properly classifies all Claims that require classification. Valid factual and legal reasons

---

<sup>5</sup> Section 901 of the Bankruptcy Code incorporates into chapter 9 the following chapter 11 provisions relevant to plan confirmation: sections 1122, 1123(a)(1)-(5), 1123(b), 1123(d), 1125, 1126(a)-(c) and (e)-(g), 1127(d), 1128, 1129(a)(2), 1129(a)(3), 1129(a)(6), 1129(a)(8), 1129(a)(10), 1129(b)(1) and 1129(b)(2)(A)-(B) of the Bankruptcy Code. *See* 11 U.S.C. § 901(a).

exist for the separate classification of (a) certain secured Claims from Other Secured Claims and (b) certain unsecured Claims from Other Unsecured Claims.

3. *Section 1123(a)(2)*. In accordance with section 1123(a)(2) of the Bankruptcy Code, Section II.B of the Plan properly identifies and describes each Class of Claims that is not impaired under the Plan.<sup>6</sup>

4. *Section 1123(a)(3)*. In accordance with section 1123(a)(3) of the Bankruptcy Code, Section II.B of the Plan properly identifies and describes the treatment of each Class of Claims that is impaired under the Plan.

5. *Section 1123(a)(4)*. In accordance with section 1123(a)(4) of the Bankruptcy Code, the Plan provides the same treatment for each Claim of a particular Class unless the holder of such a Claim has agreed to less favorable treatment. Because ASF Recoupment is a settlement mechanism designed to (a) implement a critical component of the City's comprehensive settlement of pension-related issues and (b) enable the trustees of the GRS

---

<sup>6</sup> See Order Pursuant to (I) 11 U.S.C. §§ 105, 364(c), 364(d)(1), 364(e), 902, 904, 921, 922 and 928 (A) Approving Postpetition Financing and (B) Granting Liens and (II) Bankruptcy Rule 9019 Approving Settlement of Confirmation Objections (Docket No. 7028), entered on August 25, 2014 (the "DWSD Tender Order"); Notice of Occurrence of Settlement Date and Unimpairment of Class 1A Claims and (B) Withdrawal of DWSD Plan Objections by Financial Creditors (Docket No. 7268), filed on September 4, 2014 (the "DWSD Settlement Notice").

(collectively, the "GRS Trustees") to recover a portion of excess interest allocated to members' Annuity Savings Fund accounts from the GRS's traditional defined benefit pension plan (the "GRS Traditional Pension Plan"), ASF Recoupment may be deemed (x) separate and distinct from the calculation of recoveries provided to holders of GRS Pension Claims and, thus, (y) disregarded for purposes of determining whether the Plan complies with section 1123(a)(4) of the Bankruptcy Code.

6. The consideration provided to Syncora in connection with the Syncora Settlement that is not provided on account of the Plan COP Settlement (a) is separate and distinct from the treatment of Class 9 COP Claims held or insured by Syncora under the Plan, (b) is provided on account of (i) Syncora's agreement to invest new funds (subject to the terms and conditions of the applicable agreements) pursuant to commercial relationships with the City that are distinct from COP Claims held or insured by Syncora and (ii) Syncora's agreement to resolve all of its pending litigation against the City and, thus, (c) has been disregarded for purposes of determining whether the Plan complies with section 1123(a)(4) of the Bankruptcy Code. The consideration provided to FGIC in connection with the FGIC/COP Settlement that is not provided on account of the Plan COP Settlement (a) is separate and distinct from the treatment of Class 9 COP Claims held or insured by FGIC under the Plan and reflects an agreement to invest

new funds in a commercial relationship with the City, (b) is provided on account of FGIC's agreement to resolve all of its pending litigation against the City and, thus, (c) has been disregarded for purposes of determining whether the Plan complies with section 1123(a)(4) of the Bankruptcy Code.

7. *Section 1123(a)(5)*. In accordance with section 1123(a)(5) of the Bankruptcy Code, the Plan provides adequate means for its implementation, including, without limitation, (a) the issuance of the New Securities pursuant to the Plan, (b) the consummation of the Settlements (as such term is defined below) described in the Plan, (c) the consummation of the State Contribution Agreement, (d) the assumption or rejection of Executory Contracts and Unexpired Leases, (e) the establishment and funding of the Professional Fee Reserve, (f) the City's assumption of certain indemnification obligations, (g) the City's entry into the Exit Facility and any agreements and ancillary notes related thereto and (h) the provisions regarding Effective Date transactions and transfers in Article IV of the Plan.

8. *Section 1123(b)(1)*. In accordance with section 1123(b)(1) of the Bankruptcy Code, Section II.B of the Plan impairs or leaves unimpaired, as the case may be, each Class of Claims.

9. *Section 1123(b)(2)*. In accordance with section 1123(b)(2) of the Bankruptcy Code, Section II.D and other provisions of

the Plan provide for the assumption, assumption and assignment, or rejection of the Executory Contracts or Unexpired Leases of the City that have not been previously assumed, assumed and assigned, or rejected pursuant to section 365 of the Bankruptcy Code and orders of the Court.

10. *Section 1123(b)(3)*. In accordance with section 1123(b)(3) of the Bankruptcy Code, Section III.D.2 of the Plan provides that, except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, the City will retain and may enforce any claims, demands, rights, defenses and Causes of Action that it may hold against any Entity (including but not limited to (a) any and all Causes of Action against any party relating to the past practices of the Retirement Systems, (b) the currently pending actions and claims brought by the City identified on Schedule A to Exhibit III.D.2 to the Plan and (c) potential recovery actions that may be brought by the City under the Bankruptcy Code (or similar federal or state law) against, among other parties, the Entities identified on Schedule B to Exhibit III.D.2 to the Plan), to the extent not expressly released under the Plan or by any Final Order of the Court.

11. *Section 1123(b)(5)*. In accordance with section 1123(b)(5) of the Bankruptcy Code, Section II.B of the Plan modifies or leaves unaffected, as the case may be, the rights of holders of Claims in each Class.

12. *Section 1123(b)(6)*. In accordance with section 1123(b)(6) of the Bankruptcy Code, the Plan includes additional appropriate provisions that are not inconsistent with applicable provisions of the Bankruptcy Code, including, without limitation, the provisions of Article III, Article IV, Article V, Article VI, Article VII and Article VIII of the Plan.

13. *Section 1123(d)*. In accordance with section 1123(d) of the Bankruptcy Code, Section II.D.4 of the Plan provides for the satisfaction of Cure Amount Claims associated with each Executory Contract or Unexpired Lease to be assumed pursuant to the Plan in accordance with section 365(b)(1) of the Bankruptcy Code. All Cure Amount Claims will be determined in accordance with the underlying agreements and applicable law.

14. *Section 1127(d)*. All creditors entitled to vote on the Plan received proper notice of the Confirmation Hearing, and were provided an adequate opportunity to object to any amendments and modifications to the Fourth Amended Plan.<sup>7</sup>

15. *Section 1129(a)(2)*. The City has complied with all applicable provisions of the Bankruptcy Code with respect to the Plan and the solicitation of acceptances or rejections thereof. In particular, the Plan complies

---

<sup>7</sup> See Certificate of Service (Docket No. 6177).

with the requirements of sections 1125 and 1126 of the Bankruptcy Code as follows:

- a) In compliance with the (i) Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (Docket No. 2984) (the "Solicitation Procedures Order"), entered on March 11, 2014, and (ii) Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 4400) (together with the Solicitation Procedures Order, the "Solicitation Orders"), entered on May 5, 2014, on or before May 12, 2014, the City, through its claims, noticing, balloting and solicitation agent, Kurtzman Carson Consultants LLC ("KCC"), caused copies of the following materials to be transmitted to all holders of Claims in Classes that were entitled to vote to accept or reject the Fourth Amended Plan (*i.e.*, Allowed Claims in impaired Classes within Class 1A<sup>8</sup> and Classes 5, 7, 8, 9, 10, 11, 12, 13, 14 and 15):
- the Disclosure Statement (together with the exhibits thereto, including the Fourth Amended Plan);
  - a notice of the Confirmation Hearing and other matters (the "Confirmation Hearing Notice");
  - an appropriate form of Ballot;

---

<sup>8</sup> Subsequent to the City's solicitation of acceptances of the Fourth Amended Plan, the Plan was amended to unimpaired all Classes in Class 1A, and such Classes are therefore deemed to have accepted the Plan. *See* DWSD Tender Order; DWSD Settlement Notice. As a result, all votes and elections previously delivered with respect to Class 1A Claims shall not be counted and shall be of no force and effect.

- a notice summarizing certain dispute resolution procedures to be employed with respect to voting;
  - for holders of Claims in Classes 10, 11 and 12, a "Plain Language Supplement," drafted in collaboration with, among others, the Retiree Committee and the Retirement Systems, describing the treatment of such Claims in non-technical terms;
  - the procedures for the solicitation and tabulation of votes to accept or reject the Plan, including approval of (i) the deadline for creditors' submission of Ballots, (ii) the rules for tabulating votes to accept or reject the Plan and (iii) the proposed record date for Plan voting (collectively with the materials described in the preceding bullets, the "Solicitation Package"); and
  - cover letters from the City, the DRCEA, the RDPFFA, the Detroit Police Lieutenants and Sergeants Association (the "DPLSA") and the Detroit Police Command Officers Association (the "DPCOA") recommending acceptance of the Plan.<sup>9</sup>
- b) In compliance with the Solicitation Procedures Order, on or before May 12, 2014, the City, through KCC, caused copies of the Solicitation Package (not including Ballots) to be transmitted to parties entitled to receive notice pursuant to Bankruptcy Rule 2002.<sup>10</sup>

---

<sup>9</sup> See Certificate of Service (Docket No. 6177), at ¶¶ 1-41. A separate communication recommending acceptance of the Plan was mailed to holders of Class 10, Class 11 and Class 12 Claims by the Retiree Committee contemporaneously with the solicitation of votes undertaken by the City. In addition, the GRS and the PFRS sent letters recommending acceptance of the Plan to holders of Class 10 and Class 11 Claims.

<sup>10</sup> See Certificate of Service (Docket No. 6177), at ¶ 21.

- c) In compliance with the Solicitation Procedures Order, on or before May 12, 2014, the City, through KCC, transmitted (i) the Confirmation Hearing Notice and (ii) a "Notice of Non-Voting Status" to all holders of Claims in the Classes not entitled to vote on the Plan (*i.e.*, holders of Claims in unimpaired Classes within Class 1A and in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4, 6 and 16) that were not entitled to vote on the Plan.<sup>11</sup>
- d) In compliance with the Solicitation Procedures Order, on or before May 12, 2014, the City, through KCC, transmitted the Confirmation Hearing Notice to: (i) all other creditors of the City; and (ii) all parties in interest that had filed requests for notice in accordance with Bankruptcy Rule 2002 in the Chapter 9 Case.<sup>12</sup>
- e) In compliance with the Solicitation Procedures Order, on May 9, 2014, the City caused a copy of the Confirmation Hearing Notice to be published in the national editions of the *Wall Street Journal* and *USA Today* and the daily editions of the *Detroit Free Press* and the *Detroit News*.<sup>13</sup>
- f) Pursuant to the Order Approving the Stipulation Regarding Certain Class 11 and Class 10 Ballots (Docket No. 5209), entered on June 4, 2014, the City mailed replacement ballots to certain members of Classes 10 and 11.<sup>14</sup>

---

<sup>11</sup> See *id.* at ¶ 20.

<sup>12</sup> See *id.* at ¶ 19.

<sup>13</sup> See Affidavit of Publication of Confirmation Hearing Notice in the *Detroit Free Press* and the *Detroit News*, dated July 22, 2014 (Docket No. 6209), at page 2; Affidavit of Publication of Confirmation Hearing Notice in *USA Today*, dated July 22, 2014 (Docket No. 6211), at page 2; Affidavit of Publication of Confirmation Hearing Notice in the *Wall Street Journal*, dated July 24, 2014 (Docket No. 6253), at page 2.

<sup>14</sup> See Certificate of Service (Docket No. 6177), at ¶¶ 11, 27, Exhibit P.

- g) On July 3, 2014, the City filed (and made available on the Document Website) the following Exhibits:
  - (i) Exhibit I.A.189.a (Form of New GRS Active Pension Plan) (renumbered as Exhibit I.A.250.a to the Eighth Amended Plan); (ii) Exhibit I.A.191.a (Form of New PFRS Active Pension Plan) (renumbered as Exhibit I.A.254.a to the Eighth Amended Plan);
  - (iii) Exhibit I.A.220 (Form of Prior GRS Pension Plan) (renumbered as Exhibit I.A.280 to the Eighth Amended Plan); and (iv) Exhibit I.A.221 (Form of Prior PFRS Pension Plan) (renumbered as Exhibit I.A.281 to the Eighth Amended Plan).<sup>15</sup>
- h) On July 3, 2014, the City filed (and made available on the Document Website) Exhibit II.D.6 (Executory Contracts and Unexpired Leases to be Rejected).<sup>16</sup>
- i) On August 7, 2014, the City filed (and made available on the Document Website) Exhibit I.A.103 (Form of DIA Settlement Documents) (renumbered as Exhibit I.A.127 to the Eighth Amended Plan).<sup>17</sup>
- j) On August 11, 2014, the City filed (and made available on the Document Website) the following Exhibits:
  - (i) Exhibit I.A.146 (Principal Terms of Exit Facility) (renumbered as Exhibit I.A.183 to the Eighth Amended Plan); (ii) Exhibit I.A.255 (Form of Restoration Trust Agreement) (renumbered as Exhibit I.A.292 to the Eighth Amended Plan); (iii) Exhibit II.D.5 (Schedule of Postpetition Collective Bargaining Agreements); and (iv) Exhibit III.D.2 (Retained Causes of Action).<sup>18</sup>
- k) The Confirmation Hearing Notice and the subsequent scheduling orders entered by the Court provided due and

<sup>15</sup> See Notice of Filing of Plan Supplement (Docket No. 5755).

<sup>16</sup> See Notice of Filing of Plan Supplement (Docket No. 5756).

<sup>17</sup> See Notice of Filing of Plan Supplement (Docket No. 6576).

<sup>18</sup> See Notice of Filing of Plan Supplement (Docket No. 6647).

proper notice of the Confirmation Hearing and all relevant dates, deadlines, procedures and other information relating to the Plan and/or the solicitation of votes thereon, including, without limitation, the Voting Deadline, the Objection Deadline (as such term was defined in the Confirmation Hearing Notice), the time, date and place of the Confirmation Hearing and the release provisions in the Plan.<sup>19</sup>

- l) All persons entitled to receive notice of the Disclosure Statement, the Plan and the Confirmation Hearing received proper, timely and adequate notice in accordance with the Solicitation Orders, applicable provisions of the Bankruptcy Code and the Bankruptcy Rules, and have had an opportunity to appear and be heard with respect thereto.<sup>20</sup>
  
- m) The City solicited votes with respect to the Plan in good faith and in a manner consistent with the Bankruptcy Code, the Bankruptcy Rules and the Solicitation Orders, including, without limitation, the inclusion of letters from the City, the DRCEA, the RDPFFA, the DPLSA and the DPCOA recommending acceptance of the Plan in the solicitation materials and the separate mailing of solicitation letters from the Retiree Committee, the GRS and the PFRS. Accordingly, the City, the Retiree Committee, the GRS, the PFRS, the DRCEA and the RDPFFA are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Section III.D.6 of the Plan.

---

<sup>19</sup> See Solicitation Procedures Order at ¶ 17; Motion of the City of Detroit for Entry of an Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (Docket No. 2789), at Exhibit 6A.

<sup>20</sup> See Certificates of Service (Docket Nos. 6174, 6177).

- n) Claims in Classes 1A, 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3 and 4 under the Plan are unimpaired, and such Classes are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.<sup>21</sup>
- o) KCC has made a final determination of the validity of, and tabulation with respect to, all acceptances and rejections of the Plan by holders of Claims entitled to vote on the Plan, including the amount and number of accepting and rejecting Claims in Classes 5, 7, 8, 9, 10, 11, 12, 13, 14 and 15 under the Plan.<sup>22</sup>
- p) Holders of Claims in Class 17 (Indirect 36th District Court Claims) were previously classified in Class 14 under the Fourth Amended Plan. The City solicited acceptances or rejections of the Plan from the holders of Indirect 36th District Court Claims in their previous capacity as holders of Class 14 Claims. Pursuant to the Order Authorizing Certain Holders of Indirect 36th District Court Claims to Change Their Votes on the City's Plan of Adjustment (Docket No. 6288), entered on July 28, 2014, by agreement of the parties, the votes of all known holders of Indirect 36th District Court Claims rejecting the Plan under Class 14 were deemed to be votes accepting the Plan under Class 17.
- q) Under the Plan, Class 16 (Subordinated Claims) is Impaired and holders of Claims in such Class will receive

---

<sup>21</sup> See DWSD Settlement Notice. Subsequent to the filing of the Fourth Amended Plan, the Parking Bonds giving rise to Parking Bond Claims in Class 6 of the Plan were paid in full by the City, mooting the proposed treatment of such Parking Bond Claims in the Fourth Amended Plan (as reflected in the Plan).

<sup>22</sup> See Second Supplemental Declaration of Michael J. Paque Regarding the Solicitation and Tabulation of Votes On, and the Results of Voting with Respect to, Plan for the Adjustment of Debts of the City of Detroit (Docket No. 8072), filed on October 23, 2014 (the "Second Supplemental Voting Declaration"), at ¶¶ 8-9.

no distributions under the Plan.<sup>23</sup> Therefore, Class 16 is conclusively presumed to reject the Plan in accordance with section 1126(g) of the Bankruptcy Code, and no votes were solicited from holders of Class 16 Claims.<sup>24</sup>

- r) The Plan was voted on by each Class of impaired Claims that was entitled to vote pursuant to the Bankruptcy Code, the Bankruptcy Rules and the Solicitation Orders.
- s) Each of Classes 5, 7, 8, 9, 10, 11, 12, 13 and 17 have accepted the Plan by at least two-thirds in amount and a majority in number of the Claims in such Classes actually voting.<sup>25</sup>
- t) The voting declarations admitted into evidence as City Exhibits 764 and 765, and the Second Supplemental Voting Declaration, set forth the tabulation of votes, as required by the Bankruptcy Code, the Bankruptcy Rules and the Disclosure Statement Order.<sup>26</sup>

16. *Section 1129(a)(3)*. The Plan has been proposed (a) in good faith; (b) with honesty, sincerity and good intentions; (c) with a basis for expecting that an adjustment of the City's debts and an operational restructuring of the City can be effected in accordance with the purpose of chapter 9, and that the Plan is feasible; and (d) not by any means forbidden by law. The Plan and the treatment of Claims thereunder are, and the process pursuant to which the City has sought Confirmation thereof has been, fundamentally fair to the City's creditors.

---

<sup>23</sup> See Plan, at § II.B.3.w.i.

<sup>24</sup> See *id.*.

<sup>25</sup> See Second Supplemental Voting Declaration, at ¶¶ 8-9.

<sup>26</sup> See *id.* at Exhibits A-C.

The purpose of the Plan is to adjust the City's debts to enable the City to reverse its decades-long financial decline, eliminate its service delivery insolvency, restore adequate municipal services to its residents and meet its future financial obligations, consistent with the overarching remedial purpose of chapter 9 and the objectives and purposes of the Bankruptcy Code. The City's good faith in proposing the Plan and its prior versions, and fundamental fairness in dealing with its creditors, is further evidenced by the fact that the Plan (a) incorporates multiple key settlements that are the result of extensive arm's length negotiations (often conducted within the context of Court-ordered mediation) between the City and representatives of a large proportion of its creditors, (b) has been proposed with the support of the City's largest creditor constituencies and (c) is feasible (see ¶¶ N.10-18 below). In so finding, the Court has considered the totality of the circumstances in this Chapter 9 Case.

17. *Section 1129(a)(6)*. Section III.A.7 of the Plan provides that the obtaining of any authorizations, consents and regulatory approvals necessary under applicable nonbankruptcy law is a specific condition to the effectiveness of the Plan, consistent with the language of section 1129(a)(6) of the Bankruptcy Code.<sup>27</sup> The Board of Water Commissioners will continue to have all authority to set and approve the water and sewerage rates charged by the DWSD,

---

<sup>27</sup> See Plan, at § III.A.7.

provided that, if a DWSD Authority is approved and formed, such rates would be determined by the board of such DWSD Authority.<sup>28</sup>

18. *Section 1129(a)(8)*. The Plan has not been accepted by all impaired Classes of Claims because (a) Classes 14 and 15 (collectively, the "Impaired Rejecting Classes") have voted to reject the Plan<sup>29</sup> and (b) consistent with section 1126(g) of the Bankruptcy Code, the holders of Claims in Class 16 (Subordinated Claims) (who receive no Distributions pursuant to Section II.B.3.w.i of the Plan) are deemed to have rejected the Plan.<sup>30</sup> Nevertheless, as more fully explained below, the Plan is confirmable because it satisfies section 1129(b) of the Bankruptcy Code with respect to such Impaired Rejecting Classes.

19. *Section 1129(a)(10)*. The Plan has been accepted by the following impaired Classes of Claims that are entitled to vote on the Plan, determined without including any acceptance of the Plan by any insider: Classes 5, 7, 8, 9, 10, 11, 12, 13 and 17.<sup>31</sup>

20. *Section 1129(b)(1): Unfair Discrimination*. For the reasons set forth in the Confirmation Opinion, the Plan does not discriminate unfairly against the Impaired Rejecting Classes. The Plan provides greater

---

<sup>28</sup> See Plan, at § IV.A.1.

<sup>29</sup> See Second Supplemental Voting Declaration, at ¶¶ 8-9.

<sup>30</sup> See Solicitation Procedures Order, at ¶ 10.

<sup>31</sup> See Second Supplemental Voting Declaration, at ¶¶ 8-9.

percentage recoveries to holders of (a) Pension Claims in Classes 10 and 11 (as high as approximately 59% and 60%, respectively, although the Court does not make any specific finding with respect to such percentage recoveries), (b) Class 8 Unlimited Tax General Obligation Bond Claims (approximately 74%), (c) Limited Tax General Obligation Bond Claims (approximately 44%) and (d) Indirect 36th District Court Claims (approximately 33%) than to holders of (x) Other Unsecured Claims (approximately 13%) and (y) Convenience Claims (25% recovery).

21. Despite the differences in the Classes' respective recoveries, the Court finds that such discrimination is fair in light of, among other things, (a) the circumstances of the City's Chapter 9 Case, (b) the purpose of chapter 9, which is to adjust an insolvent municipality's debt so that it can provide adequate municipal services and (c) the Court's conscience, as informed by the Court's experience, education and sense of morality.

22. Substantial mission-based considerations justify the differential treatment of Pension Claims. The City is a municipal service enterprise whose mission is to provide municipal services to its residents and visitors to promote their health, welfare and safety. The City, therefore, has a strong interest in preserving its relationships with its employees and in enhancing their motivation, consistent with the City's financial resources. In contrast, the City

has no similar mission-related investment in its relationships with holders of Claims in Classes 14 and 15.

23. The Plan's differential treatment of Pension Claims is further justified because the fulfillment of the City municipal service mission is informed by, and subject to, the provisions of the constitution and laws of the State of Michigan and the City's status as an agency of the State. Article IX, Section 24 of the Michigan Constitution (the "Pensions Clause") (a) singles out municipal pension claims for special protection and (b) in so doing, specifically expresses the considered judgment of the people of the State of Michigan, which is entitled to substantial deference in connection with determining the fairness of the Plan's discrimination against the Impaired Rejecting Classes.

24. The reasonable expectations of creditors further demonstrate that the Plan's treatment of Pension Claims is fair, because the Pensions Clause gives notice to all of the City's unsecured creditors that, outside of bankruptcy, the rights of pension creditors are distinct and entitled to special State-law protections that are unavailable to other unsecured creditors of the City. Such constitutional notice (a) reasonably justifies the enhanced expectations of Holders of Pension Claims in this Chapter 9 Case and (b) should lower the reasonable expectations of all other unsecured creditors.

25. Moreover, the Plan's treatment of Pension Claims is the result of a collection of interconnected settlements. The factors that inform the reasonableness of each individual settlement are the same factors that inform the Court's judgment regarding the fairness of discrimination under the Plan. Because each such settlement is fair and reasonable, the discrimination in claim treatment resulting from such settlements also is fair.

26. The treatment of Limited Tax General Obligation Bond Claims, Unlimited Tax General Obligation Bond Claims and Indirect 36th District Court Claims also is fair because, in each instance, such treatment is the result of arm's-length, intensely negotiated and reasonable settlements between the City and the respective creditors and their representatives and is based on the asserted differing legal rights of, and litigation brought by, such parties. Specifically, a reasonable basis exists for the differential treatment of Limited Tax General Obligation Bond Claims and Unlimited Tax General Obligation Bond Claims, because the treatment of such Claims reflects (a) the results of protracted and comprehensively negotiated settlements between the City and the holders of such Claims and (b) the claimants' arguments to relative priority and security under State law. In addition, the Plan's treatment of Indirect 36th District Court Claims is related to the City's mission, and therefore is fair, because of the City's continuing legal and funding relationship with the 36th District Court.

27. The plan would not be feasible without discriminating among unsecured creditors because, with respect to Pension Claims in particular, the City's recovery will turn in large part on its ability to marshal the support of its residents in general and its retirees, employees and their labor unions in particular. With respect to Pension Claims, Limited Tax General Obligation Bond Claims, Unlimited Tax General Obligation Bond Claims and Indirect 36th District Court Claims, the settlements achieved by the City removed the risk of ongoing litigation over their respective asserted priorities, which litigation posed a significant obstacle to the City's ability to confirm a workable plan. The City's proposal of the differential treatment between Classes of unsecured Claims under the Plan was made in good faith and was not motivated by personal animosity or antipathy. The Plan treats holders of Claims in the Impaired Rejecting Classes as well as possible under the circumstances.

28. The Plan does not discriminate unfairly against Class 16 (Subordinated Claims) because the Claims within such Class are subordinated to all other Claims classified under the Plan in accordance with section 510(b) of the Bankruptcy Code and are entitled to Distributions under the Plan only to the extent that Classes that are senior in priority are paid in full.

*Section 1129(b)(1), (b)(2): Fair and Equitable.* For the reasons to be set forth in the Confirmation Opinion, the Plan is "fair and equitable"

with respect to the Impaired Rejecting Classes. No evidence suggests that the City or any Class or group of creditors has committed any overreaching or misconduct that would require the Court to impose a remedy as a condition to Confirmation. Moreover, the circumstances of the City's Chapter 9 Case suggest to the Court's conscience that it is fair and equitable to impose the Plan upon the dissenting creditors against their stated will. A large number of Detroit residents are suffering hardship due to the City's service delivery insolvency. This condition is inhumane and intolerable, and can only be successfully addressed if the Plan is confirmed. No viable alternatives to the Plan exist that would resolve the City's service delivery insolvency and provide a greater recovery to Classes 14 and 15. Requiring creditors in the Impaired Rejecting Classes to share in the sacrifice that other creditors of the City have agreed to endure, and confirming the Plan, thus is fair and equitable under the circumstances.

I. Section 943(b)(2). The Plan complies with the provisions of chapter 9 of the Bankruptcy Code. The Plan complies with section 941 of the Bankruptcy Code because the City filed the Plan for the Adjustment of Debts of the City of Detroit (Docket No. 2708) on February 21, 2014, consistent with the First Order Establishing Dates and Deadlines (Docket No. 280), entered on August 2, 2013, which order established March 1, 2014 as the deadline for the City to file its plan of adjustment. The Plan complies with section 942 of the

Bankruptcy Code because the amendments and modifications made to the Fourth Amended Plan are either immaterial to, or do not adversely affect the treatment of, any Claim under the Plan.

J. Section 943(b)(3). The Court, with the assistance of counsel, will establish an expeditious mediation and Court-review process to determine the reasonableness and disclosure of all fees and expenses, paid and unpaid, for which the City is obligated in connection with this case through the Effective Date, as required by section 943(b)(3) of the Bankruptcy Code, including (1) the professional fees and expenses of the GRS and the PFRS, to the extent that the City reimburses them, (2) the fees and expenses of the Fee Examiner and his professionals, (3) the Court-appointed feasibility expert and her counsel and (4) the other Fee Review Professionals. The preceding sentence does not apply with respect to fees and expenses explicitly dealt with in settlements previously approved by orders of the Court. The review pursuant to such process will satisfy the requirements of section 943(b)(3) of the Bankruptcy Code.

1. In addition, pursuant to the Fee Review Order and the Fee Examiner Order, and with the City's consent, the Fee Examiner was appointed in the Chapter 9 Case as an officer of the Court and has reviewed, or will review, the fees and expenses of all Fee Review Professionals submitted to the Fee Examiner for review in accordance with the Fee Review Order for the period

beginning on the Petition Date. Unless the Court subsequently orders otherwise, the fee review process established by the Fee Review Order will continue for fees and expenses incurred through the Effective Date pursuant to Section IV.N.2 of the Plan. In accordance with the Fee Review Order, each quarterly report and supplemental quarterly report filed by the Fee Examiner to date has determined that all Fee Review Professional Fees incurred during the relevant reporting periods have been fully disclosed and are reasonable or otherwise are commensurate with the complexity and speed of the Chapter 9 Case and the quality of services provided.<sup>32</sup> Further, the fees and expenses of the Fee Examiner Parties are subject to Court review and approval under the terms of the Fee Review Order and the Plan.

---

<sup>32</sup> See Fee Examiner's Quarterly Report for Months of July, August and September 2013 (Docket No. 2642), at ¶ 15; Fee Examiner's First Supplemental Quarterly Report for Months of July, August and September 2013 (Docket No. 3457), at ¶ 14; Fee Examiner's Second Supplemental Quarterly Report for Months of July, August and September 2013 (Docket No. 7574), at ¶ 14; Fee Examiner's Second Quarterly Report for Months of October, November and December 2013 (Docket No. 4498), at ¶ 16; Fee Examiner's First Supplemental Quarterly Report for Months of October, November and December 2013 (Docket No. 7575), at ¶ 17; Fee Examiner's Third Quarterly Report for Months of January, February and March 2014 (Docket No. 6528), at ¶ 18; Fee Examiner's First Supplemental Quarterly Report for Months of January, February and March 2014 (Docket No. 7332), at ¶ 19; Fee Examiner's Fourth Quarterly Report for Months of April, May and June 2014 (Docket No. 8186), at ¶ 18.

K. Section 943(b)(4).

1. All actions to be taken by the City to carry out the Plan are consistent with, do not violate and are not prohibited by applicable law, including, but not limited to, the following actions:

- the creation of the Detroit General VEBA and the Detroit Police and Fire VEBA;
- payments to be made by the DWSD during the period from the Effective Date through June 30, 2023 on account of (a) the DWSD's \$428.5 million currently-calculated allocable share of the unfunded actuarially accrued liabilities of the GRS (as modified by the Plan), (b) related administrative costs and (c) restructuring costs incurred by the City in connection with the Chapter 9 Case allocable to the DWSD (the "DWSD Pension Funding"), consistent with paragraph 24 of the DWSD Tender Order;
- all actions taken in connection with the UTGO Settlement Agreement and all provisions of the Plan addressing recoveries upon Unlimited Tax General Obligation Bond Claims, including Sections II.B.3.n, II.B.3.o, II.B.3.p and IV.C of the Plan (such provisions of the Plan as they relate to such recoveries, and, collectively with the UTGO Settlement Agreement, the "UTGO Settlement"), including, but not limited to, the City's designation of an entity or entities to receive the Assigned UTGO Bond Tax Proceeds;
- the transfer of the DIA Assets to DIA Corp. pursuant to the DIA Settlement;<sup>33</sup> and

---

<sup>33</sup> See Attorney General's Approval of DIA Settlement (Docket No. 5338), filed on June 17, 2014.

- all actions taken in connection with the Syncora Development Agreement (including the garage option), the Tunnel Lease and the FGIC Development Agreement.

L. Section 943(b)(5). The Plan satisfies the requirements of section 943(b)(5) of the Bankruptcy Code. The Plan expressly provides for the cash payment, in full, of Allowed Administrative Claims, including administrative expenses allowed under section 503(b) of the Bankruptcy Code either (1) on the Effective Date or as soon as reasonably practicable thereafter or (2) if the Administrative Claim is not Allowed as of the Effective Date, 30 days after the date on which such Administrative Claim becomes an Allowed Claim.<sup>34</sup>

M. Section 943(b)(6). The Plan satisfies the requirements of section 943(b)(6) of the Bankruptcy Code. The effectiveness of the Plan is expressly conditioned upon the obtaining of any authorizations, consents and regulatory approvals necessary under applicable nonbankruptcy law.<sup>35</sup> Neither the DWSD Pension Funding nor the provisions of the Plan relating to the DWSD CVR constitute a tax upon any DWSD ratepayer subject to electoral approval.

The restructuring of the City's obligations pursuant to the Plan, and the consequent restructuring (and lowering) of DWSD's costs, will not necessitate an increase in the rates charged by DWSD in excess of normally scheduled rate increases.

---

<sup>34</sup> See Plan, at § II.A.1.a.

<sup>35</sup> See Plan, at § III.A.7.

N. Section 943(b)(7).

1. *Best Interests of Creditors*. The Plan is in the best interests of creditors. The Plan provides the City's creditor body, as a whole, with a better alternative than dismissal of the Chapter 9 Case and all that creditors can reasonably expect under the circumstances. Outside of bankruptcy, the City would face several billion dollars in cumulative deficits over the next ten years, even if it attempted only to maintain the current level of inadequate public services.

Although the automatic stay has allowed the City to enhance its cash position during the bankruptcy, the fundamentals of the City's financial forecasts have not changed materially since the City first created the baseline financial forecasts in June 2013. Moreover, if the City's Chapter 9 Case were dismissed, the City would lose the benefit of many of the settlements it has reached with its creditors.

The City does not have sufficient excess revenues to continue paying its creditors outside of bankruptcy.

2. The legal limitations on the collection of judgments that apply outside of bankruptcy also constrain the best interests of creditors test in bankruptcy. Because Michigan Public Act 236 of 1961, the Revised Judicature Act, M.C.L. §§ 600.101, *et seq.* (the "Revised Judicature Act"), provides the sole remedy under State law for the City's creditors to recover on their claims, the City cannot be compelled under State law to liquidate City-owned assets to satisfy

creditors' claims.<sup>36</sup> The City also cannot be compelled to sell any City-owned assets under the Bankruptcy Code because, in chapter 9 cases, section 904 of the Bankruptcy Code prohibits the Court from interfering with "(1) any of the political or governmental powers of the debtor; (2) any of the property or revenues of the debtor; or (3) the debtor's use or enjoyment of any income-producing property."<sup>37</sup>

3. Maintaining the art collection housed at the DIA (the "DIA Collection") is critical to the feasibility of the Plan and to the City's future because the DIA Collection is an invaluable and irreplaceable resource, and because the DIA stands at the center of the City's cultural life. Selling the DIA Collection would impede the City's efforts to attract new residents, visitors and businesses and would only deepen the City's fiscal, economic and social problems. In addition, using the DIA Collection or some portion thereof as collateral for a loan to pay creditors would be imprudent because doing so would (a) merely substitute debt for debt and thus not benefit the City and (b) create a risk that the City would lose any art used as collateral in the event of a default.

4. Moreover, it would be impracticable for the City to liquidate the DIA Collection in an attempt to maximize creditor recoveries. Because (a) many works within the DIA Collection are subject to donor

---

<sup>36</sup> See M.C.L. § 600.6093.

<sup>37</sup> 11 U.S.C. § 904.

restrictions and (b) the Michigan Attorney General and DIA Corp. contend that the entire DIA Collection is held in trust, any attempt to liquidate the DIA Collection or any material portion thereof to satisfy the claims of creditors most likely would result in costly, complex and time-consuming litigation regarding the City's precise ownership interests in the approximately 60,000 works of art that comprise the DIA Collection. A forced liquidation of the DIA Collection would generate only a fraction of its true economic value.

5. Nevertheless, the Plan provides for multiple new sources of revenue, cost saving initiatives and settlements that improve recoveries for creditors. The City has made reasonable efforts to monetize assets other than the DIA Collection, including the Detroit Windsor Tunnel, certain real estate properties, certain parking properties and the Joe Louis Arena property. The City also has entered into the Great Lakes Water Authority memorandum of understanding, which benefits all of the City's creditors.<sup>38</sup>

6. The transactions and settlements associated with the "Grand Bargain" – including the State Contribution Agreement, the DIA Settlement and the City's comprehensive settlement of pension-related and labor-related issues negotiated with the Retiree Committee, the Retirement

---

<sup>38</sup> See Memorandum of Understanding Regarding the Formation of the Great Lakes Water Authority, filed as Exhibit A to the Notice of Execution of Framework for Creating a Water and Sewer Authority (Docket No. 7357).

Systems and certain unions and retiree associations – will generate at least an additional \$816 million in nominal revenue for the benefit of the holders of Pension Claims. In addition, the City has entered into favorable settlements with representatives of the holders of Pension Claims, OPEB Claims, COP Claims, Unlimited Tax General Obligation Bond Claims, Limited Tax General Obligation Bond Claims and Indirect 36th District Court Claims. The difference between the amounts asserted by such claimants and the amounts accepted in settlement of such Claims redounds to the benefit of all the City's stakeholders. The successful implementation of the reinvestment initiatives incorporated into the Plan (the "Reinvestment Initiatives") is indispensable to the City's efforts to provide its creditors with as significant a recovery as could be expected under the circumstances, and the maximization of such creditor recoveries influenced the design of the Reinvestment Initiatives. In addition, absent confirmation of the Plan, the City would not have the ability to access the capital markets on reasonable terms, meaning that the issuance of numerous and large judgments against the City would quickly deplete the City's limited resources and its tax base.

7. Raising taxes also is not a viable option for the City.

The City is legally prohibited from raising property tax rates above their current levels, which rates are higher than those in neighboring communities and among the highest in Michigan. The likelihood of the people of Detroit or the State

legislature voting to raise taxes is remote. Even if the City could legally increase property tax rates, doing so would not increase the City's revenues because the City has reached its practical taxable limit, *i.e.*, tax saturation, meaning that any further tax increases on Detroit residents most likely would (a) exacerbate the City's already high tax collection delinquency rate, (b) continue the flight of residents and businesses from the City, (c) discourage inflow of prospective residents and businesses, (d) destabilize growth and (e) ultimately reduce the City's overall tax revenues. The loss of population in Detroit has compounded the City's financial difficulties and led to additional cutbacks in municipal services – which cutbacks, in turn, have led to continuing losses of population, industry and tax revenues. Increasing the tax burden on Detroit residents would only perpetuate this vicious cycle.

8. The effect of dismissal of the City's Chapter 9 Case would be the issuance of myriad judgment levies under State law.<sup>39</sup> In a dismissal scenario, the Revised Judicature Act would require the City to satisfy any judgments obtained by creditors either through bond issuances or property tax levies.<sup>40</sup> If the Chapter 9 Case were dismissed, the City's creditors would not realize greater recoveries than they would receive under the Plan because the City

---

<sup>39</sup> See M.C.L. § 600.6093.

<sup>40</sup> See *id.*

would lack the resources and ability to satisfy such judgment levies. In such a scenario, the City's pension obligations alone likely would quickly eradicate any meaningful recoveries for other unsecured creditors outside of chapter 9.

9. Dismissal of the Chapter 9 Case would deprive the City of the benefit of the Reinvestment Initiatives. Without such reinvestment, the City's ability to provide basic services would continue to decline below even today's inadequate levels. Without the ability to provide adequate levels of basic services, the City would be unable to reverse the exodus of residents and businesses from the City that has depleted the City's tax base, reduced land values and led to widespread abandonment and blight. In addition, the Plan offers financial benefits that would be unavailable to the City in the event of dismissal, including the \$816 million that will be contributed to the Retirement Systems in connection with the Grand Bargain, the Exit Facility and the cost savings to be realized by the Reinvestment Initiatives and the Settlements under the Plan.

10. *Feasibility.* The Plan is feasible, within the meaning of section 943(b)(7) of the Bankruptcy Code. On and after the Effective Date, it is more likely than not that the City will be able to (a) make all payments contemplated by the Plan without a significant probability of default and

(b) sustainably provide adequate municipal services to its residents.<sup>41</sup> The City has demonstrated a reasonable prospect that the City will successfully implement the Plan and the Reinvestment Initiatives.<sup>42</sup>

11. The City's revenue and expense projections contained in (a) the ten-year summary of the Reinvestment Initiatives (the "10-Year Reinvestment Initiative Summary") introduced into evidence as City Exhibit 108 (July 2014); (b) the ten-year statement of projected cash flows (the "10-Year Forecast") introduced into evidence as City Exhibits 109 (July 2014), 733 (September 2014), 780 (October 2014), 781 (October 2014) and 782 (October 2014); (c) the forty-year statement of projected cash flows (the "40-Year Forecast") introduced into evidence as City Exhibits 111 (July 2014), 734 (September 2014), 779 (October 2014) and 793 (October 2014); and (d) the ten-year statement of projected cash flows of the City's water and sewage disposal funds introduced into evidence as part of City Exhibit 3 (collectively with the 10-Year Reinvestment Initiative Summary, the 10-Year Forecast and the 40-Year Forecast, the "Projections"), are reasonable, made in good faith, accurate,

---

<sup>41</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 202-03; Court's Exhibit 12002 (Second Supplemental Expert Report of Martha E.M. Kopacz), at 5-6.

<sup>42</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 29, 164-65, 202-03; Court's Exhibit 12002 (Second Supplemental Expert Report of Martha E.M. Kopacz), at 5-6.

consistent with other financial projections made by the City and based upon assumptions that are reasonable when considered individually or collectively.<sup>43</sup>

12. The City will have employees that have the necessary skill and commitment to implement, and perform according to the terms of, the Plan. The City will also have adequate systems, controls and procedures (as modified, modernized and developed by the Reinvestment Initiatives) to (a) monitor the City's financial and operational performance and (b) minimize and eliminate fraud, abuse and waste (both in the City's day-to-day operations and in the implementation of the Reinvestment Initiatives).<sup>44</sup>

13. The City is beginning to implement appropriate controls to reasonably ensure the City's ongoing compliance with the terms of the Plan.<sup>45</sup> These controls include, but are not limited to: (a) the Michigan Financial Review Commission (the "Financial Review Commission") established pursuant to Public Act 181 of 2014, M.C.L. §§ 141.1631, *et seq.* ("PA 181" or the "Financial Review Commission Act"); (b) the requirements imposed by Public Act 182 of 2014,

---

<sup>43</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 10, 200-01; Court's Exhibit 12001 (Supplemental Expert Report of Martha E.M. Kopacz), at 3-4; Court's Exhibit 12002 (Second Supplemental Expert Report of Martha E.M. Kopacz), at 5-6.

<sup>44</sup> See Court's Exhibit 12002 (Second Supplemental Expert Report of Martha E.M. Kopacz), at 29-30.

<sup>45</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 175, 202.

M.C.L. § 117.4s-t ("PA 182" and, together with PA 181, the "Grand Bargain Legislation"), that the City (i) adopt a sound, multi-year financial plan, (ii) appoint a Chief Financial Officer and (iii) post its financial forecasts and contracts to the City's official website; and (c) the adoption of governance and financial oversight mechanisms for the Retirement Systems in connection with the State Contribution Agreement. The Financial Review Commission will have broad authority, under the Grand Bargain Legislation, to obtain and review the City's financial records on an ongoing basis, and to conduct financial audits of the City.<sup>46</sup>

14. The Reinvestment Initiatives provide for the reinvestment of approximately \$1.7 billion in the City between the Effective Date and June 30, 2023. The Reinvestment Initiatives will allow the City to achieve approximately \$483 million in additional revenue and \$358 million in cost savings during that same period, resulting in net reinvestment in the City of approximately \$877 million. The Reinvestment Initiatives are reasonably designed to, and more likely than not will, ensure that the City will be able to (a) remedy its service delivery insolvency and provide adequate municipal services to its residents, (b) meet its financial obligations on a prospective basis, (c) promote the stability of

---

<sup>46</sup> See M.C.L. § 141.1636.

the City's population and (d) provide a platform for the growth of both the City's resident and business populations.<sup>47</sup>

15. The costs associated with the Reinvestment Initiatives are reasonable. The goals of the Reinvestment Initiatives are achievable.<sup>48</sup> The City can arrest the reinforcing trends of population loss, declining property values and declining revenues if adequate services are restored, blight is remediated and the City becomes a more attractive place to live and work. The Reinvestment Initiatives will accelerate investment in the City by business, community and philanthropic organizations.

16. Absent the Reinvestment Initiatives, the City cannot provide a sustainable level of services to its residents. The Reinvestment Initiatives are necessary to (a) remedy the City's service delivery insolvency, (b) reduce blight and strengthen neighborhoods, (c) improve the efficiency of, and adequately fund, the City's operations (including, but not limited to, its administrative and support departments and the operations of the 36th District Court), (d) allow elected officials to more effectively manage the City, (e) enhance the City's revenues, (f) reduce the City's costs and (g) ensure the provision of

---

<sup>47</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 202.

<sup>48</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 201-02.

adequate and significantly improved municipal and public safety services to City residents and businesses.<sup>49</sup> The Mayor's office and the City Council have been consulted in connection with the City's restructuring and are committed to working in concert to implement the Plan and the Reinvestment Initiatives.<sup>50</sup>

17. It is more likely than not that the Plan is sustainable over the long term.<sup>51</sup> Based on the Projections, the City will have sufficient liquidity to sustain normal municipal operations, issue and perform under the New Securities, satisfy the Settlements and otherwise meet its financial obligations after the Effective Date. The amount and terms of the Exit Facility are reasonable. The City will have sufficient resources to service the Exit Facility. The Plan and the Exit Facility will enable the City to resolve onerous debts related to the City's excessive prepetition borrowing. The City's commitment, under the Plan, to use its best efforts to prepay the New LTGO Bonds on the Effective Date, or as soon as reasonably practicable thereafter, is both reasonable and feasible. Credit markets

---

<sup>49</sup> See Court's Exhibit 12000 (Expert Report of Martha E.M. Kopacz), at 201-02.

<sup>50</sup> See Joint Notice of Transition Plan (Docket No. 7681), Exhibit A (Detroit City Council Resolution adopted Sept. 25, 2014), at 2-3 ("The City Council supports the confirmation and implementation of a Plan of Adjustment.... After, and assuming, confirmation of the Plan of Adjustment, the City Council will support the City's implementation of the confirmed Plan of Adjustment.").

<sup>51</sup> See Court's Exhibit 12001 (Supplemental Expert Report of Martha E.M. Kopacz), at 3-4.

likely (a) will be receptive to the newly de-leveraged City and (b) would be closed to the City absent the restructuring to be implemented pursuant to the Plan and the Reinvestment Initiatives. Although future economic risks cannot be predicted with certainty, and some economic risk factors are outside of the City's control, under the Plan, the City more likely than not will be able to adapt to unforeseen circumstances as necessary to preserve its revitalization.

18. Under the Plan, the DWSD will have sufficient resources to make the capital improvements necessary to enable the DWSD to continue to provide an adequate level of water and sewer service to its customers, and the DWSD's current capital improvement plans are reasonable for this purpose. There is no material risk of a system-wide failure that would prevent the DWSD from providing adequate levels of service. In addition, the DWSD Pension Funding does not negatively impact the feasibility of the Plan with respect to other creditors or the reinvestment initiatives.

### **EXECUTORY CONTRACTS**

O. Pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code (incorporated into this Chapter 9 Case by section 901 of the Bankruptcy Code), upon the occurrence of the Effective Date, Section II.D of the Plan provides for the assumption, assumption and assignment or rejection of certain Executory Contracts and Unexpired Leases. The City's determinations regarding the

assumption, assumption and assignment or rejection of Executory Contracts and Unexpired Leases are based on and within the sound business judgment of the City, are necessary to the implementation of the Plan and are in the best interests of the City, holders of Claims and other parties in interest in the Chapter 9 Case.

The City has filed Exhibit II.D.6 to the Plan (as it may have been amended or supplemented) and either has provided or will provide notice of the City's determinations regarding the assumption, assumption and assignment or rejection of Executory Contracts or Unexpired Leases and any related Cure Amount Claims consistent with the procedures (collectively, the "Contract Procedures") set forth in the Order, Pursuant to Sections 365, 901 and 1123 of the Bankruptcy Code, (A) Establishing Procedures with Respect to the Proposed Assumption and Rejection of Executory Contracts and Unexpired Leases and (B) Approving the Form and Manner of Notice Thereof (Docket No. 6512), entered on August 4, 2014 (the "Contract Procedures Order").

### **SETTLEMENTS AND RELEASES**

P. Pursuant to Bankruptcy Rule 9019(a) or otherwise, and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan constitute a good faith compromise and settlement of all Claims and controversies resolved pursuant to the Plan.

Q. Based upon the representations and arguments of counsel to the City, the Retiree Committee, the Retirement Systems, Syncora, FGIC, the State, DIA Corp., the RDPFFA and the DRCEA, and all other testimony either actually given or proffered and other evidence introduced at the Confirmation Hearing and the full record of this Chapter 9 Case, the findings and conclusions of which are hereby incorporated by reference as if fully set forth herein, this Order constitutes the Court's approval of all Settlements provided for herein or in the Plan because, among other things, all aspects of such Settlements have been fully disclosed and such Settlements (and, as applicable, the agreements underlying such Settlements): (1) were negotiated and entered into in good faith and at arm's length; (2) comport with the policies and purposes of chapter 9 of the Bankruptcy Code; (3) reflect a reasonable balance between certainty and the risks and expenses of both future litigation and the continuation of the Chapter 9 Case; (4) fall well within the range of reasonableness for the resolution of complex litigation; (5) are fair, equitable and reasonable and in the best interests of the City, its creditors and other parties in interest; (6) represent appropriate exercises of the City's business judgment; (7) are essential to the successful implementation of the Plan; and (8) meet the standards for approval under sections 105(a) and 1123(b) of the Bankruptcy Code, Bankruptcy Rule 9019(a) and other applicable law.

R. The DIA Settlement. The DIA Settlement resolves a substantial dispute surrounding the extent of the City's property rights with respect to the DIA Assets. Under the DIA Settlement, as reflected in Section IV.E.2 of the Plan, the City will irrevocably transfer all of its right, title and interest in and to the DIA Assets to DIA Corp., as trustee, to hold in perpetual charitable trust, and within the City limits, for the primary benefit of the residents of the City and the Counties and the citizens of the State.<sup>52</sup>

1. The City cannot be compelled to liquidate the DIA Collection.<sup>53</sup> Even if such a liquidation could be compelled, however, many works in the DIA Collection are subject to donor restrictions and, contrary to the City's position, the Michigan Attorney General and DIA Corp. assert that the entire DIA Collection is held in trust.<sup>54</sup> The City's likelihood of success in potential litigation over whether the City has sufficient interest in the DIA Assets (or in any of them) to permit it to sell any such assets and use the proceeds of sale for its own purposes, including payment of operating expenses or debt, is uncertain. Any such litigation would likely take substantial time and cause the City to incur substantial expense.

---

<sup>52</sup> See Plan, at Exhibit I.A.127 (DIA Settlement Documents).

<sup>53</sup> See *supra*, ¶ N.2; 11 U.S.C. § 904.

<sup>54</sup> See Michigan Attorney General Opinion No. 7272 (June 13, 2013).

2. For the reasons set forth in the Confirmation Opinion, even if the City were to prevail in whole or in part in such litigation over the City's ability to sell the DIA Assets, it would not be in the City's best interests to liquidate the DIA Assets because (a) the City's ability to realize, on a timely basis, the full value of each of the DIA Assets it would be permitted to sell is uncertain and (b) a forced liquidation of the DIA Collection likely would yield only a fraction of the DIA Collection's true economic value. A proposed sale or other deaccession of the DIA Assets would have been resisted, and likely would have provoked adverse action, including litigation, by (a) DIA Corp. and donors to DIA Corp. and to the DIA and (b) the international art community. Preservation of the DIA Assets and the DIA is strongly in the interest of the City and its residents, is an important element in the revitalization of the City, critical to the feasibility of the Plan and to the City's future and therefore is in the interest of its creditors, who are receiving under the Plan payments over a period of time.

3. The compromises and settlements embodied in the DIA Settlement (a) accurately reflect and effectively resolve a substantial dispute surrounding the extent of the property rights the City possesses with respect to the DIA Assets, (b) avoid objections to confirmation of the Plan regarding the Plan's treatment of Pension Claims, (c) resolve pending appeals regarding the Court's ability to impair pensions under chapter 9 of the Bankruptcy Code, and (d) are,

collectively, a key compromise upon which several provisions of the Plan rest.

In the absence of the DIA Settlement, the City's emergence from chapter 9 would likely have been delayed by litigation and burdened with additional expenses.

4. The DIA Settlement has not been entered into fraudulently, nor with the intent to hinder, delay or defraud any entity to which the City is, or may become, indebted on or after the Effective Date. The DIA Settlement is not a fraudulent transfer under state or federal law.

5. The transfer of the DIA Assets to the DIA Corp. serves the public purpose of providing civic, artistic and cultural activities to the general public. Such transfer is authorized by law, including by Section 4k of the Michigan Home Rule City Act, M.C.L. § 117.4k, and Section 1-102 of the Detroit City Charter.

6. The DIA Settlement (a) eliminates the risk and expense of litigation regarding the DIA Assets and the Plan's treatment of Pension Claims and (b) leverages the DIA Assets for the benefit of the City's pensioners while also protecting the DIA Assets from the threat of liquidation and preserving the DIA Assets for the benefit of the City, its residents and surrounding communities. Based on the evidence of (a) the amount of the consideration to be provided under the DIA Settlement directly to the Retirement Systems, (b) DIA Corp.'s commitments to the City under the DIA Settlement, including the obligation to

maintain for the benefit of the public an encyclopedic art museum the permanent primary situs of which will be in the City, and (c) the settlement of litigation over the extent of the City's right, title or interest in the DIA Assets, the DIA Settlement and the transfer of the DIA Assets as provided in the DIA Settlement are for fair value and fair consideration and are fair, equitable, reasonable and in the best interests of the City and its creditors and residents.

S. The UTGO Settlement. After sufficient notice and opportunity for all parties to be heard, and after due deliberation, based on the Court's thorough review and full consideration of the UTGO Settlement Agreement and good and sufficient cause appearing therefor, the Court makes the following findings of fact and conclusions of law with respect to the UTGO Settlement:

1. The UTGO Settlement described in the Plan and the UTGO Settlement Agreement are fair, equitable, reasonable and in the best interests of the City and its creditors and residents. The UTGO Settlement Agreement is the result of extensive arm's length negotiations among the City and the Settling UTGO Bond Insurers – all of whom were represented by sophisticated counsel. The compromises and settlements embodied in the UTGO Settlement (a) resolve all disputes with respect to claims classified in Class 8 under the Plan and the issues raised by the Settling UTGO Bond Insurers in the UTGO Litigation and (b) are, collectively, a key compromise upon which several provisions of the

Plan rest. In the absence of such compromises and settlements, the City's emergence from chapter 9 would likely have been delayed by litigation and burdened with additional expenses.

2. The UTGO Settlement and the UTGO Settlement

Agreement: (a) were negotiated and entered into in good faith; (b) comport with the policies and purposes of chapter 9; (c) are fair, equitable and reasonable; (d) are in the best interests of the City and its creditors and residents as they not only fully resolve the UTGO Litigation but also permit the City's assignees to receive value from the Assigned UTGO Bond Tax Proceeds as set forth in the Plan, which receipt fulfills a requirement of the State Contribution Agreement; (e) are within the range of reasonable results if the disputes resolved by the UTGO Settlement, including the UTGO Litigation, were instead litigated to a conclusion; (f) fall above the lowest point in the range of reasonableness; and (g) meet the standards for approval under sections 105(a) and 1123(b) of the Bankruptcy Code, Bankruptcy Rule 9019(a) and other applicable law.

3. Without limiting any of the foregoing, the Court hereby

finds that:

- The Plan incorporates the UTGO Settlement Agreement, and the effectiveness of the Plan is expressly conditioned upon: (a) the MFA board having approved the issuance of the Restructured UTGO Bonds and such bonds having been issued;

and (b) the City having obtained all governmental and Emergency Manager consents and approvals required to carry out the terms of the UTGO Settlement Agreement.<sup>55</sup>

- As of the Effective Date, the Plan represents a full, final and complete compromise, settlement, release and resolution of, among other matters, all disputes and pending or potential litigation (including any appeals), including, without limitation, the UTGO Litigation, regarding the allowability, amount, priority and treatment of the Unlimited Tax General Obligation Bond Claims. The treatment of Class 8 Unlimited Tax General Obligation Bond Claims under the Plan is a component of a settlement and compromise of the UTGO Litigation.<sup>56</sup>
- Good and valuable consideration has been provided for all releases and exculpations granted pursuant to the UTGO Settlement Agreement, including, without limitation, the releases and exculpations granted pursuant to Sections 6.1 and 6.2 of the UTGO Settlement Agreement. Such provisions are fair, equitable, reasonable and integral elements of the UTGO Settlement Agreement.<sup>57</sup>
- The Court confirms that, as of the Effective Date and pursuant to Emergency Manager Bond Order No. 4, the Municipal Obligation shall be secured, to the extent permitted by law, including, without limitation, Section 12(1)(x) of PA 436, by a lien granted by the City on the UTGO Bond Tax Levy

---

<sup>55</sup> See Plan, at §§ III.A.9, III.A.10.

<sup>56</sup> See Plan, at § II.B.3.o.ii, Exhibit I.A.360.

<sup>57</sup> See Plan, at Exhibit I.A.360.

for so long as either the Municipal Obligation or the Stub UTGO Bonds are outstanding.<sup>58</sup>

- As of the Effective Date, the UTGO Bond Tax Levy shall constitute "special revenues," as defined in section 902 of the Bankruptcy Code, and "pledged special revenues," as that term is used in section 922(d) of the Bankruptcy Code.<sup>59</sup>
- As of the Effective Date, the MFA shall possess a valid and enforceable statutory fourth lien and trust on the shared revenue payments that the City is entitled to receive from the State under the Michigan Constitution and Michigan Public Act 140 of 1971, the Glenn Steil State Revenue Sharing Act, M.C.L. §§ 141.901, *et seq.*, as amended ("Distributable State Aid"), as provided in Section 15(2) of Michigan Public Act 227 of 1985, the Shared Credit Rating Act, M.C.L. §§ 141.1051, *et seq.*, or as otherwise provided under applicable law.<sup>60</sup>
- As of the Effective Date, Holders of the Restructured UTGO Bonds shall possess all of the MFA's rights and interest in the Municipal Obligation including all the rights and interest provided herein and under the UTGO Settlement Agreement, subject to the reservation by the MFA of rights to indemnification and to make all determinations and approvals and receive all notices accorded to it under the Municipal Obligation and related documents. Accordingly, the Restructured UTGO Bonds will be payable from and secured by (a) payments made by the City on the Municipal Obligation and to the extent

---

<sup>58</sup> See *id.*

<sup>59</sup> See *id.*; 11 U.S.C. §§ 902, 922(d).

<sup>60</sup> See Plan, at Exhibit I.A.360.

permitted by law, including, without limitation, Section 12(1)(x) of PA 436, a lien on the portion of the UTGO Bond Tax Levy allocable to the Municipal Obligation, pledged by the City to secure the Municipal Obligation; and (b) a lien, made a statutory lien as provided by the Shared Credit Rating Act, on moneys in the funds and accounts established for the Restructured UTGO Bonds under the authorizing resolution for such bonds, including payments pledged by the City and received and held by the MFA or its trustee for the Restructured UTGO Bonds, which include, without limitation, all payments of (i) the proceeds of the UTGO Bond Tax Levy and (ii) Distributable State Aid.<sup>61</sup>

T. The LTGO Settlement. The LTGO Settlement Agreement and all Sections of the Plan pertaining to recoveries upon Limited Tax General Obligation Bond Claims, including Sections II.B.3.n and II.B.3.p.i.A of the Plan (such sections of the Plan, collectively with the LTGO Settlement Agreement, the "LTGO Settlement") are fair, equitable, reasonable and in the best interests of the City and its creditors and residents. The LTGO Settlement is the result of extensive arm's length negotiations among the City, the LTGO Insurer and BlackRock Financial Management (on behalf of certain managed funds and accounts) ("BlackRock"). The compromises and settlements embodied in the LTGO Settlement (1) resolve all disputes with respect to (a) the Plan and any objections filed by the LTGO Insurer or BlackRock related to the Plan, (b) the

---

<sup>61</sup> See *id.*

Claims classified in Class 7 under the Plan and (c) all issues relating to Limited Tax General Obligation Bonds raised in the adversary proceeding brought before the Bankruptcy Court, captioned as *Ambac Assurance Corp. v. City of Detroit, Michigan*, No. 13-5310 (Bankr. E.D. Mich.) (the "Ambac Action"); and (2) are, collectively, a key compromise upon which several provisions of the Plan rest.<sup>62</sup> In the absence of such compromises and settlements, the City's emergence from chapter 9 likely would have been delayed by litigation and burdened with additional expenses, with no assurance of a better result for the City. The treatment of Limited Tax General Obligation Bonds and related Limited Tax General Obligation Bond Claims under the Plan is part of the settlement of the Ambac Action, as such proceeding relates to such Bonds and Claims.

U. The OPEB Settlement. The OPEB Settlement is the result of extensive arm's length negotiations between the City and the Retiree Committee, which was represented by sophisticated counsel, and is an integral component of the City's global settlement of pension-related and other labor-related issues negotiated with, among others, the Retiree Committee. The compromises and settlements embodied in the OPEB Settlement (1) resolve all disputes with respect to the aggregate valuation of Claims classified in Class 12 under the Plan and the issues raised by the Retiree Committee in the Retiree Health Care Litigation; and

---

<sup>62</sup> See Plan, at Exhibit I.A.237 (LTGO Settlement Agreement).

(2) are, collectively, a key compromise upon which several provisions of the Plan rest. In the absence of such compromises and settlements, the City's emergence from chapter 9 likely would have been delayed by litigation and burdened with additional expenses, with no assurance of a better result for the City.

1. The OPEB Settlement is in the best interests of the City and its creditors and residents as it fully resolves (a) the dispute between the City and the Retiree Committee regarding the aggregate valuation of OPEB Claims and the treatment of OPEB Claims under the Plan and (b) the Retiree Health Care Litigation. The OPEB Settlement is within the range of reasonable results if the disputes resolved by the OPEB Settlement, including the Retiree Health Care Litigation, were instead litigated to a conclusion.

V. The 36th District Court Settlement. The 36th District Court Settlement is the result of extensive arm's length negotiations among the City, the 36th District Court and the Settling 36th District Court Claimants.

The compromises and settlements embodied in the 36th District Court Settlement resolve all disputes with respect to (1) the Plan and any objections filed by Settling 36th District Court Claimants related to the Plan and (2) the treatment of Indirect 36th District Court Claims under the Plan. In the absence of such compromises and settlements, the City's emergence from chapter 9 likely would have been

delayed by litigation and burdened with additional expenses, with no assurance of a better result for the City.

1. The 36th District Court Settlement is in the best interests of the City and its creditors and residents as it not only resolves the treatment of Indirect 36th District Court Claims under the Plan, but also provides for the payment of the Settling 36th District Court Claimants' Claims at a significant discount while enabling the City to avoid further litigation with the Settling 36th District Court Claimants regarding the City's power to impair Indirect 36th District Court Claims under the Plan. The 36th District Court Settlement is within the range of reasonable results if the disputes resolved by the 36th District Court Settlement were instead litigated to a conclusion.

W. The Syncora Settlement. The Syncora Settlement is the result of extensive arm's length negotiations among the City, Syncora and other interested parties impacted by the Syncora Settlement, including the Retiree Committee and the LTGO Insurer. The Syncora Settlement includes a long term commitment by Syncora to the revitalization of core areas of the City and a partnership between Syncora and the City focused on the City's growth. Without limiting the foregoing, the Court hereby finds as follows with respect to the Syncora Settlement:

1. The compromises and settlements embodied in the Syncora Settlement resolve all disputes between the City and Syncora with respect to (a) any Class 9 Claim or Class 14 Claim held by Syncora, (b) the Plan and all objections filed by Syncora related to the Plan (including any objection related to the UTGO Settlement) and (c) all issues arising in connection with the Dismissed Syncora Litigation, including, but not limited to, issues arising in connection with the COP Swap Settlement and the Tunnel Lease. In the absence of the Syncora Settlement, the City's emergence from chapter 9 likely would have been delayed by additional litigation and burdened with additional expenses, with no assurance of a better result for the City. The Syncora Settlement is (a) a reasonable exercise of the City's business judgment and (b) within the range of reasonable results if the disputes resolved by the Syncora Settlement were instead litigated to a conclusion.

2. As part of the Syncora Settlement and to resolve all pending litigation involving the City and Syncora, the parties have agreed to enter into certain transactions (collectively, the "Syncora Redevelopment Transactions"), which include: (a) the amendment, assumption and extension of the Tunnel Lease;<sup>63</sup> (b) the Syncora Development Agreement;<sup>64</sup> and (c) the agreement between the City and Pike Pointe Holdings, LLC (the "Developer"), a subsidiary of

---

<sup>63</sup> See Plan, at Exhibit I.A.344.

<sup>64</sup> See Plan, at Exhibit I.A.340.

Syncora, that provides the Developer, for a period of one year following the Effective Date, with the option to enter into a 30-year concession agreement to operate and maintain the Grand Circus Parking Garage. The Syncora Redevelopment Transactions will provide the City with benefits that the City otherwise would be unable to realize, including by laying the groundwork for a decades-long partnership between the City and Syncora that promises to provide substantial investment in, and rehabilitation of, City assets on a mutually beneficial basis. In addition, pursuant to the Syncora Settlement, the City will pay Syncora the sum of \$5 million (the "Swap-Related Consideration") in consideration for Syncora's (a) dismissal of Syncora's appeals of the COP Swap Settlement Approval Order (Docket No. 4094) and the Order Regarding Casino Revenues and Automatic Stay (Docket No. 670) and (b) withdrawal of Syncora's other litigation claims arising from the COP Swap Documents.<sup>65</sup> The Swap-Related Consideration, and any consideration provided by the City to Syncora in connection with the Syncora Redevelopment Transactions, is separate and distinct from, and constitutes no part of, the treatment under the Plan of Class 9 COP Claims. The Syncora Development Agreement is solely for the benefit of Syncora (subject to any provision set forth in the Plan for payment of COP Agent Fees). The Syncora

---

<sup>65</sup> See Plan, at § IV.I.

Settlement provides benefits to Classes 7, 12 and 14 under the Plan that would otherwise have been unavailable thereto.

X. The FGIC/COP Settlement. The FGIC/COP Settlement is the result of extensive good faith, arm's length negotiations among the City, FGIC, the FGIC COP Holders and the State. The FGIC/COP Settlement is founded on a long term commitment by FGIC to the revitalization of core areas of the City and a partnership among FGIC, the City and the State focused on the City's growth. Without limiting the foregoing, the Court hereby finds as follows with respect to the FGIC/COP Settlement:

1. The compromises and settlements embodied in the FGIC/COP Settlement resolve all disputes between the City, FGIC and the FGIC COP Holders with respect to (a) all Class 9 or Class 14 Claims held by FGIC and all Class 9 Claims held by the FGIC COP Holders, (b) the Plan and any objection filed by FGIC or the FGIC COP Holders related to the Plan and (c) all issues arising in connection with the Dismissed FGIC/COP Litigation. In the absence of the FGIC/COP Settlement, the City's emergence from chapter 9 likely would have been delayed by litigation and burdened with additional expenses, with no assurance of a better result for the City. The FGIC/COP Settlement is (a) a reasonable exercise of the City's business judgment and (b) within the range of

reasonable results if the disputes resolved by the FGIC/COP Settlement were instead litigated to a conclusion.

2. As part of the FGIC/COP Settlement and to resolve all pending litigation involving the City and FGIC, the City and FGIC have agreed to enter into the FGIC Development Agreement. The FGIC Development Agreement will provide the City with various benefits that the City otherwise would be unable to realize, including by laying the groundwork for a decades-long partnership among the City, FGIC and the State that promises to provide substantial investment in, and rehabilitation of, City assets. Any consideration provided by the City to FGIC in connection with the FGIC Development Agreement is separate and distinct from, and constitutes no part of, the treatment under the Plan of Class 9 COP Claims. The FGIC Settlement Consideration and the FGIC Development Agreement are solely for the benefit of FGIC and the FGIC COP Holders (subject to any provision set forth in the Plan for payment of COP Agent Fees).<sup>66</sup>

---

<sup>66</sup> In addition, pursuant to the FGIC/COP Settlement, in full satisfaction and discharge of FGIC's Claims against the City related to the COP Swap Documents, FGIC will receive an Allowed Class 14 Claim in the amount of \$6.13 million and the Downtown Development Authority shall assign to FGIC all of the Downtown Development Authority's right, title and interest to its distribution of New B Notes under the Plan on account of its \$33.6 million Class 13 Claim. This consideration is solely for FGIC's benefit.

The FGIC/COP Settlement provides benefits to Classes 7, 12 and 14 under the Plan that would otherwise have been unavailable thereto.

3. The consideration to be paid by the City pursuant to the Syncora Settlement and the FGIC/COP Settlement is expected to be offset by certain newly-identified sources of revenue not incorporated into the City's July and September 2014 Projections (the "Prior Projections"), meaning that (a) the City's overall cash position set forth in the Prior Projections remains materially unchanged in the City's October 2014 Projections (incorporating the costs of the Syncora Settlement and the FGIC/COP Settlement) and (b) the City will have sufficient cash and revenues to satisfy its obligations under the Settlements and meet its operating expenses going forward.

Y. ASF Recoupment. ASF Recoupment, as set forth at Section II.B.3.r.ii.D of the Plan, is: (1) an integral component of the City's global settlement of pension-related and other labor-related issues negotiated with, among others, the Retirement Systems and the Retiree Committee; and (2) is well within the range of possible reasonable settlements.

1. During the period beginning in the mid-1980s until fiscal year 2012, Annuity Savings Fund accounts maintained on behalf of certain participants (who voluntarily contributed after tax dollars into the Annuity Savings Fund maintained by the GRS) often were credited with interest in excess of the

actual or market rate of return for assets in the GRS Traditional Pension Plan (such interest, the "ASF Excess Interest"). Because the assets credited to such Annuity Savings Fund accounts were coinvested with the assets of the GRS Traditional Pension Plan, assets of the GRS Traditional Pension Plan were allocated to the applicable Annuity Savings Fund accounts to fund such ASF Excess Interest. The City asserts that the aggregate total of such ASF Excess Interest credited during the period from 2003 through 2013 was approximately \$387 million. The ASF Recoupment contemplated by the Plan would recover approximately \$190 million in total ASF Excess Interest credited to Annuity Savings Fund accounts through reductions to retiree pension benefits and asset transfers from active GRS participants.

2. The City has argued that the crediting of ASF Excess Interest to Annuity Savings Fund accounts constitutes a violation under Michigan Public Act 314 of 1965, the Public Employee Retirement System Investment Act, as well as the common law of trusts of the fiduciary duties owed to the GRS Traditional Pension Plan by the GRS Trustees and was an *ultra vires* act under the Detroit City Charter. Several GRS participants object, and assert a number of defenses to, the ASF Recoupment proposed by the City.

3. The Court does not rule on the merits of the City's claim to recover ASF Recoupment or the merits of the GRS participants' defenses.

The Court reviews the parties' respective positions solely to determine whether the ASF Recoupment component of the City's broader pension-related settlement is reasonable. The Court finds substantial merit in the City's claim to recover ASF Excess Interest. The legal authority of the GRS Trustees to credit ASF Savings Fund Accounts with ASF Excess Interest was doubtful, and the prudence of the practice even more so. The Court further finds that the defenses to ASF Recoupment asserted by the objecting GRS participants likely have little merit. Accordingly, the Court finds that the City would have a reasonable likelihood of success (between 60% and 70%) on any claim to recover ASF Excess Interest. Nevertheless, the length, complexity and expense of any such litigation, and related issues of collectability, would be substantial.

4. ASF participants received due process of law with respect to ASF Recoupment. In particular, ASF participants received (a) the Plain Language Supplement as part of their Solicitation Packages describing in detail the effect of ASF Recoupment (as well as subsequent communications from the City, the Retiree Committee, the Retirement Systems and certain retiree associations) and (b) sufficient opportunity to object to the Plan and ASF Recoupment, an opportunity exercised by many ASF participants.<sup>67</sup>

---

<sup>67</sup> See Certificate of Service (Docket No. 6177), at ¶¶ 10, 14.

5. ASF Recoupment will not cause the amounts recovered from ASF Distribution Recipients to exceed the ASF Recoupment Cap or the Current GRS Retiree Adjustment Cap as such amounts are amortized over time using a 6.75% interest rate. Subject to Section II.B.3.r of the Plan, GRS participants subject to ASF Recoupment have the option to pay the ASF Recoupment Amount in a lump sum. The caps and other limitations on ASF Recoupment limit the hardship resulting to GRS participants therefrom.

Z. Plan Releases. Each non-Debtor party that will benefit from the releases, exculpations and related injunctions set forth in, among others, Sections III.D.5, III.D.6 and III.D.7 of the Plan (collectively, the "Plan Releases") either shares an identity of interest with the City, was instrumental to the successful prosecution of the Chapter 9 Case or provided substantial consideration, which value will allow for distributions that would not otherwise be available but for the contributions made by such non-Debtor parties. The Plan Releases are, individually and collectively, integral to, and necessary for the successful implementation of, the Plan, essential to the City's restructuring and supported by reasonable consideration. The City and all creditors that voted to accept the Plan have expressly consented to the Plan Releases. Releases of non-Debtor parties pursuant to Section III.D.7 of the Plan were appropriately disclosed by the City in the Disclosure Statement, on each Ballot mailed to creditors and in the Plain

Language Supplement.<sup>68</sup> Accordingly, in light of all of the circumstances, the Plan Releases are consonant with the prevailing law in this District and are fair to the releasing parties. Without limiting the foregoing, the Court hereby finds as follows with respect to the Plan Releases:

1. The releases set forth in Section III.D.7.a of the Plan are consensual releases that apply only to holders of Claims that voted to accept the Plan. The Plan's consensual release provisions are lawful and appropriate.

2. The exculpation provision contained in Section III.D.6 of the Plan complies with applicable law and is appropriate. Such provision contains a carve-out for gross negligence and willful misconduct and is limited to claims arising out of the City's restructuring efforts and the Chapter 9 Case. In addition, the Plan's exculpation provision extends only to certain parties who either have settled with the City or have actively participated in the City's restructuring activities.

3. The non-consensual third party releases and related injunctions contained in the Plan (as such releases and injunctions may have been modified herein with respect to claims asserted against officers and employees of the City in their individual capacity pursuant to 42 U.S.C. § 1983 (*see* ¶¶ 22, 32 below)) are lawful and appropriate because unusual circumstances exist in the

---

<sup>68</sup> *See, e.g.*, Disclosure Statement, at 16, 28-29, 37, 39, 50, 52, 60.

City's Chapter 9 Case that justify their application. As far as this Court is aware, this is the first chapter 9 case wherein (a) the debtor has sought to compromise pension benefits for a municipality's active and retired workforce *and* (b) third parties under no obligation to contribute funds to creditors of a municipal debtor have volunteered to provide funding in addition to proposed recoveries under the debtor's plan of adjustment.

4. As part of the Grand Bargain, the State has agreed to contribute \$194.8 million to reduce the Retirement Systems' underfunding.<sup>69</sup> The settlements the City reached with representatives of its retirees and employees are conditioned upon the receipt of the State funding.<sup>70</sup> The contributions to be made by the State pursuant to the State Contribution Agreement are made in exchange for the release of, among other things, (a) the constitutionally-based claims asserted by the Retirement Systems and holders of Pension Claims that such Claims may not be impaired and (b) certain litigation identified in the State Contribution Agreement. The funding obligation of the State under the State Contribution Agreement is expressly conditioned upon the State and the State Related Entities obtaining the release set forth in Section III.D.7.b of the Plan.<sup>71</sup>

---

<sup>69</sup> See Plan, at Exhibit I.A.332 (State Contribution Agreement).

<sup>70</sup> See Plan, at Exhibits I.A.127, I.A.332.

<sup>71</sup> See Plan, Exhibit I.A.332, at 5.

The funding obligation of the DIA Funders under the DIA Settlement Documents is expressly conditioned upon the State's provision of funding pursuant to the State Contribution Agreement.<sup>72</sup> Because (a) the consummation of both the State Contribution Agreement and the DIA Settlement – and, thus, the State's and DIA Funders' respective contributions pursuant thereto – depends upon the approval of the releases set forth at Section III.D.7.b of the Plan; (b) the releases set forth at Section III.D.7.b of the Plan apply only with respect to holders of Class 10 and Class 11 Claims, *i.e.*, direct beneficiaries of both the State Contribution Agreement and the DIA Settlement; and (c) such provisions otherwise comply with applicable law, the Court hereby finds that the releases set forth at Section III.D.7.b of the Plan and any related injunctions are lawful and appropriate under the unusual circumstances of the City's Chapter 9 Case.

### MISCELLANEOUS

AA. Exit Facility. The terms and conditions of the Exit Facility and all of the transaction documents governing the Exit Facility, including, but not limited to, bond purchase agreements, indentures, bond forms, account control agreements and all other related documents and agreements (collectively, the "Exit Facility Documents") and the fees to be paid thereunder (1) are fair and reasonable, (2) reflect the City's exercise of prudent judgment, (3) are supported by reasonably

---

<sup>72</sup> See Plan, Exhibit I.A.127, at 3.

equivalent value and fair consideration, (4) are proposed in good faith, (5) are critical to the success and feasibility of the Plan and (6) are in the best interests of the City. The Exit Facility and the fees to be paid thereunder are the result of a full and fair marketing process conducted by the City and its agents and advisors.

The Exit Facility and the Exit Facility Documents and the fees to be paid thereunder were negotiated in good faith, without fraud or collusion and at arm's length among the parties, without the intent to hinder, delay or defraud any creditor of the City, and are supported by reasonably equivalent value and fair consideration. Credit extended under the Exit Facility and the Exit Facility Documents is extended in good faith for purposes and uses that are permitted by law, and not in violation of the Bankruptcy Code or of applicable nonbankruptcy law, and the Exit Facility (including the transactions contemplated by the Exit Facility Documents) is not prohibited by applicable bankruptcy or nonbankruptcy law. Each of (1) the MFA, (2) Barclays Capital Inc. (or such other qualifying affiliate as transferee), (3) the indenture trustee to be named under the Exit Facility Documents and (4) the holders of the bonds to be issued in connection with the Exit Facility (collectively, the "Exit Bonds"), therefore, shall not be affected by any reversal, modification, vacatur, amendment, reargument or reconsideration of this Order, any order finding jurisdiction, the Order for Relief or any other order.

BB. Waiver of Stay of Confirmation Order. To enable the City to (1) consummate the DIA Settlement and the State Contribution Agreement expeditiously, both of which settlements are conditioned upon the occurrence of the Effective Date; (2) begin implementing, and making distributions to the City's creditors pursuant to, the Plan; and (3) emerge from bankruptcy as expeditiously as possible to minimize costs to all parties and remedy its service delivery insolvency, good cause exists to support a waiver of the stay imposed by Bankruptcy Rule 3020(e).

ACCORDINGLY, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, AS FOLLOWS:

**A. Confirmation of Plan**

1. The Plan and each of its provisions (whether or not specifically approved herein) are CONFIRMED in each and every respect, pursuant to section 943 of the Bankruptcy Code. Failure specifically to include or reference particular sections or provisions of the Plan or any related agreement in this Order shall not diminish or impair the effectiveness of such sections or provisions, it being the intent of the Court that the Plan be confirmed and such related agreements be approved in their entirety.

2. The Effective Date of the Plan shall occur on the date determined by the City when the conditions set forth in Section III.A of the Plan

have been satisfied or, if applicable, have been waived in accordance with Section III.B of the Plan.

3. Any objections or responses to Confirmation of the Plan and the reservation of rights contained therein that (a) have not been withdrawn, waived or settled prior to the entry of this Order or (b) are not cured by the relief granted herein are hereby OVERRULED in their entirety and on their merits, and all withdrawn objections or responses are hereby deemed withdrawn with prejudice.

**B. Findings of Fact and Conclusions of Law**

4. Any finding of fact set forth in this Order constitutes a finding of fact even if it is stated as a conclusion of law, and any conclusion of law set forth in this Order constitutes a conclusion of law even if it is stated as a finding of fact. All findings of fact and conclusions of law announced by the Court on the record in connection with confirmation of the Plan or otherwise at the Confirmation Hearing or in the Confirmation Opinion are incorporated herein by reference.<sup>73</sup> The findings of fact and conclusions of law set forth herein, in the

---

<sup>73</sup> The findings of fact and conclusions of law that are (a) set forth herein, (b) announced on the record during the Confirmation Hearing and (c) in the Confirmation Opinion shall be construed in a manner consistent with each other so as to effect the purpose of each; *provided, however*, that if there is any direct conflict that cannot be reconciled, then, solely to the extent of such conflict, the provisions of the Confirmation Opinion shall govern and

Confirmation Opinion and in the record of the Confirmation Hearing constitute the Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014.

**C. Approval of Settlements**

5. Consistent with the findings herein, the DIA Settlement, the State Contribution Agreement, the UTGO Settlement, the LTGO Settlement, the 36th District Court Settlement, the OPEB Settlement, the Syncora Settlement and the FGIC/COP Settlement (collectively, the "Settlements"), including, without limitation, any and all of the transactions contemplated, liens granted and protections created therein, are approved in all respects as good faith, fair, reasonable and equitable compromises and settlements of all disputes with respect to the subject matter thereof that are in the best interests of the City and its creditors and residents.

6. The entry of this Order constitutes: (a) approval of the each of the Settlements pursuant to, as applicable, (i) the Bankruptcy Rules, including Bankruptcy Rule 9019, (ii) the Bankruptcy Code, including section 1123 thereof

---

(continued...)

shall control and take precedence over any findings of fact or conclusions of law announced on the record at the Confirmation Hearing or in the Confirmation Opinion.

and (iii) any and all applicable State law, including, but not limited to, (A) Act 279, Public Acts of Michigan, 1909, as amended, (B) PA 436, (C) Act 34, Public Acts of Michigan, 2001, as amended, and (D) Act 80, Public Acts of Michigan, 1981, as amended; and (b) authorization for the City to enter into each Settlement and take any and all actions necessary or appropriate to perform under or implement the terms of the applicable agreements.

7. The transfer under the Plan and the DIA Settlement of the DIA Assets, including without limitation (a) the real property located at 5200 Woodward Avenue, Detroit, Michigan, (b) the underground parking garage commonly known as the "Cultural Center Garage," located at 41 Farnsworth Street, Detroit, Michigan, (c) the parking lot located at 5200 Woodward Avenue, Detroit, Michigan, (d) the parking lot, commonly known as the "Frederick Lot," located at 318 Frederick Street, Detroit, Michigan and (e) the art collection located in the DIA, shall be free and clear of all liens, claims and interests (as such terms are defined in the Bankruptcy Code) of the City and its creditors.

8. As provided in the Plan, on the Effective Date, the UTGO Settlement Agreement shall be binding on the City, Ambac, Assured and NPMG. All exculpations and releases granted pursuant to the UTGO Settlement, including, without limitation, the releases and exculpations granted pursuant to Sections 6.1 and 6.2 of the UTGO Settlement Agreement, are hereby approved in their entirety.

The Court approves such settlements and releases on the grounds that good and valuable consideration has been provided therefor, and that such provisions are fair, equitable, reasonable and integral elements of the UTGO Settlement Agreement.

9. The proceeds of the UTGO Bond Tax Levy collected by the City shall be segregated and transmitted to the Debt Millage Escrow Trustee (as such term is defined at Section 2.4(a) of the UTGO Settlement Agreement) under the Debt Millage Escrow Agreement (as such term is defined at Section 1.2 of the UTGO Settlement Agreement), and the Debt Millage Escrow Trustee shall segregate and transmit the proceeds allocable to the Municipal Obligation to the Master Trustee (as such term is defined at Section 1.2 of the UTGO Settlement Agreement) in accordance with Section 2.4(a) of the UTGO Settlement Agreement.

10. Pursuant to the Section 2.7(b) of the UTGO Settlement Agreement, the City shall certify annually, not later than June 30 of each year, that it has imposed the debt millage levy as required by and in accordance with the terms of the UTGO Settlement Agreement.

11. All exculpations and releases granted pursuant to the LTGO Settlement, including, without limitation, the releases and exculpations granted pursuant to Sections 6.1 and 6.2 of the LTGO Settlement Agreement, are hereby approved in their entirety. The Court hereby approves such settlements and releases on the grounds that good and valuable consideration has been provided

therefor, and that such provisions are fair, equitable, reasonable and integral elements of the LTGO Settlement.

12. All consent rights granted by the City to the LTGO Settlement Parties, on behalf of the holders of Allowed Limited Tax General Obligation Bond Claims, as reflected in the LTGO Settlement and specifically in Section II.B.3.p.i.A of the Plan, with respect to pre-Effective Date and post-Effective Date settlements of the COP Litigation are integral elements of the LTGO Settlement and supported by good and valuable consideration.

13. In accordance with the LTGO Settlement, each month, the City shall segregate and deposit into a debt service fund monies for the payment of one-sixth of the next semi-annual debt service payable on the New LTGO Bonds, which monies shall not be used for any purpose other than paying debt service on the New LTGO Bonds so long as any New LTGO Bonds remain outstanding.

14. The Syncora Settlement Documents, including, but not limited to, (a) the Settlement Agreement between the City and Syncora, (b) the Syncora Development Agreement (including the garage option) and (c) the Tunnel Lease, and all transactions contemplated thereby, are hereby approved in all respects. The Syncora Development Agreement shall be administered by, and consideration related thereto shall be distributed to, Syncora in a manner consistent with this Order and the Plan.

15. Notwithstanding anything to the contrary in this Order or the Plan (including, without limitation, Sections II.B.3.p.i.A, III.D.6 or IV.L of the Plan, the FGIC/COP Settlement or the Syncora Settlement): (a) none of the form, method, mechanics or allocation of distributions in Section II.B.3.p.i.A of the Plan, nor any findings or orders of the Bankruptcy Court related thereto, shall, or shall be asserted or construed to, affect or prejudice any rights, claims or defenses between the COP Swap Counterparties, on the one hand, and any Settling COP Claimant (including Syncora, FGIC and the FGIC COP Holders) or COP Insurer, on the other hand. Subject to the proviso at the end of this paragraph, the preceding sentence hereby amends and replaces in its entirety the fourth paragraph of Section II.B.3.p.i.A of the Plan; (b) neither (i) any determinations, adjudications, findings or rulings in the Plan or by the Bankruptcy Court regarding the distributions or consideration provided to the COP Insurers or the Settling COP Claimants under the Plan, including whether such distributions or consideration are solely for the benefit of any particular parties nor (ii) any acceleration or deemed acceleration of any COPs provided for in the Plan or by the Bankruptcy Court shall in any way affect or prejudice any rights, claims or defenses of the COP Swap Counterparties, including with respect to such distributions or consideration; and (c) no release or agreement by any COP Agent provided for in the Plan (including, without limitation any agreement not to sue any COP Holder or any COP Insurer

in Section II.B.3.p.i.A of the Plan) or by the Bankruptcy Court, shall in any way affect any liability of such COP Holder, COP Insurer or COP Agent to any COP Swap Counterparty (or to any COP Agent on behalf of such COP Swap Counterparty) or impair in any way the rights or obligations of any COP Swap Counterparty or COP Agent (on behalf of any COP Swap Counterparty) to sue any COP Holder, COP Insurer or COP Agent; *provided, however* that, notwithstanding anything in this paragraph to the contrary, the COP Swap Counterparties have agreed not to, and shall not, seek to enjoin, block, prevent, subject to any lien (other than a judgment lien) or otherwise interfere with (a) the distribution by the Debtor of the Class 9 Settlement Asset Pool and New B Notes to, as applicable, FGIC, the FGIC COP Holders, Syncora and the Settling COP Claimants under and as provided for in Section II.B.3.p.i.A of the Plan, (b) any performance, operation, administration of, sale of, transfer of, assignment of or other action with respect to the FGIC Development Agreement, the Syncora Development Agreement or the Tunnel Lease (it being understood that this clause (b) shall not impair any rights or claims of the COP Swap Counterparties to monetary damages related to such agreements or the value thereof), or (c) except as a defense, counterclaim or claim against and in response to a party asserting a counterclaim, in each case asserted by either of the COP Swap Counterparties, distributions to FGIC, the FGIC COP

Holders, Syncora and the Settling COP Claimants (as applicable) of the proceeds of any of the foregoing.

16. The FGIC/COP Settlement Documents, including, but not limited to, (a) the Settlement Agreement between the City and FGIC, (b) the Stipulation Regarding FGIC Plan COP Settlement and FGIC COP Swap Settlement and (c) the FGIC Development Agreement, and all transactions contemplated thereby are hereby approved in all respects. The FGIC Settlement Consideration and the FGIC Development Agreement shall be administered and distributed to FGIC and the FGIC COP Holders in a manner consistent with this Order and the Plan. The allocation of Plan distributions among FGIC and the FGIC COP Holders shall be determined in accordance with agreements among FGIC and the FGIC COP Holders disclosed in a term sheet filed with the Court on October 22, 2014, as the same was amended on October 27, 2014 and may be subsequently amended (with the written consent of the parties thereto) and more fully documented (the "FGIC/FGIC COP Holders Term Sheet"). Pursuant to the FGIC/COP Settlement, the Downtown Development Authority shall, as of the Effective Date, irrevocably assign to FGIC all of the New B Notes that the Downtown Development Authority is entitled to receive pursuant to its Class 13 Allowed Claim.

17. The COP Service Corporations shall enter into such Supplemental Trust Agreements as FGIC and Syncora may reasonably request with respect to their respective insured COPs as long as such Supplemental Trust Agreements (a) do not impose any additional obligations or liability on the COP Service Corporations and (b) are consistent with the allocation of Plan distributions among FGIC and the FGIC COP Holders agreed to by and among FGIC and the FGIC COP Holders pursuant to the FGIC/FGIC COP Holders Term Sheet.

18. Pursuant to and in accordance with the New C Notes Documents, revenues collected by the City related to (a) tickets issued for parking violations (including, but not limited to, meter collections, towing, storage fees and booting fees), other than revenues that would otherwise be paid to the 36th District Court, and (b) if the New C Notes are issued in a principal amount greater than \$21,271,804, garage operations at the Parking Garages (collectively, the "City Parking Revenues") shall be directly remitted to a bank or banks or other financial institution which the Emergency Manager designates as a depository of the City (such institution, the "Depository Bank"). The Depository Bank shall deposit City Parking Revenues received by it into a special, separate and segregated fund (the "City Parking Revenue Fund") established at the Depository Bank. Beginning on the date of delivery of the New C Notes and commencing on the first day of each fiscal year thereafter, each day, City Parking Revenues deposited into the City

Parking Revenue Fund shall be remitted by the Depository Bank to a special, separate and segregated account held for and on behalf of the City (the "Debt Retirement Fund") by the bond registrar, transfer agent and paying agent for the New C Notes until sufficient funds are on deposit in the Debt Retirement Fund to pay the principal and interest payable on the New C Notes on the last day of that Fiscal Year (such amount, the "Annual Deposit Requirement"). Once the Annual Deposit Requirement is satisfied for that fiscal year, any additional City Parking Revenues deposited in the City Parking Revenue Fund during that fiscal year may be remitted to the City for deposit into the General Fund and may be used by the City for any other purposes permitted by law.

**D. Approval of Releases and Exculpation**

19. The Plan Releases set forth in Section III.D.7 of the Plan are approved in all respects, are incorporated herein in their entirety, are so ordered and shall be immediately effective on the Effective Date of the Plan without further order or action on the part of the Court, any of the parties to such releases or any other party.

20. Without limiting any other applicable provisions of, or releases contained in, the Plan, this Order or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under

the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement), each holder of a Claim that voted in favor of the Plan, to the fullest extent permissible under law, is hereby deemed to forever release, waive and discharge all Liabilities in any way relating to: (a) the City, the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), the Plan, the Exhibits or the Disclosure Statement, in each case that such holder has, had or may have against the City or its current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity (and, in addition to and without limiting the foregoing, in the case of any Emergency Manager, in such Emergency Manager's capacity as an appointee under PA 436), *provided that*, for the avoidance of doubt, any person or entity designated to manage the Chapter 9 Case for the City after the Emergency Manager's term is terminated, whether such person or entity acts as an employee, advisor or contractor to the City or acts as an employee, agent, contractor or appointee of the State under any applicable state law, shall be treated the same as an employee of the City hereunder; and (b) (i) Claims that are compromised, settled or discharged under or in connection with the Plan, (ii) the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), (iii) the Plan, (iv) the Exhibits, (v) the Disclosure Statement or

(vi) the DIA Settlement, in each case that such holder has, had or may have against the City's Related Entities, the State, the State Related Entities and the Released Parties; *provided, however*, that any such Liability of the Foundations, the DIA Funders and the CFSEM Supporting Organization and their Related Entities shall be released only to the extent that such Liability, if any, arises from any such entity's participation in the DIA Settlement.

21. Nothing in paragraph 20 hereof shall (a) affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; or (b) release (i) the City's obligations under the Plan or (ii) any defenses that any party may have against the City, its Related Entities, the State, the State Related Entities or the Released Parties.

22. For the avoidance of doubt, notwithstanding anything in the Plan or this Order (including paragraph 20) to the contrary, claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 shall not be released.

23. If the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed forever to release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the

authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the foregoing sentence does not provide for a release, waiver or discharge of obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (a) pensions as modified by the Plan or (b) labor-related obligations, which post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law or the Plan, or, with respect to pensions only, the GRS or the PFRS.

24. As a condition to the State funding, the State and certain parties, including Michigan Council 25, Sub-Chapter 98, Local 3308 and Local 917 of AFSCME, entered into certain Support and Release Agreements and, for the avoidance of doubt, in the event of an express conflict between any such Support and Release Agreement, on the one hand, and the Plan, Plan Supplements or this Order, on the other hand, as to the parties to these Support and Release Agreements, their respective Support and Release Agreement shall govern.

25. Notwithstanding Sections III.D.5 through III.D.7 and IV.L of the Plan, paragraph Z of the above findings (titled "Plan Releases") and paragraphs 19 through 21 and 29 through 33 hereof, except as set forth in the COP Swap Settlement, nothing in the Plan or this Order shall or shall be deemed to provide a release by the COP Swap Counterparties of any Liabilities related to the COPs, the COP Service Corporations, the Transaction Documents (as defined in the COP Swap Settlement), the COP Swap Settlement or the COP Swap Settlement Approval Order.

26. Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Settling COP Claimant shall be, and hereby is, to the fullest extent permitted under law, deemed to forever release, waive and discharge all Liabilities relating to COP Documents such Settling COP Claimant has, had or may have against the (a) the GRS, (b) the PFRS or (c) Related Entities of either the GRS or the PFRS. At the direction of FGIC, which shall be, and hereby is, deemed given on the Effective Date, the COP Contract Administrator shall have irrevocably agreed (on behalf of

itself, any successors and each FGIC COP Holder) to release and not to sue any COP Holder or any COP Insurer on behalf of any FGIC COP Holder, COP Insurer, the Detroit Retirement Systems Funding Trust 2005 or the Detroit Retirement Systems Funding Trust 2006 in connection with any liability arising in connection with or related to (a) Sections 6.5 and 9.1 of the Contract Administration Agreements, (b) Section 8.03 of the COP Service Contracts, (c) distributions made pursuant to or in connection with Section II.B.3.p.i.A of the Plan, (d) the FGIC/COP Settlement or (e) the Syncora Settlement. On the Effective Date, Syncora and FGIC shall be, and hereby are, to the fullest extent permitted under law, deemed to forever mutually release, waive and discharge all liabilities against each other relating to distributions made pursuant to or in connection with Section II.B.3.p.i.A of the Plan, Sections 6.5 and 9.1 of the Contract Administration Agreements or Section 8.03 of the COP Service Contracts.

27. The exculpation provision set forth in Section III.D.6 of the Plan is approved in all respects, is incorporated herein in its entirety, is so ordered and shall be immediately effective on the Effective Date of the Plan without further order or action on the part of the Court, any of the parties to such exculpation or any other party. From and after the Effective Date, to the fullest extent permitted under applicable law and except as expressly set forth in this paragraph, neither the City; its Related Entities (including the members of the City Council, the Mayor

and the Emergency Manager), to the extent a claim arises from actions taken by such Related Entity in its capacity as a Related Entity of the City; the State; the State Related Entities; the Exculpated Parties; nor the Released Parties shall have or incur any liability to any person or Entity for any act or omission in connection with, relating to or arising out of the City's restructuring efforts and the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the formulation, preparation, negotiation, dissemination, consummation, implementation, confirmation or approval (as applicable) of the Plan, the property to be distributed under the Plan, the settlements implemented under the Plan, the Exhibits, the Disclosure Statement, any contract, instrument, release or other agreement or document provided for or contemplated in connection with the consummation of the transactions set forth in the Plan or the management or operation of the City; *provided that* the foregoing provisions shall, and hereby do, apply to (a) the LTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the LTGO Settlement Agreement or the Plan (as it relates to the LTGO Settlement Agreement), (b) the UTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the UTGO Settlement Agreement or the Plan (as it relates to the UTGO Settlement Agreement), (c) the DWSD Exculpated Parties solely in connection with acts or omissions taken in connection with the DWSD Tender, DWSD Tender Motion or DWSD Tender Order, (d) the

Syncora Exculpated Parties solely in connection with acts or omissions taken in connection with the Syncora Settlement Documents and any actions or litigation positions taken by the Syncora Exculpated Parties in the Chapter 9 Case, (e) the FGIC/COP Exculpated Parties solely in connection with acts or omissions taken in connection with the FGIC/COP Settlement Documents and any actions or litigation positions taken by the FGIC/COP Exculpated Parties in the Chapter 9 Case, (f) the RDPMA Exculpated Parties and (g) the COP Agent, solely in its capacity as such and solely in connection with any Distributions made pursuant to the terms of the Plan; *provided, further*, that the foregoing provisions of this paragraph shall not affect the liability of the City, its Related Entities, the State, the State Related Entities, the Released Parties and the Exculpated Parties that otherwise would result from any such act or omission to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct or any act or omission occurring before the Petition Date. The City, its Related Entities (with respect to actions taken by such Related Entities in their capacities as Related Entities of the City), the State, the State Related Entities, the Released Parties and the Exculpated Parties shall be entitled to rely upon the advice of counsel and financial advisors with respect to their duties and responsibilities under, or in connection with, the Chapter 9 Case, the administration thereof and the Plan. This paragraph shall not affect any liability of

(a) any of the COP Swap Exculpated Parties to the Syncora Exculpated Parties or FGIC or (b) the Syncora Exculpated Parties or the FGIC/COP Exculpated Parties to any of the COP Swap Exculpated Parties. For the avoidance of doubt, notwithstanding anything in the Plan or this paragraph to the contrary, officers or employees of the City acting in their individual capacity shall not be exculpated from liability for claims asserted pursuant to 42 U.S.C. § 1983.

**E. Order Binding on All Parties**

28. Subject to the provisions of Section III.A of the Plan, in accordance with section 944(a) of the Bankruptcy Code and notwithstanding any otherwise applicable law, upon the occurrence of the Effective Date, the terms of the Plan and this Order shall be binding upon, and inure to the benefit of: (a) the City; (b) any and all holders of Claims (irrespective of whether (i) any such Claim is impaired under the Plan, (ii) proof of any such Claim has been filed or deemed filed under section 501 of the Bankruptcy Code, (iii) any such Claim is allowed under section 502 of the Bankruptcy Code or (iv) whether the holders of such Claims accepted, rejected or are deemed to have accepted or rejected the Plan); (c) the registered and beneficial holders of COPs; (d) any other person giving, acquiring or receiving property under the Plan; (e) any and all non-Debtor parties to Executory Contracts or Unexpired Leases with the City; (f) any party to any Settlement; and (g) the respective heirs, executors, administrators, trustees,

affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, guardians, successors or assigns, if any, of any of the foregoing. All settlements (including, without limitation, the Settlements), compromises, releases (including, without limitation, the Plan Releases), waivers, discharges, exculpations and injunctions set forth in the Plan shall be, and hereby are, operative, effective and binding on all Persons who may have had standing to assert any settled, released, discharged, exculpated or enjoined causes of action, and no other Person or entity shall possess such standing to assert such causes of action after the Effective Date. The compromises and settlements (including, without limitation, the Settlements) embodied in the Plan, along with the treatment of any associated Allowed Claims, shall not be subject to any collateral attack or other challenge by any Entity in any court or other forum.

**F. Discharge of Claims**

29. The Plan discharge provisions set forth in Section III.D.4 of the Plan are approved in all respects, are incorporated herein in their entirety, are so ordered and shall be immediately effective on the Effective Date of the Plan without further order or action on the part of the Court or any other party.

30. In accordance with Section III.D.4 of the Plan, except as specifically provided otherwise in the Plan or this Order, as of the Effective Date, pursuant to sections 524(a)(1), 524(a)(2) and 944(b) of the Bankruptcy Code, all

debts of the City shall be, and hereby are, discharged, and such discharge will void any judgment obtained against the City at any time, to the extent that such judgment relates to a discharged debt; *provided that*, in accordance with section 944(c)(1) of the Bankruptcy Code, such discharge shall not apply to (a) debts specifically exempted from discharge under the Plan, (b) debts held by an Entity that, before the Confirmation Date, had neither notice nor actual knowledge of the Chapter 9 Case, (c) claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 or (d) Claims of (i) T&T Management, Inc., (ii) HRT Enterprises and (iii) the John W. and Vivian M. Denis Trust related to condemnation or inverse condemnation actions against the City alleging that the City has taken private property without just compensation in violation of the Takings Clause of the Fifth Amendment to the United States Constitution.

**G. Release of Liens**

31. The release and discharge of all Liens against the City's property set forth in Section IV.M of the Plan are approved in all respects, are incorporated herein in their entirety, are so ordered and shall be immediately effective on the Effective Date of the Plan without further order or action on the part of the Court. As of the Effective Date, (a) the holders of such Liens are hereby authorized and directed to release any collateral or other property of the City (including any cash collateral) held by such holder and to take such actions as

may be requested by the City to evidence the release of such Lien, including (i) the execution, delivery, filing or recording of appropriate releases and (ii) the taking of any action necessary to implement, consummate and otherwise effect the Plan in accordance with its terms, and (b) the City shall be authorized to execute and file on behalf of creditors such forms as may be necessary or appropriate to implement the provisions of Section IV.M of the Plan and this paragraph. All entities holding Claims against the City shall be, and hereby are, bound by the terms and provisions of all documents executed and delivered by them in connection with the Plan.

Upon the entry of this Order, all entities holding Claims against the City that are treated under the Plan, and other parties in interest, along with their respective present or former employees, agents, officers, directors or principals, shall be, and hereby are, enjoined from taking any actions to interfere with the implementation and consummation of the Plan.

**H. Injunction**

32. On the Effective Date, except as otherwise provided in the Plan or in this Order, all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims asserted against officers or employees of the City in their official capacity, along with their Related Entities, shall be, and hereby are, permanently enjoined from taking any of the following actions against or affecting the City or its

property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such Claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from this Order): (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (i) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (ii) Indirect 36th District Court Claims and (iii) Indirect Employee Indemnity Claims asserted against officers or employees of the City in their official capacity); (b) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property; (c) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property; (d) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property; (e) proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of this Order, the Plan or the Settlements (to the extent such Settlements have been approved by the Court herein); and (f) taking any actions to interfere with the implementation or consummation of the Plan. For the avoidance of doubt, notwithstanding anything

in the Plan or this Order (including this paragraph) to the contrary, claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 shall not be enjoined. In addition, all individuals affected by the AFS Recoupment are enjoined from commencing any proceeding against the GRS and its trustees, officers, employees or professionals arising from GRS's compliance with the Plan or this Order.

33. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan shall be, and hereby are, permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (b) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (c) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (d) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the

DRCEA, or a Released Party; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan or this Order. Notwithstanding the provisions of this paragraph and without limiting the injunctions in Section III.D.5.a of the Plan or paragraph 32 hereof, the holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to Indirect 36th District Court Claims to the extent such Claims are not satisfied pursuant to the Plan.

34. During the period that begins on the Effective Date and ends on June 30, 2023, the trustees of the PFRS, the trustees of the GRS or the trustees of any successor trust or pension plan to either the PFRS or the GRS shall adopt and maintain an investment return assumption and discount rate for purposes of determining the assets and liabilities of the PFRS or the GRS (as applicable) that shall be 6.75%. Except as may be required to maintain the tax-qualified status of the PFRS or the GRS, or to comply with the terms of the Plan or this Order, the City, the trustees of the PFRS, the trustees of the GRS and all other persons or entities shall be, and hereby are, enjoined from and against the subsequent amendment of the terms, conditions and rules of operation of either the PFRS, the GRS or any successor plan or trust to either the PFRS or the GRS, that govern the calculation of pension benefits (including, as applicable, the PFRS Adjusted

Pension Amount, the GRS Adjusted Pension Amount, accrual of additional benefits, the DIA Proceeds Default Amount, the Prior PFRS Pension Plan, the Prior GRS Pension Plan, the PFRS Restoration Payment, the GRS Restoration Payment, the New PFRS Active Pension Plan Formula, the New GRS Active Pension Plan Formula, the terms of the New PFRS Active Pension Plan and the terms of the New GRS Active Pension Plan) or against any action that governs the selection of the investment return assumptions described in Section II.B.3.q.ii.B of the Plan (with respect to the PFRS) or Section II.B.3.r.ii.B of the Plan (with respect to the GRS), the contributions to the PFRS or the GRS, or the calculation or amount of PFRS pension benefits or GRS pension benefits (as the case may be), for the period ending June 30, 2023, notwithstanding whether that subsequent amendment or act is created or undertaken by contract, agreement (including collective bargaining agreement), statute, rule, regulation, ordinance, charter, resolution or otherwise by operation of law.

**I. State Contribution Agreement**

35. The State Contribution Agreement is approved in all respects, and the City is hereby authorized to enter into, and take any action necessary to perform under or implement, the terms thereof. The State shall file and serve via the Court's electronic case filing and noticing system a notice that the conditions precedent to the State's payment of the State Contribution (as set forth at

Section IV.D.3 of the Plan) have been satisfied or otherwise addressed pursuant to the procedures outlined in the State Contribution Agreement no later than ten days after all such conditions have been satisfied or otherwise addressed.

36. In accordance with Section IV.D.2 of the Plan, the Income Stabilization Funds of the GRS and the PFRS shall receive not less than an aggregate amount of \$20 million over 14 years of the Assigned UTGO Bond Tax Proceeds in the form of annual installment payments pursuant to a payment schedule approved by the State.

37. In accordance with Section 4.f.ii of the State Contribution Agreement, filed as Exhibit I.A.332 to the Plan, the governing documents of the GRS and the governing documents of the PFRS shall be amended to include (a) the governance terms and conditions set forth in Paragraph 2, Exhibit A and Exhibit B of the State Contribution Agreement and (b) the Income Stabilization Payments and Income Stabilization Fund described in Paragraph 3 of the State Contribution Agreement.

**J. DWSD Authority Transaction**

38. The Memorandum of Understanding Regarding the Formation of the Great Lakes Water Authority (the "Memorandum of Understanding"), filed as Exhibit A to the Notice of Execution of Framework for Creating a Water and Sewer Authority (Docket No. 7357), is approved in all respects. The City is

hereby authorized to enter into, and take any action necessary to perform under or implement, the terms of the Memorandum of Understanding and any final agreement resulting therefrom creating a regional water and sewer/stormwater authority to be called the Great Lakes Water Authority (the "GLWA") in accordance with, and subject to all approvals and consents required under, State law, the DWSD Tender Order, all documents related to the 2014 DWSD Refinancing Obligations, all documents related to the 2014 Revenue Refinancing Bonds, all documents related to the 2014 Revenue and Revenue Refinancing Bonds and the DWSD Bond Documents. The GLWA transaction contemplated in the Memorandum of Understanding, if consummated, would constitute a Qualifying DWSD Transaction as such term is defined in the Plan.

**K. ASF Recoupment**

39. ASF Recoupment is (a) an integral component of the City's global settlement of pension-related and other labor-related issues negotiated with, among others, the Retiree Committee, (b) is well within the range of possible reasonable settlements and (3) is approved in all respects. The City is hereby authorized to, and shall, on or as soon as reasonably practicable after the Effective Date, calculate the Annuity Savings Fund Excess Amount for each ASF Current Participant, and the GRS, at the direction of the City, and solely as agent of the City and without any liability accruing to the GRS, shall deduct the Annuity





































67. Nothing in the Plan impairs, modifies, affects or otherwise alters the rights of (a) Bondholders or Bond Agents with respect to claims under applicable Bond Insurance Policies or against the Bond Insurers, (b) COPs Holders or the COP Agent with respect to claims under COP Insurance Policies and obligations related thereto or (c) COP Swap Counterparties with respect to claims under Swap Insurance Policies and obligations related thereto.

68. No provision of this Order or the Plan shall (a) enjoin any holder of a COP from enforcing its rights against any COP Insurer or (b) exculpate, release or affect any rights any holder of a COP may have with respect to any COP Insurance Policy.

**T. Binding Effect of Prior Orders**

69. Effective as of the Confirmation Date, but subject to the occurrence of the Effective Date and subject to the terms of the Plan and this Order, all prior orders entered in the Chapter 9 Case, all documents and agreements executed by the City as authorized and directed thereunder and all motions or requests for relief by the City pending before the Court as of the Effective Date shall be binding upon and shall inure to the benefit of the City and any other parties expressly subject thereto. Nothing in the Plan or this Order shall in any respect modify the DWSD Tender Order, the rulings made and the rights granted

therein or any of the documents approved, authorized or entered into pursuant thereto.

**U. Final Order; Waiver of Stay**

70. This Order is a final order, and the period in which an appeal must be filed shall commence immediately upon the entry hereof. The stay of this Order otherwise imposed by Bankruptcy Rule 3020(e) is hereby waived as of the date hereof.

**V. Reversal**

71. If any or all of the provisions of this Order are hereafter reversed, modified or vacated by subsequent order of this Court or any other federal appellate court with appropriate jurisdiction, such reversal, modification or vacatur shall not affect the validity of the acts or obligations incurred or undertaken under or in connection with the Plan prior to the City's receipt of written notice of such order. Notwithstanding any such reversal, modification or vacatur of this Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Order prior to the effective date of such reversal, modification or vacatur shall be governed in all respects by the provisions of this Order and the Plan and all related documents or any amendments or modifications thereto.





the Retiree Committee's professionals will have standing to participate in the post-Effective Date determination by the Court of the reasonableness of the fees and expenses incurred by the Retiree Committee and its professionals in connection with the City's Chapter 9 Case.

76. Pursuant to the Order Resolving Corrected Motion of the Official Committee of Retirees for Entry of An Order Allowing an Administrative Expense Claim, entered on March 31, 2014 (Docket No. 3334), approving a stipulation and settlement agreement that requires the City to include a provision under the Barton doctrine first developed in Barton v. Barbour, 104 U.S. 126 (1881), and this Court having previously held that the Barton doctrine is applicable to members of the Retiree Committee, each and every member of the Retiree Committee is not only subject to protections under the release and injunction provisions of the Plan but is further protected by the provisions of the Barton doctrine and thus no action may be taken against any member of the Retiree Committee without separate relief granted by this Court.

77. On the Effective Date or as soon thereafter as is practicable, all appeals of the Opinion Regarding Eligibility and the Order for Relief, subject to settlements by and among the appellants and the City, shall be withdrawn.

78. The terms and conditions of the Exit Facility are fair and reasonable, and the Exit Facility has been negotiated in good faith and at arm's







the City in such document shall mean the Plan confirmed by this Order, as appropriate.

83. Without intending to modify any prior Order of this Court (or any agreement, instrument or document addressed by any prior Order), in the event of a direct conflict between the Plan, on the one hand, and any other agreement, instrument, or document intended to implement the provisions of the Plan, on the other, the provisions of the Plan shall govern (except as provided in paragraph 24 above, and unless otherwise expressly provided for in such agreement, instrument, or document). In the event of a direct conflict between the Plan or any agreement, instrument, or document intended to implement the Plan, on the one hand, and this Order, on the other, the provisions of this Order shall govern.

84. In accordance with Section III.C of the Plan, if the Effective Date does not occur, then upon motion by the City, the Court may declare that: (a) the Plan is null and void in all respects, including with respect to (i) the discharge of Claims pursuant to section 944 of the Bankruptcy Code, (ii) the assumptions, assignments or rejections of Executory Contracts or Unexpired Leases pursuant to Section II.D of the Plan and (iii) the releases described in Section III.D.7 of the Plan; and (b) nothing contained in the Plan shall (i) constitute a waiver or release of any Claims by or against the City or (ii) prejudice in any manner the rights of the City or any other party in interest.





professionals, and the Court-appointed feasibility expert and her counsel; and  
(c) the other Fee Review Professionals.

89. Notwithstanding Section II.B.3.s.ii.A of the Plan, Charles Gayney shall serve as an initial member of the Detroit General VEBA board of trustees in place of Suzanne Daniels Paranjpe.

**Y. No Diminution of State Power**

90. No provision of the Plan or this Order shall be construed: (a) to limit or diminish the power of the State to control, by legislation or otherwise, the City in the exercise of the political or governmental powers of the City, including expenditures for such exercise; or (b) as a waiver by the State of its rights as a sovereign or rights granted to it pursuant to the Tenth Amendment to the United States Constitution, or limit or diminish the State's exercise of such rights.

**Z. Post-Effective Date Governance**

91. The City shall promptly provide to the Court copies of any reports given to, or received from, the Financial Review Commission. Nothing in the Plan or this Order shall expand, limit or otherwise modify the role or powers of the Financial Review Commission.

**AA. Retention of Jurisdiction**

92. The Court shall, and hereby does, retain such jurisdiction over the City and the Chapter 9 Case as is consistent with section 1334 of title 28 and



jurisdiction under the Plan and this Order, including by way of injunction, as long as any of the Municipal Obligation, Stub UTGO Bonds or Restructured UTGO Bonds are outstanding.

94. Pursuant to section 945(a) of the Bankruptcy Code, the Court shall, and hereby does, retain jurisdiction over the settlement of Limited Tax General Obligation Bond Claims and the LTGO Settlement and any dispute arising from or related to the LTGO Settlement. For the avoidance of doubt and as the City has consented, the Court shall retain exclusive post-Confirmation authority and power to implement, interpret and enforce the LTGO Settlement and all Settlement-Related Documents, including, without limitation, all exhibits to the LTGO Settlement Agreement and the New LTGO Bonds. As the City has consented, the Court reserves all powers as are necessary or appropriate to enforce or to give effect to the Court's retained jurisdiction under the Plan and this Order, including by way of injunction, as long as any of the New LTGO Bonds are outstanding.

95. Pursuant to section 945(a) of the Bankruptcy Code, the Court shall, and hereby does, retain jurisdiction over any matters, cases, controversies, suits or disputes that may arise in connection with the FGIC Development Agreement or the Syncora Development Agreement.



**APPENDIX I**

**PLAN OF ADJUSTMENT**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN**

----- X  
In re : Chapter 9  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
Debtor. : Hon. Steven W. Rhodes  
----- X

---

**EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
(October 22, 2014)**

---

DAVID G. HEIMAN  
HEATHER LENNOX  
THOMAS A. WILSON  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212  
dgheiman@jonesday.com  
hlennox@jonesday.com  
tawilson@jonesday.com

BRUCE BENNETT  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 489-3939  
Facsimile: (213) 243-2539  
bbennett@jonesday.com

JONATHAN S. GREEN  
STEPHEN S. LAPLANTE  
MILLER, CANFIELD,  
PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500  
green@millercanfield.com  
laplante@millercanfield.com

ATTORNEYS FOR THE DEBTOR



|  |   |    |
|--|---|----|
| 5.   | Injunction.....   | 50 |
| 6.   | Exculpation.....  | 51 |
| 7.   | Releases.....   | 52 |
| E.   | No Diminution of State Power.....   | 53 |
| F.   | Effectiveness of the Plan.....  | 53 |
| G.   | Binding Effect of Plan.....   | 53 |
| ARTICLE IV MEANS FOR IMPLEMENTATION OF THE PLAN..... |   | 54 |
| A.   | DWSD.....   | 54 |
| 1.   | Rates and Revenues.....   | 54 |
| 2.   | DWSD CBAs.....  | 54 |
| 3.   | Potential DWSD Authority Transaction.....                                   | 54 |
| B.   | The New B Notes, New C Notes and New LTGO Bonds.....                        | 55 |
| C.   | The UTGO Settlement.....  | 55 |
| D.   | The State Contribution Agreement.....                                       | 55 |
| 1.   | State Contribution.....   | 55 |
| 2.   | Income Stabilization Payments.....  | 55 |
| 3.   | Conditions to State's Participation.....                                    | 56 |
| 4.   | Release of Claims Against the State and State Related Entities.....         | 56 |
| E.   | The DIA Settlement.....   | 57 |
| 1.   | Funding Contributions.....  | 57 |
| 2.   | Transfer of DIA Assets.....   | 57 |
| 3.   | Conditions to the DIA Funding Parties' Participation.....                   | 57 |
| F.   | Contingent Payment Rights.....  | 58 |
| 1.   | Special Restoration.....  | 58 |
| 2.   | General Restoration.....  | 58 |
| G.   | The OPEB Settlement.....  | 58 |
| H.   | The LTGO Settlement.....  | 59 |
| I.   | The Syncora Settlement.....   | 59 |
| J.   | The FGIC/COP Settlement.....  | 59 |
| K.   | Issuance of the New Securities.....   | 59 |
| L.   | Cancellation of Existing Bonds, Bond Documents, COPs and COP Documents..... | 60 |
| M.   | Release of Liens.....   | 60 |
| N.   | Professional Fees.....  | 61 |
| 1.   | Professional Fee Reserve.....   | 61 |
| 2.   | Fee Review Order.....   | 61 |
| 3.   | Dismissal of the Fee Examiner.....  | 61 |
| 4.   | Potential Review of Fees Not Subject to Fee Review Order.....               | 61 |

|   |   |    |
|---|---|----|
| 5.  | Court-Appointed Expert .....  | 62 |
| O.  | Assumption of Indemnification Obligations. ....   | 62 |
| P.  | Incorporation of Retiree Health Care Settlement Agreement .....                               | 62 |
| Q.  | Payment of Workers' Compensation Claims.....  | 62 |
| R.  | 36th District Court Settlement. ....  | 62 |
| S.  | Payment of Certain Claims Relating to the Operation of City Motor Vehicles. ....              | 62 |
| T.  | Payment of Tax Refund Claims. ....  | 63 |
| U.  | Utility Deposits. ....  | 63 |
| V.  | Pass-Through Obligations.....   | 63 |
| W.  | Exit Facility.....  | 63 |
| X.  | Post-Effective Date Governance.....   | 63 |
| ARTICLE V PROVISIONS REGARDING DISTRIBUTIONS UNDER THE PLAN ..... |   | 64 |
| A.  | Appointment of Disbursing Agent .....   | 64 |
| B.  | Distributions on Account of Allowed Claims .....  | 64 |
| C.  | Certain Claims to Be Expunged.....  | 64 |
| D.  | Record Date for Distributions; Exception for Bond Claims. ....                                | 64 |
| E.  | Means of Cash Payments. ....  | 64 |
| F.  | Selection of Distribution Dates for Allowed Claims.....                                       | 65 |
| G.  | Limitations on Amounts to Be Distributed to Holders of Allowed Claims Otherwise Insured. .... | 65 |
| H.  | City's Rights of Setoff Preserved. ....   | 65 |
| I.  | Delivery of Distributions and Undeliverable or Unclaimed Distributions.....                   | 65 |
| 1.  | Delivery of Distributions Generally.....  | 65 |
| 2.  | Delivery of Distributions on Account of Bond Claims.....                                      | 65 |
| 3.  | De Minimis Distributions / No Fractional New Securities. ....                                 | 66 |
| 4.  | Undeliverable or Unclaimed Distributions. ....  | 66 |
| 5.  | Time Bar to Cash Payment Rights.....  | 66 |
| J.  | Other Provisions Applicable to Distributions in All Classes. ....                             | 66 |
| 1.  | No Postpetition Interest. ....  | 66 |
| 2.  | Compliance with Tax Requirements.....   | 66 |
| 3.  | Allocation of Distributions. ....   | 67 |
| 4.  | Surrender of Instruments. ....  | 67 |
| ARTICLE VI PROCEDURES FOR RESOLVING DISPUTED CLAIMS .....         |   | 67 |
| A.  | Treatment of Disputed Claims. ....  | 67 |
| 1.  | General.....  | 67 |
| 2.  | ADR Procedures.....   | 68 |
| 3.  | Tort Claims.....  | 68 |

|   |   |    |
|---|---|----|
| B.  | Disputed Claims Reserve .....                                   | 68 |
| C.  | Objections to Claims .....                                      | 69 |
| 1.  | Authority to Prosecute, Settle and Compromise.....              | 69 |
| 2.  | Expungement or Adjustment of Claims Without Objection.....      | 69 |
| 3.  | Extension of Claims Objection Bar Date.....                     | 69 |
| 4.  | Authority to Amend List of Creditors.....                       | 69 |
| ARTICLE VII RETENTION OF JURISDICTION ..... |   | 69 |
| ARTICLE VIII MISCELLANEOUS PROVISIONS ..... |   | 71 |
| A.  | Plan Supplements.....   | 71 |
| B.  | Modification of the Plan.....                                   | 71 |
| C.  | Revocation of the Plan.....                                     | 71 |
| D.  | Severability of Plan Provisions.....                            | 71 |
| E.  | Effectuating Documents and Transactions.....                    | 71 |
| F.  | Successors and Assigns.....                                     | 72 |
| G.  | Plan Controls.....  | 72 |
| H.  | Notice of the Effective Date.....                               | 72 |
| I.  | Governing Law.....  | 72 |
| J.  | Request for Waiver of Automatic Stay of Confirmation Order..... | 72 |
| K.  | Term of Existing Injunctions and Stays.....                     | 72 |
| L.  | Service of Documents .....                                      | 72 |
| 1.  | The City .....  | 73 |
| 2.  | The Retiree Committee.....                                      | 73 |













38. "Ballot" means the ballot upon which a Holder of an Impaired Claim entitled to vote shall cast its vote to accept or reject the Plan and make certain elections provided for in the Plan.

39. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as now in effect or hereafter amended.

40. "Bankruptcy Court" means the United States Bankruptcy Court for the Eastern District of Michigan having jurisdiction over the Chapter 9 Case, and, to the extent of the withdrawal of any reference under 28 U.S.C. § 157 or the General Order of the District Court pursuant to § 151 of title 28 of the United States Code, the District Court.

41. "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy Procedure and the general, local and chambers rules of the Bankruptcy Court, as now in effect or hereafter amended, as applicable to the Chapter 9 Case.

42. "Bar Date" means the applicable bar date by which a proof of Claim must be or must have been Filed, as established by an order of the Bankruptcy Court, including a Bar Date Order and the Confirmation Order.

43. "Bar Date Order" means any order of the Bankruptcy Court establishing Bar Dates for Filing proofs of Claim in the Chapter 9 Case, including the Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof (Docket No. 1782), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on November 21, 2013, as it may be amended, supplemented or otherwise modified.

44. "Bond Agent" means a trustee, paying agent or similar Entity, as applicable, under the Bond Documents.

45. "Bond Claims" means, collectively, the DWSD Bond Claims, the DWSD Revolving Bond Claims, the General Obligation Bond Claims, the HUD Installment Note Claims and the Secured GO Bond Claims.

46. "Bond Documents" means, collectively, the DWSD Bond Documents, the DWSD Revolving Bond Documents, the General Obligation Bond Documents, the HUD Installment Note Documents and the Secured GO Bond Documents.

47. "Bond(s)" means, individually or collectively, the DWSD Bonds, the DWSD Revolving Bonds, the General Obligation Bonds, the HUD Installment Notes or the Secured GO Bonds.

48. "Bondholder" means any beneficial or record holder of a Bond.

49. "Bond Insurance Policies" means those policies, surety policies or other instruments insuring any Bond and obligations related thereto, including all ancillary and related documents that may obligate the City to pay any amount to a Bond Insurer for any reason.

50. "Bond Insurance Policy Claim" means a Claim held by a Bond Insurer arising under or in connection with a Bond Insurance Policy.

51. "Bond Insurer" means any party, other than the City, that has issued a Bond Insurance Policy.

52. "Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

53. "Cash" means legal tender of the United States of America and equivalents thereof.

54. "Causes of Action" means, without limitation, any and all actions, causes of action, controversies, liabilities, obligations, rights, suits, damages, judgments, claims and demands whatsoever, whether known or

unknown, reduced to judgment, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or derivatively, existing or hereafter arising, in law, equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Effective Date, including without limitation (a) claims and causes of action under sections 502(d), 510, 544, 545, 547, 548, 549(a), 549(c), 549(d), 550, 551 and 553 of the Bankruptcy Code and (b) any other avoidance or similar claims or actions under the Bankruptcy Code or under similar or related state or federal statutes or common law, and, in the case of each Cause of Action, the proceeds thereof, whether received by judgment, settlement or otherwise.

55. "CFSEM Supporting Organization" means the Foundation for Detroit's Future, a supporting organization of, and an Entity legally separate from, the Community Foundation for Southeast Michigan, solely in its capacity as a participant in the DIA Settlement.

56. "Chapter 9 Case" means the bankruptcy case commenced by the City under chapter 9 of the Bankruptcy Code, captioned as *In re City of Detroit, Michigan*, Case No. 13-53846 (Bankr. E.D. Mich.), and currently pending before the Bankruptcy Court.

57. "City" means the City of Detroit, Michigan.

58. "City Council" means the duly-elected City Council of the City.

59. "City Parking Assets" means, collectively, the City's right, title and interest in (a) the Parking Garages, (b) operating revenue received by the City generated by the Parking Garages, (c) revenues collected from fines received by the City related to tickets issued for parking violations (other than any such revenue that would otherwise be paid to the 36th District Court), (d) revenue received by the City generated by parking meters owned by the City and (e) revenue received by the City generated by "boot and tow" operations conducted by the City.

60. "Claim" means a claim, as defined in section 101(5) of the Bankruptcy Code, against the City.

61. "Claims and Balloting Agent" means Kurtzman Carson Consultants, LLC, in its capacity as Bankruptcy Court-appointed claims and balloting agent for the Chapter 9 Case.

62. "Claims Objection Bar Date" means the deadline for objecting to a Claim, which shall be on the date that is the latest of (a) 180 days after the Effective Date, subject to extension by an order of the Bankruptcy Court, (b) 90 days after the Filing of a proof of Claim for such Claim and (c) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court, which other period may be set without notice to Holders of Claims.

63. "Claims Register" means the official register of Claims maintained by the Claims and Balloting Agent.

64. "Class" means a class of Claims, as described in Section II.B.

65. "Class 9 Settlement Asset Pool" means (a) either: (i) the New C Notes or (ii) in the event of a disposition or monetization of the City Parking Assets prior to distribution of the New C Notes, the proceeds from such disposition or monetization, in an amount not less than \$80 million; and (b) the Class 9 Settlement Credits.

66. "Class 9 Eligible City Asset" means those assets identified on Exhibit I.A.66.

67. "Class 9 Settlement Credits" means assignable, transferable settlement credits in the aggregate amount of \$25 million that may be applied to offset not more than 50% of the purchase price of a Class 9 Eligible City Asset; provided that, in all cases, to apply a Class 9 Settlement Credit, the owner thereof must (a) be the final party selected in a procurement process or auction conducted by the City and (b) otherwise satisfy all other elements of the procurement or auction process applicable to a particular Class 9 Eligible City Asset (in each of (a) and (b), without regard to such owner's offsetting any portion of the purchase price with such Class 9 Settlement Credit and irrespective of such owner's ability to apply any Class 9 Settlement Credit).

68. "COLAs" means the cost of living adjustments made to annual pension benefits pursuant to collective bargaining agreements, other contracts or ordinances (as applicable) to account for the effects of inflation, which adjustments sometimes are called "escalators" in such collective bargaining agreements, other contracts or ordinances.

69. "Confirmation" means the entry of the Confirmation Order by the Bankruptcy Court on the docket of the Chapter 9 Case.

70. "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order on the docket in the Chapter 9 Case, within the meaning of Bankruptcy Rules 5003 and 9021.

71. "Confirmation Hearing" means the hearing held by the Bankruptcy Court on Confirmation of the Plan, as such hearing may be continued.

72. "Confirmation Order" means the order of the Bankruptcy Court confirming the Plan pursuant to section 943 of the Bankruptcy Code, as it may be subsequently amended, supplemented or otherwise modified.

73. "Contract Administration Agreement 2005" means the Contract Administration Agreement dated June 2, 2005, by and among the COP Service Corporations, the Detroit Retirement Systems Funding Trust 2005, the COP Contract Administrator and the COP Swap Counterparties.

74. "Contract Administration Agreement 2006" means the Contract Administration Agreement dated June 12, 2006, by and among the COP Service Corporations, the Detroit Retirement Systems Funding Trust 2006, the COP Contract Administrator and the COP Swap Counterparties.

75. "Contract Administration Agreements" means, together, the Contract Administration Agreement 2005 and the Contract Administration Agreement 2006.

76. "Convenience Claim" means a Claim that would otherwise be an Other Unsecured Claim that is (a) an Allowed Claim in an amount less than or equal to \$25,000.00; or (b) in an amount that has been reduced to \$25,000.00 pursuant to an election made by the Holder of such Claim; provided that, where any portion(s) of a single Claim has been transferred, (y) the amount of all such portions will be aggregated to determine whether a Claim qualifies as a Convenience Claim and for purposes of the Convenience Claim election and (z) unless all transferees make the Convenience Claim election on the applicable Ballots, the Convenience Claim election will not be recognized for such Claim.

77. "COP Agent" means a contract administrator, trustee, paying agent or similar Entity, as applicable, under the COP Documents.

78. "COP Agent Fees" means reasonable, actual and documented fees payable to the COP Agent for services rendered or expenses incurred in accordance with and pursuant to the terms of the COPs Documents.

79. "COP Claim" means a Claim under or evidenced by the COP Service Contracts. For the avoidance of doubt, except as provided in any Final Order of the Bankruptcy Court, the definition of COP Claim shall include any Claim (other than a COP Swap Claim) on account of any act, omission or representation (however described) based upon, arising out of or relating to: (a) the issuance, offering, underwriting, purchase, sale, ownership or trading of any COPs (to the extent any such Claim is not a Subordinated Claim); (b) the COP Service Corporations; (c) any COP Service Contracts; (d) the 2005 COPs Agreement; (e) the 2006 COPs Agreement; (f) the Detroit Retirement Systems Funding Trust 2005; (g) the Detroit Retirement Systems Funding Trust 2006; (h) the Contract Administration Agreement 2005; (i) the Contract Administration Agreement 2006; (j) any allegations that have been made or could have been made by or against the City or any other person in the COP Litigation; or (k) any policy of insurance relating to the COPs.

80. "COP Contract Administrator" means Wilmington Trust, National Association, as successor to U.S. Bank, N.A.

81. "COP Documents" means, collectively, the COP Service Contracts, the 2005 COPs Agreement, the 2006 COPs Agreement and the Contract Administration Agreements.

82. "COP Insurance Policies" means those certain polices or other instruments insuring the 2005 COPs issued under the 2005 COPs Agreement and the 2006 COPs issued under the 2006 COPs Agreement, including all ancillary and related documents that may obligate the City to pay any amount to a COP Insurer for any reason.

83. "COP Insurance Policies Claim" means a Claim held by a COP Insurer arising under or in connection with a COP Insurance Policy.

84. "COP Insurer" means any party, other than the City, that has issued a COP Insurance Policy.

85. "COP Litigation" means the adversary proceeding captioned as *City of Detroit, Michigan v. Detroit General Retirement System Service Corporation, Detroit Police and Fire Retirement System Service Corporation, Detroit Retirement Systems Funding Trust 2005 and Detroit Retirement Systems Funding Trust 2006*, Case No. 14-04112 (Bankr. E.D. Mich.), filed in the Chapter 9 Case on January 31, 2014.

86. "COP Service Contracts" means, collectively, the (a) the GRS Service Contract 2005, dated May 25, 2005, by and between the City and the Detroit General Retirement System Service Corporation; (b) the PFRS Service Contract 2005, dated May 25, 2005, by and between the City and the Detroit Police and Fire Retirement System Service Corporation; (c) the GRS Service Contract 2006, dated June 7, 2006, by and between the City and the Detroit General Retirement System Service Corporation; and (d) the PFRS Service Contract 2006, dated June 7, 2006, by and between the City and the Detroit Police and Fire Retirement System Service Corporation, as each of the foregoing may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments.

87. "COP Service Corporations" means, collectively, the Detroit General Retirement System Service Corporation and the Detroit Police and Fire Retirement System Service Corporation.

88. "COP Swap Agreements" means the 1992 ISDA Master Agreements (Local Currency Single Jurisdiction) between the COP Service Corporations and the COP Swap Counterparties, as set forth on Exhibit I.A.88, together with all ancillary and related instruments and agreements, as the same may have been subsequently amended, restated, supplemented or otherwise modified.

89. "COP Swap Claim" means a Claim by the COP Swap Counterparties arising under the COP Swap Documents.

90. "COP Swap Collateral Agreement" means the Collateral Agreement among the City, the COP Service Corporations, the COP Swap Collateral Agreement Custodian and the COP Swap Counterparties, together with all ancillary and related instruments and agreements.

91. "COP Swap Collateral Agreement Custodian" means U.S. Bank National Association as custodian under the COP Swap Collateral Agreement or any successor custodian.

92. "COP Swap Counterparties" means UBS AG and Merrill Lynch Capital Services, Inc., as successor to SBS Financial Products Company LLC, under the COP Swap Documents.

93. "COP Swap Documents" means the COP Swap Agreements and the COP Swap Collateral Agreement.

94. "COP Swap Exculpated Parties" means the COP Swap Counterparties and their affiliates and each of their respective present and former (a) officers, (b) directors, (c) employees, (d) members, (e) managers, (f) partners and (g) attorneys, attorneys-in-fact and other advisors, in each case solely in their capacity as such.

95. "COP Swap Settlement" means that Settlement and Plan Support Agreement among the City and the COP Swap Counterparties filed with the Bankruptcy Court on the docket of the Chapter 9 Case on March 26, 2014 (Docket No. 3234), as the same may be subsequently amended, restated, supplemented or otherwise modified in accordance therewith.

96. "COP Swap Settlement Approval Order" means the order entered by the Bankruptcy Court approving the COP Swap Settlement (Docket No. 4094).

97. "COP Syncora Swap Insurance Policies" shall mean policy numbers CA03049E, CA03049D, CA3049C and CA03049B issued by XL Capital Assurance Inc.

98. "COPs" means, collectively, the 2005 COPs and the 2006 COPs.

99. "COP Trustee" means Wilmington Trust, National Association, as Successor Trustee for the Detroit Retirement Systems Funding Trust 2005 and the Detroit Retirement Systems Funding Trust 2006, or any successor thereto.

100. "Counties" means, collectively, Macomb County, Oakland County and Wayne County.

101. "Cure Amount Claim" means a Claim based upon the City's defaults under an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by the City under section 365 of the Bankruptcy Code to the extent such Claim is required to be cured by section 365 of the Bankruptcy Code.

102. "Current Accrued Annual Pension" means, with respect to any Holder of a Pension Claim, the amount of annual pension benefits that the applicable Retirement System (a) is obligated to pay to such Holder as of June 30, 2014 to the extent such Holder is retired or a surviving beneficiary and receiving, or terminated from City employment and eligible to receive, a monthly pension as of such date or (b) would be obligated to pay such Holder upon his or her future retirement to the extent such Holder is actively employed by the City on June 30, 2014, assuming such Holder's annual pension is frozen as of June 30, 2014, and such Holder is no longer able to accrue pension benefits after such date under the current terms and conditions of the applicable Retirement System, in either case as reflected on the books and records of the applicable Retirement System as of June 30, 2014.

103. "Current GRS Retiree Adjustment Cap" means, if the funding from the State Contribution Agreement and the DIA Settlement is received, an ASF/GRS Reduction in an amount not to exceed 20% of the Current Accrued Annual Pension (including an interest component of 6.75% on the ASF Recoupment portion of the ASF/GRS Reduction if the ASF Recoupment is amortized over time) of a person who was a current retiree as of June 30, 2014.

104. "CUSIP" means the nine-character identifier (consisting of letters and numbers) that uniquely identifies any particular issue of DWSD Bonds.

105. "Detroit General Retiree" means a retired employee or surviving beneficiary of a retired employee of a department of the City who (a) is not a Detroit Police and Fire Retiree, (b) retired (or is a surviving beneficiary of one who retired) on or before December 31, 2014 and (c) is a Holder of an OPEB Claim.

106. "Detroit General VEBA" means a voluntary employees' beneficiary association established in accordance with section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and regulations thereunder that provides health benefits to Detroit General VEBA Beneficiaries and certain of their dependents.

107. "Detroit General VEBA Beneficiary" means either (a) a Holder of an Allowed OPEB Claim who is a Detroit General Retiree or (b) a retired employee (or surviving beneficiary of a retired employee) of the Detroit Public Library or the Detroit Regional Convention Facility Authority who (i) retired (or is a surviving beneficiary of one who retired) on or before December 31, 2014 and (ii) holds a valid claim for OPEB Benefits against the Detroit Public Library or the Detroit Regional Convention Facility Authority.

108. "Detroit General VEBA Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Detroit General VEBA, in substantially the form attached hereto as Exhibit I.A.108.

109. "Detroit Police and Fire Retiree" means a retired employee or surviving beneficiary of a retired employee of the Detroit Police Department or the Detroit Fire Department who (a) was not an employee of the Emergency Medical Services Division of the Detroit Fire Department, (b) is a Holder of an OPEB Claim and (c) retired (or was a surviving beneficiary of one who retired) on or before December 31, 2014.

110. "Detroit Police and Fire VEBA" means a voluntary employees' beneficiary association established in accordance with section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and regulations thereunder that provides health benefits to Detroit Police and Fire VEBA Beneficiaries and certain of their dependents.

111. "Detroit Police and Fire VEBA Beneficiary" means a Holder of an Allowed OPEB Claim that is a Detroit Police and Fire Retiree.

112. "Detroit Police and Fire VEBA Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Detroit Police and Fire VEBA, in substantially the form attached hereto as Exhibit I.A.112.

113. "Detroit Retirement Systems Funding Trust 2005" means the funding trust established pursuant to the 2005 COPs Agreement.

114. "Detroit Retirement Systems Funding Trust 2006" means the funding trust established pursuant to the 2006 COPs Agreement.

115. "Developer" means FGIC or its designee(s) under the FGIC Development Agreement.

116. "DDA" means the City of Detroit Downtown Development Authority.

117. "DIA" means The Detroit Institute of Arts, a museum and cultural institution located at 5200 Woodward Avenue, Detroit, Michigan 48202.

118. "DIA Assets" means the "Museum Assets" as defined in the DIA Settlement Documents.

119. "DIA Corp." means The Detroit Institute of Arts, a Michigan non-profit corporation.

120. "DIA Direct Funders" means DIA Corp. and those DIA Funders whose commitments to contribute monies in furtherance of the DIA Settlement are made directly to the CFSEM Supporting Organization.

121. "DIA Funders" means those persons, businesses, business-affiliated foundations and other foundations from which DIA Corp. secures commitments, whether before or after the Effective Date, to contribute monies or otherwise secures contributions of monies in support of DIA Corp.'s payment obligations under the DIA Settlement, whether paid directly to the CFSEM Supporting Organization or to DIA Corp. for the purpose of supporting DIA Corp.'s payments to the CFSEM Supporting Organization.

122. "DIA Funding Parties" means the Foundations and the DIA Direct Funders.

123. "DIA Proceeds" means, collectively, the irrevocable funding commitments described in Section IV.E.1.

124. "DIA Proceeds Default Amount" means a reduction in the Adjusted Pension Amount of a Holder of a Pension Claim (or a surviving beneficiary) by virtue of a DIA Proceeds Payment Default, as determined by the trustees of the GRS or the PFRS, the aggregate amount of which shall be commensurate with the pertinent DIA Proceeds Payment Default.

125. "DIA Proceeds Payment Default" means a default that has not been cured during any applicable grace period, as determined by the trustees of the GRS or the PFRS, by one or more DIA Funding Parties respecting material amounts scheduled to be paid to the City in accordance with the DIA Settlement that the City, in turn, is required to pay over to the GRS or the PFRS in accordance with the terms and conditions of the Plan.

126. "DIA Settlement" means the comprehensive settlement regarding the DIA Assets, as described at Section IV.E and as definitively set forth in the DIA Settlement Documents, the principal terms of which are attached hereto as Exhibit I.A.126.

127. "DIA Settlement Documents" means the definitive documentation to be executed in connection with the DIA Settlement, in substantially the form attached hereto as Exhibit I.A.127, which documents substantially conform to the term sheet attached hereto as Exhibit I.A.126.

128. "Disbursing Agent" means the disbursing agent(s) appointed pursuant to Section V.A.

129. "Disclosure Statement" means the disclosure statement (including all exhibits and schedules thereto or referenced therein) that relates to the Plan and has been prepared and distributed by the City and approved by the Bankruptcy Court in the Disclosure Statement Order, as the same may be amended, supplemented or otherwise modified.

130. "Disclosure Statement Order" means the Order Approving the Proposed Disclosure Statement (Docket No. 4401), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on May 5, 2014, approving the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, as it may have been subsequently amended, supplemented or otherwise modified.

131. "Discounted Value" means the net present value of all Net DWSD Transaction Proceeds to be received immediately or in the future utilizing a 6.75% discount rate.

132. "Dismissed FGIC/COP Litigation" means all litigation pending between the City and FGIC (including all appeals) arising out of or related to, and all motions or objections pending in, the Chapter 9 Case, including the litigation set forth on Exhibit I.A.132, which litigation shall be dismissed or withdrawn as set forth in the FGIC/COP Settlement Documents.

133. "Dismissed Syncora Litigation" means all litigation pending between the City and Syncora (including all appeals) arising out of or related to, and all motions or objections pending in, the Chapter 9 Case, including the litigation set forth on Exhibit I.A.133, which litigation shall be dismissed or withdrawn as set forth in the Syncora Settlement Documents.

134. "Disputed Claim" means any Claim that is not Allowed.

135. "Distribution" means any initial or subsequent payment or transfer made on account of an Allowed Claim under or in connection with the Plan.

136. "Distribution Amount" means the principal amount of \$42,500,000 for each of the COP Swap Counterparties, plus interest, on and after October 15, 2014, on the unpaid Net Amount at the rate applicable to obligations under the Postpetition Financing Agreement, payable in cash in the manner set forth in the COP Swap Settlement Agreement.

137. "Distribution Date" means any date on which a Distribution is made.

138. "Distribution Record Date" means 5:00 p.m., Eastern Time, on the Confirmation Date.

139. "District Court" means the United States District Court for the Eastern District of Michigan.

140. "Document Website" means the internet site address <http://www.kccllc.net/Detroit>, at which the Plan, the Disclosure Statement and all Filed Exhibits to the Plan shall be available to any party in interest and the public, free of charge.

141. "Downtown Development Authority Claims" means Claims in respect of the Downtown Development Authority Loans.

142. "Downtown Development Authority Loans" means loans made pursuant to that certain Loan Agreement, dated August 26, 1991, by and between the City and the DDA, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements.

143. "DRCEA" means the Detroit Retired City Employees Association.

144. "DWSD" means the Detroit Water and Sewerage Department, which is a department of the City.

145. "DWSD Authority" means an authority that may be formed pursuant to a DWSD Authority Transaction to conduct many or all of the operations currently conducted by DWSD as described in Section IV.A.3.

146. "DWSD Authority Transaction" means the potential formation (including the potential transfer of certain assets owned by DWSD) and operation of the DWSD Authority, as described in Section IV.A.3.

147. "DWSD Bond Claims" means any Claim against the City arising under or evidenced by the DWSD Bond Documents, including a Claim for principal and interest on the DWSD Bonds.

148. "DWSD Bond Documents" means the ordinances passed, resolutions adopted, orders issued or indentures executed with respect to the DWSD Bonds, as set forth on Exhibit I.A.148, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

149. "DWSD Bonds" means the secured bonds issued pursuant to the DWSD Bond Documents, as set forth on Exhibit I.A.148.

150. "DWSD CVR" means a single series of contingent value right certificates representing the right to receive 50% of the Net DWSD Transaction Proceeds received by the General Fund on account of a Qualifying DWSD Transaction.

151. "DWSD Exculpated Parties" means, collectively, the DWSD Settlement Parties and their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents, attorneys, advisors, accountants, restructuring consultants, financial advisors and investment bankers, solely in their capacity as such.

152. "DWSD Revolving Bond Claims" means, collectively, the DWSD Revolving Sewer Bond Claims and the DWSD Revolving Water Bond Claims.

153. "DWSD Revolving Bond Documents" means, collectively, the DWSD Revolving Sewer Bond Documents and the DWSD Revolving Water Bond Documents.

154. "DWSD Revolving Bonds" means, collectively, the DWSD Revolving Sewer Bonds and the DWSD Revolving Water Bonds.

155. "DWSD Revolving Sewer Bond Claims" means any Claim against the City arising under or evidenced by the DWSD Revolving Sewer Bond Documents, including a Claim for principal and interest on the DWSD Revolving Sewer Bonds.

156. "DWSD Revolving Sewer Bond Documents" means the ordinances passed, resolutions adopted or indentures or agreements executed with respect to the DWSD Revolving Sewer Bonds, as set forth on Exhibit I.A.156, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

157. "DWSD Revolving Sewer Bonds" means the secured bonds issued pursuant to the DWSD Revolving Sewer Bond Documents, as set forth on Exhibit I.A.156.

158. "DWSD Revolving Water Bond Claims" means any Claim against the City arising under or evidenced by the DWSD Revolving Water Bond Documents, including a Claim for principal and interest on the DWSD Revolving Water Bonds.

159. "DWSD Revolving Water Bond Documents" means the ordinances passed, resolutions adopted or indentures or agreements executed with respect to the DWSD Revolving Water Bonds, as set forth on Exhibit I.A.159, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

160. "DWSD Revolving Water Bonds" means the secured bonds issued pursuant to the DWSD Revolving Water Bond Documents, as set forth on Exhibit I.A.159.

161. "DWSD Series" means an individual issue of DWSD Revolving Bonds having the same lien priority, issue date and series designation.

162. "DWSD Settlement Date" means the date prior to the Effective Date upon which each of (i) consummation of the purchase of the DWSD Tendered Bonds, (ii) issuance of the 2014 DWSD Refinancing Obligations and (iii) issuance of the 2014 Revenue Refinancing Bonds occurs, which date is identified as September 4, 2014 in the DWSD Tender Invitations (subject to rescheduling to a date earlier or later than that date by the City in its sole discretion).

163. "DWSD Settlement Parties" means, collectively, Assured Guaranty Municipal Corp., formerly known as Financial Security Assurance Inc., Berkshire Hathaway Assurance Corp., FGIC (solely in its capacity as a DWSD Bond Insurer), NPPG, the Ad Hoc Committee of DWSD Bondholders and U.S. Bank National Association, as trustee for the DWSD Bonds.

164. "DWSD Tender" means the offers, subject to acceptance at the City's election and in its sole discretion, to purchase for cancellation some or all of the DWSD Bonds that have been tendered and accepted in connection with, and on the terms provided in, the DWSD Tender Invitations.

165. "DWSD Tendered Bonds" means the DWSD Bonds that have been tendered for purchase or cancellation pursuant to the DWSD Tender.

166. "DWSD Tender Invitations" means the invitations and accompanying disclosure statements sent by the City to holders of DWSD Bonds on August 7, 2014, in the form of those collectively attached as Exhibits 8A and 8B to the DWSD Tender Motion.

167. "DWSD Tender Motion" means the Motion of the Debtor for a Final Order Pursuant to (I) 11 U.S.C. §§105, 364(c), 364(d)(1), 364(e), 902, 904, 921, 922 and 928 (A) Approving Postpetition Financing and (B) Granting Liens and (II) Bankruptcy Rule 9019 Approving Settlement of Confirmation Objections (Docket No. 6644), Filed by the City on August 11, 2014.

168. "DWSD Tender Order" means the Order, Pursuant to (I) 11 U.S.C. §§ 105, 364(c), 364(d)(1), 364(e), 902, 904, 921, 922 and 928 (A) Approving Postpetition Financing and (B) Granting Liens and (II) Bankruptcy Rule 9019 Approving Settlement of Confirmation Objections (Docket No. 7028), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on August 25, 2014.

169. "Effective Date" means the Business Day, as determined by the City, on which each applicable condition contained in Section III.A has been satisfied or waived.

170. "Eligible Pensioner" means a Holder of a Pension Claim who is eligible to receive an Income Stabilization Payment because such Holder (a) is, as of the Effective Date, at least 60 years of age or is a minor child receiving survivor benefits from GRS or PFRS and (b) has an aggregate annual household income equal to or less than 140% of the Federal Poverty Level in 2013 (as determined by reference to their (or in the case of minor children, their legal guardian's) 2013 income tax returns or equivalent documentation); provided, that no new persons will be eligible to receive Income Stabilization Payments at any time in the future, and any minor child receiving survivor benefits shall cease to be an Eligible Pensioner after he or she turns 18 years of age.

171. "Emergency Manager" means Kevyn D. Orr, in his capacity as emergency manager for the City serving in accordance with PA 436 or any successor emergency manager.

172. "Employee Health and Life Insurance Benefit Plan" means the Employee Health and Life Insurance Benefit Plan, a welfare benefit plan sponsored and administered by the City, which provides health, dental, vision care and life insurance benefits to (a) all officers and employees of the City who were employed on the day preceding the effective date of the benefit plan, and who continue to be employed by the City on and after the Effective Date and (b) substantially all retired officers and employees of the City.

173. "Employees Death Benefit Board of Trustees" means the governing board of the City of Detroit Employee Health and Life Insurance Benefit Plan, which operates and administers the Employees Death Benefit Plan.

174. "Employees Death Benefit Plan" means the City of Detroit Employee Death Benefit Plan, a pre-funded defined benefit plan and trust administered by the Employees Death Benefit Board of Trustees that provides supplemental death benefits to active and retired officers and employees of the City.

175. "Entity" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

176. "Estimated Future Liability" means the Income Stabilization Payments anticipated to be made from GRS or PFRS, as applicable, in the future in order for the respective Retirement System to fulfill the obligation to make Income Stabilization Payments, as determined by the respective Retirement System's board of trustees in the year 2022, provided that the State has not issued a certificate of default under the State Contribution Agreement with respect to the Retirement System at any time prior to 2022.

177. "Excess Assets" means the amount by which, if at all, the Income Stabilization Fund of either GRS or PFRS is credited with assets in excess of its Estimated Future Liability.

178. "Excess New B Notes" means, collectively: (a) the Syncora Excess New B Notes and (b) New B Notes in the aggregate face amount of approximately \$48.71 million, representing the difference between (i) the New B Notes that would have been distributed to FGIC or the FGIC COP Holders had their respective asserted COP Claims for principal and interest in Class 9 been Allowed in full and (ii) the New B Notes to be provided to FGIC and the FGIC COP Holders as partial consideration pursuant to the terms of the FGIC/COP Settlement.

179. "Excluded Actions" means (a) any claims with respect to enforcement of the FGIC/COP Settlement Documents or the FGIC Development Agreement, (b) any claims with respect to the New B Notes, the New C Notes or the Class 9 Settlement Credits, (c) any claims held by FGIC against the (i) COP Swap Counterparties or (ii) Related Entities of any of the foregoing, or (d) any claims asserted against the City in the proofs of claim filed by FGIC and the COP Trustee; provided that, with respect to the claims described in clause (d), notwithstanding any other provision of the Plan, such claims shall be subject to the treatment, discharge and injunction provisions set forth herein.

180. "Exculpated Parties" means, collectively and individually, (a) the RDPFFA and its board of trustees/directors, attorneys, advisors and professionals, (b) the DRCEA and its board of trustees/directors,

attorneys, advisors and professionals, (c) the postpetition officers of the Detroit Police Lieutenants and Sergeants Association, (d) the postpetition officers of the Detroit Police Command Officers Association, (e) GRS and its postpetition professional advisors, (f) PFRS and its postpetition professional advisors, (g) Gabriel, Roeder, Smith & Company, (h) the COP Swap Exculpated Parties, (i) the LTGO Exculpated Parties, (j) the UTGO Exculpated Parties, (k) the DWSD Exculpated Parties, (l) the RDPMA Exculpated Parties, (m) the Syncora Exculpated Parties, (n) the COP Agent and (o) the FGIC/COP Exculpated Parties. For the avoidance of doubt, Exculpated Parties shall not include the COP Service Corporations.

181. "Executory Contract" means a contract to which the City is a party that is subject to assumption, assumption and assignment, or rejection under section 365 of the Bankruptcy Code.

182. "Exhibits" means, collectively, the documents listed on the "Table of Exhibits" included herein, all of which will be made available on the Document Website once they are Filed. The City reserves the right, in accordance with the terms hereof, to modify, amend, supplement, restate or withdraw any of the Exhibits after they are Filed and shall promptly make such changes available on the Document Website.

183. "Exit Facility" means a credit facility that will be entered into by the City, the Exit Facility Agent and the other financial institutions party thereto on the Effective Date on substantially the terms set forth on Exhibit I.A.183.

184. "Exit Facility Agent" means the agent under the Exit Facility.

185. "Face Amount" means either (a) the full stated amount claimed by the holder of such Claim in any proof of Claim Filed by the Bar Date or otherwise deemed timely Filed under applicable law, if the proof of Claim specifies only a liquidated amount; (b) if no proof of Claim is Filed by the Bar Date or otherwise deemed timely Filed under applicable law, the full amount of the Claim listed on the List of Creditors, provided that such amount is not listed as disputed, contingent or unliquidated; or (c) the amount of the Claim (i) acknowledged by the City in any objection Filed to such Claim, (ii) estimated by the Bankruptcy Court for such purpose pursuant to section 502(c) of the Bankruptcy Code, or (iii) proposed by City, if (A) no proof of Claim has been Filed by the Bar Date or has otherwise been deemed timely Filed under applicable law and such amount is not listed in the List of Creditors or is listed in List of Creditors as disputed, contingent or unliquidated or (B) the proof of Claim specifies an unliquidated amount (in whole or in part).

186. "Federal Poverty Level" means the poverty guidelines issued each year in the *Federal Register* by the United States Department of Health and Human Services.

187. "Fee Examiner" means Robert M. Fishman, in his capacity as the fee examiner appointed pursuant to the Fee Examiner Order.

188. "Fee Examiner Order" means the Order Appointing Fee Examiner (Docket No. 383), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on August 19, 2013, as it may have been amended, supplemented or otherwise modified.

189. "Fee Examiner Parties" means, collectively, (a) the Fee Examiner and (b) all counsel and other professionals advising the Fee Examiner whose fees and expenses are subject to the Fee Review Order.

190. "Fee Review Order" means the Fee Review Order (Docket No. 810), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on September 11, 2013, as it may have been amended, supplemented or otherwise modified, including pursuant to the Order Amending and Clarifying Fee Review Order of September 11, 2013 (Docket No. 5150), entered on May 29, 2014.

191. "Fee Review Professionals" means, collectively, (a) those professionals retained by the City and the Retiree Committee to render services in connection with the Chapter 9 Case who seek payment of compensation and reimbursement of expenses from the City for postpetition services pursuant to and in accordance with the Fee Review Order and (b) those additional professionals retained by third parties to provide services in connection with

the Chapter 9 Case that seek reimbursement by or payment from the City or any of its departments and are, or are determined (by Bankruptcy Court order or otherwise) to be, subject to the Fee Review Order or the terms of this Plan. For the avoidance of doubt, any professionals retained by any official committee appointed in the Chapter 9 Case other than the Retiree Committee are not Fee Review Professionals.

192. "Fee Review Professional Fees" means, collectively, (a) the fees and expenses of the Fee Review Professionals incurred during the period beginning on the Petition Date and ending on the Effective Date and (b) the fees and expenses of the Fee Examiner Parties through the projected date of dismissal of the Fee Examiner pursuant to Section IV.N.3.

193. "FGIC" means Financial Guaranty Insurance Company.

194. "FGIC/COP Exculpated Parties" means (a) FGIC and its Related Entities, (b) the FGIC COP Holders and their respective Related Entities and (c) the COP Agent and its Related Entities, in each case solely in their respective capacities as holders of, insurer of or administrator, trustee, or paying agent with respect to COP Claims.

195. "FGIC COP Holders" means the registered and beneficial holders of COPs originally insured by FGIC.

196. "FGIC/COP Settlement" means the comprehensive settlement with FGIC and the FGIC COP Holders, as described at Section IV.J and as definitively set forth in the FGIC/COP Settlement Documents.

197. "FGIC/COP Settlement Documents" means the definitive documentation to be executed in connection with the FGIC/COP Settlement, in substantially the form attached hereto as Exhibit I.A.197, and in any case in form and substance reasonably acceptable to the City, FGIC and the FGIC COP Holders. Whenever the consent of the FGIC COP Holders is required hereunder, or any document is required to be reasonably satisfactory to the FGIC COP Holders, such consent shall be deemed given and such document shall be deemed reasonably satisfactory unless within the period of time specified for such consent or document (which shall be reasonable under the circumstances and in any event not less than 48 hours after the request for such consent or proposed document shall have been filed with the court) unless beneficial holders of a majority of the COPs originally insured by FGIC shall have objected in writing to the action or document.

198. "FGIC Development Agreement" means that certain development agreement to be entered into by the City and the Developer, in substantially the form attached hereto as Exhibit I.A.198.

199. "FGIC Settlement Consideration" means the share of the Class 9 Settlement Asset Pool and New B Notes to be distributed for the benefit of FGIC and the FGIC COP Holders pursuant to Section II.B.3.p.i.A in respect of COPs originally insured by FGIC.

200. "File," "Filed," or "Filing" means file, filed or filing with the Bankruptcy Court or the Claims and Balloting Agent, as applicable, in the Chapter 9 Case.

201. "Final Order" means an order or judgment of the Bankruptcy Court, or any other court of competent jurisdiction, as entered on the docket in the Chapter 9 Case or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move, under Bankruptcy Rule 9023 or Rule 59 of the Federal Rules of Civil Procedure, for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order; provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed shall not prevent such order from being a Final Order.

202. "Financial Review Commission" means the financial review commission appointed under Section 4 of the Financial Review Commission Act.

203. "Financial Review Commission Act" means Public Act 181 of 2014 of the State, also known as the Michigan Financial Review Commission Act, Michigan Compiled Laws §§ 141.1631, *et seq.*

204. "Fiscal Year" means a fiscal year for the City, commencing on July 1 of a year and ending on June 30 of the following year. A Fiscal Year is identified by the calendar year in which the Fiscal Year ends, such that, for example, the 2015 Fiscal Year is the Fiscal Year commencing on July 1, 2014, and ending on June 30, 2015.

205. "Foundations" means those entities identified on Exhibit B to the summary of the material terms of the DIA Settlement, which is attached hereto as Exhibit I.A.126.

206. "General Fund" means the primary governmental fund and the chief operating fund of the City, which fund accounts for several of the City's primary services, including police, fire, public works, community and youth services.

207. "General Obligation Bond Claims" means, collectively, the Limited Tax General Obligation Bond Claims and the Unlimited Tax General Obligation Bond Claims.

208. "General Obligation Bond Documents" means, collectively, the Limited Tax General Obligation Bond Documents and the Unlimited Tax General Obligation Bond Documents.

209. "General Obligation Bonds" means, collectively, the Limited Tax General Obligation Bonds and the Unlimited Tax General Obligation Bonds.

210. "GRS" means the General Retirement System of the City of Detroit.

211. "GRS Adjusted Pension Amount" means, with respect to a Holder of a GRS Pension Claim, the Current Accrued Annual Pension payable to such Holder as adjusted in accordance with the following formulas:

(a) If Classes 10 and 11 vote to accept the Plan, and funding is received from the DIA Settlement and the State Contribution Agreement: for a Holder of a GRS Pension Claim who is (i) either retired and receiving a monthly pension or a surviving beneficiary or (ii) an Active Employee or a terminated employee with a right to receive a GRS pension in the future, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs, plus an additional 4.5% reduction in the Current Accrued Annual Pension amount, plus the ASF Recoupment, provided that ASF Recoupment shall not apply to a surviving beneficiary of a retiree who died prior to June 30, 2014; and

(b) If Classes 10 and 11 do **not** vote to accept the Plan or funding is **not** received from the DIA Settlement and the State Contribution Agreement: for a Holder of a GRS Pension Claim who is (i) either retired and receiving a monthly pension or a surviving beneficiary or (ii) an Active Employee or a terminated employee with a right to receive a GRS pension in the future, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs, plus an additional 27% reduction in the Current Accrued Annual Pension amount, plus the ASF Recoupment; provided that ASF Recoupment shall not apply to a surviving beneficiary of a retiree who died prior to June 30, 2014; and provided further, that with respect to Holders who are Active Employees, in the event the unfunded liabilities of the GRS for the plan year ending June 30, 2014 are greater than the unfunded liabilities of the GRS as of June 30, 2013, the monthly pension amount shall be decreased to the extent necessary to ensure that there is no change in the amount of the underfunding between Fiscal Years 2013 and 2014.

212. "GRS Pension Claim" means any Claim (other than an OPEB Claim), whether asserted by current or former employees of the City or any participants in GRS, their heirs or beneficiaries or by the GRS or any trustee thereof or any other Entity acting on the GRS's behalf, against the City or any fund managed by the City (including,

but not limited to, the General Fund, the water fund, the sewage disposal fund, the Detroit General Retirement System Service Corporation fund or the pension funds) based upon, arising under or related to any agreement, commitment or other obligation, whether evidenced by contract, agreement, rule, regulation, ordinance, statute or law for (a) any pension, disability or other post-retirement payment or distribution in respect of the employment of current or former employees or (b) the payment by the GRS to persons who at any time participated in, were beneficiaries of or accrued post-retirement pension or financial benefits under the GRS.

213. "GRS Restoration Payment" means an addition to the pension benefits that comprise the GRS Adjusted Pension Amount as described in Exhibit II.B.3.r.ii.C.

214. "Holder" means an Entity holding a Claim. With respect to any COP originally insured by FGIC, "Holder" includes the beneficial holders of any such COP.

215. "HUD Installment Note Claims" means any Claim against the City arising under or evidenced by the HUD Installment Note Documents, including a Claim for principal and interest on the HUD Installment Notes.

216. "HUD Installment Note Documents" means the promissory notes executed with respect to the HUD Installment Notes, as set forth on Exhibit I.A.216, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

217. "HUD Installment Notes" means, collectively, the secured notes issued under the HUD Installment Note Documents, as set forth on Exhibit I.A.216.

218. "Impaired" means, with respect to a Class or a Claim, that such Class or Claim is impaired within the meaning of section 1124 of the Bankruptcy Code.

219. "Income Stabilization Benefit" means a supplemental pension benefit in an amount necessary to ensure that (a) each Eligible Pensioner's total household income is equal to 130% of the Federal Poverty Level in 2013 or (b) the annual pension benefit payment payable to each Eligible Pensioner equals 100% of the annual pension benefit payment actually received by the Eligible Pensioner in 2013, whichever amount is lower.

220. "Income Stabilization Benefit Plus" means a supplemental pension benefit in an amount necessary to ensure that (a) an Eligible Pensioner's estimated adjusted annual household income (as determined by the applicable Retirement System) in a given calendar year is equal to 105% of the Federal Poverty Level for such year or (b) the annual pension benefit payment payable to an Eligible Pensioner equals 100% of the Eligible Pensioner's Current Accrued Annual Pension, plus COLAs, whichever amount is lower.

221. "Income Stabilization Payments" means the Income Stabilization Benefit and the Income Stabilization Benefit Plus, which will be paid from the Income Stabilization Fund in each of GRS and PFRS to Eligible Pensioners in accordance with the State Contribution Agreement.

222. "Income Stabilization Fund" means a separate recordkeeping sub-account that will be established in each of GRS and PFRS for the sole purpose of paying Income Stabilization Payments to Eligible Pensioners. The assets credited to these sub-accounts will be invested on a commingled basis with the GRS and PFRS assets, as applicable, and will be credited with a pro rata portion of the applicable Retirement System's earnings and losses.

223. "Indirect 36th District Court Claim" means any claim arising in connection with a Cause of Action against the 36th District Court, solely to the extent that (a) the 36th District Court is entitled to receive funding from the City to satisfy any such claim and (b) any Claim for such funding by the 36th District Court is resolved pursuant to the Plan and the 36th District Court Settlement.

224. "Indirect Employee Indemnity Claim" means any claim against an employee or former employee of the City with respect to which such employee has an Allowed Claim against the City for indemnification or

payment or advancement of defense costs based upon, arising under or related to any agreement, commitment or other obligation, whether evidenced by contract, agreement, rule, regulation, ordinance, statute or law.

225. "Insured LTGO Bonds" means those Limited Tax General Obligation Bonds that are insured by the LTGO Insurer.

226. "Investment Committee" means, as applicable, the investment committee established by GRS or PFRS for the purpose of making recommendations to, and approving certain actions by, the respective Retirement System's board of trustees or making determinations and taking action under, and with respect to certain matters described in, the State Contribution Agreement.

227. "Liabilities" means any and all claims, obligations, suits, judgments, damages, demands, debts, rights, derivative claims, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction, agreement, employment, exposure or other occurrence taking place on or prior to the Effective Date.

228. "Lien" shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

229. "Limited Tax General Obligation Bond Claim" means any Claim against the City arising under or evidenced by the Limited Tax General Obligation Bond Documents, including a Claim for principal and interest on the Limited Tax General Obligation Bonds.

230. "Limited Tax General Obligation Bond Documents" means the resolutions adopted and orders issued with respect to the Limited Tax General Obligation Bonds, as set forth on Exhibit I.A.230, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

231. "Limited Tax General Obligation Bonds" means, collectively, the unsecured bonds issued under the Limited Tax General Obligation Bond Documents, as set forth on Exhibit I.A.230.

232. "Liquidity Event" shall be deemed to occur only if the City has at all times complied with its obligations under the COP Swap Settlement to use its best efforts to secure sufficient exit financing as set forth therein, but is nonetheless unable to secure sufficient exit financing to pay the Net Amount on or promptly following the Effective Date.

233. "List of Creditors" means the Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (together with the summaries and schedules attached thereto), attached as Exhibit A to the Notice of Filing of Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1059), Filed by the City on September 30, 2013, as such list, summaries or schedules may be amended, restated, supplemented or otherwise modified.

234. "LTGO Distribution Agent" means U.S. Bank National Association, in its capacity as agent under a distribution agreement to be entered into in connection with the LTGO Settlement Agreement or such other entity as may be agreed to among the parties to the LTGO Settlement Agreement.

235. "LTGO Exculpated Parties" means (a) the LTGO Insurer, (b) BlackRock Financial Management, solely in its capacity as a Holder of Limited Tax General Obligation Bonds, and (c) their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents, attorneys, advisors, accountants, consultants, financial advisors and investment bankers, solely in their capacity as such.

236. "LTGO Insurer" means Ambac, solely in its capacity as insurer of certain of the City's obligations with respect to the Limited Tax General Obligation Bonds.

237. "LTGO Settlement Agreement" means the comprehensive settlement regarding Limited Tax General Obligation Bond Claims and related Bond Insurance Policy Claims, substantially in the form attached hereto as Exhibit I.A.237.

238. "LTGO Settlement Parties" means (a) the LTGO Insurer and (b) BlackRock Financial Management, on behalf of certain managed funds and accounts set forth in the LTGO Settlement Agreement.

239. "Macomb County" means the County of Macomb, Michigan.

240. "Mayor" means the duly-elected mayor of the City.

241. "MFA" means the Michigan Finance Authority.

242. "Municipal Obligation" means the local government municipal obligation to be delivered by the City to the MFA in accordance with the UTGO Settlement Agreement and applicable law.

243. "NPF" means National Public Finance Guarantee Corporation.

244. "Net Amount" means the Distribution Amount less the sum of all quarterly payments received by the COP Swap Counterparties under the COP Swap Collateral Agreement in respect of amounts owed under the COP Swap Agreements since January 1, 2014.

245. "Net DWSD Transaction Proceeds" means (a) the cash proceeds received by or for the benefit of, or for attribution to, the General Fund as a result of a Qualifying DWSD Transaction less (1) any cash payments made by or on behalf of the General Fund in connection with a Qualifying DWSD Transaction, (2) any cash payments previously anticipated or projected to be contributed to GRS by DWSD but for the Qualifying DWSD Transaction and (3) any cash payments previously anticipated or projected to be received by or on behalf of the General Fund but for the Qualifying DWSD Transaction; and (b) any other net payments, assumption of scheduled monetary liability or cancellation of indebtedness or other monetary obligations that inures to the direct benefit of the General Fund as a result of the Qualifying DWSD Transaction. In applying this definition, the City and the Restoration Trust (or the Retiree Committee if prior to the Effective Date) will work to develop a schedule of Net DWSD Transaction Proceeds at the time of the Qualifying DWSD Transaction that will inform any Value Determination (if requested) and allow the parties to subsequently track actual results and adjust applicable pension restoration levels accordingly.

246. "New B Notes" means the unsecured bonds to be issued by the City pursuant to the New B Notes Documents, substantially on the terms set forth on Exhibit I.A.246.

247. "New B Notes Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued or indentures to be executed with respect to the New B Notes, in substantially the form attached hereto as Exhibit I.A.247.

248. "New C Notes" means the unsecured bonds to be issued by the City pursuant to the New C Notes Documents, substantially on the terms set forth on Exhibit I.A.248 and in any case in form and substance reasonably acceptable to the City and Syncora.

249. "New C Notes Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued or indentures to be executed with respect to the New C Notes, in substantially the form attached hereto as Exhibit I.A.249 and in any case in form and substance reasonably acceptable to the City and Syncora.

250. "New GRS Active Pension Plan" means the terms and conditions for future accrual and payment of pensions for active non-public safety employees of the City or another entity that participates in GRS in connection with employment service performed on and after July 1, 2014, in substantially the form attached hereto as Exhibit I.A.250.a and the material terms of which are attached hereto as Exhibit I.A.250.b.

251. "New GRS Active Pension Plan Formula" means an accrual rate for active employee participants in the GRS for benefits earned for service on or after July 1, 2014 that equals the product of (a) 1.5% multiplied by (b) an employee's average base compensation over such employee's final 10 years of service, multiplied by (c) such employee's years of service after July 1, 2014. For purposes of this definition, base compensation will exclude overtime, longevity or other bonuses, and unused sick leave, and the New GRS Active Pension Plan Formula will be part of a hybrid program that will contain rules to shift funding risk to participants in the event of underfunding of hybrid pensions, and mandate minimum retirement ages for unreduced pensions.

252. "New LTGO Bond Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued or indentures to be executed with respect to the New LTGO Bonds, in substantially the form attached as an exhibit to the LTGO Settlement Agreement.

253. "New LTGO Bonds" means the bonds to be issued by the City pursuant to the New LTGO Bond Documents, substantially on the terms set forth on Schedule 1 of the LTGO Settlement Agreement.

254. "New PFRS Active Pension Plan" means the terms and conditions for future accrual and payment of pensions for active public safety employees of the City in connection with employment service performed on and after July 1, 2014, in substantially the form attached hereto as Exhibit I.A.254.a and the material terms of which are attached hereto as Exhibit I.A.254.b.

255. "New PFRS Active Pension Plan Formula" means an accrual rate for active employee participants in the PFRS for benefits earned on or after July 1, 2014 that equals the product of (a) 2.0% multiplied by (b) an employee's average base compensation over the employee's final five years of service, as set forth on Exhibit I.A.254.b, multiplied by (c) such employee's years of service after July 1, 2014. For purposes of this definition, base compensation will mean the employee's actual base compensation and will exclude overtime, longevity or other bonuses, and unused sick leave, and the New PFRS Active Pension Plan Formula will be part of a hybrid program that will contain rules to shift funding risk to participants in the event of underfunding of hybrid pensions, and mandate minimum retirement ages for unreduced pensions.

256. "New Securities" means, collectively, the New B Notes, the New C Notes, the New LTGO Bonds and the Municipal Obligation.

257. "Non-Settling UTGO Bond Insurer" means, together, Syncora Capital Assurance Inc. and Syncora Guarantee Inc., solely in their capacity as insurers of certain of the City's obligations with respect to the Unlimited Tax General Obligation Bonds.

258. "Oakland County" means the County of Oakland, Michigan.

259. "OPEB Benefits" means, collectively, post-retirement health, vision, dental, life and death benefits provided to retired employees of the City, the Detroit Public Library or the Detroit Regional Convention Facility Authority and their surviving beneficiaries pursuant to the Employee Health and Life Insurance Benefit Plan, the Employees Death Benefit Plan or any comparable plan, including the members of the certified class in the action captioned *Weiler et. al. v. City of Detroit*, Case No. 06-619737-CK (Wayne County Circuit Court), pursuant to the "Consent Judgment and Order of Dismissal" entered in that action on August 26, 2009.

260. "OPEB Claim" means any Claim against the City for OPEB Benefits held by a retiree who retired on or before December 31, 2014 and is otherwise eligible for OPEB Benefits, and any eligible surviving beneficiaries of such retiree.

261. "Other Secured Claim" means a Secured Claim, other than a COP Swap Claim, a DWSD Bond Claim, a DWSD Revolving Bond Claim, a HUD Installment Note Claim or a Secured GO Bond Claim.

262. "Other Unsecured Claim" means any Claim that is not an Administrative Claim, a Convenience Claim, a COP Claim, a Downtown Development Authority Claim, a General Obligation Bond Claim, a GRS Pension Claim, an OPEB Claim, a PFRS Pension Claim, a Secured Claim, an Indirect 36th District Court Claim or a

Subordinated Claim. For the avoidance of doubt, Section 1983 Claims and Indirect Employee Indemnity Claims are included within the definition of Other Unsecured Claim.

263. "PA 436" means Public Act 436 of 2012 of the State, also known as the Local Financial Stability and Choice Act, Michigan Compiled Laws §§ 141.1541-141.1575.

264. "Parking Garages" means, collectively, parking garages owned by the City other than (a) that certain underground parking garage, commonly known as the "Grand Circus Parking Garage," located at 1600-01 Woodward Avenue, Detroit, Michigan, (b) that certain underground parking garage, commonly known as the "Cultural Center Garage," located at 41 Farnsworth Street, Detroit, Michigan and (c) that certain multi-story parking structure near the Riverfront Arena with an address of 900 W. Jefferson Avenue, Detroit, Michigan having a capacity of approximately 3,200 car spaces commonly known as "Joe Louis Arena Garage." For the avoidance of doubt, (a) that certain parking lot located at 5200 Woodward Avenue, Detroit, Michigan and (b) that certain parking lot, commonly known as the "Frederick Lot," located at 318 Frederick Street, Detroit, Michigan, shall not be considered Parking Garages.

265. "Pass-Through Obligations" means the City's obligations to the Pass-Through Recipients with respect to which the City acts, or may in the future act, as a tax-collecting agent for tax increment revenues derived from property taxes of the City and certain other taxing jurisdictions and required to be transmitted by the Treasurer of the City to the Pass-Through Recipients under their respective tax increment financing enabling statutes.

266. "Pass-Through Recipients" means, collectively, the (a) DDA, (b) Local Development Finance Authority, (c) Detroit Brownfield Redevelopment Authority and (d) City of Detroit Eight Mile/Woodward Corridor Improvement Authority, each of which are separate legal entities from the City.

267. "Pension Claim" means a GRS Pension Claim or a PFRS Pension Claim.

268. "Petition Date" means July 18, 2013.

269. "PFRS" means the Police and Fire Retirement System of the City of Detroit.

270. "PFRS Adjusted Pension Amount" means, with respect to a Holder of a PFRS Pension Claim, the Current Accrued Annual Pension payable to such Holder as adjusted in accordance with the following formulas:

(a) If Classes 10 and 11 vote to accept the Plan, and funding is received from the DIA Settlement and the State Contribution Agreement: Holders of PFRS Pension Claims will continue to receive their Current Accrued Annual Pension, but COLAs from and after June 30, 2014 shall be 45% of the COLAs provided for in police and fire collective bargaining agreements, other contracts or ordinances; and

(b) If Classes 10 and 11 do **not** vote to accept the Plan or funding is **not** received from the DIA Settlement and the State Contribution Agreement: (i) for a Holder of a PFRS Pension Claim who is (A) either retired and receiving a monthly pension or a surviving beneficiary or (B) a terminated employee with a right to receive a PFRS pension in the future, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs; and (ii) for a Holder of a PFRS Pension Claim who is an Active Employee, elimination of the right to supplemental pension benefits to be paid after July 1, 2014 in respect of COLAs, plus elimination of the deferred retirement option plan feature of PFRS for certain Active Employees who have not already irrevocably elected to participate in the feature; provided that, with respect to Holders that are Active Employees, in the event the unfunded liabilities of the PFRS for the plan year ending June 30, 2014 are greater than the unfunded liabilities of the PFRS as of June 30, 2013, the monthly pension amount shall be reduced to the extent necessary to ensure that there is no change in the amount of the underfunding between Fiscal Years 2013 and 2014.

271. "PFRS Pension Claim" means any Claim (other than an OPEB Claim), whether asserted by current or former employees of the City, their heirs or beneficiaries or by the PFRS or any trustee thereof or any other Entity acting on the PFRS's behalf, against the City or any fund managed by the City (including, but not

limited to, the General Fund, the Police and Fire Retirement System Service Corporation fund or the pension funds) based upon, arising under or related to any agreement, commitment or other obligation, whether evidenced by contract, agreement, rule, regulation, ordinance, statute or law for (a) any pension, disability, or other post-retirement payment or distribution in respect of the employment of such current or former employees or (b) the payment by the PFRS to persons who at any time participated in, were beneficiaries of or accrued post-retirement pension or financial benefits under the PFRS.

272. "PFRS Restoration Payment" means an addition to the pension benefits that comprise the PFRS Adjusted Pension Amount as described in Exhibit II.B.3.q.ii.C.

273. "Plan" means this plan of adjustment and all Exhibits attached hereto or referenced herein, as the same may be amended, restated, supplemented or otherwise modified.

274. "Plan COP Settlement" means the comprehensive settlement regarding COP Claims on terms and conditions described in Section II.B.3.p.i.A.

275. "Plan Supplement" means any supplement to the Plan containing Exhibits that were not Filed as of the date of the entry of the Disclosure Statement Order.

276. "Pledged Property" means the collateral pledged by the City under the COP Swap Collateral Agreement or Ordinance No. 05-09 of the City.

277. "Postpetition Financing Agreement" means, collectively, (a) the Bond Purchase Agreement by and among the City and Barclays Capital, Inc., as purchaser, (b) the Financial Recovery Bond Trust Indenture by and among the City and UMB Bank, N.A., as trustee, and (c) all ancillary and related instruments and agreements approved by the Bankruptcy Court pursuant to the Postpetition Financing Order.

278. "Postpetition Financing Order" means the Order Pursuant to 11 U.S.C. §§ 105, 362, 364(c)(1), 364(c)(2), 364(e), 364(f), 503, 507(a)(2), 904, 921 and 922 (I) Approving Post-Petition Financing, (II) Granting Liens and Providing Superpriority Claim Status and (III) Modifying Automatic Stay (Docket No. 3067) entered by the Bankruptcy Court on the docket of the Chapter 9 Case on April 2, 2014, approving the Postpetition Financing Agreement.

279. "Postpetition Financing Claims" means any Claim against the City under or evidenced by (a) the Postpetition Financing Agreement and (b) the Postpetition Financing Order.

280. "Prior GRS Pension Plan" means the terms and conditions of the GRS in effect as of June 30, 2014 and applicable to benefits accrued by members of GRS prior to July 1, 2014, the form documentation of which is attached hereto as Exhibit I.A.280.

281. "Prior PFRS Pension Plan" means the terms and conditions of the PFRS in effect as of June 30, 2014 and applicable to benefits accrued by members of PFRS prior to July 1, 2014, the form documentation of which is attached hereto as Exhibit I.A.281.

282. "Pro Rata" means, when used with reference to a distribution of property to Holders of Allowed Claims in a particular Class or other specified group of Claims, proportionately so that with respect to a particular Allowed Claim in such Class or in such group, the ratio of (a)(i) the amount of property to be distributed on account of such Claim to (ii) the amount of such Claim, is the same as the ratio of (b)(i) the amount of property to be distributed on account of all Allowed Claims in such Class or group of Claims to (ii) the amount of all Allowed Claims in such Class or group of Claims. Until all Disputed Claims in a Class or other specified group of Claims are resolved, Disputed Claims shall be treated as Allowed Claims in their Face Amount for purposes of calculating a Pro Rata distribution of property to holders of Allowed Claims in such Class or group of Claims.

283. "Professional Fee Reserve" means the reserve for Fee Review Professional Fees established pursuant to Section IV.N.1.

284. "Qualifying DWSD Transaction" means a potential transaction involving the transfer to a third party (including but not limited to a lease) of a majority of the assets of, or the right to operate and manage, the City's water or sewage disposal systems currently operated by the DWSD in one or a series of related transactions.

285. "RDPPFA" means the Retired Detroit Police and Fire Fighters Association.

286. "RDPMA" means the Retired Detroit Police Members Association.

287. "RDPMA Exculpated Parties" means the RDPMA and its board of trustees/directors, attorneys, advisors and professionals, solely in their capacity as such.

288. "Reinstated" means (a) leaving unaltered the legal, equitable and contractual rights to which a Claim entitles the Holder or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of such Claim to demand or receive accelerated payment of such Claim after the occurrence of a default, (i) the cure of any such default other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured; (ii) the reinstatement of the maturity of such Claim as such maturity existed before such default; (iii) compensation of the Holder of such Claim for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensation of the Holder of such Claim for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which such Claim entitles the Holder. "Reinstated" and "Reinstatement" shall have correlative meanings.

289. "Related Entity" means, with respect to any Entity, such Entity's Affiliates, predecessors, successors and assigns (whether by operation of law or otherwise), and with respect to any of the foregoing their respective present and former Affiliates and each of their respective current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity, and any Entity claiming by or through any of them (including their respective officials, officers, directors, employees, managers, advisors and professionals).

290. "Released Parties" means, collectively and individually, the Retiree Committee, the members of the Retiree Committee, the Retiree Committee Professionals, the Foundations, DIA Corp., the DIA Funders and their Related Entities and the CFSEM Supporting Organization and its Related Entities.

291. "Restoration Trust" means a trust to be established pursuant to the Restoration Trust Agreement to (a) hold the DWSD CVR and enforce rights related to its terms and (b) consult with the trustees and the Investment Committee of PFRS or GRS with respect to restoration rights affecting retirees of PFRS or GRS, respectively; provided, however, that the Restoration Trust shall not have any right to initiate enforcement proceedings against the trustees or Investment Committee of either PFRS or GRS with respect to Special Restoration or the general rules governing pension restoration as provided for in Exhibits II.B.3.q.ii.C and II.B.3.r.ii.C.

292. "Restoration Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Restoration Trust, in substantially the form attached hereto as Exhibit I.A.292.

293. "Restructured UTGO Bonds" means the bonds to be issued by the MFA to the current Holders of Unlimited Tax General Obligation Bond Claims, the Settling UTGO Bond Insurers and the Non-Settling UTGO Bond Insurer in the amount of \$287,560,790 pursuant to the UTGO Settlement Agreement, which bonds shall be limited obligations of the MFA and shall be secured as more particularly described in the UTGO Settlement Agreement.

294. "Retiree Classes" means Classes 10, 11 and 12, as set forth in Section II.B.

295. "Retiree Committee" means the official committee of retired employees first appointed by the United States Trustee in the Chapter 9 Case on August 22, 2013 (Docket No. 566), as such committee may be reconstituted, solely in its capacity as such.

296. "Retiree Committee Professionals" means those professionals retained by the Retiree Committee to render services in connection with the Chapter 9 Case that seek payment of compensation and reimbursement of expenses from the City for postpetition services pursuant to and in accordance with the Fee Review Order, solely in their capacity as such.

297. "Retiree Health Care Litigation" means the adversary proceeding captioned as *Official Committee of Retirees of the City of Detroit, Michigan, et al. v. City of Detroit, Michigan, et al.*, Case No. 14-04015 (Bankr. E.D. Mich.), filed in the Chapter 9 Case on January 9, 2014.

298. "Retiree Health Care Settlement Agreement" means the Settlement Agreement, effective February 14, 2014, between the parties to the Retiree Health Care Litigation, pursuant to which such parties agreed to certain modifications to the changes in retiree health care benefits that the City was otherwise to implement on March 1, 2014, a copy of which is attached hereto as Exhibit I.A.298.

299. "Retirement System Indemnity Obligations" means any and all obligations of the City, as of the Petition Date, to indemnify, defend, reimburse, exculpate, advance fees and expenses to, or limit the liability of any party in connection with any Causes of Action relating in any way to either GRS or PFRS or the management, oversight, administration or activities thereof, as such obligations may be as provided for in the City Charter of the City or other organizational documents, resolutions, employment contracts, applicable law or other applicable agreements.

300. "Retirement Systems" means, collectively, the GRS and the PFRS.

301. "Section 115" means section 115 of the Internal Revenue Code of 1986, as amended.

302. "Section 1983 Claim" means any Claim against the City, its employees or both arising under 42 U.S.C. § 1983 that has not been settled, compromised or otherwise resolved and with respect to which Claim a lawsuit was pending before the District Court on or prior to the Petition Date.

303. "Secured Claim" means a Claim that is secured by a Lien on property in which the City has an interest or that is subject to valid setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in the City's interest in such property or to the extent of the amount subject to valid setoff, as applicable, as determined pursuant to section 506 of the Bankruptcy Code.

304. "Secured GO Bond Claims" means, collectively, the Secured GO Series 2010 Claims, the Secured GO Series 2010(A) Claims, the Secured GO Series 2012(A)(2) Claims, the Secured GO Series 2012(A2-B) Claims, the Secured GO Series 2012(B) Claims and the Secured GO Series 2012(B2) Claims.

305. "Secured GO Bond Documents" means, collectively, the Secured GO Series 2010 Bond Documents, the Secured GO Series 2010(A) Bond Documents, the Secured GO Series 2012(A)(2) Bond Documents, the Secured GO Series 2012(A2-B) Bond Documents, the Secured GO Series 2012(B) Bond Documents and the Secured GO Series 2012(B2) Bond Documents.

306. "Secured GO Bonds" means, collectively, the Secured GO Series 2010 Bonds, the Secured GO Series 2010(A) Bonds, the Secured GO Series 2012(A)(2) Bonds, the Secured GO Series 2012(A2-B) Bonds, the Secured GO Series 2012(B) Bonds and the Secured GO Series 2012(B2) Bonds.

307. "Secured GO Series 2010 Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2010 Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

308. "Secured GO Series 2010 Bonds" means the secured \$249,790,000 Distributable State Aid General Obligation (Limited Tax) Bonds, Series 2010, issued pursuant to the Secured GO Series 2010 Bond Documents.

309. "Secured GO Series 2010 Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2010 Bond Documents, including a Claim for principal and interest on the Secured GO Series 2010 Bonds.

310. "Secured GO Series 2010(A) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2010(A) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

311. "Secured GO Series 2010(A) Bonds" means the secured \$100,000,000 Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A) (Taxable-Recovery Zone Economic Development Bonds – Direct Payment), issued pursuant to the Secured GO Series 2010(A) Bond Documents.

312. "Secured GO Series 2010(A) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2010(A) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2010(A) Bonds.

313. "Secured GO Series 2012(A)(2) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(A)(2) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

314. "Secured GO Series 2012(A)(2) Bonds" means the secured \$38,865,000 Self-Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012(A)(2), issued pursuant to the Secured GO Series 2012(A)(2) Bond Documents.

315. "Secured GO Series 2012(A)(2) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(A)(2) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2010(A)(2) Bonds.

316. "Secured GO Series 2012(A2-B) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(A2-B) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

317. "Secured GO Series 2012(A2-B) Bonds" means the secured \$53,520,000 Self-Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(A2-B), issued pursuant to the Secured GO Series 2012(A2-B) Bond Documents.

318. "Secured GO Series 2012(A2-B) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(A2-B) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2012(A2-B) Bonds.

319. "Secured GO Series 2012(B) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(B) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

320. "Secured GO Series 2012(B) Bonds" means the \$6,405,000 General Obligation Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation), Series 2012(B), issued pursuant to the Secured GO Series 2012(B) Bond Documents.

321. "Secured GO Series 2012(B) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(B) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2012(B) Bonds.

322. "Secured GO Series 2012(B2) Bond Documents" means the resolutions adopted, orders issued and indentures executed with respect to the Secured GO Series 2012(B2) Bonds, as set forth on Exhibit I.A.305, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

323. "Secured GO Series 2012(B2) Bonds" means the \$30,730,000 Self-Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(B2), issued pursuant to the Secured GO Series 2012(B2) Bond Documents.

324. "Secured GO Series 2012(B2) Claim" means any Claim against the City arising under or evidenced by the Secured GO Series 2012(B2) Bond Documents, including a Claim for principal and interest on the Secured GO Series 2012(B2) Bonds.

325. "Securities Act" means the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa, as amended, or any similar federal, state, or local law.

326. "Settling 36th District Court Claimants" means (a) the 36th District Court, (b) Local 917 of the American Federation of State, County and Municipal Employees, (c) Local 3308 of the American Federation of State, County and Municipal Employees and (d) those individuals identified as "Individual Claimants" on the term sheet attached hereto as Exhibit I.A.9.

327. "Settling COP Claimant" means (a) those holders of COP Claims that are the subject of the Syncora Settlement Documents or (b) those Holders of COP Claims that are the subject of the FGIC/COP Settlement Documents.

328. "Settling UTGO Bond Insurers" means, collectively, Ambac, Assured and NPMG and each of their respective successors and assigns, solely in their capacity as insurers of certain of the City's obligations with respect to the Unlimited Tax General Obligation Bonds.

329. "Special Restoration" means the potential restoration or replacement of benefit reductions imposed by the Plan in connection with a Qualifying DWSD Transaction, as described in Section IV.F.

330. "State" means the state of Michigan.

331. "State Contribution" means payments to be made to GRS and PFRS by the State or the State's authorized agent for the purpose of funding Adjusted Pension Amounts in an aggregate amount equal to the net present value of \$350 million payable over 20 years using a discount rate of 6.75%, pursuant to the terms of the State Contribution Agreement.

332. "State Contribution Agreement" means the definitive documentation to be executed in connection with the comprehensive settlement regarding Pension Claims as described in Section IV.D, in substantially the form attached hereto as Exhibit I.A.332.

333. "State Related Entities" means, collectively: (a) all officers, legislators, employees, judges and justices of the State; (b) the Governor of the State; (c) the Treasurer of the State; (d) all members of the Local Emergency Financial Assistance Loan Board created under the Emergency Municipal Loan Act, Michigan Compiled Laws §§ 141.931-141.942; (e) each of the State's agencies and departments; and (f) the Related Entities of each of the foregoing.

334. "Stay Extension Order" means the Order Pursuant to Section 105(a) of the Bankruptcy Code Extending the Chapter 9 Stay to Certain (A) State Entities, (B) Non-Officer Employees and (C) Agents and

Representatives of the Debtor (Docket No. 166), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on July 25, 2013, as it may be amended, supplemented or otherwise modified.

335. "Stub UTGO Bonds" means Unlimited Tax General Obligation Bonds in the principal amount of \$43,349,210 that, from and after the Effective Date, will (a) be reinstated, (b) remain outstanding and (c) be payable from the UTGO Bond Tax Levy, as more particularly described in the UTGO Settlement Agreement.

336. "Subordinated Claim" means a Claim of the kind described in sections 726(a)(3) or 726(a)(4) of the Bankruptcy Code or Claims subordinated under sections 510(b) or 510(c) of the Bankruptcy Code.

337. "Supplemental Trust Agreements" means, collectively, (a) one or more supplemental trust agreements between the COP Trustee and COP Service Corporations, entered into with the consent of FGIC and (b) one or more supplemental trust agreements between the COP Trustee and COP Service Corporations, entered into with the consent of Syncora, in each case to be executed prior to the Effective Date, which agreements shall, among other things, for purposes of distributions of trust assets explicitly supersede the 2005 COPs Agreement and the 2006 COPs Agreement, which incorporates by reference Sections 6.5 and 9.1 of each Contract Administration Agreement and Section 8.03 of each COP Service Contract.

338. "Swap Insurance Policies" means those policies or other instruments insuring the COP Swap Agreements and obligations related thereto.

339. "Syncora" means, collectively, Syncora Guarantee, Inc. and Syncora Capital Assurance Inc.

340. "Syncora Development Agreement" means that certain development agreement by and between the City and Pike Point Holdings, LLC, a wholly owned indirect subsidiary of Syncora, in substantially the form attached hereto as Exhibit I.A.340, including all exhibits thereto, and in any case in form and substance reasonably acceptable to the City and Syncora.

341. "Syncora Excess New B Notes" means New B Notes in the aggregate face amount of approximately \$15.43 million, representing the difference between (a) the New B Notes that would have been distributed to Syncora had its asserted COP Claim for principal and interest in Class 9 been Allowed in full and (b) the New B Notes to be provided to Syncora as partial consideration pursuant to the terms of the Syncora Settlement.

342. "Syncora Exculpated Parties" means Syncora and their Related Entities, solely with respect to issues arising in connection with Syncora's capacity as holder or insurer of Unlimited Tax General Obligation Bond Claims and COP Claims.

343. "Syncora Settlement" means the comprehensive settlement with Syncora, as described at Section IV.I and as definitively set forth in the Syncora Settlement Documents.

344. "Syncora Settlement Documents" means the definitive documentation to be executed in connection with the Syncora Settlement, in substantially the form attached hereto as Exhibit I.A.344, and in any case in form and substance reasonably acceptable to the City and Syncora.

345. "Tax" means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, gross margins, sales, use, stamp, real estate transfer, mortgage recording, ad valorem, value added, transfer, franchise, profits, license, property, payroll, employment, unemployment, occupation, disability, excise, severance, withholding, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a transferee or successor or a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other Entity.

346. "Top-Off Payments" means the payments to be made to the Settling UTGO Bond Insurers pursuant to the UTGO Settlement Agreement if a Trigger Event occurs in amounts equal to the product of: (a) the amount by which the recovery received by Holders of Allowed Limited Tax General Obligation Bond Claims or Allowed COP Claims, as applicable, under the Plan exceeds 69.5% of the aggregate amount of all such Allowed Claims in such Class, multiplied by (b) the quotient of (i) \$100.5 million, divided by (ii) the sum of (x) 30.5% of the aggregate amount of all Allowed Limited Tax General Obligation Bond Claims or Allowed COP Claims, as the case may be, and (y) \$100.5 million.

347. "Tort Claim" means any Claim that has not been settled, compromised or otherwise resolved that arises out of allegations of personal injury or wrongful death claims and is not a Section 1983 Claim.

348. "Trigger Event" means the receipt by Holders of Allowed Limited Tax General Obligation Bond Claims or Allowed COP Claims, as applicable, of consideration pursuant to the Plan of 69.5% or more of the aggregate amount of all of the Allowed Claims in such Class. For purposes of determining whether a Trigger Event has occurred, all actual recoveries for Holders of Allowed Limited Tax General Obligation Bond Claims and Allowed COP Claims shall be determined by discounting the payments made to such Classes using a 5% discount rate back to the date of Confirmation.

349. "Tunnel Lease" means, collectively, (a) that certain Tube Lease, dated March 20, 1978, by and between the City, as landlord, and Detroit Windsor Tunnel LLC, as successor-in-interest to Detroit & Canada Tunnel Corporation, as tenant, and (b) that certain Sublease, dated March 20, 1978, by and between the City, as landlord, as successor-in-interest to Ford Motor Properties, Inc. as sublandlord, and Detroit Windsor Tunnel LLC, as successor-in-interest to Detroit & Canada Tunnel Corporation, as subtenant, each as may be amended, restated, supplemented or otherwise modified, in any case in form and substance reasonably acceptable to the City and Syncora.

350. "Unexpired Lease" means a lease to which the City is a party that is subject to assumption, assumption and assignment, or rejection under section 365 of the Bankruptcy Code.

351. "Unimpaired" means, with respect to a Class or a Claim, that such Class or Claim is not Impaired.

352. "United States Trustee" means the Office of the United States Trustee for the Eastern District of Michigan.

353. "Unlimited Tax General Obligation Bond Claim" means any Claim against the City arising under or evidenced by the Unlimited Tax General Obligation Bond Documents, including a Claim for principal and interest on the Unlimited Tax General Obligation Bonds.

354. "Unlimited Tax General Obligation Bond Documents" means the resolutions passed and orders issued with respect to the Unlimited Tax General Obligation Bonds, as set forth on Exhibit I.A.354, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments and agreements and all related Bond Insurance Policies.

355. "Unlimited Tax General Obligation Bonds" means, collectively, the bonds issued under the Unlimited Tax General Obligation Bond Documents, as set forth on Exhibit I.A.354.

356. "Unsecured Claim" means a Claim that is not a Secured Claim or an Administrative Claim.

357. "UTGO Bond Tax Levy" means that portion of the proceeds of the ad valorem tax millage levies pledged to and on account of the Unlimited Tax General Obligation Bonds.

358. "UTGO Exculpated Parties" means, collectively, Ambac, Assured and NPMG, solely in their capacity as insurers of certain of the City's obligations with respect to the Unlimited Tax General Obligation Bonds, and each of their respective parents, affiliates, shareholders, directors, officers, managers, employees, agents,

attorneys, advisors, accountants, consultants, restructuring consultants, financial advisors and investment bankers, solely in their capacity as such.

359. "UTGO Litigation" means, together, the adversary proceedings filed in the Chapter 9 Case on November 8, 2013, captioned as *National Public Finance Guarantee Corporation and Assured Guaranty Municipal Corporation v. City of Detroit, Michigan, et al.*, Case No. 13-05309 (Bankr. E.D. Mich.), and *Ambac Assurance Corporation v. City of Detroit, Michigan, et al.*, Case No. 13-05310 (Bankr. E.D. Mich.), to the extent that such proceedings relate to the Unlimited Tax General Obligation Bonds.

360. "UTGO Settlement Agreement" means that certain Settlement Agreement, dated as of July 18, 2014, among the City and the Settling UTGO Bond Insurers, substantially in the form attached hereto as Exhibit I.A.360.

361. "Value Determination" means a valuation of the expected Net DWSD Transaction Proceeds.

362. "Voting Deadline" means the deadline fixed by the Bankruptcy Court in the Disclosure Statement Order for submitting Ballots to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

363. "Wayne County" means the Charter County of Wayne, Michigan.

## **B. Rules of Interpretation and Computation of Time.**

### **1. Rules of Interpretation.**

For purposes of the Plan, unless otherwise provided herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (c) any reference herein to an existing document or Exhibit Filed or to be Filed shall mean such document or Exhibit, as it may have been or may be amended, restated, supplemented or otherwise modified pursuant to the Plan, the Confirmation Order or otherwise; (d) any reference to an Entity as a Holder of a Claim includes that Entity's successors, assigns and Affiliates; (e) all references to Sections or Exhibits are references to Sections and Exhibits of or to the Plan; (f) the words "herein," "hereunder," "hereof" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation"; and (i) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to the extent not inconsistent with any other provision of this Section.

### **2. Computation of Time.**

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

## **ARTICLE II CLASSIFICATION OF CLAIMS; CRAMDOWN; EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims are classified under the Plan for all purposes, including voting, Confirmation and Distribution. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, as described in Section II.A, have not been classified and thus are excluded from the Classes described in Section II.B.1. A Claim shall be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class and shall be deemed classified in a different

Class to the extent that any remainder of such Claim qualifies within the description of such other Class. Notwithstanding the foregoing, in no event shall any Holder of an Allowed Claim be entitled to receive payments or Distributions under the Plan that, in the aggregate, exceed the Allowed amount of such Holder's Claim.

**A. Unclassified Claims.**

**1. Payment of Administrative Claims.**

**a. Administrative Claims in General.**

Except as specified in this Section II.A.1, and subject to the bar date provisions herein, unless otherwise agreed by the Holder of an Administrative Claim and the City, or ordered by the Bankruptcy Court, each Holder of an Allowed Administrative Claim will receive, in full satisfaction of such Allowed Administrative Claim, Cash in an amount equal to such Allowed Administrative Claim either: (1) on the Effective Date or as soon as reasonably practicable thereafter; or (2) if the Administrative Claim is not Allowed as of the Effective Date, 30 days after the date on which such Administrative Claim becomes an Allowed Claim. No Claim of any official or unofficial creditors' committee or any member thereof for professionals' fees or other costs and expenses incurred by such creditors' committee or by a member of such creditors' committee shall constitute an Allowed Administrative Claim, except that the Retiree Committee's members and the Retiree Committee Professionals shall be entitled to payment in accordance with the Fee Review Order.

**b. Claims Under the Postpetition Financing Agreement.**

Unless otherwise agreed by Barclays Capital, Inc. pursuant to the Postpetition Financing Agreement, on or before the Effective Date, Postpetition Financing Claims that are Allowed Administrative Claims will be paid in Cash equal to the amount of those Allowed Administrative Claims.

**2. Bar Dates for Administrative Claims.**

**a. General Bar Date Provisions.**

Except as otherwise provided in Section II.A.2.b, Section II.A.2.c or in a Bar Date Order or other order of the Bankruptcy Court, unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the City no later than 45 days after the Effective Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve such a request by the applicable Bar Date will be forever barred from asserting such Administrative Claims against the City or its property, and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the City and the requesting party by the later of (i) 150 days after the Effective Date, (ii) 60 days after the Filing of the applicable request for payment of Administrative Claims or (iii) such other period of limitation as may be specifically fixed by a Final Order for objecting to such Administrative Claims. The foregoing procedures shall be specified in the Confirmation Order and the notice of entry of the Confirmation Order and served on all parties in interest.

**b. Ordinary Course Claims**

Holders of Claims based on Liabilities incurred by the City after the Petition Date in the ordinary course of its operations will not be required to File or serve any request for payment or application for allowance of such Claims. Such Claims will be paid by the City, pursuant to the terms and conditions of the particular transaction giving rise to such Claims, without further action by the Holders of such Claims or further action or approval of the Bankruptcy Court.

**c. Claims Under the Postpetition Financing Agreement.**

Holders of Administrative Claims that are Postpetition Financing Claims will not be required to File or serve any request for payment or application for allowance of such Claims. Such Administrative Claims will be satisfied pursuant to Section II.A.1.b.

**d. No Modification of Bar Date Order.**

The Plan does not modify any other Bar Date Order, including Bar Dates for Claims entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

**B. Classified Claims.**

**1. Designation of Classes.**

The following table designates the Classes and specifies whether such Classes are Impaired or Unimpaired by the Plan.

| CLASS                   | NAME  | IMPAIRMENT           |
|-------------------------|---|----------------------|
| <i>Secured Claims</i>   |   |                      |
| 1A                      | All Classes of DWSD Bond Claims<br>(One Class for each CUSIP of DWSD Bonds,<br>as set forth on Exhibit I.A.148)                                       | Unimpaired           |
| 1B                      | All Classes of DWSD Revolving Sewer Bond Claims<br>(One Class for each DWSD Series of DWSD Revolving Sewer Bonds,<br>as set forth on Exhibit I.A.156) | Unimpaired/Nonvoting |
| 1C                      | All Classes of DWSD Revolving Water Bond Claims<br>(One Class for each DWSD Series of DWSD Revolving Water Bonds,<br>as set forth on Exhibit I.A.159) | Unimpaired/Nonvoting |
| 2A                      | Secured GO Series 2010 Claims   | Unimpaired/Nonvoting |
| 2B                      | Secured GO Series 2010(A) Claims  | Unimpaired/Nonvoting |
| 2C                      | Secured GO Series 2012(A)(2) Claims   | Unimpaired/Nonvoting |
| 2D                      | Secured GO Series 2012(A2-B) Claims   | Unimpaired/Nonvoting |
| 2E                      | Secured GO Series 2012(B) Claims  | Unimpaired/Nonvoting |
| 2F                      | Secured GO Series 2012(B2) Claims   | Unimpaired/Nonvoting |
| 3                       | Other Secured Claims  | Unimpaired/Nonvoting |
| 4                       | HUD Installment Notes Claims  | Unimpaired/Nonvoting |
| 5                       | COP Swap Claims   | Impaired/Voting      |
| 6                       | Claims Previously Classified in Class 6 Paid in Full  | N/A                  |
| <i>Unsecured Claims</i> |   |                      |
| 7                       | Limited Tax General Obligation Bond Claims  | Impaired/Voting      |
| 8                       | Unlimited Tax General Obligation Bond Claims  | Impaired/Voting      |
| 9                       | COP Claims  | Impaired/Voting      |

| CLASS | NAME                                  | IMPAIRMENT         |
|-------|---------------------------------------|--------------------|
| 10    | PFRS Pension Claims                   | Impaired/Voting    |
| 11    | GRS Pension Claims                    | Impaired/Voting    |
| 12    | OPEB Claims                           | Impaired/Voting    |
| 13    | Downtown Development Authority Claims | Impaired/Voting    |
| 14    | Other Unsecured Claims                | Impaired/Voting    |
| 15    | Convenience Claims                    | Impaired/Voting    |
| 16    | Subordinated Claims                   | Impaired/Nonvoting |
| 17    | Indirect 36th District Court Claims   | Impaired/Voting    |

**2. Subordination; Reservation of Rights to Reclassify Claims.**

Except with respect to Bond Insurance Policy Claims, the allowance, classification and treatment of Allowed Claims and the respective Distributions and treatments specified in the Plan take into account the relative priority and rights of the Claims in each Class and all contractual, legal and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code or otherwise. Except as expressly set forth herein, consistent with section 510(a) of the Bankruptcy Code, nothing in the Plan shall, or shall be deemed to, modify, alter or otherwise affect any right of a Holder of a Claim to enforce a subordination agreement against any Entity other than the City to the same extent that such agreement is enforceable under applicable nonbankruptcy law. Pursuant to section 510 of the Bankruptcy Code, the City reserves the right to reclassify any Disputed Claim in accordance with any applicable contractual, legal or equitable subordination. For the avoidance of doubt, this Section II.B.2 shall not affect or limit the application of section 509 of the Bankruptcy Code or any similar doctrine to Bond Insurance Policy Claims, which are preserved for enforcement by the City or by the relevant Bond Insurer.

**3. Treatment of Claims.**

**a. Class 1A – DWSD Bond Claims.**

**i. Classification and Allowance.**

DWSD Bond Claims relating to each CUSIP of DWSD Bonds shall be separately classified, as reflected on Exhibit I.A.148, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Bond Claims shall be deemed Allowed in the amounts set forth on Exhibit I.A.148.

**ii. Treatment.**

Each Holder of an Allowed DWSD Bond Claim shall have its Allowed DWSD Bond Claim Reinstated on the Effective Date, unless such Holder agrees to a different treatment of such Claim. All votes and elections previously delivered in Class 1A shall not be counted and shall be of no force and effect. Any Allowed Secured Claims for fees, costs and expenses under the DWSD Bond Documents arising in connection with such Allowed DWSD Bond Claims shall be paid in full in Cash once Allowed pursuant to the DWSD Tender Order, by agreement of the parties or by order of the Bankruptcy Court. In addition, all claims for fees, costs and expenses authorized pursuant to or in accordance with the DWSD Tender Order shall be paid as provided therein.

**b. Class 1B – DWSD Revolving Sewer Bond Claims.**

**i. Classification and Allowance.**

DWSD Revolving Sewer Bond Claims relating to each DWSD Series of DWSD Revolving Sewer Bonds shall be separately classified, as reflected on Exhibit I.A.156, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Revolving Sewer Bond Claims shall be deemed Allowed in the aggregate amounts set forth on Exhibit I.A.156.

**ii. Treatment.**

On the Effective Date, each Holder of an Allowed DWSD Revolving Sewer Bond Claim shall have its Allowed DWSD Revolving Sewer Bond Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**c. Class 1C – DWSD Revolving Water Bond Claims**

**i. Classification and Allowance.**

DWSD Revolving Water Bond Claims relating to each DWSD Series of DWSD Revolving Water Bonds shall be separately classified, as reflected on Exhibit I.A.159, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Revolving Water Bond Claims shall be deemed Allowed in the amounts set forth on Exhibit I.A.159.

**ii. Treatment.**

On the Effective Date, each Holder of an Allowed DWSD Revolving Water Bond Claim shall have its Allowed DWSD Revolving Water Bond Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**d. Class 2A – Secured GO Series 2010 Claims.**

On the Effective Date, (i) the Secured GO Series 2010 Claims shall be deemed Allowed in the aggregate amount of \$252,475,366 and (ii) each Holder of an Allowed Secured GO Series 2010 Claim shall have its Allowed Secured GO Series 2010 Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**e. Class 2B – Secured GO Series 2010(A) Claims.**

On the Effective Date, (i) the Secured GO Series 2010(A) Claims shall be deemed Allowed in the aggregate amount of \$101,707,848 and (ii) each Holder of an Allowed Secured GO Series 2010(A) Claim shall have its Allowed Secured GO Series 2010(A) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**f. Class 2C – Secured GO Series 2012(A)(2) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(A)(2) Claims shall be deemed Allowed in the aggregate amount of \$39,254,171 and (ii) each Holder of an Allowed Secured GO Series 2012(A)(2) Claim shall have its Allowed Secured GO Series 2012(A)(2) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**g. Class 2D – Secured GO Series 2012(A2-B) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(A2-B) Claims shall be deemed Allowed in the aggregate amount of \$54,055,927 and (ii) each Holder of an Allowed Secured GO Series 2012(A2-B) Claim

shall have its Allowed Secured GO Series 2012(A2-B) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**h. Class 2E - Secured GO Series 2012(B) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(B) Claims shall be deemed Allowed in the aggregate amount of \$6,469,135 and (ii) each Holder of an Allowed Secured GO Series 2012(B) Claim shall have its Allowed Secured GO Series 2012(B) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**i. Class 2F – Secured GO Series 2012(B2) Claims.**

On the Effective Date, (i) the Secured GO Series 2012(B2) Claims shall be deemed Allowed in the aggregate amount of \$31,037,724 and (ii) each Holder of an Allowed Secured GO Series 2012(B2) Claim shall have its Allowed Secured GO Series 2012(B2) Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**j. Class 3 – Other Secured Claims.**

On the Effective Date, each Holder of an Allowed Other Secured Claim shall have its Allowed Other Secured Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**k. Class 4 – HUD Installment Note Claims.**

On the Effective Date, (i) the HUD Installment Note Claims shall be deemed Allowed in the aggregate amount of \$90,075,004 and (ii) each Holder of a HUD Installment Note Claim shall have its Allowed HUD Installment Note Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**l. Class 5 – COP Swap Claims.**

**i. Allowance.**

The COP Swap Claims shall be deemed Allowed as Secured Claims, which, solely for purposes of distributions from the City, will be equal to the Distribution Amount.

**ii. Treatment.**

Each Holder of an Allowed COP Swap Claim, in full satisfaction of such Allowed Claim, shall receive, either: (A) within thirty days following the Effective Date, the Net Amount in full in cash, provided that until paid in cash in full, such Secured Claims will remain secured by the Pledged Property; or (B) solely in the case of a Liquidity Event, the Net Amount in cash in full within 180 days following the Effective Date, provided that (1) other than with respect to net proceeds used to repay the Postpetition Financing Agreement, to the extent permitted by law but without taking into consideration any limitations imposed by the City, including in any ordinance or resolution of the City, the first dollars of any net cash proceeds of any financing or refinancing consummated in connection with, or subsequent to, the consummation of such Plan and either (a) supported by the full faith and credit of the City or (b) payable from the general fund of the City, will be used to pay the Net Amount, (2) the City will continue to comply with its obligations under the COP Swap Settlement and the COP Swap Settlement Approval Order until the Net Amount is paid in cash in full, (3) until paid in cash in full, such Secured Claims will remain secured by the Pledged Property, (4) from and after the Effective Date, the unpaid Net Amount will accrue interest at the rate applicable to obligations under the Postpetition Financing Agreement plus 1.5% with the interest obligation likewise being secured by the Pledged Property and (5) the COP Swap Counterparties will receive from the City on the Effective Date a deferral fee in cash equal to 1.0% of the Net Amount to be shared equally between them.

**m. Class 6.**

[Claims previously classified in Class 6 paid in full – Paragraph intentionally left blank]

**n. Class 7 – Limited Tax General Obligation Bond Claims.**

**i. Allowance.**

On the Effective Date, the Limited Tax General Obligation Bond Claims shall be deemed Allowed in the amount of \$163,544,770.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, (A) each Holder of an Allowed Limited Tax General Obligation Bond Claim that is not attributable to the Insured LTGO Bonds and (B) the LTGO Insurer with respect to those Allowed Limited Tax General Obligation Bond Claims attributable to the Insured LTGO Bonds, in full satisfaction of such Allowed Claim(s), shall receive, on or as soon as reasonably practicable after the Effective Date, (X) a Pro Rata share of, at the City's option, (1) \$55,000,000 in Cash or (2) the New LTGO Bonds and (Y) distributions in accordance with Section II.B.3.p.i.A.

The City will use its best efforts to prepay the New LTGO Bonds on the Effective Date or as soon as reasonably practicable thereafter from the proceeds of the Exit Facility. If the City cannot prepay all of the New LTGO Bonds on the Effective Date or as soon as reasonably practicable thereafter, the City will use its best efforts to prepay as much of the New LTGO Bonds as reasonably possible, and the LTGO Settlement Parties will accept such partial prepayment. Upon a partial prepayment of the New LTGO Bonds, such New LTGO Bonds will be redeemed by lot.

**iii. Impact of UTGO Settlement.**

Pursuant to the UTGO Settlement Agreement, the City has agreed that (a) the Plan shall not permit the Holders of Allowed Limited Tax General Obligation Bond Claims to recover more on a percentage basis on account of such Allowed Limited Tax General Obligation Bond Claims than the Holders of Allowed Unlimited Tax General Obligation Bond Claims recover on a percentage basis on account of such Allowed Unlimited Tax General Obligation Bond Claims, as such percentage recoveries are projected on the terms set forth in the UTGO Settlement Agreement at Confirmation; and (b) if a Trigger Event occurs, the Settling UTGO Bond Insurers shall receive Top-Off Payments (as set forth in Section IV.C).

**o. Class 8 – Unlimited Tax General Obligation Bond Claims.**

**i. Allowance.**

On the Effective Date, the Unlimited Tax General Obligation Bond Claims shall be deemed Allowed in the amount of \$388,000,000.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Unlimited Tax General Obligation Bond Claim, in full satisfaction of such Allowed Claim, shall receive, on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of Restructured UTGO Bonds as set forth in Schedules 1a and 1b to the UTGO Settlement Agreement. Those Holders identified on Schedule 1a of the UTGO Settlement Agreement shall retain ownership of the Stub UTGO Bonds, subject to Sections I.A.36 and IV.C, which Stub UTGO Bonds shall be reinstated.

**p. Class 9 – COP Claims.**

**i. Treatment.**

**A. Plan COP Settlement Option.**

On the Effective Date, the City shall deliver to the COP Trustee, solely for the benefit of, and for distribution to, the COP Insurers and the Settling COPs Claimants in accordance with (1) the Supplemental Trust Agreements and (2) the instructions of the applicable COP Insurer, (x) the Class 9 Settlement Asset Pool and (y) New B Notes in the face amount of \$97,692,787, based upon each Settling COP Claimant's Pro Rata share calculated as an amount equal to the proportion that the unpaid principal amount plus accrued prepetition interest of COPs held by such Settling COP Claimant bears to the aggregate unpaid principal amount of all COPs plus all accrued prepetition interest thereon; provided, that the allocation of distributions among FGIC COP Holders shall be determined in accordance with agreements among FGIC and the FGIC COP Holders disclosed in a term sheet filed in court on October 22, 2014, as the same may be subsequently amended and more fully documented. For the avoidance of doubt, a Settling COP Claimant shall not be required to transfer (1) any claim against a COP Insurer or (2) the COPs it holds to the City pursuant to the Plan COP Settlement or otherwise pursuant to the Plan, the Syncora Settlement Documents or the FGIC/COP Settlement Documents. The COP Service Corporations shall enter into such Supplemental Trust Agreements as FGIC and Syncora may reasonably request with respect to their respective insured COPs as long as such Supplemental Trust Agreements do not impose any additional obligations or liability on the COP Service Corporations.

The City has granted the LTGO Settlement Parties, on behalf of the holders of Allowed Limited Tax General Obligation Bond Claims in Class 7, and the Retiree Committee consent rights regarding pre-Effective Date settlements of the COP Litigation if and as permitted under applicable non-bankruptcy law. The LTGO Settlement Parties have consented to the Syncora Settlement and FGIC/COP Settlement. On the Effective Date, on account of such consent rights, the Excess New B Notes shall be distributed as follows: (1) approximately \$42.68 million to the Detroit General VEBA and the Detroit Police and Fire VEBA in proportion with the New B Notes allocated to each pursuant to Sections II.B.3.s.ii.A and II.B.3.s.ii.B; (2) approximately \$17.34 million to be distributed Pro Rata among holders of Allowed Limited Tax General Obligation Bond Claims in Class 7; and (3) approximately \$4.12 million to be distributed Pro Rata among holders of Allowed Other Unsecured Claims in Class 14. With respect to the distribution of the Syncora Excess New B Notes, on April 1, 2015, the City shall pay the interest then due on the Syncora Excess New B Notes and shall also prepay the October 1, 2015 interest payment on the Syncora Excess New B Notes (as a consequence of which, no interest payment shall be made on the Syncora Excess New B Notes on October 1, 2015). The VEBAs may not sell or otherwise transfer their right, title or interest in the Syncora Excess New B Notes prior to October 2, 2015.

As part of the Plan COP Settlement, on or as soon as reasonably practicable after the Effective Date, Syncora shall cause to be paid \$500,126.94 in cash to the COP Agent on account of COP Agent Fees. As part of the Plan COP Settlement, FGIC shall cause to be paid to the COP Agent 75.945% of the reasonable COP Agent Fees in cash out of the first proceeds of the distributions to or for the benefit of the FGIC COP Holders.

Nothing in this Section II.B.3.p.i.A shall, or shall be asserted or construed to, affect or prejudice any rights, claims or defenses between the COP Swap Counterparties on the one hand and any Settling COP Claimant (including Syncora, FGIC and the FGIC COP Holders) on the other hand.

Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Settling COP Claimant shall, to the fullest extent permitted under law, be deemed to forever release, waive and discharge all Liabilities relating to COP Documents such Settling COP Claimant has, had or may have against the (1) GRS, (2) PFRS or (3) Related Entities of either GRS or PFRS. At the direction of FGIC, which shall be deemed given on the Effective Date, the COP Contract Administrator shall have irrevocably agreed (on behalf of itself, any successors and each FGIC COP Holder) to release and not to sue any COP Holder or any COP Insurer on behalf of any FGIC COP Holder, COP Insurer, the Detroit Retirement Systems Funding Trust 2005 or the Detroit Retirement

Systems Funding Trust 2006 in connection with any liability arising in connection with or related to (1) Sections 6.5 and 9.1 of the Contract Administration Agreements, (2) Section 8.03 of the COP Service Contracts, (3) distributions made pursuant to or in connection with this Section II.B.3.p.i.A, (4) the FGIC Settlement or (5) the Syncora Settlement. On the Effective Date, Syncora and FGIC shall, to the fullest extent permitted under law, be deemed to forever mutually release, waive and discharge all liabilities against each other relating to distributions made pursuant to or in connection with this Section II.B.3.p.i.A, Sections 6.5 and 9.1 of the Contract Administration Agreements or Section 8.03 of the COP Service Contracts.

**ii. Impact of UTGO Settlement.**

Pursuant to the UTGO Settlement Agreement, the City has agreed that (a) the Plan shall not permit the Holders of Allowed COP Claims to recover more on a percentage basis on account of such Allowed COP Claims than the Holders of Allowed Unlimited Tax General Obligation Bond Claims recover on a percentage basis on account of such Allowed Unlimited Tax General Obligation Bond Claims, as such percentage recoveries are projected on the terms set forth in the UTGO Settlement Agreement at Confirmation; and (b) if a Trigger Event occurs, the Settling UTGO Bond Insurers shall receive Top-Off Payments (as set forth in Section IV.C).

**q. Class 10 – PFRS Pension Claims.**

**i. Allowance.**

The PFRS Pension Claims shall be allowed in an aggregate amount equal to the sum of approximately \$1,250,000,000.

**ii. Treatment.**

**A. Contributions to PFRS.**

During the Fiscal Years from the Effective Date through Fiscal Year 2023, annual contributions shall be made to fund benefits accrued under the Prior PFRS Pension Plan only in the amounts identified on Exhibit II.B.3.q.ii.A. The exclusive source for such contributions shall be certain DIA Proceeds and a portion of the State Contribution. After June 30, 2023, (1) PFRS will receive certain additional DIA Proceeds and (2) the City will contribute sufficient funds required to pay each Holder of a PFRS Pension Claim his or her PFRS Adjusted Pension Amount in accordance with and as modified by the terms and conditions contained in the Plan and the Prior PFRS Pension Plan, in accordance with the State Contribution Agreement and exhibits thereto. Nothing in this Plan prevents any non-City third party from making additional contributions to or for the benefit of PFRS if such party chooses to do so.

**B. Investment Return Assumption.**

During the period that ends on June 30, 2023, the trustees of the PFRS, or the trustees of any successor trust or pension plan, shall adopt and maintain an investment return assumption and discount rate for purposes of determining the assets and liabilities of the PFRS that shall be 6.75%.

**C. Modification of Benefits for PFRS Participants.**

During the period that ends no earlier than June 30, 2023, the pension benefits payable to each Holder of a PFRS Pension Claim shall be equal to the PFRS Adjusted Pension Amount for such Holder, provided that such PFRS Adjusted Pension Amount shall be (1) automatically reduced by the DIA Proceeds Default Amount in the event of a DIA Proceeds Payment Default and (2) increased by any PFRS Restoration Payment.

Restoration of all or a portion of the modified pension benefits will be provided in accordance with the methodology set forth on Exhibit II.B.3.q.ii.C. For purposes of calculating a PFRS Restoration Payment, market value of assets shall not include any City contributions through June 30, 2023, other than those listed on Exhibit II.B.3.q.ii.A or any State contributions if the PFRS trustees fail to comply with the requirements described in

the State Contribution Agreement. In the event that the Foundations and DIA Corp. accelerate all or a portion of their funding commitments described in Section IV.E.1 prior to June 30, 2023, the incremental portion of the acceleration will not count towards pension restoration.

**D. Contingent Payment Rights.**

The City will issue the DWSD CVR to the Restoration Trust for the benefit of Holders of Pension Claims, as described in Section IV.F.

**E. Accrual of Future Benefits.**

Each Holder of a PFRS Pension Claim who is an Active Employee shall receive, in addition to his or her PFRS Adjusted Pension Amount, as such amount may be modified herein, such additional pension benefit for service on or after July 1, 2014 consistent with the terms and conditions of the New PFRS Active Pension Plan Formula and the New PFRS Active Pension Plan.

**F. Governance.**

On or as soon as reasonably practicable after the Effective Date, an Investment Committee shall be established under PFRS in accordance with the State Contribution Agreement. The Investment Committee shall be vested with the authority and responsibilities set forth in the State Contribution Agreement for a period of 20 years following the Effective Date. The initial independent members of the Investment Committee established by PFRS shall be (1) Woodrow S. Tyler, (2) McCullough Williams III, (3) Robert C. Smith, (4) Joseph Bogdahn and (5) Rebecca Sorenson.

**G. No Changes in Terms for Ten Years.**

**Except as may be required to maintain the tax-qualified status of the PFRS or to comply with the terms of the Plan, the City, the trustees of the PFRS and all other persons or entities shall be enjoined from and against the subsequent amendment of the terms, conditions and rules of operation of the PFRS, or any successor plan or trust, that govern the calculation of pension benefits (including the PFRS Adjusted Pension Amount, accrual of additional benefits, the DIA Proceeds Default Amount, the Prior PFRS Pension Plan, the PFRS Restoration Payment, the New PFRS Active Pension Plan Formula and the terms of the New PFRS Active Pension Plan) or against any action that governs the selection of the investment return assumption described in Section II.B.3.q.ii.B, the contribution to the PFRS or the calculation or amount of PFRS pension benefits for the period ending June 30, 2023, notwithstanding whether that subsequent amendment or act is created or undertaken by contract, agreement (including collective bargaining agreement), statute, rule, regulation, ordinance, charter, resolution or otherwise by operation of law.**

**H. State Contribution Agreement.**

The State Contribution Agreement, the effectiveness of which is contingent upon the acceptance of the Plan by Classes 10 and 11, shall include the following principal terms: (1) the State, or the State's authorized agent, will distribute the State Contribution for the benefit of Holders of Pension Claims; and (2) the Plan shall provide for the release of the State and the State Related Entities by each holder of a Pension Claim from all Liabilities arising from or related to the City, the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution, as more particularly described in the State Contribution Agreement and as set forth at Section III.D.7.b.

**r. Class 11 – GRS Pension Claims.**

**i. Allowance.**

The GRS Pension Claims shall be allowed in an aggregate amount equal to the sum of approximately \$1,879,000,000.

**ii. Treatment.**

**A. Contributions to GRS.**

During the Fiscal Years from the Effective Date through Fiscal Year 2023, annual contributions shall be made to fund benefits accrued under the Prior GRS Pension Plan only in the amounts identified on Exhibit II.B.3.r.ii.A. The exclusive sources for such contributions shall be certain pension related, administrative and restructuring payments received from the DWSD equal to approximately \$428.5 million, a portion of the State Contribution, certain DIA Proceeds, a portion of the Assigned UTGO Bond Tax Proceeds and certain revenues from City departments, the Detroit Public Library and the Detroit Regional Convention Facility Authority. After June 30, 2023, (1) certain DIA Proceeds shall be contributed to the GRS and (2) the City will contribute such additional funds as are necessary to pay each Holder of a GRS Pension Claim his or her GRS Adjusted Pension Amount in accordance with and as modified by the terms and conditions contained in the Plan and the Prior GRS Pension Plan, in accordance with the State Contribution Agreement and exhibits thereto. Nothing in this Plan prevents any non-City third party from making additional contributions to or for the benefit of GRS if such party chooses to do so.

**B. Investment Return Assumption.**

During the period that ends on June 30, 2023, the board of trustees of the GRS, or the trustees of any successor trust or pension plan, shall adopt and maintain an investment return assumption and discount rate for purposes of determining the assets and liabilities of the GRS that shall be 6.75%.

**C. Modification of Benefits for GRS Participants.**

During the period that ends no earlier than June 30, 2023, the pension benefits payable to each Holder of a GRS Pension Claim shall be equal to the GRS Adjusted Pension Amount for such Holder, provided that such GRS Adjusted Pension Amount shall be (1) automatically reduced by the DIA Proceeds Default Amount in the event of a DIA Proceeds Payment Default and (2) increased by any GRS Restoration Payment.

Restoration of all or a portion of the modified pension benefits will be provided in accordance with the methodology set forth on Exhibit II.B.3.r.ii.C. For purposes of calculating a GRS Restoration Payment, market value of assets shall not include any City contributions through June 30, 2023, other than those listed on Exhibit II.B.3.r.ii.A or any State contributions if the GRS trustees fail to comply with the requirements described in the State Contribution Agreement. In the event that the Foundations and DIA Corp. accelerate all or a portion of their funding commitments described in Section IV.E.1 prior to June 30, 2023, the incremental portion of the acceleration will not count towards pension restoration.

**D. Annuity Savings Fund Recoupment.**

**1. ASF Current Participants.**

On or as soon as reasonably practicable after the Effective Date, the Annuity Savings Fund Excess Amount will be calculated for each ASF Current Participant and will be deducted from such participant's Annuity Savings Fund account and be used to fund the accrued pension benefits of all GRS participants; provided, however, that in no event shall the amount deducted from an ASF Current Participant's Annuity Savings Fund account exceed the ASF Recoupment Cap. In the event that the amount credited to an ASF Current Participant's Annuity Savings Fund account as of the Effective Date is less than such participant's Annuity Savings Fund Excess Amount, the ASF Current Participant will be treated as an ASF Distribution Recipient to the extent of the shortfall.

**2. ASF Distribution Recipients.**

**i. Monthly Deduction.**

For each ASF Distribution Recipient who does not elect the ASF Recoupment Cash Option described in Section II.B.3.r.ii.D.2.ii and in the case of any ASF Distribution Recipient that elected the ASF Recoupment Cash Option but does not timely deliver the ASF Recoupment Cash Payment to the GRS, the Annuity Savings Fund Excess Amount will: (A) be calculated and converted into monthly annuity amounts based on common actuarial assumptions (such as the ASF Distribution Recipient's life expectancy, and, if not already retired, expected date of retirement) and amortized using a 6.75% interest rate; and (B) then be deducted from the ASF Distribution Recipient's monthly pension check; provided, however, that in no event shall the total amount deducted from an ASF Distribution Recipient's monthly pension check exceed the ASF Recoupment Cap or the Current GRS Retiree Adjustment Cap, if applicable. The total ASF Recoupment from the ASF Distribution Recipient's monthly pension checks over time shall not exceed the amount necessary to amortize the applicable Annuity Savings Fund Excess Amount at 6.75% interest.

**ii. Single Lump Sum Payment.**

Each ASF Distribution Recipient shall be afforded the ASF Recoupment Cash Option.

No later than seven days following the Effective Date, the City, through its Claims and Balloting Agent, shall send the ASF Election Notice and the ASF Election Form by first-class U.S. mail to each ASF Distribution Recipient. The ASF Election Form shall explain that the amount of the ASF Recoupment Cash Payment shall be equal to the total amount of ASF Recoupment shown on the ASF Distribution Recipient's Ballot, unless the aggregate amount of ASF Recoupment for all ASF Distribution Recipients electing the ASF Recoupment Cash Option exceeds \$30,000,000, in which case (A) the ASF Recoupment Cash Payment will be the ASF Distribution Recipient's Pro Rata portion of \$30,000,000, and (B) the remaining portion of the ASF Distribution Recipient's ASF Recoupment will be annuitized and deducted from the ASF Distribution Recipient's monthly pension check, as provided for in Section II.B.3.r.ii.D.2.i.

An ASF Distribution Recipient must return his or her ASF Election Form to the Claims and Balloting Agent so that it is actually received by the Claims and Balloting Agent by the ASF Election Date.

GRS shall mail the ASF Final Cash Payment Notice no later than 14 days after the ASF Election Date. ASF Distribution Recipients shall have until the ASF Final Cash Payment Date to make the ASF Recoupment Cash Payment, which payment must be made by cashier's check or wire transfer and may not be made by personal check. If an ASF Distribution Recipient's ASF Recoupment Cash Payment is not received by the ASF Final Cash Payment Date, GRS will notify the ASF Distribution Recipient of the failure to timely pay, and ASF Recoupment will be effected through diminution of such recipient's monthly pension check, as provided for in Section II.B.3.r.ii.D.2.i. The calculation of each electing ASF Distribution Recipient's ASF Recoupment Cash Payment shall not be adjusted under any circumstances, including as a result of default by any other electing ASF Distribution Recipient to remit his or her ASF Recoupment Cash Payment by the ASF Final Cash Payment Date.

**E. Contingent Payment Rights.**

The City will issue the DWSD CVR to the Restoration Trust for the benefit of Holders of Pension Claims, as described in Section IV.F.

**F. Accrual of Future Benefits.**

Each Holder of a GRS Pension Claim who is an Active Employee shall receive, in addition to his or her GRS Adjusted Pension Amount, as such amount may be modified herein, such additional pension benefit for service on or after July 1, 2014, consistent with the terms and conditions of the New GRS Active Pension Plan Formula and the New GRS Active Pension Plan.

**G. Governance.**

On or as soon as reasonably practicable after the Effective Date, an Investment Committee shall be established under GRS in accordance with the State Contribution Agreement. The Investment Committee shall be vested with the authority and responsibilities set forth in the State Contribution Agreement for a period of 20 years following the Effective Date. The initial independent members of the Investment Committee established by GRS shall be (1) Kerrie VandenBosch, (2) Doris Ewing, (3) Robert Rietz, (4) David Sowerby and (5) Ken Whipple.

**H. No Changes in Terms for Ten Years.**

**Except as may be required to maintain the tax-qualified status of the GRS or to comply with the terms of the Plan, the City, the trustees of the GRS and all other persons or entities shall be enjoined from and against the subsequent amendment of the terms, conditions and rules of operation of the GRS, or any successor plan or trust, that govern the calculation of pension benefits (including the GRS Adjusted Pension Amount, accrual of additional benefits, the DIA Proceeds Default Amount, the Prior GRS Pension Plan, the GRS Restoration Payment, the New GRS Active Pension Plan Formula and the terms of the New GRS Active Pension Plan) or against any action that governs the selection of the investment return assumption described in Section II.B.3.r.ii.B, the contribution to the GRS, or the calculation or amount of GRS pension benefits for the period ending June 30, 2023, notwithstanding whether that subsequent amendment or act is created or undertaken by contract, agreement (including collective bargaining agreement), statute, rule, regulation, ordinance, charter, resolution or otherwise by operation of law.**

**I. State Contribution Agreement.**

The State Contribution Agreement, the effectiveness of which is contingent upon the acceptance of the Plan by Classes 10 and 11, shall include the following principal terms: (1) the State, or the State's authorized agent, will distribute the State Contribution for the benefit of Holders of Pension Claims; and (2) the Plan shall provide for the release of the State and the State Related Entities by each holder of a Pension Claim from all Liabilities arising from or related to the City, the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution, as more particularly described in the State Contribution Agreement and as set forth at Section III.D.7.b.

**s. Class 12 – OPEB Claims.**

**i. Allowance.**

As a result of a settlement between the City and the Retiree Committee, the OPEB Claims shall be allowed in an aggregate amount equal to \$4,303,000,000.

**ii. Treatment.**

**A. Detroit General VEBA.**

Establishment of Detroit General VEBA: On or as soon as practicable following the Effective Date, the City will establish the Detroit General VEBA to provide health benefits to Detroit General VEBA Beneficiaries and certain of their dependents. The Detroit General VEBA will be governed by a seven member board of trustees that will be responsible for, among other things, management of property held by the Detroit General VEBA, administration of the Detroit General VEBA and determination of the level of and distribution of benefits to Detroit General VEBA Beneficiaries. The Detroit General VEBA Trust Agreement and related plan documentation will be substantially in the form set forth on Exhibit I.A.108. With respect to the initial appointment of the board of trustees, the Mayor will appoint one member, and the DRCEA and the Retiree Committee will each appoint three board members. The DRCEA will fill board member vacancies created by the departure of members initially appointed by the Retiree Committee or the DRCEA, and the Mayor will fill a board member vacancy created by the departure of the member appointed by the Mayor. The initial members of the Detroit General VEBA board of trustees shall be (1) Floyd Allen, (2) Roger Cheek, (3) Suzanne Daniels Paranjpe, (4) Doris Ewing,

(5) Barbara Wise-Johnson, (6) Shirley Lightsey and (7) Thomas Sheehan. Nothing in the Plan precludes either the Detroit General VEBA from being formed under Section 115 or the formation of a separate trust under Section 115, in each case with the City's consent, which consent will not be unreasonably withheld.

Distributions to Detroit General VEBA: On the Effective Date, the City shall distribute to the Detroit General VEBA New B Notes in the aggregate principal amount of \$218,000,000, in satisfaction of the Allowed OPEB Claims held by Detroit General VEBA Beneficiaries. The Detroit General VEBA shall also be entitled to additional distributions as set forth in Section II.B.3.p.i.A.

### **B. Detroit Police and Fire VEBA.**

Establishment of Detroit Police and Fire VEBA: On or as soon as practicable following the Effective Date, the City will establish the Detroit Police and Fire VEBA to provide health benefits to Detroit Police and Fire VEBA Beneficiaries and certain of their dependents. The Detroit Police and Fire VEBA will be governed by a seven member board of trustees and, for the first four years, one additional non-voting, ex-officio member. The board of trustees will be responsible for, among other things, management of property held by the Detroit Police and Fire VEBA, administration of the Detroit Police and Fire VEBA and determination of the level of and distribution of benefits to Detroit Police and Fire VEBA Beneficiaries. The Detroit Police and Fire VEBA Trust Agreement and related plan documentation will be substantially in the form set forth on Exhibit I.A.112. With respect to the initial appointment of the board of trustees, the Mayor will appoint one member, and the RDPFFA and the Retiree Committee will each appoint three board members. The RDPMA will appoint the non-voting, ex-officio member. The RDPFFA will fill board member vacancies created by the departure of voting members initially appointed by the Retiree Committee or the RDPFFA, and the Mayor will fill a board member vacancy created by the departure of the member appointed by the Mayor. The RDPMA will fill a non-voting, ex-officio board member vacancy created by the departure of the member initially appointed by the RDPMA, but such non-voting, ex-officio member position shall expire on December 31, 2018. The initial members of the Detroit Police and Fire VEBA board of trustees shall be (1) Floyd Allen, (2) Gregory Best, (3) John Clark, (4) Andrew Dillon, (5) Allan Grant, (6) Thomas Sheehan, (7) Greg Trozak and (8) Shirley Berger (*ex officio*). Nothing in the Plan precludes either the Detroit Police and Fire VEBA from being formed under Section 115 or the formation of a separate trust under Section 115, in each case with the City's consent, which consent will not be unreasonably withheld.

Distributions to Detroit Police and Fire VEBA: On the Effective Date, the City shall distribute to the Detroit Police and Fire VEBA New B Notes in the aggregate principal amount of \$232,000,000, in satisfaction of the Allowed OPEB Claims held by Detroit Police and Fire VEBA Beneficiaries. The Detroit Police and Fire VEBA shall also be entitled to additional distributions as set forth in Section II.B.3.p.i.A.

### **C. No Further Responsibility.**

From and after the Effective Date, the City shall have no further responsibility to provide retiree healthcare or any other retiree welfare benefits. The City shall have no responsibility from and after the Effective Date to provide life insurance or death benefits to former employees. On the Effective Date, the Employees Death Benefit Plan will be frozen for former employees, and the City will no longer have an obligation to contribute to fund death benefits under the plan for any participant or beneficiary who is a former employee. Existing retirees who participate in the plan will be granted a one-time opportunity to receive a lump sum distribution of the present value of their actuarially determined death benefit to the extent of the plan funding. For the avoidance of doubt, the Employees Death Benefit Plan shall not be merged into or operated by either the Detroit General VEBA or the Detroit Police and Fire VEBA. The Employees Death Benefit Board of Trustees shall continue to manage the Employees Death Benefit Plan and employ the staff of the Retirement Systems to administer the disbursement of benefits thereunder, the costs of which administration shall be borne by the assets of the Employees Death Benefit Plan.

Retirees (and active employees that retire prior to December 31, 2014) of the Detroit Public Library and the Detroit Regional Convention Facility Authority are Detroit General VEBA Beneficiaries and will receive the treatment set forth above. However, the collective bargaining and other legal rights and obligations of the Detroit Public Library and the Detroit Regional Convention Facility Authority, on one hand, and their respective unions and former and current employees, on the other hand, are not affected by the Plan. These parties retain the

right to negotiate further or additional benefits; provided, however, that the City shall not be responsible for, or have any obligation with respect to, any such further or additional benefits or the administration thereof. In addition, in consideration of the eligible retirees of the Detroit Public Library and the Detroit Regional Convention Facility Authority participating in the Detroit General VEBA, the Detroit Public Library and the Detroit Regional Convention Facility Authority shall reimburse the City for their allocable share of the New B Note debt service related to the Detroit General VEBA.

**t. Class 13 – Downtown Development Authority Claims.**

**i. Allowance.**

On the Effective Date, the Downtown Development Authority Claims shall be deemed Allowed in the amount of \$33,600,000.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Downtown Development Authority Claim, in full satisfaction of such Allowed Claim, shall receive, on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of approximately \$3.69 million in New B Notes.

**u. Class 14 – Other Unsecured Claims.**

**i. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Other Unsecured Claim, in full satisfaction of such Allowed Claim, shall receive (A) on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of approximately \$16.48 million in New B Notes and (B) distributions in accordance with Section II.B.3.p.i.A.

**v. Class 15 – Convenience Claims.**

**i. Treatment.**

Each Holder of an Allowed Convenience Claim, in full satisfaction of such Allowed Claim, shall receive Cash equal to the amount of 25% of such Allowed Claim (as reduced, if applicable, pursuant to an election by such Holder in accordance with Section I.A.76) on or as soon as reasonably practicable after the Effective Date, unless such Holder agrees to a different treatment of such Claim.

**w. Class 16 – Subordinated Claims.**

**i. Treatment.**

On the Effective Date, all Subordinated Claims shall be disallowed, extinguished and discharged without Distribution under the Plan, and Holders of Subordinated Claims shall not receive or retain any property on account of such Claims. Pursuant to section 1126(g) of the Bankruptcy Code, Class 16 is deemed to have rejected the Plan and Holders of Subordinated Claims are not entitled to cast a Ballot in respect of such Claims.

**x. Class 17 – Indirect 36th District Court Claims.**

**i. Treatment.**

Unless such Holder agrees to a different treatment of its Claim, each Holder of an Allowed Indirect 36th District Court Claim, in full satisfaction of such Allowed Claim, shall receive: (A) if the Allowed amount of such Indirect 36th District Court Claim is less than \$100,000.00, on or as soon as reasonably practicable after the Effective Date, Cash in an amount equal to 33% of the Allowed amount of such Allowed Indirect 36th

District Court Claim; or (B) if the Allowed amount of such Indirect 36th District Court Claim is equal to or more than \$100,000.00, Cash equal to 33% of the Allowed amount of such Indirect 36th District Court Claim, plus simple interest on outstanding amounts at a rate of five percent per annum, payable in five equal annual installments, with the first installment to be paid on or as soon as reasonably practicable after the Effective Date and the remaining four installments to be paid on the date of the first four anniversaries of the Effective Date or, if any such date is not a Business Day, on the first Business Day thereafter.

**ii. Further Obligation of City, State and 36th District Court.**

Subject to the terms of the 36th District Court Settlement, the treatment of Allowed Indirect 36th District Court Claims set forth in Section II.B.3.x.i shall fulfill any obligation of the City and the 36th District Court that may exist with respect to all Indirect 36th District Court Claims. Nothing in Section II.B.3.x.i prevents the Holder of an Indirect 36th District Court Claim from seeking further relief or payment from the State with respect to such Indirect 36th District Court Claim to the extent such Claim is not satisfied pursuant to the Plan.

**C. Confirmation Without Acceptance by All Impaired Classes.**

The City requests Confirmation under section 1129(b) of the Bankruptcy Code in the event that any impaired Class does not accept or is deemed not to accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Plan shall constitute a motion for such relief.

**D. Treatment of Executory Contracts and Unexpired Leases.**

**1. Assumption.**

Except as otherwise provided in the Plan, in any contract, instrument, release or other agreement or document entered into in connection with the Plan or in a Final Order of the Bankruptcy Court, or as requested in any motion Filed by the City on or prior to the Effective Date, on the Effective Date, pursuant to section 365 of the Bankruptcy Code, the City will be deemed to assume all Executory Contracts and Unexpired Leases to which it is a party. Notwithstanding the foregoing, Retirement System Indemnity Obligations shall not be assumed under the Plan and shall be discharged. For the avoidance of doubt, the City shall assume the Tunnel Lease pursuant to this Section II.D.1.

**2. Assumption of Ancillary Agreements.**

Each Executory Contract and Unexpired Lease assumed pursuant to Section II.D.1 will include any modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such Executory Contract or Unexpired Lease, unless any such modification, amendment, supplement, restatement or other agreement is rejected pursuant to Section II.D.6 or designated for rejection in accordance with Section II.D.3.

**3. Approval of Assumptions and Assignments.**

The Confirmation Order will constitute an order of the Bankruptcy Court approving the assumption of Executory Contracts and Unexpired Leases pursuant to Sections II.D.1 and II.D.2 (and any related assignment) as of the Effective Date, except for Executory Contracts or Unexpired Leases that (a) have been rejected pursuant to a Final Order of the Bankruptcy Court, (b) are subject to a pending motion for reconsideration or appeal of an order authorizing the rejection of such Executory Contract or Unexpired Lease, (c) are subject to a motion to reject such Executory Contract or Unexpired Lease Filed on or prior to the Effective Date, (d) are rejected pursuant to Section II.D.6 or (e) are designated for rejection in accordance with the last sentence of this paragraph. An order of the Bankruptcy Court (which may be the Confirmation Order) entered on or prior to the Confirmation Date will specify the procedures for providing notice to each party whose Executory Contract or Unexpired Lease is being assumed pursuant to the Plan of: (a) the Executory Contract or Unexpired Lease being assumed; (b) the Cure Amount Claim, if any, that the City believes it would be obligated to pay in connection with such assumption; (c) any assignment of an Executory Contract or Unexpired Lease; and (d) the procedures for such party to object to

the assumption of the applicable Executory Contract or Unexpired Lease, the amount of the proposed Cure Amount Claim or any assignment of an Executory Contract or Unexpired Lease. If an objection to a proposed assumption, assumption and assignment or Cure Amount Claim is not resolved in favor of the City, the applicable Executory Contract or Unexpired Lease may be designated by the City for rejection, which shall be deemed effective as of the Effective Date.

**4. Payments Related to the Assumption of Executory Contracts and Unexpired Leases.**

To the extent that such Claims constitute monetary defaults, the Cure Amount Claims associated with each Executory Contract or Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, at the option of the City: (a) by payment of the Cure Amount Claim in Cash on the Effective Date or (b) on such other terms as are agreed to by the parties to such Executory Contract or Unexpired Lease. If there is a dispute regarding: (a) the amount of any Cure Amount Claim, (b) the ability of the City or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (c) any other matter pertaining to the assumption of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code will be made within 30 days following the entry of a Final Order resolving the dispute and approving the assumption.

**5. Contracts and Leases Entered Into After the Petition Date.**

Contracts, leases and other agreements entered into after the Petition Date by the City, including (a) any Executory Contracts or Unexpired Leases assumed by the City and (b) the collective bargaining agreements identified on Exhibit II.D.5, will be performed by the City in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**6. Rejection of Executory Contracts and Unexpired Leases.**

On the Effective Date, each Executory Contract and Unexpired Lease that is listed on Exhibit II.D.6 shall be deemed rejected pursuant to section 365 of the Bankruptcy Code. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections, pursuant to section 365 of the Bankruptcy Code, as of the later of: (a) the Effective Date or (b) the resolution of any objection to the proposed rejection of an Executory Contract or Unexpired Lease. Each contract or lease listed on Exhibit II.D.6 shall be rejected only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. The City reserves its right, at any time on or prior to the Effective Date, to amend Exhibit II.D.6 to delete any Executory Contract or Unexpired Lease therefrom, thus providing for its assumption pursuant to Section II.D.1, or add any Executory Contract or Unexpired Lease thereto, thus providing for its rejection pursuant to this Section II.D.6. The City will provide notice of any amendments to Exhibit II.D.6 to the parties to the Executory Contracts or Unexpired Leases affected thereby and to the parties on the then-applicable service list in the Chapter 9 Case. Listing a contract or lease on Exhibit II.D.6 shall not constitute an admission by the City that such contract or lease is an Executory Contract or Unexpired Lease or that the City has any liability thereunder. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan shall be treated as Class 14 Claims (Other Unsecured Claims), subject to the provisions of section 502 of the Bankruptcy Code.

**7. Rejection Damages Bar Date.**

Except as otherwise provided in a Final Order of the Bankruptcy Court approving the rejection of an Executory Contract or Unexpired Lease, Claims arising out of the rejection of an Executory Contract or Unexpired Lease must be Filed with the Bankruptcy Court and served upon counsel to the City on or before the later of: (a) 45 days after the Effective Date; or (b) 45 days after such Executory Contract or Unexpired Lease is rejected pursuant to a Final Order or designated for rejection in accordance with Section II.D.3. Any Claims not Filed within such applicable time periods will be forever barred from receiving a Distribution from, and shall not be enforceable against, the City.

**8. Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases.**

Pursuant to section 365(g) of the Bankruptcy Code, rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall constitute a breach of such contract or lease and not a termination thereof, and all obligations owing to the City under such contract or lease as of the date of such breach shall remain owing to the City upon rejection. Notwithstanding any applicable non-bankruptcy law to the contrary, the City expressly reserves and does not waive any right to receive, or any continuing obligation of a non-City party to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased, or services previously received, by the City from non-City parties to rejected Executory Contracts or Unexpired Leases, and any such rights shall remain vested in the City as of the Effective Date.

**9. Insurance Policies.**

From and after the Effective Date, each of the City's insurance policies (other than welfare benefits insurance policies) in existence as of or prior to the Effective Date shall be reinstated and continue in full force and effect in accordance with its terms and, to the extent applicable, shall be deemed assumed by the City pursuant to section 365 of the Bankruptcy Code and Section II.D.1. Nothing contained herein shall constitute or be deemed a waiver of any Causes of Action that the City may hold against any Entity, including any insurer under any of the City's insurance policies. For the avoidance of doubt, nothing contained in this Section II.D.9 shall apply to reinstate or continue any obligation of the City or any fund thereof to any Bond Insurer.

**ARTICLE III  
CONFIRMATION OF THE PLAN**

**A. Conditions Precedent to the Effective Date.**

The Effective Date will not occur, and the Plan will not be consummated, unless and until the City has determined that all of following conditions have been satisfied or waived in accordance with Section III.B:

1. The Bankruptcy Court shall have entered the Confirmation Order in form and substance satisfactory to the City.
2. The Bankruptcy Court shall have entered an order (which may be included in the Confirmation Order) approving and authorizing the City to take all actions necessary or appropriate to implement the Plan, including the transactions contemplated by the Plan and the implementation and consummation of the contracts, instruments, settlements, releases and other agreements or documents entered into or delivered in connection with the Plan.
3. The Confirmation Order shall not be stayed in any respect.
4. The Confirmation Order shall contain (a) a finding that the FGIC Settlement Consideration and the FGIC Development Agreement are solely for the benefit of FGIC and the FGIC COP Holders (subject to any provision set forth herein for payment of COP Agent Fees), and (b) an ordered provision that such consideration be administered and distributed to FGIC and the FGIC COP Holders in a manner consistent therewith and with the Plan.
5. The Confirmation Order shall contain (a) a finding that the Syncora Development Agreement is solely for the benefit of Syncora (subject to any provision set forth herein for payment of COP Agent Fees), and (b) an ordered provision that such consideration be administered and distributed to Syncora in a manner consistent therewith and with the Plan.
6. All actions and all contracts, instruments, settlements, releases and other agreements or documents necessary to implement the terms and provisions of the Plan are effected or executed and delivered, as applicable, in form and substance satisfactory to the City.

7. All authorizations, consents and regulatory approvals, if any, required in connection with the consummation of the Plan have been obtained and not revoked, including all governmental and Emergency Manager consents and approvals required to carry out the terms of the LTGO Settlement Agreement.

8. Any legislation that must be passed by the State legislature to effect any term of the Plan shall have been enacted.

9. The MFA board shall have approved the issuance of the Restructured UTGO Bonds and the Restructured UTGO Bonds shall have been issued.

10. The City shall have obtained all governmental and Emergency Manager consents and approvals required to carry out the terms of the UTGO Settlement Agreement.

11. The Plan and all Exhibits shall have been Filed and shall not have been materially amended, altered or modified from the Plan as confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section VIII.B.

12. If Classes 10 and 11 have accepted the Plan, all conditions to the effectiveness of the State Contribution Agreement and the DIA Settlement Documents have been satisfied.

13. The Syncora Settlement and the Syncora Settlement Agreement shall have been approved by the Bankruptcy Court in form and substance reasonably acceptable to the City and Syncora, and such approval shall not have been vacated or otherwise modified, and the definitive documents contemplated thereby shall have been executed and delivered.

14. The Syncora Development Agreement shall have been approved by the Bankruptcy Court in form and substance reasonably acceptable to the City and Syncora, and such approval shall not have been vacated or otherwise modified, and the definitive documents contemplated thereby shall have been executed and delivered.

15. The FGIC/COP Settlement Documents and the FGIC Development Agreement shall have been approved by the Bankruptcy Court in form and substance reasonably acceptable to the City and FGIC, and such approval shall not have been vacated or otherwise modified, and the definitive documents contemplated thereby shall have been executed and delivered.

16. The New York State Department of Financial Services shall have waived in writing the notice requirement under FGIC's plan of rehabilitation with respect to the settlement contemplated by the FGIC/COP Settlement Documents and the FGIC Development Agreement in form and substance reasonably acceptable to FGIC, and such waiver shall not have been vacated or otherwise modified.

17. The Effective Date shall have occurred within 180 days of the entry of the Confirmation Order, unless the City requests an extension of such deadline and such deadline is extended by the Bankruptcy Court.

**B. Waiver of Conditions to the Effective Date.**

The conditions to the Effective Date set forth in Section III.A may be waived in whole or part at any time by the City in its sole and absolute discretion, except for those conditions set forth in (1) Section III.A.9 and Section III.A.10, which conditions cannot be waived, (2) Sections III.A.5, III.A.13 and III.A.14, which may only be waived by the City with the prior written consent of Syncora, (3) Sections III.A.4 and III.A.15, which may only be waived by the City with the prior written consent of FGIC and (4) Section III.A.16, which may be waived by the City at any time on or after November 4, 2014 at 5:00 p.m. (Eastern Time) with the prior written consent of FGIC.

**C. Effect of Nonoccurrence of Conditions to the Effective Date.**

If each of the conditions to the Effective Date is not satisfied, or duly waived in accordance with Section III.B, then, before the time that each of such conditions has been satisfied and upon notice to such parties in interest as the Bankruptcy Court may direct, the City may File a motion requesting that the Bankruptcy Court vacate the Confirmation Order; provided, however, that, notwithstanding the Filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is satisfied before the Bankruptcy Court enters an order granting such motion. If the Confirmation Order is vacated pursuant to this Section III.C: (1) the Plan will be null and void in all respects, including with respect to (a) the discharge of Claims pursuant to section 944(b) of the Bankruptcy Code, (b) the assumptions, assignments or rejections of Executory Contracts and Unexpired Leases pursuant to Section II.D and (c) the releases described in Section III.D.7; and (2) nothing contained in the Plan, nor any action taken or not taken by the City with respect to the Plan, the Disclosure Statement or the Confirmation Order, will be or will be deemed to be (a) a waiver or release of any Claims by or against the City, (b) an admission of any sort by the City or any other party in interest or (c) prejudicial in any manner the rights of the City or any other party in interest.

**D. Effect of Confirmation of the Plan.**

**1. Dissolution of Retiree Committee.**

On the Effective Date, the Retiree Committee, to the extent not previously dissolved or disbanded, will dissolve and disband, and the members of the Retiree Committee and their respective professionals will cease to have any role arising from or related to the Chapter 9 Case.

**2. Preservation of Rights of Action by the City.**

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3)(B) of the Bankruptcy Code, the City will retain and may enforce any claims, demands, rights, defenses and Causes of Action that it may hold against any Entity, including but not limited to any and all Causes of Action against any party relating to the past practices of the Retirement Systems (including any investment decisions related to, and the management of, the Retirement Systems' respective pension plans or assets), to the extent not expressly released under the Plan or pursuant to any Final Order of the Bankruptcy Court. A nonexclusive schedule of currently pending actions and claims brought by the City is attached as Exhibit III.D.2. The City's inclusion of, or failure to include, any right of action or claim on Exhibit III.D.2 shall not be deemed an admission, denial or waiver of any claims, demands, rights or Causes of Action that the City may hold against any Entity, and all Entities are hereby notified that the City intends to preserve all such claims, demands, rights or Causes of Action.

**3. Comprehensive Settlement of Claims and Controversies.**

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all claims or controversies relating to the rights that a holder of a Claim may have with respect to any Allowed Claim or any Distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that all such compromises or settlements are (a) in the best interests of the City, its property and Claim Holders and (b) fair, equitable and reasonable. For the avoidance of doubt, this Section III.D.3 shall not affect or limit the application of section 509 of the Bankruptcy Code or any similar doctrine to Bond Insurance Policy Claims.

**4. Discharge of Claims.**

**a. Complete Satisfaction, Discharge and Release.**

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the Holder of a Claim based on such debt has accepted the Plan.

**b. Discharge.**

In accordance with Section III.D.4.a, except as expressly provided otherwise in the Plan or the Confirmation Order, the Confirmation Order will be a judicial determination, as of the Effective Date, of a discharge of all debts of the City, pursuant to sections 524(a)(1), 524(a)(2) and 944(b) of the Bankruptcy Code, and such discharge will void any judgment obtained against the City at any time, to the extent that such judgment relates to a discharged debt; provided that such discharge will not apply to (i) debts specifically exempted from discharge under the Plan; and (ii) debts held by an Entity that, before the Confirmation Date, had neither notice nor actual knowledge of the Chapter 9 Case.

**5. Injunction.**

**On the Effective Date, except as otherwise provided herein or in the Confirmation Order,**

**a. all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims, along with their Related Entities, shall be permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):**

**1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims and (C) Indirect Employee Indemnity Claims);**

**2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property;**

**3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property;**

**4. asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property;**

**5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and**

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

**b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. Notwithstanding the foregoing and without limiting the injunctions in Section III.D.5.a, the Holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to Indirect 36th District Court Claims to the extent such Claims are not satisfied pursuant to the Plan.**

**6. Exculpation.**

From and after the Effective Date, to the fullest extent permitted under applicable law and except as expressly set forth in this Section, neither the City, its Related Entities (including the members of the City Council, the Mayor and the Emergency Manager), to the extent a claim arises from actions taken by such Related Entity in its capacity as a Related Entity of the City, the State, the State Related Entities, the Exculpated Parties nor the Released Parties shall have or incur any liability to any person or Entity for any act or omission in connection with, relating to or arising out of the City's restructuring efforts and the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the formulation, preparation, negotiation, dissemination, consummation, implementation, confirmation or approval (as applicable) of the Plan, the property to be distributed under the Plan, the settlements implemented under the Plan, the Exhibits, the Disclosure Statement, any contract, instrument, release or other agreement or document provided for or contemplated in connection with the consummation of the transactions set forth in the Plan or the management or operation of the City; provided that the foregoing provisions shall apply to (a) the LTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the LTGO Settlement Agreement or the Plan (as it relates to the LTGO Settlement Agreement), (b) the UTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the UTGO Settlement Agreement or the Plan (as it relates to the UTGO Settlement Agreement), (c) the DWSD Exculpated Parties solely in connection with acts or omissions taken in connection with the DWSD Tender, DWSD Tender Motion or DWSD Tender Order, (d) the Syncora Exculpated Parties solely in connection with acts or omissions taken in connection with the Syncora Settlement Documents and any actions or litigation positions taken by the Syncora Exculpated Parties in the Chapter 9 Case, (e) the FGIC/COP Exculpated Parties solely in connection with acts or omissions taken in connection with the FGIC/COP Settlement Documents and any actions or litigation positions taken by the FGIC/COP Exculpated Parties in the Chapter 9 Case, (f) the RDPMA Exculpated Parties and (g) the COP Agent, solely in its capacity as such and solely in connection with any Distributions made pursuant to the terms of the Plan; provided, further, that the foregoing provisions in this Section III.D.6 shall not affect the liability of the City, its Related Entities, the State, the State Related Entities, the Released Parties and the Exculpated Parties that otherwise would result from any such act or omission to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct or any act or omission occurring before the Petition Date. The City, its Related Entities (with respect to actions taken by such Related Entities in their capacities as Related Entities of the City), the State, the State Related Entities, the Released Parties and the Exculpated Parties shall be entitled to rely upon the advice of counsel and financial advisors with respect to their duties and responsibilities under, or in connection with, the Chapter 9 Case, the administration thereof and the Plan. This Section III.D.6 shall not affect any liability of (a) any of the COP Swap Exculpated Parties to the Syncora Exculpated Parties or FGIC or (b) the Syncora Exculpated Parties or FGIC/COP Exculpated Parties to any of the COP Swap Exculpated Parties.

**7. Releases.**

Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge (which release will be in addition to the release and discharge of Claims otherwise provided herein and under the Confirmation Order and the Bankruptcy Code):

i. all Liabilities in any way relating to the City, the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), the Plan, the Exhibits or the Disclosure Statement, in each case that such holder has, had or may have against the City or its current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity (and, in addition to and without limiting the foregoing, in the case of any Emergency Manager, in such Emergency Manager's capacity as an appointee under PA 436); provided further, for the avoidance of doubt, that any person or entity designated to manage the Chapter 9 Case for the City after the Emergency Manager's term is terminated, whether such person or entity acts as an employee, advisor or contractor to the City or acts as an employee, agent, contractor or appointee of the State under any applicable state law, shall be treated the same as an employee of the City hereunder; and

ii. all Liabilities in any way relating to (A) Claims that are compromised, settled or discharged under or in connection with the Plan, (B) the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), (C) the Plan, (D) the Exhibits, (E) the Disclosure Statement or (F) the DIA Settlement, in each case that such holder has, had or may have against the City's Related Entities, the State, the State Related Entities and the Released Parties; provided, however, that any such Liability of the Foundations, the DIA Funders and the CFSEM Supporting Organization and their Related Entities shall be released only to the extent that such Liability, if any, arises from any such entity's participation in the DIA Settlement;

provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties that are such as of the commencement of the Confirmation Hearing (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties that are such as of the commencement of the Confirmation Hearing, which conditions may not be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; provided, further, that nothing in this Section III.D.7.a shall release (i) the City's obligations under the Plan or (ii) any defenses that any party may have against the City, its Related Entities, the State, the State Related Entities or the Released Parties; and

- b. if the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law or the Plan, or, with respect to pensions only, GRS or PFRS.

Notwithstanding Sections III.D.5-7 and IV.L of the Plan, except as set forth in the COP Swap Settlement, nothing in the Plan or the Confirmation Order shall or shall be deemed to provide a release by the COP Swap Counterparties of any Liabilities related to the COPs, the COP Service Corporations, the Transaction Documents (as defined in the COP Swap Settlement), the COP Swap Settlement or the COP Swap Settlement Approval Order. For the avoidance of doubt, notwithstanding Section III.D.6 of the Plan, a vote of DWSD Bond Claims or DWSD Revolving Bond Claims in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to this Section III.D.7 by a Holder of any such DWSD Bond Claims, a Holder of any such DWSD Revolving Bond Claims or the Bond Insurer insuring any such Claims of any Liabilities against the City or its Related Entities that do not arise in connection with the DWSD Bonds or the DWSD Revolving Bonds. For the further avoidance of doubt, notwithstanding anything in the Plan to the contrary, a vote of a Claim other than a DWSD Bond Claim or DWSD Revolving Bond Claim in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to this Section III.D.7 by a Holder of any such voted Claim or the Bond Insurer insuring such voted Claim of any Liabilities against the City or any other Entity arising in connection with the DWSD Bonds or DWSD Revolving Bonds.

**E. No Diminution of State Power.**

No provision of this Plan shall be construed: (1) so as to limit or diminish the power of the State to control, by legislation or otherwise, the City in the exercise of the political or governmental powers of the City, including expenditures for such exercise; (2) so as to limit or diminish the power of the State to effect setoffs necessary to compensate the State or relieve the State of liability against funds (a) owing to the City from the State, (b) granted to the City by the State, or (c) administered by the State on behalf of the City or the federal government (including funds resulting from federal or state grants), for acts or omissions by the City (including but not limited to misappropriation or misuse of funds); and (3) as a waiver by the State of its rights as a sovereign or rights granted to it pursuant to the Tenth Amendment to the United States Constitution, or limit or diminish the State's exercise of such rights.

**F. Effectiveness of the Plan.**

The Plan shall become effective on the Effective Date. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

**G. Binding Effect of Plan.**

Pursuant to section 944(a) of the Bankruptcy Code, on and after the Effective Date, the provisions of the Plan shall bind all Holders of Claims, and their respective successors and assigns, whether or not the Claim of any such Holder is Impaired under the Plan and whether or not such Holder has accepted the Plan. The releases and settlements effected under the Plan will be operative, and subject to enforcement by the Bankruptcy Court, from and after the Effective Date, including pursuant to the injunctive provisions of the Plan. Once approved, the

compromises and settlements embodied in the Plan, along with the treatment of any associated Allowed Claims, shall not be subject to any collateral attack or other challenge by any Entity in any court or other forum. As such, any Entity that opposes the terms of any compromise and settlement set forth in the Plan must (1) challenge such compromise and settlement prior to Confirmation of the Plan and (2) demonstrate appropriate standing to object and that the subject compromise and settlement does not meet the standards governing bankruptcy settlements under Bankruptcy Rule 9019 and other applicable law.

**ARTICLE IV  
MEANS FOR IMPLEMENTATION OF THE PLAN**

**A. DWSD.**

**1. Rates and Revenues.**

DWSD will maintain Fiscal Year 2015 rate setting protocols for a minimum of five years, subject to certain changes necessary to stabilize water and sewer revenues. Rates will be determined by the Board of Water Commissioners or, if a DWSD Authority is formed and approved by the incorporating units' governing bodies, by the board of any such DWSD Authority. The City may seek to implement a rate stability program for City residents, which program may, among other things, (a) provide a source of funds to mitigate against rate increases, (b) enhance affordability and (c) provide a buffer against delinquent payments.

**2. DWSD CBAs.**

Collective bargaining agreements with respect to current DWSD employees that are in effect and not expired as of the Effective Date will be assumed by the City.

**3. Potential DWSD Authority Transaction.**

As a result of mediation or otherwise, it is possible that the City may enter into a DWSD Authority Transaction that includes the formation of the DWSD Authority to conduct many or all of the operations currently conducted by DWSD. Any such transaction would be subject to the approval of incorporating units and numerous other conditions. The timing of any such transaction, if it occurs at all, is not known. If any such transaction could occur, unless waived by the City in its sole discretion, the City will enter into such transaction only if Macomb County, Oakland County and Wayne County, and each of their municipal affiliates or related public corporations, withdraw with prejudice or shall have withdrawn with prejudice their objections to the Confirmation of the Plan. Any DWSD Authority Transaction shall be on terms that are consistent with all other provisions of the Plan, applicable law and orders of the Bankruptcy Court. The City shall not enter into any binding agreement with respect to or consummate any DWSD Authority Transaction prior to the Effective Date without first obtaining an order of the Bankruptcy Court approving and authorizing such DWSD Authority Transaction.

All terms and conditions in respect of any DWSD Authority Transaction set forth in (a) any DWSD Bond Document or (b) any transaction document in respect of such a DWSD Authority Transaction shall in any case include: (i) no material modifications to the source of payment and security for any DWSD Bonds or 2014 Revenue and Revenue Refinancing Bonds; (ii) an opinion of tax counsel that such transfer shall have no material adverse effect on the tax exempt status of the interest on the DWSD Bonds or 2014 Revenue and Revenue Refinancing Bonds; (iii) that the City could issue at least \$1 of additional new money DWSD Bonds in compliance with the additional bonds test set forth in the applicable DWSD Bond Documents; and (iv) ratings confirmation of any rating agency then rating the DWSD Bonds and 2014 Revenue and Revenue Refinancing Bonds. A DWSD Authority Transaction shall not affect, impair, modify or otherwise alter the rights of any party under the DWSD Tender Order, the DWSD Bond Documents, the DWSD Revolving Bond Documents, the 2014 DWSD Refinancing Obligations, the 2014 Revenue and Revenue Refinancing Bonds or the 2014 Revenue Refinancing Bonds or any Bond Insurance Policy related to or issued in connection with any of the foregoing.

**B. The New B Notes, New C Notes and New LTGO Bonds.**

On or before the Effective Date, the City shall (a) execute the New B Notes Documents, issue the New B Notes, substantially on the terms set forth on Exhibit I.A.246, and distribute the New B Notes as set forth in the Plan; (b) execute the New C Notes Documents, issue the New C Notes, substantially on the terms set forth on Exhibit I.A.248 (and in any case in form and substance reasonably acceptable to the City and Syncora), and distribute the New C Notes as set forth in the Plan; and (c) execute the New LTGO Bond Documents, issue the New LTGO Bonds, substantially on the terms set forth on Exhibit I.A.237, and distribute the New LTGO Bonds as set forth in the Plan.

**C. The UTGO Settlement.**

On the Effective Date, the City and the Settling UTGO Bond Insurers shall consummate the UTGO Settlement Agreement, a copy of which is attached hereto as Exhibit I.A.360. The treatment of Unlimited Tax General Obligation Bond Claims under the Plan is provided for pursuant to the UTGO Settlement Agreement, which involves the settlement of, among other things, the UTGO Litigation and is subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, the UTGO Settlement Agreement pursuant to Bankruptcy Rule 9019.

Pursuant to the UTGO Settlement Agreement, among other things: (1) the Unlimited Tax General Obligation Bond Claims shall be deemed Allowed in the amount of \$388,000,000; (2) the City shall issue the Municipal Obligation to the MFA, which in turn will issue the Restructured UTGO Bonds; (3) Holders of Allowed Unlimited Tax General Obligation Bond Claims shall be entitled to receive their Pro Rata share of \$279,618,950 of the Restructured UTGO Bonds as set forth in Schedule 1a of the UTGO Settlement Agreement; (4) the Settling UTGO Bond Insurers and the Non-Settling UTGO Bond Insurer shall be entitled to receive \$7,941,840 of the Restructured UTGO Bonds as set forth in Schedule 1b to the UTGO Settlement Agreement; and (5) a designee or designees of the City shall have the right to receive the Assigned UTGO Bond Tax Proceeds, which Assigned UTGO Bond Tax Proceeds will be distributed over a 14-year period to the Income Stabilization Funds of GRS and PFRS for the payment of Income Stabilization Payments to Eligible Pensioners and to the Retirement Systems, in accordance with applicable agreements.

Each Settling UTGO Bond Insurer shall receive, as soon as reasonably practicable after the occurrence of a Trigger Event, its allocable share of the Top-Off Payments in accordance with the terms of the UTGO Settlement Agreement.

**D. The State Contribution Agreement.**

Prior to or on the Effective Date, if Classes 10 and 11 vote to accept the Plan, the City, GRS, PFRS and the State will enter into the State Contribution Agreement, substantially on the terms set forth on Exhibit I.A.332.

**1. State Contribution.**

The State or the State's authorized agent will contribute the net present value of \$350 million payable over 20 years using a discount rate of 6.75% to GRS and PFRS for the benefit of the Holders of Pension Claims.

**2. Income Stabilization Payments.**

The Income Stabilization Funds of GRS and PFRS will receive not less than an aggregate amount of \$20 million over 14 years of the Assigned UTGO Bond Tax Proceeds in the form of annual installment payments pursuant to a payment schedule approved by the State. Following the Effective Date, on an annual basis, GRS and PFRS will distribute such portion of the funds held in their respective Income Stabilization Fund to Eligible Pensioners entitled to receive the Income Stabilization Benefit and the Income Stabilization Benefit Plus. The

Income Stabilization Benefit, which will be calculated in the first year following the Effective Date and will not increase thereafter, will be provided by the applicable Retirement System to each Eligible Pensioner. In addition, to the extent that an Eligible Pensioner's estimated adjusted annual household income (as determined by the applicable Retirement System) in any calendar year after the first year of the income stabilization program is less than 105% of the Federal Poverty Level for such year, the applicable Retirement System will distribute the Income Stabilization Benefit Plus to such Eligible Pensioner.

In the event that, in 2022 (provided that the State has not issued a certificate of default under the State Contribution Agreement with respect to GRS or PFRS, as applicable, at any time prior to 2022), it is the opinion of at least 75% of the independent members of the Investment Committee of GRS or PFRS, as applicable, that the Income Stabilization Fund of the applicable Retirement System is credited with Excess Assets, the respective Investment Committee may recommend that the Excess Assets, in an amount not to exceed \$35 million, be used to fund the Adjusted Pension Amounts payable by the applicable Retirement System. In the event that any funds remain in the Income Stabilization Fund of each or either of GRS or PFRS on the date upon which no Eligible Pensioners under the applicable Retirement System are living, such funds shall be used to fund the Adjusted Pension Amounts payable by the applicable Retirement System.

### **3. Conditions to State's Participation.**

The payment of the State Contribution by the State or the State's authorized agent is conditioned upon satisfaction of the conditions precedent set forth in the State Contribution Agreement, including, among other things, the following: (a) the Confirmation Order becoming a Final Order no later than December 31, 2014, which Confirmation Order must contain certain provisions as set forth in the State Contribution Agreement, including a requirement that the governing documents of GRS and PFRS be amended to include (i) the governance terms and conditions set forth in the State Contribution Agreement and (ii) the Income Stabilization Funds and Income Stabilization Payments; (b) the occurrence of the Effective Date no later than April 1, 2015; (c) acceptance of the Plan by Classes 10 and 11, which Plan must be in form and substance reasonably acceptable to the State and contain certain release provisions; (d) the Retiree Committee's endorsement of the Plan, including a letter from the Retiree Committee recommending that Classes 10 and 11 vote in favor of the Plan, or equivalent assurances from member organizations representing a majority of retirees in Classes 10 and 11; (e) active support of the Plan by, a release of and covenant not to sue the State from, and an agreement not to support in any way the litigation described in subsection (f) of this Section by, the City, the Retiree Committee, the Retirement Systems and certain unions and retiree associations, or equivalent assurances of litigation finality; (f) cessation of all litigation, or equivalent assurances of finality of such litigation, including the cessation of funding of any litigation initiated by any other party, as it relates to the City, (i) challenging PA 436 or any actions taken pursuant to PA 436 or (ii) seeking to enforce Article IX, Section 24 of the Michigan Constitution; (g) evidence satisfactory to the State of an irrevocable commitment by the Foundations (excluding the Special Foundation Funders, as that term is defined in the DIA Settlement Documents) to fund \$366 million (or the net present value thereof) as part of the DIA Settlement, as provided in Section IV.E.1; and (h) evidence satisfactory to the State of an irrevocable commitment by DIA Corp. to fund \$100 million (or the net present value thereof) as part of the DIA Settlement, as provided in Section IV.E.1.

The State shall File and serve via the Court's electronic case filing and noticing system a notice that the conditions precedent to the State's payment of the State Contribution have been satisfied or otherwise addressed pursuant to the procedures outlined in the State Contribution Agreement no later than ten days after all such conditions have been satisfied or otherwise addressed.

### **4. Release of Claims Against the State and State Related Entities.**

The State Contribution Agreement requires that the Plan provide for the release of the State and the State Related Entities by each holder of a Pension Claim from all Liabilities arising from or related to the City, the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution, as more particularly described in the State Contribution Agreement and as set forth at Section III.D.7.b.

**E. The DIA Settlement.**

On the Effective Date, the City and the DIA Corp. will enter into the DIA Settlement, pursuant to which (1) the DIA Funding Parties that are such as of the Effective Date have committed to assist in the funding of the City's restructured legacy pension obligations and (2) the City has agreed to enter into certain transactions that will cause the DIA to remain in the City in perpetuity, as described in and subject to the terms and conditions of the DIA Settlement Documents, and to otherwise make the DIA Assets available for the benefit of the residents of the City and the Counties and the citizens of the State. The DIA Settlement Documents attached hereto as Exhibit I.A.127 will qualify the description of the DIA Settlement in the Plan, Disclosure Statement and Exhibit I.A.126. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, the DIA Settlement pursuant to Bankruptcy Rule 9019.

**1. Funding Contributions.**

The DIA Settlement will be funded as follows: (a) irrevocable commitments in an aggregate amount of at least \$366 million by the Foundations (excluding the Special Foundation Funders, as that term is defined in the DIA Settlement Documents); and (b) in addition to its continuing commitments outside of the DIA Settlement, irrevocable commitments in an aggregate amount of \$100 million from the DIA Direct Funders (including the commitment of the Special Foundation Funders, as that term is defined in the DIA Settlement Documents, and subject to certain adjustments as set forth in the DIA Settlement Documents), the payment of which \$100 million will be guaranteed by DIA Corp., subject to the terms of the DIA Settlement Documents. The foregoing commitments shall be funded over the course of the 20 year period immediately following the Effective Date (subject to the annual confirmation of the City's continuing compliance with the terms of the DIA Settlement) according to the "Agreed Required Minimum Schedule" and subject to the option at any time for the "Present Value Discount," as set forth in the DIA Settlement Documents. Amounts committed by the Foundations and the DIA Direct Funders will be paid to the CFSEM Supporting Organization, which will (a) transfer such amounts for the purpose of funding the Retirement Systems upon the City's satisfaction of certain conditions and (b) not be subject to claims of creditors of the Community Foundation for Southeast Michigan.

**2. Transfer of DIA Assets.**

On the Effective Date, the City shall irrevocably transfer all of its right, title and interest in and to the DIA Assets to DIA Corp., as trustee, to be held in perpetual charitable trust, and within the City limits, for the primary benefit of the residents of the City and the Counties and the citizens of the State.

**3. Conditions to the DIA Funding Parties' Participation.**

The DIA Funding Parties' participation in the DIA Settlement is conditioned upon, among other things, the following: (a) execution of the DIA Settlement Documents by each Foundation; (b) the irrevocable commitment from the DIA Corp. described in Section IV.E.1; (c) the acceptance of the Plan by Classes 10 and 11; (d) the irrevocable transfer by the City of the DIA Assets described in Section IV.E.2; (e) approval by the DIA's Board of Directors and the taking effect of the recommendation of the governance committee as described in Exhibit I.A.126; (f) the earmarking of all funds provided by the DIA Funding Parties towards the recoveries upon Pension Claims under the Plan for Holders of Claims in Classes 10 and 11; (g) the adoption of prospective governance and financial oversight mechanisms for the Retirement Systems that are reasonably satisfactory to the DIA Funding Parties; (h) the amendment by DIA Corp. and the art institute authority for each of Macomb County, Oakland County and Wayne County, Michigan of each art institute authority's respective service agreement so that the termination of the 1997 Operating Agreement between the City and DIA Corp. will not affect the art institute authorities' obligations under such agreements to pay millage proceeds to DIA Corp.; (i) the approval of the DIA Settlement by the Attorney General for the State; (j) the agreement of the State to provide the State Contribution; and (k) the City's agreement to indemnify and hold harmless the DIA Funding Parties and the CFSEM Supporting Organization and their Related Entities pursuant to, and in accordance with, the terms of the DIA Settlement Documents.

**F. Contingent Payment Rights.**

On or as soon as reasonably practicable after the Confirmation Date, the City shall establish the Restoration Trust. The City shall issue the DWSD CVR to the Restoration Trust. If a Qualifying DWSD Transaction has not occurred before the seventh anniversary of the Effective Date, the DWSD CVR shall terminate and expire. The Restoration Trust shall distribute proceeds from the DWSD CVR in the following amounts and priorities: (1) first, to GRS up to an amount sufficient for all three GRS waterfall classes identified on Exhibit II.B.3.r.ii.C to have their 4.5% pension reductions restored; (2) second, to GRS up to an amount sufficient for all three GRS waterfall classes identified on Exhibit II.B.3.r.ii.C to have 92% of their COLA benefits restored; and (3) third, 53% to GRS and 47% to PFRS. If the City makes any contributions to either GRS or PFRS out of its portion of the Net DWSD Transaction Proceeds, such contributions and earnings thereon shall not be taken into account for determining whether any pension restoration may be made. The DWSD CVR may not be transferred.

**1. Special Restoration.**

Any proceeds from the DWSD CVR distributed by the Restoration Trust on account of a Qualifying DWSD Transaction consummated on or before the Effective Date, or fully executed and enforceable before the Effective Date but consummated after the Effective Date, shall be utilized for the purpose of funding the Special Restoration; provided that the City shall act in good faith so as not to unreasonably delay the execution of a Qualifying DWSD Transaction solely to avoid Special Restoration. In such case, the City will perform a Value Determination and arrive at the Discounted Value. The City will engage in good faith discussion as to the reasonableness of the Value Determination with the Retiree Committee or Restoration Trust, as applicable. In the event that the Retiree Committee or the Restoration Trust, as applicable, does not accept the Value Determination, the Retiree Committee or the Restoration Trust, as applicable, may seek to have the Bankruptcy Court determine the dispute, and the City consents to such jurisdiction.

Special Restoration shall follow the priorities of restoration of benefits set forth in Exhibits II.B.3.q.ii.C and II.B.3.r.ii.C. In order for benefits to be restored pursuant to the Special Restoration, such benefits must be fully funded by 50% of the Discounted Value for the full actuarially-determined lives of all participants for whom benefits are restored. In the event that actual Net DWSD Transaction Proceeds from the DWSD CVR do not equal 50% of the contemplated Net DWSD Transaction Proceeds as of the date of the Value Determination, the Investment Committees of the Retirement Systems will reduce or eliminate the Special Restoration benefits, as applicable, by the amount that 50% of the Discounted Value exceeds the actual Net DWSD Transaction Proceeds from the DWSD CVR received or projected to be received using a 6.75% discount rate. In the event that the Retiree Committee, the Restoration Trust or the City, as applicable, does not agree with the reduction in the Special Restoration benefits, the Retiree Committee or the Restoration Trust, as applicable, or the City may consult with the trustees and Investment Committees of PFRS or GRS with respect to any such reduction. Neither the Retiree Committee nor the Restoration Trust shall have any right to initiate any enforcement proceeding with respect to Special Restoration.

**2. General Restoration.**

Any Net DWSD Transaction Proceeds from the DWSD CVR distributed by the Restoration Trust on account of a Qualifying DWSD Transaction consummated after the Effective Date, if such Qualifying Transaction was not fully executed and enforceable before the Effective Date, shall be utilized for the purpose of funding the pension trusts, and such cash contributions shall be included in any calculations allowing for the restoration of benefits in accordance with the general rules governing pension restoration as provided for in Exhibits II.B.3.q.ii.C and II.B.3.r.ii.C.

**G. The OPEB Settlement.**

The City and the Retiree Committee have reached a settlement related to the allowance and calculation of the OPEB Claims in Class 12 and the treatment of such Allowed OPEB Claims, the terms of which settlement are reflected in the Plan. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, such settlement pursuant to Bankruptcy Rule 9019.

**H. The LTGO Settlement.**

The City, the LTGO Insurer and BlackRock Financial Management have reached a settlement related to the treatment of Allowed Limited Tax General Obligation Bond Claims, the terms of which settlement are reflected in the Plan. Pursuant to the LTGO Settlement Agreement, Distributions attributable to the Insured LTGO Bonds shall be made to the LTGO Distribution Agent (as opposed to directly to the record owners of the Insured LTGO Bonds or to the LTGO Insurer) for the benefit of the record owners of the Insured LTGO Bonds in accordance with the LTGO Settlement Agreement. In the event that the City intends to redeem the principal amount of New LTGO Notes during any time that the Insured LTGO Bonds are outstanding, the City and the LTGO Distribution Agent shall be required to take certain actions as described in the LTGO Settlement Agreement. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, the LTGO Settlement Agreement pursuant to Bankruptcy Rule 9019.

**I. The Syncora Settlement.**

The City and Syncora have reached a settlement effecting a global resolution of all matters and litigation between the parties related to the Chapter 9 Case, as set forth in the Syncora Settlement Documents (the terms of which qualify and control over any description of the Syncora Settlement contained herein). Pursuant to the Syncora Settlement, and in accordance with the Plan, among other things: (1) the City shall, pursuant to Section II.D.1, assume the Tunnel Lease; (2) the parties shall enter into the Syncora Development Agreement; (3) the parties shall dismiss or withdraw the Dismissed Syncora Litigation as set forth in the Syncora Settlement Agreement; (4) any vote cast by Syncora to reject the Plan shall be deemed a vote to accept the Plan; (5) Syncora shall support Confirmation; and (6) on the Effective Date or as soon thereafter as practical, the City shall pay the sum of \$5 million in full satisfaction of all of Claims filed or asserted against the City by Syncora relating to the COP Swap Agreements and any agreements related thereto, including the COP Syncora Swap Insurance Policies and the COP Swap Collateral Agreement. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving and authorizing the parties to enter into, (1) the Syncora Settlement pursuant to Bankruptcy Rule 9019 and (2) the related Syncora Development Agreement (including the garage option) and the Tunnel Lease. The City shall not amend the Plan in any way that adversely affects Syncora without Syncora's prior written consent.

**J. The FGIC/COP Settlement.**

The City and FGIC have reached a settlement effecting a global resolution of all matters and litigation between the parties related to the Chapter 9 Case, as set forth in the FGIC/COP Settlement Documents (the terms of which qualify and control over any description of the FGIC/COP Settlement contained herein). Pursuant to the FGIC/COP Settlement, and in accordance with the Plan, among other things: (1) the City and the Developer, for the benefit of FGIC and the FGIC COP Holders, shall enter into the FGIC Development Agreement; (2) FGIC shall, on behalf of the FGIC COP Holders, become a Settling COP Claimant with respect to all COPs and COP Claims associated with COPs originally insured by FGIC; (3) the parties shall dismiss or withdraw the Dismissed FGIC/COP Litigation as set forth in the FGIC/COP Settlement Documents; (4) except for Excluded Actions, FGIC shall waive any claims it may have against any other party related to the Dismissed FGIC/COP Litigation as set forth in the FGIC/COP Settlement Documents; (5) any vote cast by FGIC to reject the Plan shall be deemed a vote to accept the Plan; and (6) in full satisfaction and discharge of FGIC's claims against the City related to FGIC's Swap Insurance Policies, (a) FGIC shall receive an Allowed Class 14 Claim in the amount of \$6.15 million, entitling FGIC to receive the Distributions provided pursuant to Section II.B.3.u.i and (b) the DDA shall assign to FGIC all of its right, title and interest to the New B Notes to be distributed to the DDA pursuant to Section II.B.3.t.ii. The Plan shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving and authorizing the parties to enter into, (1) the FGIC/COP Settlement pursuant to Bankruptcy Rule 9019 and (2) the related FGIC Development Agreement. The City shall not amend the Plan in any way that adversely affects FGIC without FGIC's prior written consent.

**K. Issuance of the New Securities.**

The City shall issue the New Securities on the Effective Date or a subsequent Distribution Date, as applicable. To the maximum extent provided by section 1145 of the Bankruptcy Code and applicable non-

bankruptcy law, the issuance of New Securities as contemplated by the Plan is exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities. The New Securities (a) are not "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (b) are freely tradable and transferable by any initial recipient thereof that (i) is not an "affiliate" of the City or applicable issuer as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an "affiliate" within 90 days of such transfer, and (iii) is not an entity that is an "underwriter" as defined in subsection (b) of Section 1145 of the Bankruptcy Code.

**L. Cancellation of Existing Bonds, Bond Documents, COPs and COP Documents.**

Except (a) as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, (b) for purposes of evidencing a right to Distribution under the Plan or (c) as specifically provided otherwise in the Plan (including any rejection of Executory Contracts pursuant to Section II.D), on the Effective Date, the Bonds, the Bond Documents, the COPs and the COP Documents will be deemed automatically cancelled, terminated and of no further force or effect against the City without any further act or action under any applicable agreement, law, regulation, order or rule, and the obligations of the parties to the City, as applicable, under the Bonds, the Bond Documents, the COPs and the COP Documents shall be discharged; provided, however, that the Bonds, the Bond Documents, the COPs and the COP Documents shall continue in effect solely (i) to allow the Disbursing Agent to make any Distributions as set forth in the Plan and to perform such other necessary administrative or other functions with respect thereto, (ii) for any trustee, agent, contract administrator or similar entity under the Bond Documents or COP Documents to have the benefit of all the rights and protections and other provisions of the Bond Documents or COP Documents, as applicable, and all other related agreements with respect to priority in payment and lien rights with respect to any Distribution, (iii) to set forth the terms and conditions applicable to parties to the Bond Documents and COP Documents other than the City, (iv) as may be necessary to preserve any claim by (1) a Bondholder or Bond Agent under a Bond Insurance Policy or against any Bond Insurer, (2) a COPs Holder or COP Agent under a COP Insurance Policy or against any COP Insurer or (3) a COP Swap Counterparty under a Swap Insurance Policy or against any insurer thereunder and (v) with respect to any obligation of any party (other than the City, except to the extent provided in the COP Swap Settlement or the COP Swap Settlement Approval Order) under any COP Document related to such party's obligations owed in respect of the COP Swap Documents or the COP Swap Claims. Notwithstanding the foregoing, and except as otherwise expressly provided in the Plan (or the COP Swap Settlement or the COP Swap Settlement Approval Order), such Bonds, Bond Documents, COPs or COP Documents as remain outstanding shall not form the basis for the assertion of any Claim against the City. Nothing in the Plan impairs, modifies, affects or otherwise alters the rights of (a) Bondholders or Bond Agents with respect to claims under applicable Bond Insurance Policies or against the Bond Insurers, (b) COPs Holders or COP Agent with respect to claims under COP Insurance Policies and obligations related thereto or (c) COP Swap Counterparties with respect to claims under Swap Insurance Policies and obligations related thereto. For the avoidance of doubt, except for the immediately preceding sentence, this Section IV.L shall not apply to any Bonds that are Reinstated pursuant to Section II.B.3.a.ii. As of the Effective Date, the principal amounts of the COPs originally insured by FGIC shall be deemed accelerated and due and payable, and no interest on the COPs originally insured by FGIC shall accrue thereafter, solely for the purposes of determining distributions from the COP Trustee to holders of COPs originally insured by FGIC. The foregoing acceleration of principal and cessation of interest shall affect only the rights of each holder of COPs originally insured by FGIC to the receipt of proceeds of distributions under the Plan and not the rights of each such COPs holder against FGIC or shall not in any way modify payments currently required of FGIC under its existing insurance policies or FGIC's Plan of Rehabilitation.

**M. Release of Liens.**

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, or where a Claim is Reinstated, on the Effective Date, all Liens against the City's property will be deemed fully released and discharged, and all of the right, title and interest of any holder of such Liens, including any rights to any collateral thereunder, will revert to the City. As of the Effective Date, (1) the holders of such Liens will be authorized and directed to release any collateral or other property of the City (including any cash collateral) held by such Holder and to take such actions as may be requested by the City to evidence the release of such Lien, including the execution, delivery, filing or recording of such releases as may be requested by the City, and (2) the City shall be authorized to execute and file on behalf of

creditors Form UCC-3 termination statements or such other forms as may be necessary or appropriate to implement the provisions of this Section IV.M.

**N. Professional Fees.**

**1. Professional Fee Reserve.**

On the Effective Date, the City shall establish and fund the Professional Fee Reserve from the General Fund or, where applicable, the DWSD's funds, in an amount determined by the City to be sufficient to pay the Fee Review Professional Fees that remain unpaid as of the Effective Date, solely to the extent that such amounts are payable from the General Fund or the DWSD's funds. The initial amount of the Professional Fee Reserve shall be equal to the sum of (a) all invoices received from Fee Review Professionals and the Fee Examiner Parties as of the establishment and funding of the Professional Fee Reserve to the extent not yet paid (including holdbacks); (b) an estimate of the Fee Review Professionals' unbilled fees through the Effective Date as determined by the City in consultation with the Fee Review Professionals, which estimate shall be no lower than 125% of the aggregate amount of the highest monthly invoices respectively submitted by each Fee Review Professional pursuant to the Fee Review Order prior to the establishment and funding of the Professional Fee Reserve; and (c) an estimate of the Fee Examiner Parties' unbilled fees and expenses through the projected date of dismissal of the Fee Examiner under Section IV.N.3, as determined by the City in consultation with the Fee Examiner. The funds held in the Professional Fee Reserve may not be used for any purpose other than the payment of Fee Review Professional Fees until any and all disputes regarding the Fee Review Professional Fees, including any disputes arising under the Fee Review Order, have been fully and finally resolved pursuant to a Final Order or a stipulation between the disputing parties. Any amounts remaining in the Professional Fee Reserve after final resolution of all such disputes and the payment of all Fee Review Professional Fees determined to be reasonable in accordance with the Fee Review Order shall be released to the General Fund or the DWSD's funds, as applicable. If the Professional Fee Reserve is insufficient to pay all Fee Review Professional Fees that are determined to be reasonable in accordance with the Fee Review Order and that are payable from the General Fund or the DWSD's funds, the City shall pay such additional amounts from the General Fund or the DWSD's funds, as applicable.

**2. Fee Review Order.**

The Fee Examiner shall review all fees and expenses of the Fee Review Professionals for the period from the Petition Date and ending on the Effective Date in accordance with the terms of the Fee Review Order. For the avoidance of doubt, the Fee Review Order shall not apply to any fees or expenses of the Fee Review Professionals for the period on and after the Effective Date, and the Fee Examiner shall not review any such fees or expenses; provided, however, that all fees and expenses of the Fee Examiner Parties, whether incurred before, on or after the Effective Date, shall remain subject to review and approval of the Bankruptcy Court pursuant to the terms of the Fee Review Order.

**3. Dismissal of the Fee Examiner.**

Once the Fee Examiner completes his review of all Fee Review Professional Fees and submits or Files all reports related thereto as required by the Fee Review Order, the Fee Examiner shall be dismissed of all duties and obligations under the Fee Examiner Order and the Fee Review Order, other than any obligations of confidentiality thereunder. The confidentiality obligations of the Fee Examiner and the other Fee Examiner Parties, including the confidentiality obligations set forth in paragraph 22 of the Fee Review Order, shall remain binding from and after the Effective Date.

**4. Potential Review of Fees Not Subject to Fee Review Order.**

The City shall have the right to bring before the Bankruptcy Court a request to review and determine the reasonableness of the fees and expenses of any Fee Review Professional retained by a creditor of the City or any of its departments to the extent that such fees and expenses have not been either (a) approved pursuant to or in accordance with the DWSD Tender Order, (b) subject to court review or (c) subject to a Bankruptcy Court-approved or agreed upon process for binding arbitration.

**5. Court-Appointed Expert.**

The Court-appointed expert, Martha E. M. Kopacz of Phoenix Management Services, and her counsel shall be compensated for any reasonable fees and expenses incurred through the Confirmation Date in accordance with the terms of the Court's Order Appointing Expert Witness (Docket No. 4215), entered on April 22, 2014, as amended.

**O. Assumption of Indemnification Obligations.**

Notwithstanding anything otherwise to the contrary in the Plan, nothing in the Plan shall discharge or impair the obligations of the City as provided in the City Charter of the City or other organizational documents, resolutions, employment contracts, applicable law or other applicable agreements as of the Petition Date to indemnify, defend, reimburse, exculpate, advance fees and expenses to, or limit the liability of officers and employees of the City (consistent with the injunction provisions of Section III.D.5 and including the members of the City Council, the Mayor and the Emergency Manager) and their Related Entities, in each case to the extent such Entities were acting in such capacity, against any claims or causes of action whether direct or derivative, liquidated or unliquidated, foreseen or unforeseen, asserted or unasserted; provided that this Section IV.O shall be read in conjunction with the provisions for Indirect Employee Indemnity Claims set forth in Section III.D.5. Notwithstanding the foregoing, Retirement System Indemnity Obligations shall not be assumed under the Plan and shall be discharged. For the avoidance of doubt, no indemnification provision in any loan document, bond document, Bond Insurance Policy or other agreement with a Bond Insurer is exempted from discharge by reason of this Section IV.O.

**P. Incorporation of Retiree Health Care Settlement Agreement.**

The terms of the Retiree Health Care Settlement Agreement resolving the Retiree Health Care Litigation, which agreement is attached hereto as Exhibit I.A.298, are incorporated herein by reference and shall be binding upon the parties thereto.

**Q. Payment of Workers' Compensation Claims.**

From and after the Effective Date, (a) the City will continue to administer (either directly or through a third party administrator) and pay all valid claims for benefits and liabilities for which the City is responsible under applicable State workers' compensation law, regardless of when the applicable injuries were incurred, in accordance with the City's prepetition practices and procedures and governing State workers' compensation law, and (b) nothing in the Plan shall discharge, release or relieve the City from any current or future liability under applicable State workers' compensation law. The City expressly reserves the right to challenge the validity of any claim for benefits or liabilities arising under applicable State workers' compensation law.

**R. 36th District Court Settlement.**

The City and the Settling 36th District Court Claimants have reached a settlement related to (1) the allowance of certain of the Settling 36th District Court Claimants' Claims and (2) the treatment of Allowed Indirect 36th District Court Claims under the Plan substantially on the terms attached hereto as Exhibit I.A.9. The 36th District Court Settlement is incorporated into the Plan, which shall be construed as a motion for approval of, and the Confirmation Order shall constitute an order approving, such settlement pursuant to Bankruptcy Rule 9019.

**S. Payment of Certain Claims Relating to the Operation of City Motor Vehicles.**

From and after the Effective Date, the City will continue to administer (either directly or through a third party administrator) and pay valid prepetition Claims for liabilities with respect to which the City is required to maintain insurance coverage pursuant to MCL § 500.3101 in connection with the operation of the City's motor vehicles, as follows: (1) Claims for personal protection benefits as provided by MCL § 500.3107 and MCL § 500.3108, for which insurance coverage is required by MCL § 500.3101(1), shall be paid in full, to the extent valid, provided, however, that the City will not be liable for or pay interest or attorneys' fees under MCL § 500.3142

or MCL § 500.3148 on prepetition Claims for personal protection benefits; (2) tort claims permitted by MCL § 500.3135, for which residual liability insurance coverage is required by MCL § 500.3101(1) and MCL § 500.3131, shall be paid, to the extent valid, only up to the minimum coverages specified by MCL § 500.3009(1), *i.e.*, up to a maximum of (a) \$20,000 because of bodily injury to or death of one person in any one accident, and subject to that limit for one person, (b) \$40,000 because of bodily injury to or death of two or more persons in any one accident and (c) \$10,000 because of injury to or destruction of property of others in any accident; and (3) Claims for property protection benefits under MCL § 500.3121 and MCL § 500.3123 shall be paid, to the extent valid, only up to the maximum benefits specified in MCL § 500.3121; provided, however, for the avoidance of doubt, to the extent any valid Claim subject to subsections 2 and 3 above exceeds the applicable payment limits, the excess claim amount shall be treated as an Other Unsecured Claim or a Convenience Claim (as applicable). Nothing in the Plan shall discharge, release or relieve the City from any current or future liability with respect to Claims subject to insurance coverage pursuant to MCL § 500.3101 or Claims within the minimum coverage limits in MCL § 500.3009(1). The City expressly reserves the right to challenge the validity of any Claim subject to this Section IV.S, and nothing herein shall be deemed to expand the City's obligations or claimants' rights with respect to these Claims under State law.

**T. Payment of Tax Refund Claims.**

From and after the Effective Date, the City will continue to administer (either directly or through a third party administrator) and pay all valid claims for income tax refunds and property tax refunds for which the City is responsible under applicable law, regardless of when the applicable right to a refund arose, in accordance with the City's prepetition practices and procedures. The City expressly reserves the right to challenge the validity of any claim for an income tax refund or property tax refund.

**U. Utility Deposits.**

From and after the Effective Date, the City will continue to administer utility deposits in accordance with the City's prepetition practices and procedures, including the payment of any undisputed, non-contingent, liquidated claims against the City for the refund of a utility deposit.

**V. Pass-Through Obligations.**

The City shall continue to honor its Pass-Through Obligations to the Pass-Through Recipients.

**W. Exit Facility.**

On the Effective Date, the City shall enter into the Exit Facility, as well as any ancillary notes, documents or agreements in connection therewith, including, without limitation, any documents required in connection with the creation or perfection of the liens securing the Exit Facility.

**X. Post-Effective Date Governance.**

Prior to or on the Effective Date, the Financial Review Commission shall be established pursuant to and in accordance with the Financial Review Commission Act. The Financial Review Commission shall provide oversight as set forth in the Financial Review Commission Act, including to ensure that, post-Effective Date, the City adheres to the Plan and continues to implement financial and operational reforms that promote more efficient and effective delivery of services to City residents. The City shall promptly provide to the Bankruptcy Court copies of any reports given to, or received from, the Financial Review Commission. Nothing herein shall expand, limit or otherwise modify the role or powers of the Financial Review Commission.

**ARTICLE V  
PROVISIONS REGARDING DISTRIBUTIONS UNDER THE PLAN**

**A. Appointment of Disbursing Agent.**

The City may act as Disbursing Agent or may employ or contract with other Entities to act as the Disbursing Agent or to assist in or make the Distributions required by the Plan. Any Disbursing Agent appointed by the City will serve without bond. Other than as specifically set forth in the Plan, the Disbursing Agent shall make all Distributions required to be made under the Plan.

**B. Distributions on Account of Allowed Claims.**

Except as otherwise provided in the Plan, on the Effective Date or as soon as practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim shall receive from the Disbursing Agent, the Bond Agent or the COP Agent, as applicable, the Distributions that the Plan provides for Allowed Claims in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, Distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Section VI.B. Except as otherwise provided in the Plan, Holders of Claims shall not be entitled to interest, dividends or accruals on the Distributions provided for in the Plan, regardless of whether such Distributions are delivered on or at any time after the Effective Date. Notwithstanding anything to the contrary in the Plan, no Holder of an Allowed Claim shall, on account of such Allowed Claim, receive a Distribution in excess of the Allowed amount of such Claim.

**C. Certain Claims to Be Expunged.**

Any Claim that has been or is hereafter listed in the List of Creditors as contingent, unliquidated or disputed, and for which no proof of Claim is or has been timely Filed, is not considered to be an Allowed Claim and shall be expunged without further action by the City and without further notice to any party or any action, approval or order of the Bankruptcy Court.

**D. Record Date for Distributions; Exception for Bond Claims.**

With the exception of Bond Claims, neither the City nor any Disbursing Agent will have any obligation to recognize the transfer of, or the sale of any participation in, any Claim that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes herein to recognize and distribute only to those Holders of Allowed Claims (including Holders of Claims that become Allowed after the Distribution Record Date) that are Holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date. With the exception of the Bond Claims, the City and any Disbursing Agent shall instead be entitled to recognize and deal for all purposes under the Plan with only those record Holders stated on the official Claims Register as of the close of business on the Distribution Record Date. Unless otherwise set forth in the Confirmation Order, the City shall not establish a record date for Distributions to Holders of Bond Claims.

**E. Means of Cash Payments.**

Except as otherwise specified herein, all Cash payments made pursuant to the Plan shall be in U.S. currency and made by check drawn on a domestic bank selected by the Disbursing Agent or, at the option of the Disbursing Agent, by wire transfer, electronic funds transfer or ACH from a domestic bank selected by the Disbursing Agent; provided, however, that Cash payments to foreign Holders of Allowed Claims may be made, at the option of the Disbursing Agent, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

**F. Selection of Distribution Dates for Allowed Claims.**

Except where the Plan requires the making of a Distribution on account of a particular Allowed Claim within a particular time, the Disbursing Agent shall have the authority to select Distribution Dates that, in the judgment of the Disbursing Agent, provide Holders of Allowed Claims with payments as quickly as reasonably practicable while limiting the costs incurred in the distribution process. Upon the selection of a Distribution Date by the Disbursing Agent, the Disbursing Agent shall File a notice of such Distribution Date that provides information regarding the Distribution to be made.

**G. Limitations on Amounts to Be Distributed to Holders of Allowed Claims Otherwise Insured.**

No Distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the City's insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy; provided that, if the City believes a Holder of an Allowed Claim has recourse to an insurance policy and intends to direct the Disbursing Agent to withhold a Distribution pursuant to this Section V.G, the City shall provide written notice to such Holder regarding what the City believes to be the nature and scope of applicable insurance coverage. To the extent that one or more of the City's insurance carriers agrees to satisfy a Claim in full, then immediately upon such agreement such Claim may be expunged without a Claims objection having to be Filed and without any further notice or any action, order or approval of the Bankruptcy Court. Nothing in the Plan, including this Section V.G, shall constitute a waiver of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action or liabilities that any Entity may hold against any other Entity, including the City's insurance carriers and Bond Insurers, other than the City. For the avoidance of doubt, this Section shall not apply to Bond Insurance Policies or Swap Insurance Policies.

**H. City's Rights of Setoff Preserved.**

Notwithstanding anything to the contrary in the Plan, pursuant to section 553 of the Bankruptcy Code or otherwise applicable non-bankruptcy law, the City may set off against any Allowed Claim and the Distributions to be made pursuant to the Plan on account of such Allowed Claim the claims, rights and Causes of Action of any nature that the City may assert against the Holder of such Claim; provided, however, that neither the failure to effect a setoff nor the allowance of any Claim pursuant to the terms of the Plan shall constitute a waiver or release by the City of any claims, rights and Causes of Action that the City may assert against such Holder, all of which are expressly preserved.

**I. Delivery of Distributions and Undeliverable or Unclaimed Distributions.**

**1. Delivery of Distributions Generally.**

Except as set forth in Section V.I.2, Distributions to Holders of Allowed Claims shall be made at the addresses set forth in the City's records unless such addresses are superseded by proofs of Claim or transfers of Claim Filed pursuant to Bankruptcy Rule 3001.

**2. Delivery of Distributions on Account of Bond Claims.**

Distributions on account of the Bond Claims shall (a) be made by the Disbursing Agent to the Bond Agent under the applicable Bond Documents for the benefit of Holders of Bond Claims and (b) be deemed completed when made by the Disbursing Agent to the Bond Agent as if such Distributions were made directly to the Holders of such Claims. The applicable Bond Agent, in turn, shall make such distributions to the applicable Holders pursuant to the terms and conditions of the applicable Bond Documents and subject to the respective rights, claims and interests, if any, that the Bond Agent may have under the applicable Bond Documents or otherwise to the recovery or reimbursement of their fees, costs and expenses (including the fees, costs and expenses of counsel and financial advisors) from any distribution hereunder, whether such rights, claims or interests are in the nature of a charging lien or otherwise. The Bond Agent shall not be required to give any bond, surety or other security for the performance of its duties with respect to such Distributions.

**3. De Minimis Distributions / No Fractional New Securities.**

No distribution shall be made by the Disbursing Agent on account of an Allowed Claim if the amount to be distributed to the specific Holder of an Allowed Claim on the applicable Distribution Date has an economic value of less than \$25.00. No fractional New Securities shall be distributed. Where a fractional portion of a New Security otherwise would be called for under the Plan, the actual issuance shall reflect a rounding down to the nearest whole New Security.

**4. Undeliverable or Unclaimed Distributions.**

In the event that any Distribution to any Holder is returned as undeliverable, no Distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such Distribution shall be made to such Holder without interest.

**Any Holder of an Allowed Claim that does not claim an undeliverable or unclaimed Distribution within six months after the Effective Date shall be deemed to have forfeited its claim to such Distribution and shall be forever barred and enjoined from asserting any such claim against the City or its property.** In such cases, any Cash held by the City on account of such undeliverable or unclaimed Distributions shall become the property of the City free of any restrictions thereon and notwithstanding any federal or state escheat laws to the contrary. Any New Securities held for distribution on account of such Claims shall be canceled and of no further force or effect. Nothing contained in the Plan shall require any Disbursing Agent to attempt to locate any Holder of an Allowed Claim.

**5. Time Bar to Cash Payment Rights.**

Checks issued in respect of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for reissuance of any check shall be made to the Disbursing Agent by the Holder of the Allowed Claim to whom such check originally was issued within 180 days after the date of the original check issuance. After such date, the Claim of any Holder to the amount represented by such voided check shall be released and forever barred from assertion against the City and its property.

**J. Other Provisions Applicable to Distributions in All Classes.**

**1. No Postpetition Interest.**

Except as otherwise specifically provided for in the Plan, or required by applicable bankruptcy law, the City shall have no obligation to pay any amount that constitutes or is attributable to interest on an Allowed Claim accrued after the Petition Date and no Holder of a Claim shall be entitled to be paid any amount that constitutes or is attributable to interest accruing on or after the Petition Date on any Claim without regard to the characterization of such amounts in any document or agreement or to whether such amount has accrued for federal income tax purposes. Any such amount that constitutes or is attributable to interest that has been accrued and has not been paid by the City shall be cancelled as of the Effective Date for federal income tax purposes.

**2. Compliance with Tax Requirements.**

In connection with the Plan and all instruments issued in connection therewith and distributed thereon, the City and any Disbursing Agent shall comply with all Tax withholding and reporting requirements imposed on it by any governmental unit, and all Distributions under the Plan shall be subject to such withholding and reporting requirements. All such amounts withheld and paid to the appropriate governmental unit shall be treated as if made directly to the Holder of an Allowed Claim. The City and the Disbursing Agent shall be authorized to take any actions that they determine, in their reasonable discretion, to be necessary or appropriate to comply with such withholding and reporting requirements, including withholding Distributions pending receipt of information necessary to facilitate such Distributions, or establishing any other mechanisms they believe are reasonable and appropriate.

Notwithstanding any other provision of the Plan, each Entity receiving or deemed to receive a Distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax imposed on such Entity on account of such Distribution, including income, withholding and other Tax obligations. The City has the right, but not the obligation, to refuse, or to direct a Disbursing Agent to refuse, to make a Distribution until a Holder of an Allowed Claim has made arrangements satisfactory to the City and any Disbursing Agent for payment of any such Tax obligations. The City may require, as a condition to making a Distribution, that the Holder of an Allowed Claim provide the City or any Disbursing Agent with a completed Form W-8, W-9 or other Tax information, certifications and supporting documentation, as applicable.

If the City makes such a request and the Holder of an Allowed Claim fails to comply before the date that is 180 days after the initial request is made, the amount of such Distribution shall irrevocably revert to the City and any Claim in respect of such Distribution shall be released and forever barred from assertion against the City and its property.

**3. Allocation of Distributions.**

All Distributions to Holders of Allowed Claims that have components of principal and interest shall be deemed to apply first to the principal amount of such Claim until such principal amount is paid in full, and then the remaining portion of such Distributions, if any, shall be deemed to apply to any applicable accrued interest included in such Claim to the extent interest is payable under the Plan.

**4. Surrender of Instruments.**

As a condition to participation under this Plan, the Holder of a note, debenture or other evidence of indebtedness of the City that desires to receive the property to be distributed on account of an Allowed Claim based on such note, debenture or other evidence of indebtedness shall surrender such note, debenture or other evidence of indebtedness to the City or its designee (unless such Holder's Claim will not be Impaired by the Plan, in which case such surrender shall not be required), and shall execute and deliver such other documents as are necessary to effectuate the Plan; provided, however, that, if a claimant is a Holder of a note, debenture or other evidence of indebtedness for which no physical certificate was issued to the Holder but which instead is held in book-entry form pursuant to a global security held by the Depository Trust Company or other securities depository or custodian thereof, there shall be no requirement of surrender. In the City's sole discretion, if no surrender of a note, debenture or other evidence of indebtedness occurs and the Holder of Claim does not provide an affidavit and indemnification agreement, in form and substance reasonably satisfactory to the City, that such note, debenture or other evidence of indebtedness was lost, then no distribution may be made to such Holder in respect of the Claim based on such note, debenture or other evidence of indebtedness. For the avoidance of doubt, (a) no Bond, note, debenture or other evidence of indebtedness of the City shall be surrendered or deemed surrendered that is subject to any Bond Insurance Policy and (b) no COP shall be surrendered or deemed surrendered hereby to the extent necessary to make or preserve a claim under any applicable policies or other instruments insuring the COPs and obligations related thereto or against any party, other than the City, that insures the COPs. Notwithstanding the foregoing, such Bonds or Bond Documents as remain outstanding shall not form the basis for the assertion of any Claim against the City.

**ARTICLE VI  
PROCEDURES FOR RESOLVING DISPUTED CLAIMS**

**A. Treatment of Disputed Claims.**

**1. General.**

No Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) allowing such Claim. Notwithstanding any other provision of the Plan, no payments or Distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim. Without limiting the foregoing in any way, no partial payments and no partial Distributions will be made with respect to a disputed, contingent or

unliquidated Claim, or with respect to any Claim for which a proof of Claim has been Filed but not Allowed, until the resolution of such disputes or estimation or liquidation of such Claim by settlement or by Final Order.

**2. ADR Procedures.**

At the City's option, any Disputed Claim designated or eligible to be designated for resolution through the ADR Procedures may be submitted to the ADR Procedures in accordance with the terms thereof and the ADR Procedures Order. For the avoidance of doubt, the designation of a Disputed Claim for resolution through the ADR Procedures, either prior to or after the Effective Date, will not modify, and will not be deemed to have modified, the terms of the ADR Injunction imposed pursuant to the ADR Procedures Order. Disputed Claims not resolved through the ADR Procedures will be resolved pursuant to the Plan.

**3. Tort Claims.**

At the City's option, any unliquidated Tort Claim (as to which a proof of Claim was timely Filed in the Chapter 9 Case) not resolved through the ADR Procedures or pursuant to a Final Order of the Bankruptcy Court will be determined and liquidated in the administrative or judicial tribunal(s) in which it is pending on the Effective Date (subject to the City's right to seek removal or transfer of venue) or, if no action was pending on the Effective Date, in an administrative or judicial tribunal of appropriate jurisdiction that (a) has personal jurisdiction over the parties, (b) has subject matter jurisdiction over the Tort Claim and (c) is a proper venue. The City may exercise the above option by service upon the holder of the applicable Tort Claim of a notice informing such holder that the City has exercised such option (which notice shall be deemed to satisfy the notice requirements of Section I.B of the ADR Procedures). Upon the City's service of such notice, the automatic stay imposed pursuant to sections 362 and 922 of the Bankruptcy Code (along with any extension of such stay pursuant to the terms of the Stay Extension Order) or, after the Effective Date, the injunction set forth at Section III.D.5, will be deemed modified, without the necessity for further Bankruptcy Court approval or any further action by the City, solely to the extent necessary to allow the parties to determine or liquidate the Tort Claim in the applicable administrative or judicial tribunal(s); provided that nothing contained in this Section will modify, or will be deemed to have modified, the terms of the Stay Extension Order with respect to any Tort Claim prior to the City having served notice of its intent to determine and liquidate such Tort Claim pursuant to this Section. If the City does not serve such a notice upon a holder of a Tort Claim by the Claims Objection Bar Date, such holder may file a motion with the Bankruptcy Court no later than 30 days after the Claims Objection Bar Date seeking relief from the discharge injunction imposed pursuant to Section III.D.5 in order to liquidate and determine its Claim, which right and the deadline for exercising such right shall be set forth in the notice of entry of the Confirmation Order.

Any Tort Claim determined and liquidated pursuant to a judgment obtained in accordance with this Section VI.A.3 and applicable non-bankruptcy law that is no longer appealable or subject to review will be deemed an Allowed Claim, provided that only the amount of such Allowed Tort Claim that is not satisfied from proceeds of insurance payable to the holder of such Allowed Tort Claim will be treated as an Allowed Claim for the purposes of distributions under the Plan and subject to the terms of the Plan. Distributions on account of any such Allowed Tort Claim shall be made in accordance with the Plan. Nothing contained in this Section will constitute or be deemed a waiver of any claim, right or Cause of Action that the City may have against any Entity in connection with or arising out of any Tort Claim, including any rights under section 157(b)(5) of title 28 of the United States Code. All claims, demands, rights, defenses and Causes of Action that the City may have against any Entity in connection with or arising out of any Tort Claim are expressly retained and preserved.

**B. Disputed Claims Reserve.**

On and after the Effective Date, until such time as all Disputed Claims have been compromised and settled or determined by Final Order and before making any Distributions, consistent with and subject to section 1123(a)(4) of the Bankruptcy Code, the City shall establish and maintain a reserve of property equal to (1) the Distributions to which Holders of Disputed Claims would be entitled under the Plan if such Disputed Claims were Allowed Claims in the Face Amount of such Disputed Claims or (2) such lesser amount as required by an order of the Bankruptcy Court. On the first Distribution Date that is at least 30 days (or such fewer days as may be agreed to by the City in its sole discretion) after the date on which a Disputed Claim becomes an Allowed Claim, the Disbursing Agent shall remit to the Holder of such Allowed Claim any Distributions such Holder would have been

entitled to under the Plan on account of such Allowed Claim had such Claim been Allowed as of the Effective Date. If a Disputed Claim is disallowed by Final Order, the property reserved on account shall become available for Distribution to the Holders of Allowed Claims within the Class(es) entitled to receive such property. Each Holder of a Disputed Claim that ultimately becomes an Allowed Claim will have recourse only to the assets held in the disputed claims reserve and not to any other assets held by the City, its property or any property previously distributed on account of any Allowed Claim.

**C. Objections to Claims.**

**1. Authority to Prosecute, Settle and Compromise.**

The City's rights to object to, oppose and defend against all Claims on any basis are fully preserved. As of the Effective Date, only the City shall have the authority to File, settle, compromise, withdraw or litigate to judgment objections to Claims, including pursuant to the ADR Procedures or any similar procedures approved by the Bankruptcy Court. Any objections to Claims shall be Filed no later than the Claims Objection Bar Date. On and after the Effective Date, the City may settle or compromise any Disputed Claim or any objection or controversy relating to any Claim without any further notice or any action, order or approval of the Bankruptcy Court.

**2. Expungement or Adjustment of Claims Without Objection.**

Any Claim that has been paid, satisfied or superseded shall be expunged from the Claims Register by the Claims and Balloting Agent at the request of the City, and any Claim that has been amended by the Holder of such Claim shall be adjusted on the Claims Register by the Claims and Balloting Agent at the request of the City, without the Filing of an objection and without any further notice or any action, order or approval of the Bankruptcy Court.

**3. Extension of Claims Objection Bar Date.**

Upon motion by the City to the Bankruptcy Court, the City may request, and the Bankruptcy Court may grant, an extension to the Claims Objection Bar Date generally or with respect to specific Claims. Any extension granted by the Bankruptcy Court shall not be considered to be a modification to the Plan under section 1127 of the Bankruptcy Code.

**4. Authority to Amend List of Creditors.**

The City will have the authority to amend the List of Creditors with respect to any Claim and to make Distributions based on such amended List of Creditors without approval of the Bankruptcy Court. If any such amendment to the List of Creditors reduces the amount of a Claim or changes the nature or priority of a Claim, the City will provide the Holder of such Claim with notice of such amendment and such Holder will have 20 days to File an objection to such amendment with the Bankruptcy Court. If no such objection is Filed, the Disbursing Agent may proceed with Distributions based on such amended List of Creditors without approval of the Bankruptcy Court.

**ARTICLE VII  
RETENTION OF JURISDICTION**

Pursuant to sections 105(c), 945 and 1142(b) of the Bankruptcy Code and notwithstanding entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 9 Case and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

A. Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the amount, allowance, priority or classification of Claims;

B. Confirm the maturity date and the terms as written of the collective bargaining agreements identified on Exhibit II.D.5 of the Plan, which agreements are incorporated as part of the Plan (it being understood that the enforcement, interpretation and resolution of disputes of the terms of the contracts shall proceed under applicable state law);

C. Resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease and to hear, determine and, if necessary, liquidate any Claims arising therefrom, including claims for payment of any cure amount;

D. Ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

E. Adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, and grant or deny any applications involving the City that may be pending on the Effective Date or brought thereafter;

F. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

G. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;

H. Approve any modification of the Plan or approve any modification of the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any order, the Plan, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or the Confirmation Order, or enter any order in aid of confirmation pursuant to sections 945 and 1142(b) of the Bankruptcy Code, in such manner as may be necessary or appropriate to consummate the Plan;

I. Issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

J. Adjudicate, decide or resolve any matters relating to the City's compliance with the Plan and the Confirmation Order consistent with section 945 of the Bankruptcy Code;

K. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or Distributions pursuant to the Plan are enjoined or stayed;

L. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

M. Resolve any matters, cases, controversies, suits or disputes that may arise in connection with the FGIC Development Agreement;

N. Resolve any matters, cases, controversies, suits or disputes that may arise in connection with the Syncora Development Agreement;

O. Enforce or clarify any orders previously entered by the Bankruptcy Court in the Chapter 9 Case;

P. Enter a final decree closing the Chapter 9 Case pursuant to section 945(b) of the Bankruptcy Code; and

Q. Hear any other matter over which the Bankruptcy Court has jurisdiction under the provisions of the Bankruptcy Code and the Bankruptcy Rules subject to any limits on the Bankruptcy Court's jurisdiction and powers under sections 903 and 904 of the Bankruptcy Code.

## **ARTICLE VIII MISCELLANEOUS PROVISIONS**

### **A. Plan Supplements.**

All Plan Supplements not previously filed will be Filed no later than ten days before the Confirmation Hearing.

### **B. Modification of the Plan.**

Subject to section 942 and 1127(d) of the Bankruptcy Code, the City may alter, amend or modify the Plan or the Exhibits at any time prior to or after the Confirmation Date but prior to the substantial consummation of the Plan. A Holder of a Claim that has accepted the Plan shall be deemed to have accepted the Plan as altered, amended or modified so long as the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

### **C. Revocation of the Plan.**

The City reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the City revokes or withdraws the Plan, or if the Confirmation Date does not occur, then the Plan shall be null and void in all respects, and nothing contained in the Plan, nor any action taken or not taken by the City with respect to the Plan, the Disclosure Statement or the Confirmation Order, shall be or shall be deemed to be: (1) a waiver or release of any claims by or against the City; (2) an admission of any sort by the City or any other party in interest, or (3) prejudicial in any manner to the rights of the City or any other party in interest.

### **D. Severability of Plan Provisions.**

If any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, in each case at the election of and with the consent of the City, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the City's consent; and (3) non-severable and mutually dependent.

### **E. Effectuating Documents and Transactions.**

The City is authorized to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan and any notes or securities issued pursuant to the Plan. All such actions shall be deemed to have occurred and shall be in effect pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any requirement of further action by the City Council, the Emergency Manager, the Mayor or any employees or officers of the City. On the Effective Date, the appropriate employees and officers of the City are authorized and directed to execute and deliver the agreements, documents and instruments contemplated

by the Plan, and to take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan, in the name and on behalf of the City.

**F. Successors and Assigns.**

Except as expressly provided otherwise in the Plan, the rights, benefits and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, Affiliate, representative, beneficiary or guardian, if any, of each Entity.

**G. Plan Controls.**

In the event and to the extent that any provision of the Plan is inconsistent with the provisions of the Disclosure Statement, the provisions of the Plan shall control and take precedence.

**H. Notice of the Effective Date.**

On or before ten Business Days after occurrence of the Effective Date, the City shall mail or cause to be mailed to all Holders of Claims a notice that informs such Holders of (1) entry of the Confirmation Order; (2) the occurrence of the Effective Date; (3) the assumption and rejection of Executory Contracts and Unexpired Leases pursuant to the Plan, as well as the deadline for the filing of Claims arising from such rejection; (4) the deadline for the filing of Administrative Claims; and (5) such other matters as the City deems to be appropriate.

**I. Governing Law.**

Unless (1) a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or (2) otherwise specifically stated herein or in any contract, articles or certificates of incorporation, bylaws, codes of regulation, ordinance, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the laws of the State of Michigan, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction and implementation of the Plan and any contract, articles or certificates of incorporation, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan.

**J. Request for Waiver of Automatic Stay of Confirmation Order.**

The Plan shall serve as a motion seeking a waiver of the automatic stay of the Confirmation Order imposed by Bankruptcy Rule 3020(e). Any objection to this request for waiver shall be Filed and served on the parties listed in Section VIII.L on or before the Voting Deadline.

**K. Term of Existing Injunctions and Stays.**

**All injunctions or stays provided for in the Chapter 9 Case under sections 105, 362 or 922 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.**

**L. Service of Documents.**

Any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to (1) the City and (2) the Retiree Committee must be sent by overnight delivery service, facsimile transmission, courier service or messenger to:

**1. The City**

David G. Heiman, Esq.  
Heather Lennox, Esq.  
Thomas A. Wilson, Esq.  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212

Bruce Bennett, Esq.  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 243-2382  
Facsimile: (213) 243-2539

Jonathan S. Green, Esq.  
Stephen S. LaPlante, Esq.  
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500

(Counsel to the City)

**2. The Retiree Committee**

Claude Montgomery, Esq.  
Carole Neville, Esq.  
DENTONS US LLP  
1221 Avenue of the Americas  
New York, New York 10020  
Telephone: (212) 768-6700  
Facsimile: (212) 768-6800

Sam J. Alberts, Esq.  
DENTONS US LLP  
1301 K Street NW, Suite 600, East Tower  
Washington, DC 20005-3364  
Telephone: (202) 408-6400  
Facsimile: (202) 408-6399





**APPENDIX II**

**CONFIRMATION NOTICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|                            |   |  |                       |
|----------------------------|---|--|-----------------------|
|                            | X |  |                       |
|                            | : |  |                       |
| In re                      | : |  | Chapter 9             |
|                            | : |  |                       |
| CITY OF DETROIT, MICHIGAN, | : |  | Case No. 13-53846     |
|                            | : |  |                       |
| Debtor.                    | : |  | Hon. Steven W. Rhodes |
|                            | : |  |                       |
|                            | : |  |                       |
|                            | X |  |                       |

**NOTICE OF (I) ENTRY OF ORDER CONFIRMING EIGHTH  
AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE  
CITY OF DETROIT AND (II) OCCURRENCE OF EFFECTIVE DATE**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

**1. Confirmation of the Plan and Occurrence of the Effective Date.**

On \_\_\_\_\_, 2014, the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") entered an order (Docket No. \_\_\_\_ ) (the "Confirmation Order") confirming the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (as it may have been amended, supplemented or modified, the "Plan"), in the above-captioned chapter 9 case of the City of Detroit, Michigan (the "City"). The Effective Date of the Plan occurred on \_\_\_\_\_, 201\_. Unless otherwise defined in this Notice, capitalized terms and phrases used herein have the meanings given to them in the Plan and the Confirmation Order.

**2. Discharge of Claims.**

a. Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan are in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, as of the Effective Date, the City is discharged from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt was Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt was allowed pursuant to section 502 of the Bankruptcy Code or (iii) the Holder of a Claim based on such debt accepted the Plan.

b. In accordance with the foregoing, except as expressly provided otherwise in the Plan or the Confirmation Order, the Confirmation Order is a judicial determination, as of the Effective Date, of a discharge of all debts of the City, pursuant to sections 524(a)(1), 524(a)(2) and 944(b) of the Bankruptcy Code, and such discharge voids any judgment obtained against the City at any time, to the extent that such judgment relates to a discharged debt; provided that, in accordance with section

944(c)(1) of the Bankruptcy Code, such discharge does not apply to (i) debts specifically exempted from discharge under the Plan; (ii) debts held by an Entity that, before the Confirmation Date, had neither notice nor actual knowledge of the Chapter 9 Case; (iii) claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983; or (iv) Claims of (A) T&T Management, Inc., (B) HRT Enterprises and (C) the John W. and Vivian M. Denis Trust related to condemnation or inverse condemnation actions against the City alleging that the City has taken private property without just compensation in violation of the Takings Clause of the Fifth Amendment to the United States Constitution.

### 3. Releases.

a. General Releases by Holders of Claims. Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement), each holder of a Claim that voted in favor of the Plan, to the fullest extent permissible under law, is deemed to forever release, waive and discharge (which release will be in addition to the release and discharge of Claims otherwise provided herein and under the Confirmation Order and the Bankruptcy Code):

i. all Liabilities in any way relating to the City, the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), the Plan, the Exhibits or the Disclosure Statement, in each case that such holder has, had or may have against the City or its current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity (and, in addition to and without limiting the foregoing, in the case of any Emergency Manager, in such Emergency Manager's capacity as an appointee under PA 436); provided further, for the avoidance of doubt, that any person or entity designated to manage the Chapter 9 Case for the City after the Emergency Manager's term is terminated, whether such person or entity acts as an employee, advisor or contractor to the City or acts as an employee, agent, contractor or appointee of the State under any applicable state law, shall be treated the same as an employee of the City hereunder; and

ii. all Liabilities in any way relating to (A) Claims that are compromised, settled or discharged under or in connection with the Plan, (B) the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), (C) the Plan, (D) the Exhibits, (E) the Disclosure Statement or (F) the DIA Settlement, in each case that such holder has, had or may have against the City's Related Entities, the State, the State Related Entities and the Released Parties; provided, however, that any such Liability of the Foundations, the DIA Funders and the CFSEM Supporting Organization and their Related Entities are released only to the extent that such Liability, if any, arises from any such entity's participation in the DIA Settlement;

provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; provided, further, that nothing in Section III.D.7.a of the Plan shall release (i) the City's obligations under the Plan or (ii) any defenses that any party may have against the City, its Related Entities, the State, the State Related Entities or the Released Parties. Notwithstanding anything in the Plan or the Confirmation Order to the contrary, claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 shall not be released.

b. Release by Holders of Pension Claims. Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases,

agreements or documents entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement), if the State Contribution Agreement is consummated, each holder of a Pension Claim is deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law or the Plan, or, with respect to pensions only, GRS or PFRS.

Notwithstanding Sections III.D.5-7 and IV.L of the Plan, except as set forth in the COP Swap Settlement, nothing in the Plan or the Confirmation Order shall or shall be deemed to provide a release by the COP Swap Counterparties of any Liabilities related to the COPs, the COP Service Corporations, the Transaction Documents (as defined in the COP Swap Settlement), the COP Swap Settlement or the COP Swap Settlement Approval Order. For the avoidance of doubt, notwithstanding Section III.D.6 of the Plan, a vote of DWSD Bond Claims or DWSD Revolving Bond Claims in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to Section III.D.7 of the Plan by a Holder of any such DWSD Bond Claims, a Holder of any such DWSD Revolving Bond Claims or the Bond Insurer insuring any such Claims of any Liabilities against the City or its Related Entities that do not arise in connection with the DWSD Bonds or the DWSD Revolving Bonds. For the further avoidance of doubt, notwithstanding anything in the Plan to the contrary, a vote of a Claim other than a DWSD Bond Claim or DWSD Revolving Bond Claim in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to Section III.D.7 of the Plan by a Holder of any such voted Claim or the Bond Insurer insuring such voted Claim of any Liabilities against the City or any other Entity arising in connection with the DWSD Bonds or DWSD Revolving Bonds.

#### 4. Injunctions.

**On the Effective Date, except as otherwise provided in the Plan or in the Confirmation Order:**

a. **All Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims asserted against officers or employees of the City in their official capacity, along with their Related Entities, are permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order): (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims and (C) Indirect Employee Indemnity Claims asserted against officers or employees of the City in their official capacity); (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly,**

any encumbrance of any kind against the City or its property; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property; (v) proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth therein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and (vi) taking any actions to interfere with the implementation or consummation of the Plan. Notwithstanding anything in the Plan or the Confirmation Order to the contrary, claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 are not enjoined. In addition, all individuals affected by the AFS Recoupment are enjoined from commencing any proceeding against the GRS and its trustees, officers, employees or professionals arising from GRS's compliance with the Plan or this Order.

b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan are permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. Notwithstanding the foregoing and without limiting the injunctions in sub-paragraph 4(a) above, the Holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to Indirect 36th District Court Claims to the extent such Claims are not satisfied pursuant to the Plan.

## 5. Treatment of Executory Contracts and Unexpired Leases.

a. Assumption. Except for Executory Contracts and Unexpired Leases rejected in the Plan or by other court order, or as requested in any motion Filed by the City on or prior to the Effective Date, as of the Effective Date, pursuant to section 365 of the Bankruptcy Code, the City has been deemed to assume all Executory Contracts and Unexpired Leases to which it is a party. Notwithstanding the foregoing, Retirement System Indemnity Obligations have not been assumed under the Plan and have been discharged. For the avoidance of doubt, the City has assumed the Tunnel Lease pursuant to Section II.D.1 of the Plan.

b. Assumption of Ancillary Agreements. Each Executory Contract and Unexpired Lease assumed pursuant to Section II.D.1 of the Plan includes any modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such Executory Contract or Unexpired Lease, unless any such modification, amendment, supplement, restatement or other agreement is rejected pursuant to Section II.D.6 of the Plan or designated for rejection in accordance with Section II.D.3 of the Plan.

c. Approval of Assumptions and Assignments. The Confirmation Order constitutes an order of the Bankruptcy Court approving the assumption of Executory Contracts and Unexpired Leases pursuant to Sections II.D.1 and II.D.2 of the Plan (and any related assignment) as of the

Effective Date, except for Executory Contracts or Unexpired Leases that (a) have been rejected pursuant to a Final Order of the Bankruptcy Court, (b) are subject to a pending motion for reconsideration or appeal of an order authorizing the rejection of such Executory Contract or Unexpired Lease, (c) are subject to a motion to reject such Executory Contract or Unexpired Lease Filed on or prior to the Effective Date, (d) are rejected pursuant to Section II.D.6 of the Plan or (e) are designated for rejection in accordance with the last sentence of this paragraph. The City has provided separate notice to each party whose Executory Contract or Unexpired Lease is being assumed pursuant to the Plan of: (a) the Executory Contract or Unexpired Lease being assumed; (b) the Cure Amount Claim, if any, that the City believes it would be obligated to pay in connection with such assumption; (c) any assignment of an Executory Contract or Unexpired Lease; and (d) the procedures for such party to object to the assumption of the applicable Executory Contract or Unexpired Lease, the amount of the proposed Cure Amount Claim or any assignment of an Executory Contract or Unexpired Lease are set forth in the Contract Procedures Order (Docket No. 6512). If an objection to a proposed assumption, assumption and assignment or Cure Amount Claim is not resolved in favor of the City, the applicable Executory Contract or Unexpired Lease may be designated by the City for rejection, which shall be deemed effective as of the Effective Date.

d. Payments Related to the Assumption of Executory Contracts and Unexpired Leases. To the extent that such Claims constitute monetary defaults, the Cure Amount Claims associated with each Executory Contract or Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, at the option of the City: (a) by payment of the Cure Amount Claim in Cash on the Effective Date or (b) on such other terms as are agreed to by the parties to such Executory Contract or Unexpired Lease. If there is a dispute regarding: (a) the amount of any Cure Amount Claim, (b) the ability of the City or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (c) any other matter pertaining to the assumption of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code will be made within 30 days following the entry of a Final Order resolving the dispute and approving the assumption.

e. Contracts and Leases Entered Into After the Petition Date. Contracts, leases and other agreements entered into after the Petition Date by the City, including (a) any Executory Contracts or Unexpired Leases assumed by the City and (b) the collective bargaining agreements identified on Exhibit II.D.5 to the Plan, will be performed by the City in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

f. Rejection of Executory Contracts and Unexpired Leases. Each Executory Contract and Unexpired Lease that is listed on Exhibit II.D.6 to the Plan was deemed rejected as of the Effective Date pursuant to section 365 of the Bankruptcy Code. The Confirmation Order constitutes an order of the Bankruptcy Court approving such rejections, pursuant to section 365 of the Bankruptcy Code, as of the later of: (a) the Effective Date or (b) the resolution of any objection to the proposed rejection of an Executory Contract or Unexpired Lease. Each contract or lease listed on Exhibit II.D.6 to the Plan is rejected only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit II.D.6 to the Plan does not constitute an admission by the City that such contract or lease is an Executory Contract or Unexpired Lease or that the City has any liability thereunder. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan shall be treated as Class 14 Claims (Other Unsecured Claims), subject to the provisions of section 502 of the Bankruptcy Code.

g. Rejection Damages Bar Date. Except as otherwise provided in a Final Order of the Bankruptcy Court approving the rejection of an Executory Contract or

**Unexpired Lease, Claims arising out of the rejection of an Executory Contract or Unexpired Lease must be Filed with the Bankruptcy Court and served upon counsel to the City on or before the later of: (a) 45 days after the Effective Date, i.e., \_\_\_\_\_, 20\_\_; or (b) 45 days after such Executory Contract or Unexpired Lease is rejected pursuant to a Final Order or designated for rejection in accordance with Section II.D.3 of the Plan. Any Claims not Filed within such applicable time periods will be forever barred from receiving a Distribution from, and shall not be enforceable against, the City. Proof of claim forms and instructions for filing claims can be found at the City's restructuring website, <https://www.kccllc.net/detroit>.**

h. Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases. Pursuant to section 365(g) of the Bankruptcy Code, rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall constitute a breach of such contract or lease and not a termination thereof, and all obligations owing to the City under such contract or lease as of the date of such breach shall remain owing to the City upon rejection. Notwithstanding any applicable non-bankruptcy law to the contrary, the City expressly reserves and does not waive any right to receive, or any continuing obligation of a non-City party to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased, or services previously received, by the City from non-City parties to rejected Executory Contracts or Unexpired Leases, and any such rights shall remain vested in the City as of the Effective Date.

i. Insurance Policies. From and after the Effective Date, each of the City's insurance policies (other than welfare benefits insurance policies) in existence as of or prior to the Effective Date are reinstated and continue in full force and effect in accordance with their terms and, to the extent applicable, are deemed assumed by the City pursuant to section 365 of the Bankruptcy Code and Section II.D.1 of the Plan. Nothing contained in the Plan shall constitute or be deemed a waiver of any Causes of Action that the City may hold against any Entity, including any insurer under any of the City's insurance policies. For the avoidance of doubt, nothing contained in Section II.D.9 of the Plan shall apply to reinstate or continue any obligation of the City or any fund thereof to any Bond Insurer.

## **6. Payment of Administrative Claims.**

a. Administrative Claims in General. Except as specified in Section II.A.1 of the Plan, and subject to the bar date provisions therein, unless otherwise agreed by the Holder of an Administrative Claim and the City, or ordered by the Bankruptcy Court, each Holder of an Allowed Administrative Claim will receive, in full satisfaction of such Allowed Administrative Claim, Cash in an amount equal to such Allowed Administrative Claim either: (1) on the Effective Date or as soon as reasonably practicable thereafter; or (2) if the Administrative Claim is not Allowed as of the Effective Date, 30 days after the date on which such Administrative Claim becomes an Allowed Claim. No Claim of any official or unofficial creditors' committee or any member thereof for professionals' fees or other costs and expenses incurred by such creditors' committee or by a member of such creditors' committee shall constitute an Allowed Administrative Claim, except that the Retiree Committee's members and the Retiree Committee Professionals shall be entitled to payment in accordance with the Fee Review Order and any additional fee process established by the Court.

## **7. Bar Dates for Administrative Claims.**

a. General Bar Date Provisions. Except as otherwise provided in subparagraphs 7(b) or 7(c) below or in a Bar Date Order or other order of the Bankruptcy Court, unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the City no later than 45 days after the Effective Date, i.e., \_\_\_\_\_, 20\_\_. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve such a request by the applicable Bar Date will

be forever barred from asserting such Administrative Claims against the City or its property, and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the City and the requesting party by the later of (i) 150 days after the Effective Date, *i.e.*, \_\_\_\_\_, 20\_\_ , (ii) 60 days after the Filing of the applicable request for payment of Administrative Claims or (iii) such other period of limitation as may be specifically fixed by a Final Order for objecting to such Administrative Claims.

b. **Ordinary Course Claims.** Holders of Claims based on Liabilities incurred by the City after the Petition Date in the ordinary course of its operations are not required to File or serve any request for payment or application for allowance of such Claims. Such Claims will be paid by the City, pursuant to the terms and conditions of the particular transaction giving rise to such Claims, without further action by the Holders of such Claims or further action or approval of the Bankruptcy Court.

c. **Claims Under the Postpetition Financing Agreement.** Holders of Administrative Claims that are Postpetition Financing Claims are not required to File or serve any request for payment or application for allowance of such Claims. Such Administrative Claims will be satisfied as set forth in subparagraph 7(b) above.

d. **No Modification of Bar Date Order.** The Plan does not modify any other Bar Date Order, including Bar Dates for Claims entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

#### 8. ASF Recoupment Cash Option.

a. **ASF Recoupment Cash Option Election.** No later than seven days following the Effective Date, *i.e.*, \_\_\_\_\_, 20\_\_, the City, through its Claims and Balloting Agent, will send the ASF Election Notice and the ASF Election Form by first-class U.S. mail to each ASF Distribution Recipient. The ASF Election Notice will notify ASF Distribution Recipients that each ASF Distribution Recipient may elect to pay the total amount of his or her ASF Recoupment in a single lump sum by timely returning a properly-completed ASF Election Form. The ASF Election Form will explain that the amount of the ASF Recoupment Cash Payment shall be equal to the total amount of ASF Recoupment shown on the ASF Distribution Recipient's Ballot, unless the aggregate amount of ASF Recoupment for all ASF Distribution Recipients electing the ASF Recoupment Cash Option exceeds \$30,000,000, in which case (i) the ASF Recoupment Cash Payment will be the ASF Distribution Recipient's Pro Rata portion of \$30,000,000, and (ii) the remaining portion of the ASF Distribution Recipient's ASF Recoupment will be annuitized and deducted from the ASF Distribution Recipient's monthly pension check, as provided for in Section II.B.3.r.ii.D.2.i of the Plan. *An ASF Distribution Recipient must return his or her ASF Election Form to the Claims and Balloting Agent so that it is actually received by the Claims and Balloting Agent by the ASF Election Date, i.e., 35 days after the date on which the ASF Election Form is mailed.*

b. **ASF Recoupment Cash Payment.** GRS will mail the ASF Final Cash Payment Notice no later than 14 days after the ASF Election Date. The ASF Final Cash Payment Notice is a notice that will be sent to each ASF Distribution Recipient who timely elects the ASF Recoupment Cash Option, and will indicate the amount of such ASF Distribution Recipient's ASF Recoupment Cash Payment. *ASF Distribution Recipients shall have until the ASF Final Cash Payment Date – i.e., the later of (i) 90 days after the Effective Date, i.e., \_\_\_\_\_, 20\_\_ or (ii) 50 days after the date of mailing of an ASF Final Cash Payment Notice – to make the ASF Recoupment Cash Payment, which payment must be made by cashier's check or wire transfer and may not be made by personal check. If an ASF Distribution Recipient's ASF Recoupment Cash Payment is not received by the ASF Final Cash Payment Date, GRS will notify the ASF Distribution Recipient of the failure to timely pay, and*

*ASF Recoupment will be effected through diminution of such recipient's monthly pension check, as provided for in Section II.B.3.r.ii.D.2.i of the Plan.* The calculation of each electing ASF Distribution Recipient's ASF Recoupment Cash Payment shall not be adjusted under any circumstances, including as a result of default by any other electing ASF Distribution Recipient to remit his or her ASF Recoupment Cash Payment by the ASF Final Cash Payment Date.

**9. Copies of the Plan and Confirmation Order.** Copies of the Plan, Confirmation Order and all other documents Filed in the Chapter 9 Case may be obtained, free of charge, from the City's restructuring website at <https://www.kccllc.net/detroit> or from Kurtzman Carson Consultants LLC by calling (877) 298-6236 (toll-free).

BY ORDER OF THE COURT

David G. Heiman (OH 0038271)  
Heather Lennox (OH 0059649)  
Thomas A. Wilson (OH 0077047)  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212  
dgheiman@jonesday.com  
hlennox@jonesday.com  
tawilson@jonesday.com

Bruce Bennett (CA 105430)  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 243-2382  
Facsimile: (213) 243-2539  
bbennett@jonesday.com

Jonathan S. Green (MI P33140)  
Stephen S. LaPlante (MI P48063)  
MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500  
green@millercanfield.com  
laplante@millercanfield.com

ATTORNEYS FOR THE CITY

**CERTIFICATE OF SERVICE**

I, Heather Lennox, hereby certify that the foregoing Notice of (I) Entry of Order Confirming Eighth Amended Plan for the Adjustment of Debts of the City of Detroit and (II) Occurrence of Effective Date was filed and served via the Court's electronic case filing and noticing system on this \_\_\_\_ day of \_\_\_\_\_, 201\_.

/s/ Heather Lennox \_\_\_\_\_

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Honorable Thomas J. Tucker  
Chapter 9

**CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE PLAN OF ADJUSTMENT INJUNCTION AND THE  
BAR DATE ORDER AGAINST RODRICK SINER**

The City of Detroit, Michigan (“City”), by its undersigned counsel, files its Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner (“Motion”). In support of this Motion, the City respectfully states as follows:

**I. Introduction**

1. On October 8, 2015, Rodrick Siner (“Siner”) filed a lawsuit in the United States District Court for the Eastern District of Michigan, against the City seeking monetary damages on account of a pre-petition claim (Case No. 2:15-cv-13532) (“District Court Lawsuit”). The filing and prosecution of the District Court Lawsuit violates both the Bar Date Order (as defined in paragraph 4 below) and the injunction set forth in the confirmed Plan (as defined in paragraph 7 below). Consequently, the City seeks an order barring and permanently enjoining Siner from asserting and prosecuting the claims described in the District Court Lawsuit against the City or property of the City.

## II. Background

### A. The City's Bankruptcy Case

2. On July 18, 2013 ("Petition Date"), the City filed this chapter 9 case.
3. On October 10, 2013, the City filed its Motion Pursuant to Section 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof ("Bar Date Motion"). [Doc. No. 1146].
4. On November 21, 2013, this Court entered an order approving the Bar Date Motion ("Bar Date Order"). [Doc. No. 1782]. The Bar Date Order established February 21, 2014 ("General Bar Date") as the deadline for filing claims against the City. Paragraph 6 of the Bar Date Order states that the

following entities must file a proof of claim on or before the Bar Date...any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment proposed by the City...

Bar Date Order ¶ 6.

5. Paragraph 22 of the Bar Date Order also provided that:

Pursuant to sections 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), **any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date,**

**shall be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City** that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an “Unscheduled Claim”); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

Bar Date Order ¶ 22 (emphasis added).

6. In accordance with the Bar Date Order, notice of the General Bar Date was published in the Detroit News, the Detroit Free Press, USA Today and the Wall Street Journal. [Doc. Nos. 3007, 3008, 3009].

7. On October 22, 2014, the City filed its Eighth Amended Plan of the Adjustment of Debts of the City of Detroit (October 22, 2014) (“Plan”). [Doc. No. 8045].

8. On November 12, 2014, this Court entered an order confirming the Plan (“Confirmation Order”). [Doc. No. 8272].

9. The discharge provision in the Plan provides

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or

other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (ii) the Holder of a Claim based on such debt has accepted the Plan.

Plan, Art. III.D.4.

10. The Plan injunction set forth in Article III.D.5 also provides in pertinent part:

### **Injunction**

**On the Effective Date, except as otherwise provided herein or in the Confirmation Order,**

**a. all Entities that have been, are or may be holders of Claims against the City...shall be permanently enjoined from taking any of the following actions against or affecting the City or its property...**

**1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affect the City of its property...**

**5. proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and**

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

Plan, Article III.D.5 (emphasis supplied).

11. The Court retained jurisdiction to enforce the Plan injunction and to resolve any suits that may arise in connection with the consummation, interpretation or enforcement of the Plan. Plan, Art. VII. F, G, I.

**B. Siner Files a Complaint in District Court in 2015 Based on an Alleged Civil Rights Violation in 2010**

12. On October 8, 2015, Siner filed a complaint, pro se, ("Complaint"), initiating the District Court Lawsuit against the City and four John Doe police officers in their individual and official capacity. The Complaint is attached as Exhibit 6A.

13. In the Complaint, Siner alleges he suffered a violation of his Constitutional rights related to filing of an arrest warrant by the Detroit Police Department on April 13, 2010 on criminal charges that were later dismissed. Complaint §§ II-III.

14. The City has appeared in the District Court Lawsuit and has filed an answer to the Complaint. *See* Exhibits 6B and 6C.

**III. Argument**

15. Siner violated the Plan injunction and discharge provisions when he filed the District Court Lawsuit asserting his claims against the City and the John Doe officers in their official capacity. Pursuant to the Plan, Siner's claims against the City and the John Doe officers in their official capacity are discharged and he is

enjoined from, among other things, commencing any action against the City or the John Doe officers with respect to those claims. Plan, Art. III.D.4; Plan, Art. III.D.5.

16. Siner is also barred, estopped and enjoined from asserting any claim against the City or property of the City under the Bar Date Order because he did not file a proof of claim. Bar Date Order ¶ 22. Consequently, this Court should enter an order requiring the dismissal with prejudice Siner's claims against the City and the John Doe officers in their official capacity.

#### **IV. Conclusion**

17. The City respectfully requests that this Court enter an order in substantially the same form as the one attached as Exhibit 1, (a) granting the Motion; (b) requiring Siner to dismiss, or cause to be dismissed, with prejudice his claims against the City and the John Doe officers in their official capacity in the District Court Lawsuit; and (d) permanently barring, estopping and enjoining Siner from asserting any claims described in the District Court Lawsuit, or the alleged conduct forming the basis of the District Court Lawsuit, against the City or property of the City or the John Doe officers in their official capacity. The City sought, but did not obtain, concurrence to the relief sought in the Motion.

DATED: May 11, 2016

Respectfully submitted,

By: /s/ Marc N. Swanson

Jonathan S. Green (P33140)

Marc N. Swanson (P71149)

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 496-7591

Facsimile: (313) 496-8451

green@millercanfield.com

[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

Charles N. Raimi (P29746)

Deputy Corporation Counsel

City of Detroit Law Department

2 Woodward Avenue, Suite 500

Coleman A. Young Municipal Center

Detroit, Michigan 48226

Telephone: (313) 237-5037

Facsimile: (313) 224-5505

raimic@detroitmi.gov

ATTORNEYS FOR THE CITY OF DETROIT

## EXHIBIT LIST

- Exhibit 1 Proposed Order
- Exhibit 2 Notice
- Exhibit 3 None
- Exhibit 4 Certificate of Service
- Exhibit 5 None
- Exhibit 6A Complaint
- Exhibit 6B City Appearance in Siner Case
- Exhibit 6C City's Answer to Complaint

**EXHIBIT 1 – PROPOSED ORDER**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Honorable Thomas J. Tucker<br>Chapter 9 |
|---|---|

**[PROPOSED] ORDER GRANTING CITY OF DETROIT’S MOTION FOR  
THE ENTRY OF AN ORDER ENFORCING THE PLAN OF  
ADJUSTMENT INJUNCTION AND THE BAR DATE ORDER AGAINST  
RODRICK SINER**

This matter, having come before the court on the City of Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner (“Motion”), upon proper notice and a hearing, the Court being fully advised in the premises, and there being good cause to grant the relief requested,

**THE COURT ORDERS THAT:**

1. The Motion is granted.
2. Within five days of the entry of this Order, Rodrick Siner shall dismiss, or cause to be dismissed, with prejudice his claims against the City of Detroit and the John Doe officers in their official capacity in Case No. 2:15-cv-13532 filed with the United States District Court for the Eastern District of

Michigan and captioned *Rodrick Siner v. City of Detroit and John Doe* (“District Court Lawsuit”).

3. Rodrick Siner is permanently barred, estopped and enjoined from asserting any claims described in the District Court Lawsuit, or the alleged conduct forming the basis of the Lawsuit, against the City of Detroit or property of the City of Detroit, in the District Court Lawsuit or in any other action or proceeding.

4. The Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**EXHIBIT 2 – NOTICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Honorable Thomas J. Tucker<br>Chapter 9 |
|---|---|

**NOTICE OF OPPORTUNITY TO RESPOND TO CITY OF DETROIT’S  
MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE PLAN OF  
ADJUSTMENT INJUNCTION AND THE BAR DATE ORDER AGAINST  
RODRICK SINER**

The City of Detroit has filed its Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney.**

If you do not want the Court to enter an Order granting the City of Detroit’s Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner, within 14 days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>1</sup>

United States Bankruptcy Court  
211 W. Fort St., Suite 1900  
Detroit, Michigan 48226

<sup>1</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

If you mail your response to the court for filing, you must mail it early enough so that the court will **receive** it on or before the date stated above. You must also mail a copy to:

Miller, Canfield, Paddock & Stone, PLC  
Attn: Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time, and location of that hearing.

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com

Dated: May 11, 2016

**EXHIBIT 3 – NONE**

**EXHIBIT 4 – CERTIFICATE OF SERVICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Honorable Thomas J. Tucker<br>Chapter 9 |
|---|---|

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on May 11, 2016 the foregoing City of Detroit's Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner was filed and served via the Court's electronic case filing and notice system and served upon the person listed below, via first class mail:

Rodrick Siner  
215956  
Limestone Correctional Facility  
28779 Nick Davis Road  
Harvest, AL 35749

DATED: May 11, 2016

By: /s/ Marc N. Swanson  
Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com

**EXHIBIT 5 – NONE**

**EXHIBIT 6A – COMPLAINT**

UNITED STATES DISTRICT COURT
for the
Eastern District of Michigan

Rodrick Siner,

Plaintiff,

v.

Detroit, City of, et al,

Defendant.

Civil Action No. 15-13532

Hon. Gershwin A. Drain

SUMMONS IN A CIVIL ACTION

To: Detroit, City of,
One Woodward Avenue
Detroit, MI 48226

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

If you fail to respond, judgment by default may be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DAVID J. WEAVER, CLERK OF COURT

By: \_\_\_\_\_
Signature of Clerk or Deputy Clerk

Date of Issuance: \_\_\_\_\_



## Summons and Complaint Return of Service

Case No. 15-13532  
Hon. Gershwin A. Drain

A copy of the Summons and Complaint has been served in the manner indicated below:

Name of Party Served: Detroit, City of

Date of Service: \_\_\_\_\_

### Method of Service

\_\_\_ Personally served at this address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_ Left copies at the usual place of abode with (name of person):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_ Other (specify):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_ Returned unexecuted (reason):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Service Fees:** Travel \$ \_\_\_\_\_ Service \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

### Declaration of Server

I declare under the penalty of perjury that the information contained in this Return of Service is true and correct.

Name of Server: \_\_\_\_\_

Signature of Server: \_\_\_\_\_

Date: \_\_\_\_\_

Server's Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DM  
No IFP

MIED (Rev. 03/11) Prisoner Civil Rights Complaint

| Official Use Only |       |                  |
|-------------------|-------|------------------|
| Case Number       | Judge | Magistrate Judge |

Case: 2:15-cv-13532  
 Judge: Drain, Gershwin A.  
 MJ: Majzoub, Mona K.  
 Filed: 10-08-2015 At 09:43 AM  
 PRIS Siner V. CITY OF DETROIT (DA)

**PRISONER CIVIL RIGHTS COMPLAINT**

This form is for use by state prisoners filing under 42 U.S.C. § 1983 and federal prisoners filing pursuant to *Bivens v. Six Unknown, Named Agents of Federal Bureau of Narcotics*, 403 U.S. 388 (1971).

| Plaintiff's Information   |                        |             |                   |
|---|------------------------|-------------|-------------------|
| Name<br>Adrick Siner / A.K.A. Robert Whitman  | Prisoner No.<br>215956 |             |                   |
| Place of Confinement<br>Kilby Correctional Facility   |                        |             |                   |
| Street<br>P.O. BOX 150  | City<br>Mt. Meigs      | State<br>AL | Zip Code<br>36057 |
| Are there additional plaintiffs? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |                        |             |                   |
| If yes, any additional plaintiffs to this action should be listed on a separate 8 1/2" x 11" sheet of paper and securely attached to the back of this complaint. You must provide names, prisoner numbers and addresses for all plaintiffs. |                        |             |                   |

| Defendant's Information  |                       |             |                   |
|--|-----------------------|-------------|-------------------|
| Name<br>City of Detroit  | Position<br>Municipal |             |                   |
| Street/P.O. Box<br>2 Woodward Ave.   | City<br>Detroit       | State<br>MI | Zip Code<br>48226 |
| Are you suing this defendant in his/her: <input type="checkbox"/> Personal Capacity <input type="checkbox"/> Official Capacity <input checked="" type="checkbox"/> Both Capacities   |                       |             |                   |
| Are you suing more than one defendant? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |                       |             |                   |
| If yes, any additional defendants to this action should be listed on a separate 8 1/2" x 11" sheet of paper and securely attached to the back of this complaint. You must provide their names, positions, current addresses and the capacity (personal, official or both) in which you are suing them. |                       |             |                   |

MIED (Rev. 03/11) Prisoner Civil Rights Complaint

**I. PREVIOUS LAWSUITS**

Have you filed any other lawsuits in state or federal court relating to your imprisonment?

Yes  No

If "Yes," complete the following section. If "No," proceed to Part II.

Please list all prior civil actions or appeals that you have filed in federal court while you have been incarcerated.

|   |
|---|
| <b>Docket or Case Number:</b>             |
| <b>Name of Court:</b>                     |
| <b>Parties (Caption or Name of Case):</b> |
| <b>Disposition:</b>                       |

|   |
|---|
| <b>Docket or Case Number:</b>             |
| <b>Name of Court:</b>                     |
| <b>Parties (Caption or Name of Case):</b> |
| <b>Disposition:</b>                       |

|   |
|---|
| <b>Docket or Case Number:</b>             |
| <b>Name of Court:</b>                     |
| <b>Parties (Caption or Name of Case):</b> |
| <b>Disposition:</b>                       |

**Any additional civil actions should be listed on a separate sheet of 8½" x11" paper and securely attached to the back of this complaint.**

### II. STATEMENT OF FACTS

State here, as briefly as possible, the facts of your case. Describe how each defendant is involved. Include the names of other people, dates and places involved in the incident. Do not give any legal arguments or cite any cases or statutes.

On 4/13/2010 Officer John Doe of the Detroit Police Department Eastern District, who name is currently unknown to the Plaintiff, filed for an arrest warrant either knowingly or in reckless disregard for the truth, causing the Plaintiff to be arrested for Assault with Intent to Murder, Weapons-Firearms-Possession by Felon, Assault with a Dangerous Weapon (Felonies Assault), and Weapons Felony Firearm, in case NO. 12-007235-01-FC. When Officer John Doe filed for an arrest warrant, he was a person who was acting under color of state law.  
(Continue attached)

### III. STATEMENT OF CLAIMS

State what rights under the Constitution, laws, or treaties of the United States have been violated, and be specific. Set forth each claim in a separate paragraph. If you intend to allege several related claims, number and set forth each claim on a separate 8½" x 11" sheet of paper and securely attach the papers to the back of this complaint.

Claim (1) Violation of Fourth Amendment for Malicious Prosecution.  
(a) A Criminal prosecution was initiated against Plaintiff for Assault with Intent to Murder, Weapons Firearms-Possession by Felon, Assault with a Dangerous Weapon (Felonies Assault), and Weapons Felony Firearms. Which Detective John Doe caused a warrant to be issued for the arrest of Plaintiff. Detective John Doe initiated, influence, or participated in the decision to prosecute Plaintiff.  
(b) There was no probable cause to arrest the Plaintiff. There was no investigation of any crime scene or the alleged car that was allegedly involved in the crime. Detective John Doe, nor the Detroit Police Department Eastern District conduct a  
(Continue attached)

### IV. RELIEF

State briefly and exactly what you want the Court to do for you.

Order the Defendants to reimburse Plaintiff for bond fees 10% percent of \$100,000 thousand dollars,

MIED (Rev. 03/11) Prisoner Civil Rights Complaint

\$3,500 hundred dollars for attorney fees, and a additional 1,000,000 million dollars for defamation of character, emotional, mental and ~~psy~~ pysical stress and damage and suffering, Compensatory and punitive damages.

What ever other relief this court deems necessary.

I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct.

Executed (signed) on 9-28-2015 (date).

Rodrick Sines

Signature of Plaintiff

(A.K.A. Robert Whitman # 215956)

CONTINUE OF  
STATEMENT OF FACTS

Plaintiff, who is on parole in the state of Alabama, and was residing in the state of Alabama at the time the complaint and warrant was filed for his arrest. Defendant John Doe contacted Plaintiff parole officer (Rikard), and advised the parole officer about the complaint made against Plaintiff. When Plaintiff reported for his monthly visit with his parole officer, who advised Plaintiff about the complaint made against him in Detroit. Which was Plaintiff first time being aware of complaint. Plaintiff denied the allegations, and told his parole officer that he was not in Detroit at the time of the alleged complaint. Karen Rikard (Parole officer) gave Plaintiff the phone number of Detective John Doe, then told Plaintiff to contact the detective. Plaintiff parole officer warned him, that if the detective put out a warrant for his arrest, that she will have to violate Plaintiff's parole.

Plaintiff, contacted Detective John Doe,

who informed Plaintiff that a Rolando Farris had made a complaint against him, and advise plaintiff of the allegations contained in the complaint. Plaintiff denied the allegations contained in the complaint, and advise Detective John Doe that he was not even in Detroit, that Rolando Farris had filed a false report. Plaintiff informed the Detective John Doe, that Rolando Farris is his (Plaintiff's) cousin boyfriend. That Rolando Farris and Ebony Cunningham (Plaintiff's cousin), are angry with Plaintiff because he refuse to sign over his share of property that Plaintiff and Ebony inherent, giving Ebony full ownership. Because Ebony and Rolando have been living in the property, maintaining it, and paying the property taxes. Detective John Doe the stated.

"That he was waiting on Rolando Farris to bring him the evidence to support the complaint, but it all sound like some bullshit, but if Rolando produce the evidence, he will be putting out a warrant for my arrest."

Detective John Doe let Rolando Farris fabricate his own evidence to support the

Complaint. Detective John Doe let Rolando Farris return said evidence to the Police Department on a later date. However, said evidence that Rolando Farris provided Detective John Doe, was from another crime scene and investigation that Rolando Farris was involved in, that happen in Savannah, Tennessee. Detective John Doe, or the Detroit Police Department Eastern District, did not conduct a independant investigation. Detective John Doe let Rolando Farris fabricate his own evidence with disregard for the truth and failure to adequately investigate, causing a warrant to be issued for the arrest of Plaintiff for the charges mention in this complaint, causing Plaintiff to be falsely arrested, false imprisonment, Malicious prosecution, and defamation of character.

Detective John Doe who is a employee of the city of Detroit Police Department in which municipal custom, policy, and inadequacy of Police Training contribute to the deliberate indifference of federal rights of Plaintiff. Plaintiff attributes the

alleged failings of Detective John Doe to insufficient supervision and training. Defendants John Doe 2 (Commander), John Doe 3 (Deputy Chief), and John Doe 4 (Chief of Police) acted in accordance with the City's custom, policy, and practice of (1) "not engaging in any systematic supervision or review of detectives or their investigations," and (2) "allowing detectives to investigate crimes, make arrest, prepare reports and to handle evidence without appropriate supervision. As a result, the Plaintiff was wrongfully arrested.

As of April 13, 2010, the city was not in full compliance with the Consent Judgment entered prior to the incidents giving rise to this claim. The consent Judgment required that the Detroit Police Department 1) "revise its arrest policies to define arrest and probable cause" in accordance with the Judgments; 2) review the merits of all arrests within a certain time after the arrest to ensure that there was probable cause to support it; and 3) provide annual training to officers on arrests which addresses, among other things, the

Fourth Amendment's requirements.

CONTINUE OF  
STATEMENT OF CLAIMS

independent investigation into the alleged allegations contained in the complaint. Detective John Doe allowed Rolando Farris to fabricate his own evidence and return it to the police department on a later date, from when the alleged incident was supposed to occur. An independent investigation would have revealed that Rolando Farris was filing a false report, that said evidence he provided John Doe was from a prior incident under investigation that occurred in Savannah, Tennessee. That there was no probable cause to arrest Plaintiff. (c) As a consequence of a legal proceeding initiated by John Doe, Plaintiff was deprived of liberty and property. Plaintiff was arrested and held in the 9th Precinct, until he was arraigned on the charges, then transferred to Wayne County Jail and posted 10% percent

of a \$100,000 thousand dollar bond. (d) The Criminal proceedings was resolved in the Plaintiff's favor. Prosecutor (Shannon N. Walker) abandon the charges on 10/04/2012 by filing "Prosecution's Motion To Dismiss". Therefore, the charges was Dismissed by the court on 10/04/2012

Claim (2) Violation of 4th Amendment Right to be Free From Unreasonable Seizures.

There was no probable cause to arrest the Plaintiff. John Doe or Detroit Police Department Eastern District never conducted an independent investigation to establish if there was probable cause for the arrest of Plaintiff. Detective John Doe used a false statement by (Rolando Farris) for a finding of probable cause with reckless disregard for the truth. Detective John Doe allow Rolando Farris to fabricate his own evidence, which Detective John Doe used for a finding of probable cause to arrest the plaintiff for the charges listed in this complaint.

Claim (3) Violation of 4th Amendment to be Free From Unlawful Imprisonment.

Plaintiff was arrested for the crimes mention in this complaint, which he is innocent of. The arrest and imprisonment was instigated by defendant John Doe without legal justification.

Claim (4) Violation of 14th Amendment due process and Equal Protection of the Laws.

Plaintiff was not afforded due process and equal protection of the laws. When he was arrested without probable cause for the charges mention in this complaint. The arrest of Plaintiff abridge the privileges or immunities of Plaintiff afforded to him by the United States Constitution when he was falsely arrested, unlawfully imprisonment, malicious prosecution, and defamation of character in violation of his Fourth Amendment Rights.

### Claim (5) Defamation of Character

The charges against Plaintiff were dismissed, however the charges continue to follow and affect the Plaintiff in a negative way. Plaintiff has to continue to defend himself and answer to the dismissed charges upon the running of a background check on Plaintiff. The dismissed charges were contained in Plaintiff's Presentence Investigation Report, Plaintiff was questioned about the dismissed charges at his parole hearing in Michigan and had to defend himself against the dismissed charges. Plaintiff will have to defend himself against the dismissed charges at his Parole Revocation Hearing on October 13, 2015 in Alabama, as they are alleged as a violation of his parole in Alabama, Charge No. 5.

The charges will continue to follow Plaintiff and affect him. Because they are contained on file and upon the running of a background check they will show,

which may or will hinder Plaintiff from gaining certain employment opportunities. The dismissed charges casts a negative stereotype upon the Plaintiff.

Plaintiff requests a Jury Trial in this matter.

Defendant's Information

John Doe (Position) Police Officer for  
the city of Detroit

(Address) 11187 Gratiot Ave.  
Detroit, Michigan 48213

(sueing this defendant in) both Capacities

Defendant's Information

John Doe #2 (Commander) (Position) Commander of  
Police for Detroit  
City

(Address) 11187 Gratiot Ave  
Detroit, MI 48213

Defendant's Information

John Doe 3 (Deputy chief) (Position) Deputy Chief  
for the City  
of Detroit

(Address) 11187 Gratiot Ave  
Detroit, MI 48213

(Suing this defendant in) both Capacities

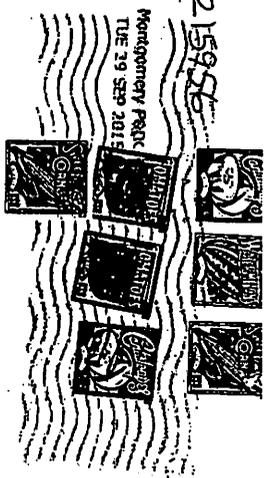
Defendant's Information

John Doe 4 (Chief of Police) (Position) Chief of Police  
for the City  
of Detroit

(Address) 11187 Gratiot Ave  
Detroit, MI 48213

(Suing this defendant in) both Capacities

ROBERT WHITMAN  
P.O. BOX 150  
M4, MEIGS, ALABAMA  
36057



*W. P. Meigs*

OFFICE OF THE CLERK  
UNITED STATES DISTRICT COURT  
231 W. LAFAYETTE BLVD, FIFTH FLOOR  
DETROIT, MICHIGAN  
48226

*Postage and postage meter fees are the responsibility of the sender. Postage and postage meter fees are not refundable. Postage and postage meter fees are not refundable. Postage and postage meter fees are not refundable.*

### CIVIL COVER SHEET FOR PRISONER CASES

|   |  |   |  |
|---|--|---|--|
| Case No. <u>15-13532</u>  |  | Judge: <u>Gershwin A. Drain</u>   | Magistrate Judge: <u>Mona K. Majzoub</u> |
| Name of 1 <sup>st</sup> Listed Plaintiff/Petitioner:<br>RODRICK SINER AKA ROBERT <del>XXXXXXXXXX</del> <u>Whitman</u> |  | Name of 1 <sup>st</sup> Listed Defendant/Respondent:<br>CITY OF DETROIT ET AL |  |
| Inmate Number: <u>215956</u>  | Additional Information:<br>DM NO IFP APP |   |  |
| Plaintiff/Petitioner's Attorney and Address Information:  |  |   |  |
| Correctional Facility:<br><br>KILBY CORRECTIONAL FACILITY<br>P.O. BOX 150<br>MT. MEIGS, AL 36057                      |  |   |  |

**BASIS OF JURISDICTION**

- 2 U.S. Government Defendant  
 3 Federal Question

**ORIGIN**

- 1 Original Proceeding  
 5 Transferred from Another District Court  
 Other:

**NATURE OF SUIT**

- 530 Habeas Corpus  
 540 Mandamus  
 550 Civil Rights  
 555 Prison Conditions

**FEE STATUS**

- IFP *In Forma Pauperis*  
 PD Paid

**PURSUANT TO LOCAL RULE 83.11**

1. Is this a case that has been previously dismissed?

- Yes       No

> If yes, give the following information:

Court: \_\_\_\_\_  
 Case No: \_\_\_\_\_  
 Judge: \_\_\_\_\_

2. Other than stated above, are there any pending or previously discontinued or dismissed companion cases in this or any other court, including state court? (Companion cases are matters in which it appears substantially similar evidence will be offered or the same or related parties are present and the cases arise out of the same transaction or occurrence.)

- Yes       No

> If yes, give the following information:

Court: \_\_\_\_\_  
 Case No: \_\_\_\_\_  
 Judge: \_\_\_\_\_

**EXHIBIT 6B – CITY APPEARANCE**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

---

RODRICK SINER,

Plaintiff,

v.

Case No. 2:15-cv-13532  
Hon. Gershwin A. Drain  
Mag. Mona K. Majzoub

CITY OF DETROIT,  
JOHN DOE, JOHN DOE,  
JOHN DOE, and JOHN DOE,

Defendants.

---

**APPEARANCE**

Veronica R. Ibrahim enters her appearance on behalf of the Defendant, City of Detroit, in the above captioned case.

Respectfully Submitted By,

*/s/ Veronica Ibrahim*  
VERONICA R. IBRAHIM (P79922)  
City of Detroit Law Department  
Attorneys for Defendant City of Detroit  
2 Woodward Avenue, Suite 500  
Coleman A. Young Municipal Center  
Detroit, MI 48226  
(313) 237-6667  
[ibrahimv@detroitmi.gov](mailto:ibrahimv@detroitmi.gov)

Dated: March 17, 2016

### Certificate of Service

I hereby certify that on **March 17, 2016**, I electronically filed the foregoing papers with the Court Clerk using ECF system and served a copy by U.S. Mail, addressed to Plaintiff in Pro Se at his last known address.

/s/ Veronica Ibrahim

**EXHIBIT 6C – CITY’S ANSWER TO COMPLAINT**

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

---

RODRICK SINER,

Plaintiff,

v.

Case No. 2:15-cv-13532  
Hon. Gershwin A. Drain  
Mag. Mona K. Majzoub

CITY OF DETROIT,  
JOHN DOE, JOHN DOE,  
JOHN DOE, and JOHN DOE,

Defendants.

---

Rodrick Siner  
*In propria persona*  
Prisoner No. 215956  
Limestone Correctional Facility  
28779 Nick Davis Road  
Harvest, AL 35749

Veronica R. Ibrahim P-79922  
City of Detroit Law Department  
Attorneys for Defendant City of  
Detroit  
2 Woodward Avenue, Suite 500  
Detroit, MI 48226  
(313) 237-6667  
[ibrahimv@detroitmi.gov](mailto:ibrahimv@detroitmi.gov)

---

**CITY OF DETROIT’S ANSWER TO PLAINTIFF’S COMPLAINT AND  
AFFIRMATIVE DEFENSES**

Defendant, City of Detroit, in answer to the complaint says:

**II. STATEMENT OF FACTS**

Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the factual allegations contained in the corresponding paragraph.

### III. STATEMENT OF CLAIMS

#### **Claim I Violation of Fourth Amendment for Malicious Prosecution**

a. Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in the corresponding paragraph.

b. Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in the corresponding paragraph.

#### **Claim II Violation of Fourth Amendment Right to be Free From Unreasonable Seizures.**

Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in the corresponding paragraph.

#### **Claim III Violation of Fourth Amendment to be Free From Unlawful Imprisonment.**

Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in the corresponding paragraph.

#### **Claim IV Violation of Fourteenth Amendment Due Process and Equal Protection of the Laws.**

Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in the corresponding paragraph.

#### **Claim V Defamation of Character.**

Defendant, City of Detroit, lacks knowledge or information sufficient to form a belief about the truth of the allegations contained in the corresponding paragraph.

To the extent that any other portion of Plaintiffs' complaint may be interpreted as a claim or allegation against Defendant, such claim or allegation is denied as untrue in the manner and form alleged.

**WHEREFORE**, Defendant requests that this Honorable Court dismiss the Plaintiff's complaint with prejudice and enter any other relief this court deems reasonable and appropriate.

**AFFIRMATIVE DEFENSES**

Defendant, City of Detroit, states the following affirmative defenses.

1. Plaintiff's claims are barred by governmental immunity.
2. The plaintiff has failed to state a claim against defendant upon which relief can be granted.
3. Plaintiff's claims are barred, in whole or in part, by the lapsing of the applicable statute(s) of limitations.
4. Plaintiff's claims against the City of Detroit are stayed, discharged, enjoined or otherwise limited by the City of Detroit's bankruptcy case in the United States Bankruptcy Court for the Eastern District of Michigan, Case No. 13-53846 and the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit, and the bankruptcy court's Order Confirming Eighth Amended Plan for the Adjustment of Debts of the City of Detroit.

5. The Adjusted Plan of Bankruptcy discharged all pre-petition claims against the City of Detroit whereas here, plaintiff failed to make a claim with the Bankruptcy court against the City.
6. Plaintiff failed to mitigate his damages.
7. Any injury suffered by the plaintiff was proximately caused by his own conduct and/or the conduct of third parties.
8. Defendant City did not have or otherwise adopt any customs, policies and/or procedures which caused or otherwise were the moving force behind any constitutional violations alleged in plaintiff's complaint, nor did any such alleged customs, policies and/or procedures originate from a decision maker with final policy making authority. Further, defendant did not ratify, accept and/or otherwise condone any constitutional violations alleged in plaintiff's complaint. Finally, defendant did not act with deliberate indifference as to known or obvious consequences with respect to the activities alleged in plaintiff's complaint and/or as to any constitutional violations, nor is there any widespread practice of constitutional violations and/or failure to take corrective action regarding the same.
9. Governmental immunity and or qualified immunity renders defendants immune to plaintiff's claims.
10. The arrest of the plaintiff was supported by probable cause, exigent

circumstances and/or a valid warrant.

11. Plaintiff's malicious prosecution claim fails because there was probable cause for plaintiff's arrest and prosecution.

Respectfully submitted By,

/s/ Veronica Ibrahim  
VERONICA R. IBRAHIM P-79922  
City of Detroit Law Department  
Attorneys for Defendant City of Detroit  
2 Woodward Avenue, Suite 500  
Detroit, MI 48226  
(313) 237-6667  
[ibrahimv@detroitmi.gov](mailto:ibrahimv@detroitmi.gov)

Dated: March 17, 2016

**Certificate of Service**

I hereby certify that on **March 17, 2016**, I electronically filed the foregoing Answer and Affirmative Defenses with the Court Clerk using ECF system and served a copy by U.S. Mail, addressed to Plaintiff at his last known address.

/s/ Veronica Ibrahim

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:  
  
City of Detroit, Michigan  
Debtor.

Bankruptcy Case No. 13-53846

Honorable Thomas J. Tucker

Chapter 9

U.S. BANKRUPTCY COURT  
E.D. MICHIGAN - DETROIT  
2016 MAY 17 PM 1:00  
MAY 26 AM 10:31  
U.S. BANKRUPTCY COURT  
E.D. MICHIGAN - DETROIT

FILED

RODRICK Siner's RESPONSE TO THE CITY  
OF DETROIT'S MOTION FOR THE ENTRY OF  
AN ORDER (I) ENFORCING THE PLAN OF  
ADJUSTMENT INJUNCTION AND (II)  
REQUIRING RODRICK Siner TO DISMISS  
WITH PREJUDICE HIS DISTRICT COURT  
LAW SUIT

VOID

Rodrick Siner, pro-se, acting without the benefit of counsel, does not consent to the relief sought in the motion filed by attorneys for the City of Detroit, and respectfully states as follows:

Rodrnick Simer is an inmate who has been incarcerated since April 3, 2013, who contends the City of Detroit's bankruptcy does not automatically relieve the City of Detroit from all liabilities and claims filed against the City.

Furthermore, Mr. Simer's sufferings have been continuous and on going. On April 13, 2010 an arrest warrant was issued for Mr. Simer. On April 5, 2012, Mr. Simer was arrested on the warrant. The case was dismissed on October 4, 2012. Mr. Simer, was held in Michigan on other charges not related to this incident. On August 18, 2015, Mr. Simer was extradited to Alabama in which he had a Parole Revocation Hearing on October 13, 2015, in which his parole was revoked based on the warrant that was issued for Mr. Simer by the City of Detroit on April 13, 2010. Mr. Simer, is in prison to this very day because of the action of officers of the City of Detroit. Mr. Simer, contends the City of

bankruptcy could not possibly cover future events, as Mr. Siner's Parole Revocation Hearing occurred on October 13, 2015, in which Mr. Siner couldn't have foreseen the outcome of that hearing prior to October 13, 2015. In which Mr. Siner was violated on false information relayed to his parole officer, by officers of the City of Detroit.

Mr. Siner, contends although the incidents of his claim began on April 13, 2010, he didn't file his claim until after his parole revocation hearing. Therefore, at the time of the City of Detroit's bankruptcy, Mr. Siner was still going through the process. Mr. Siner, is still suffering from the actions of the City of Detroit's Police Officers to this very day

Mr. Siner, contends just because the City of Detroit filed bankruptcy, bankruptcy laws doesn't mean an entity cannot be held accountable for its actions

It also should be noted that Mr. Siner

did not receive a copy of City of Detroit's Motion until April 21, 2016, in which I notice I was to have within 14 days to file a response. However, the attorney for the City of Detroit failed to put a date on the Certificate of Service as to when the motion was actually mailed to Mr. Siner.

Rodrick Siner

Rodrick Siner 215956  
28779 Nick Davis Rd  
Harvest, AL 35749

### CERTIFICATE OF SERVICE

I hereby certifies that on April 22, 2016, I mail a copy of Rodrick Siner's Response to the City of Detroit's Motion for the Entry of an Order (I) Entering The Plan of Adjustment Injunction and (II) Requiring Rodrick Siner to Dismiss With Prejudice His District Court Lawsuit, first class mail.

Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

United States Bankruptcy Court  
211 W. Fort St., Suite 1900  
Detroit, Michigan 48226

Rodrick Siner 215956  
28779 Nick Davis Rd  
Harvest, AL 35749

May 10, 2016

Office of the Clerk of Court  
211 W. Fort Street, Suite 2100  
Detroit, MI 48226-3211

2016 MAY 17 P 12:06  
U.S. BANKRUPTCY COURT  
E.D. MICHIGAN - DETROIT

FILED

Re: CASE No 13-53846, City of Detroit's Motion for an order (I) enforcing the plan of adjustment injunction and (II) Requiring Rodrick Siner to dismiss with prejudice his district court lawsuit;

Dear clerk,

I received a motion from the City of Detroit's attorney, that stated I have 14 days to respond to the motion, attached is a partial copy marked exhibit "A".

That is why I filed the response motion into this court. I have a pending lawsuit against the City of Detroit Case No. 2:15-cr-13532. It is my understanding

from the Motion I received from the City of Detroit's attorney, they are trying to have the United States Bankruptcy Court Eastern District of Michigan Southern Division, enter an order forcing the dismissal of my pending lawsuit against the city of Detroit.

Sincerely,  
Rodrick Sines

**EXHIBIT 2 – NOTICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br><br>Debtor. | Bankruptcy Case No. 13-53846<br>Honorable Thomas J. Tucker<br>Chapter 9 |
|---|---|

**NOTICE OF OPPORTUNITY TO RESPOND TO CITY OF DETROIT'S  
MOTION FOR THE ENTRY OF AN ORDER (I) ENFORCING THE PLAN  
OF ADJUSTMENT INJUNCTION AND (II) REQUIRING RODRICK  
SINER TO DISMISS WITH PREJUDICE HIS DISTRICT COURT  
LAWSUIT**

The City of Detroit has filed its Motion for the Entry of an Order (I) Enforcing the Plan of Adjustment Injunction and (II) Requiring Rodrick Siner to Dismiss with Prejudice His District Court Lawsuit.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney.**

If you do not want the Court to enter an Order granting the City of Detroit's Motion for the Entry of an Order (I) Enforcing the Plan of Adjustment Injunction and (II) Requiring Rodrick Siner to Dismiss with Prejudice His District Court Lawsuit, within 14 days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>1</sup>

United States Bankruptcy Court  
211 W. Fort St., Suite 1900  
Detroit, Michigan 48226

If you mail your response to the court for filing, you must mail it early enough so that the court will **receive** it on or before the date stated above. You must also mail a copy to:

Miller, Canfield, Paddock & Stone, PLC  
Attn: Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time, and location of that hearing.

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

---

<sup>1</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).



As Siner explains in his Response, his claim arises out of the issuance of an April 13, 2010, arrest warrant (the “Warrant”) and a subsequent arrest pursuant to that Warrant two years later on April 5, 2012 (the “Arrest”). Response, p. 2. He admits that “the incidents of his claim began on April 13, 2010,” but that he did not file his complaint until October, 2015, when he claims the Warrant was treated as a parole violation in Alabama.<sup>1</sup> *Id.*, p. 3. Even though Siner contends that he “couldn’t have foreseen the outcome of that hearing prior to October 13, 2015,”<sup>2</sup> his claim still arose pre-petition and is governed by the City’s confirmed Plan. *Id.*

This Court recently visited the question of how one determines whether a claim arose pre- or post-petition in its Fair Contemplation Test Opinion.<sup>3</sup> In the

---

<sup>1</sup> Siner does not elaborate on why he happens to be on parole in Alabama.

<sup>2</sup> Although Siner states he could not have foreseen the outcome of his October 13, 2015, parole hearing before it concluded, Siner’s complaint asserts that he discussed the matter with his parole officer around the time the Warrant was issued, and she warned him about this very outcome. Motion, Ex. 6A, first page of “Continue of Statement of Facts.” Additionally, he mailed his complaint to the District Court on September 29, 2015, two weeks before the hearing took place. Compare Response, p. 3 with Motion, Ex. 6A, second to last page (postmark).

<sup>3</sup> *Opinion Regarding Motions Filed by the City of Detroit: 1) For the Entry of an Order (I) Enforcing the Plan of Adjustment Injunction and (II) Requiring the Dismissal of the State Court Action Filed by Tanya Hughes (Docket # 9970); 2) For (I) Determination That the Goodman Acker and Haas & Goldstein Law Firms Have Violated the Plan of Adjustment By (A) Refusing to Honor an ADR Settlement And/Or (B) Seeking Relief on a Pre-Petition Claim Beyond That Allowed by the Plan of Adjustment and (II) Order Enjoining Further Violations (Docket # 9893); and 3) For Entry of an Order (I) Enforcing the Plan of Adjustment and (II) Requiring the Withdrawal with Prejudice of the August 2, 2013, Grievance Filed by the Senior Accountants, Analysts, and Appraisers Association on Behalf of Cedric Cook (Docket # 10183), Doc. No. 11089.*

Fair Contemplation Test Opinion, the Court surveyed the applicable case law to determine which of the available tests was most appropriate, ultimately adopting the “fair contemplation test” for this purpose. *Id.*, pp. 19-22. Applying the test, a court “looks at whether there was a pre-petition relationship between the debtor and the creditor, such as contract, exposure, impact or privity, such that a possible claim is within the fair contemplation of the creditor at the time the petition is filed.” *Id.* at 22 (quoting *In re Senczyszyn*, 426 B.R. 250, 257 (Bankr. E.D. Mich. 2010) (internal quotation marks omitted)). “Under this test, a claim is considered to have arisen pre-petition if the creditor could have ascertained through the exercise of reasonable due diligence that it had a claim at the time the petition is filed. *Id.* (quoting *Signature Combs, Inc. v. United States*, 253 F. Supp. 2d 1028, 1037 (W.D. Tenn. 2003) (internal quotation marks omitted)).

Here, Siner readily admits that the Warrant was issued in 2010 and the subsequent Arrest occurred in 2012, years prior to the City’s bankruptcy filing. Response, p. 2. He belatedly asserts that he could not have foreseen the adverse effects these events allegedly have had. *Id.*, p.3. Under the fair contemplation test, however, the question is whether he could have foreseen them after reasonable due diligence. Assuming, for the sake of argument, that his claims have merit, reasonable due diligence would have informed Siner that a violation of his constitutional rights would give him a claim against the City for whatever harms

flowed from the violation, both initially and in his subsequent legal entanglements. Thus, Siner's claim arose pre-petition and it is governed by the Plan.

As the Motion explains, pre-petition claims may not be brought against the City or its officers in their official capacities. Siner's filing of a complaint in that regard violates the Plan Injunction, so the City respectfully requests that the Court enter the proposed order provided with the Motion.

DATED: June 10, 2016

Respectfully submitted,

By: /s/ Ronald A. Spinner

Jonathan S. Green (P33140)

Marc N. Swanson (P71149)

Ronald A. Spinner (P73198)

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 496-7829

Facsimile: (313) 496-8451

green@millercanfield.com

spinner@millercanfield.com

Charles N. Raimi (P29746)

Deputy Corporation Counsel

City of Detroit Law Department

2 Woodward Avenue, Suite 500

Coleman A. Young Municipal Center

Detroit, Michigan 48226

Telephone: (313) 237-5037

Facsimile: (313) 224-5505

raimic@detroitmi.gov

ATTORNEYS FOR THE CITY OF DETROIT

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Honorable Thomas J. Tucker<br>Chapter 9 |
|---|---|

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on June 10, 2016, the foregoing *City of Detroit's Reply in Support of Its Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner* was filed and served via the Court's electronic case filing and notice system and served upon the person listed below, via first class mail:

Rodrick Siner  
215956  
Limestone Correctional Facility  
28779 Nick Davis Road  
Harvest, AL 35749

DATED: June 10, 2016

By: /s/ Ronald A. Spinner  
Ronald A. Spinner  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7829  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE ENTRY  
OF AN ORDER ENFORCING THE PLAN OF ADJUSTMENT  
INJUNCTION AND THE BAR DATE ORDER  
AGAINST RODRICK SINER**

This case came before the Court for a hearing on June 15, 2016, on the motion entitled “City of Detroit’s Motion for the Entry of an Order Enforcing the Plan of Adjustment Injunction and Bar Date Order Against Rodrick Siner” (Docket # 11159, the “Motion”). For the reasons stated by the Court on the record during the hearing,

**IT IS ORDERED THAT:**

1. The Motion is granted.
2. No later than June 29, 2016, Rodrick Siner must dismiss, or cause to be dismissed, with prejudice his claims against the City of Detroit and the John Doe officers in their official capacity in Case No. 2:15-cv-13532 filed with the United States District Court for the Eastern District of Michigan and captioned *Rodrick Siner v. City of Detroit and John Doe* (“District Court Lawsuit”).

3. Rodrick Siner is permanently barred, estopped and enjoined from asserting any claims described in the District Court Lawsuit, or the alleged conduct forming the basis of the District Court Lawsuit, against the City of Detroit or property of the City of Detroit, in the District Court Lawsuit or in any other action or proceeding.

4. The Court will retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**Signed on June 16, 2016**

/s/ Thomas J. Tucker  
**Thomas J. Tucker**  
**United States Bankruptcy Judge**

1 UNITED STATES BANKRUPTCY COURT  
2 EASTERN DISTRICT OF MICHIGAN  
3 SOUTHERN DIVISION

3 IN THE MATTER OF, Case No. 13-53846  
4 CITY OF DETROIT, MICHIGAN Detroit, Michigan  
June 15, 2016  
1:35 p.m.

5  
6 IN RE: FORTY-FOURTH OMNIBUS OBJECTION TO CERTAIN CLAIMS,  
7 FORTY-FIFTH OMNIBUS OBJECTION TO CERTAIN CLAIM, MOTION TO  
8 ENFORCE MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE PLAN OF  
9 ADJUSTMENT INJUNCTION AND BAR DATE ORDER AGAINST RODRICK SINER  
10 FILED BY DEBTOR IN POSSESSION CITY OF DETROIT, MICHIGAN,  
11 MICHAEL MCKAY'S MOTION TO ENFORCE AGREEMENT RESOLVING CLAIM OF  
12 MICHAEL MCKAY, TWENTY-THIRD OMNIBUS OBJECTION TO CERTAIN  
13 CLAIMS (PENSION CLAIMS THAT HAVE BEEN CLASSIFIED AND ALLOWED BY  
14 THE CITY'S PLAN), TWENTY-FIFTH OMNIBUS OBJECTION TO CERTAIN  
15 CLAIMS (PENSION CLAIMS THAT HAVE BEEN CLASSIFIED AND ALLOWED  
16 BY THE CITY'S PLAN), TWENTIETH OMNIBUS OBJECTION TO CERTAIN  
17 CLAIMS (FAILURE TO SPECIFY ASSERTED CLAIM AMOUNT AND  
18 INSUFFICIENT DOCUMENTATION), TWENTY-EIGHTH OMNIBUS OBJECTION  
19 TO CERTAIN CLAIMS (INSUFFICIENT DOCUMENTATION), TWENTY-NINTH  
20 OMNIBUS OBJECTION TO CERTAIN CLAIMS (INSUFFICIENT  
21 DOCUMENTATION), THIRTIETH OMNIBUS OBJECTION TO CERTAIN CLAIMS  
22 (INSUFFICIENT DOCUMENTATION), THIRTY-FIRST OMNIBUS OBJECTION  
23 TO CERTAIN CLAIMS (INSUFFICIENT DOCUMENTATION), THIRTY-SECOND  
24 OMNIBUS OBJECTION TO CERTAIN CLAIMS (INSUFFICIENT  
25 DOCUMENTATION), THIRTY-THIRD OMNIBUS OBJECTION TO CERTAIN  
CLAIMS (INSUFFICIENT DOCUMENTATION), THIRTY-FOURTH OMNIBUS  
OBJECTION TO CERTAIN CLAIMS (INSUFFICIENT  
DOCUMENTATION), THIRTY-SIXTH OMNIBUS OBJECTION TO CERTAIN  
CLAIMS (INSUFFICIENT DOCUMENTATION), THIRTY-SEVENTH OMNIBUS  
OBJECTION TO CERTAIN CLAIMS (INSUFFICIENT  
DOCUMENTATION)

BEFORE THE HONORABLE THOMAS J. TUCKER  
TRANSCRIPT ORDERED BY: ROBIN WYSOCKI

20 APPEARANCES:

21 For the City of Detroit, MI: RONALD SPINNER, ESQ. (P73198)  
22 JOHN WILLEMS, ESQ. (P31861)  
23 Miller, Canfield, Paddock &  
24 Stone  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7829

1 For Michael McKay: ERIC STEMPIEN, ESQ. (P58703)  
Romano Law, PLLC  
2 23880 Woodward Avenue  
Pleasant Ridge, MI 48069  
3 616-355-6673

4 For Da'Nean M. Brooks and ANTHONY GREENE, ESQ. (P47715)  
JaJuan Moore: Greene Law Group  
5 2232 S. Main  
Suite 438  
6 Ann Arbor, MI 48103  
313-410-3390

7 Claimants: JULIUS R. COLLINS  
8 CRAIG STEELE  
HENRY WOLFE  
9 VENTONIA DORCH  
GLADYS M. CANNON  
10 SARAH MCCRARY  
JAMES CAPIZZO  
11 WANDA BECKOM-WHITE

12 Court Recorder: Jamie Laskaska

13 Transcriber: Deborah L. Kremlick

14

15 Proceedings recorded by electronic sound recording, transcript  
16 produced by transcription service.

17

18

19

20

21

22

23

24

25

1 (Court in Session)

2 THE CLERK: All rise. This Court is now in session.  
3 The Honorable Thomas J. Tucker is presiding. You may be  
4 seated. The Court calls the case of the City of Detroit,  
5 Michigan, case number 13-53846.

6 THE COURT: All right. Good afternoon to everyone.  
7 We have a number of matters scheduled for hearing -- or  
8 further hearing today. I have in mind at least somewhat the  
9 order in which I prefer to hear matters, but if counsel for  
10 the city thinks there's a particular reason to do it in a  
11 different order than I impose, that's fine.

12 Before we get much further into this though, let's have  
13 entries of appearance by any and all attorneys in the  
14 courtroom who wish to enter their appearance for the hearings  
15 today starting with the city.

16 MR. SPINNER: Thank you, Your Honor. Ron Spinner  
17 from Miller, Canfield and John Willems from Miller, Canfield  
18 on behalf of the city.

19 THE COURT: All right.

20 MR. STEMPIEN: Your Honor, I'm Eric Stempien. I'm  
21 here on behalf of claimant Michael McKay.

22 THE COURT: All right. Good afternoon to the  
23 attorneys and to everyone else here in the courtroom. Mr.  
24 Stempien, I'm glad you're at counsel table. I had in mind  
25 calling the matter involving your client first.

1 MR. STEMPIEN: Oh.

2 THE COURT: Mr. Stempien, yes.

3 MR. STEMPIEN: Yes.

4 THE COURT: The matter involving the motion brought  
5 by the claimant Michael McKay. I wanted to hear that first.  
6 So unless there's any -- the city has any particular reason to  
7 do -- to do -- otherwise, I'll hear that case first.

8 MR. SPINNER: Oh, no, that's fine, Your Honor.

9 THE COURT: All right. So this matter then is the  
10 motion by claimant Michael McKay to enforce agreement  
11 resolving claim of Michael McKay, it's entitled. It's docket  
12 number 11157 filed May 11, 2016.

13 The city filed an objection to that motion on May 20,  
14 2016. I have reviewed the papers filed by the parties  
15 relating to this motion and we'll hear argument now. Mr.  
16 Stempien, we'll start with you.

17 MR. STEMPIEN: Good afternoon, Your Honor, and thank  
18 you. The first thing I'd like to make sure is clear is  
19 exactly what it is we're -- we're requesting the Court to do.  
20 Because I don't think it's perfectly clear from the -- the  
21 objection that I received from the city that -- that really  
22 came across completely.

23 We're not challenging the fact that there was a  
24 settlement of a bankruptcy claim. We're not challenging that  
25 the individual officers' claims were included within that

1 settlement. And I bring that up because attached to the  
2 objection that the city filed, they attached a transcript from  
3 a prior hearing of this Court where that was the issue before  
4 the Court, whether there was a settlement, whether it applied  
5 to the individual officers. That is not what our claim is  
6 here. That's not the -- the requested relief that we have  
7 here.

8       What we're saying, Your Honor, is that we want  
9 confirmation that the settlement agreement that was reached  
10 with regard to the bankruptcy claim requires a payment of the  
11 full \$42,500 to claimant Michael McKay. In the objection the  
12 city simply says that this is a Class 14 claim. They provide  
13 no specific support for that. They don't say why it's a Class  
14 14, it's just something that they designated on their own.

15       However, when we look at everything that has made part of  
16 this matter with Mr. McKay which would be the settlement  
17 agreement, the eighth amended plan, Judge Rhodes' oral opinion  
18 on the record with regard to his approval of the eighth  
19 amended -- amended plan, it makes it clear that the settlement  
20 requires a full payment of \$42,500.

21       First, with regard to the agreement itself, the paragraph  
22 that -- the operative paragraphs are Paragraph 2 and 5.  
23 Basically what it is, is it says that he agrees to settle this  
24 claim for \$42,500, that it would be a -- a unsecured

25 non-priority claim.

1 Paragraph 5 then says that it will be treated as such  
2 under the plan that was at that time not yet approved by the  
3 Court. So it was not clear what the level of treatment was  
4 going to be at the time that the settlement agreement was  
5 reached.

6 So when the settlement agreement -- or excuse me, when  
7 the plan is actually then approved, the question becomes what  
8 is this claim. So I think we need to start kind of the  
9 underlying lawsuit. The underlying lawsuit was a -- a 42 USC  
10 1983 claim. It was brought in State Court and litigated  
11 within State Court. It was against three individual officers.  
12 There was never a claim made against the city itself. The  
13 only defendants were the three individual police officers. It  
14 was resolved through a binding arbitration process.

15 THE COURT: Well, wait a minute. You say in the  
16 State Court litigation it was not -- the case was not brought  
17 against the city itself, rather only against the individual  
18 officers.

19 MR. STEMPIEN: Correct.

20 THE COURT: That may be, but your client Mr. McKay  
21 filed a proof of claim in the City of Detroit bankruptcy case,  
22 a claim against the City of Detroit by its nature. And that's  
23 -- that was part of what was -- at least part of what was  
24 settled by this settlement agreement at issue, isn't it?

1 THE COURT: Okay. And you said you're not  
2 contesting that that settlement also include a settlement of  
3 the -- Mr. McKay's claims against the individual officers.

4 MR. STEMPIEN: Correct.

5 THE COURT: Okay. So it's everybody.

6 MR. STEMPIEN: It is everybody.

7 THE COURT: All right. So the -- what Mr. McKay got  
8 in exchange for his release of his claims against the City of  
9 Detroit and the officers according to the settlement  
10 agreement, is the treatment provided in Paragraph 2 of the  
11 settlement agreement, isn't it?

12 MR. STEMPIEN: I would say it's actually Paragraph 5  
13 is the operative paragraph, Your Honor.

14 THE COURT: Okay. Well, let's say 2 plus 5.

15 MR. STEMPIEN: Right. I think it's both right, Your  
16 Honor, yeah.

17 THE COURT: Yeah, okay. So and that was -- there  
18 would be an allowed claim of \$42,500 to be treated as a Class  
19 5 as a general unsecured non-priority claim subject to the  
20 treatment provided for such claims under any Chapter 9 plan  
21 confirmed by the Court.

22 MR. STEMPIEN: Correct.

23 THE COURT: That's the gist of it. Okay. And  
24 that's all Mr. McKay got.

1 THE COURT: Right?

2 MR. STEMPIEN: Right.

3 THE COURT: Okay. So the plan that was confirmed in  
4 the case, it was later but the plan that was confirmed in the  
5 case treated general unsecured non-priority claims and it  
6 treated them in Class 14 of the plan, didn't it?

7 MR. STEMPIEN: Well, I don't believe so, Your Honor.  
8 Now I think 1983 claims and indemnification claims were given  
9 their own treatment separately.

10 THE COURT: What class are they in in the plan in  
11 your view?

12 MR. STEMPIEN: Your Honor --

13 THE COURT: If not 14, what class of the plan,  
14 confirmed plan?

15 MR. STEMPIEN: Well, my read of the -- the plan says  
16 that they have to pay it in full, Your Honor. I mean whether  
17 -- whether it's under Class 14 --

18 THE COURT: Well, where is that in the plan?

19 MR. STEMPIEN: Okay. So where I would point the  
20 Court to would be, it's under Article 4 because, you know, you  
21 have the class and you have -- you have the plan that's going  
22 to be put into place and then Article 4 of the plan says  
23 here's how we're going to implement it.

24 These are the means for implementation of the plan. It's  
25 Article 4, Section O, subsection O. It talks about assumption

1 of indemnification, I believe.

2 THE COURT: Hold on. If you're not going to give me  
3 the page number, I'm going to have to dig it out.

4 MR. STEMPIEN: Oh, I'm sorry, 62 -- 62.

5 THE COURT: Hold on. Sixty-two of the confirmed  
6 plan, is that right?

7 MR. STEMPIEN: That is correct.

8 THE COURT: And for the record, the confirmed plan,  
9 when I'm looking at the confirmed plan, I'm looking at docket  
10 number 8272, the eighth amended -- eighth amended plan filed  
11 on -- I'm sorry, 8272 is the order confirming the eighth  
12 amended plan.

13 MR. STEMPIEN: Correct.

14 THE COURT: And it has attached to it a copy of the  
15 eighth amended plan that was confirmed. And in there you're  
16 looking at Page 62 of the plan, right?

17 MR. STEMPIEN: Correct.

18 THE COURT: And I'm -- I'm on that page. Now what  
19 -- what -- what language are you pointing to?

20 MR. STEMPIEN: So the language that I believe  
21 requires full payment in this is under Section O, it says  
22 assumption of indemnification obligations. Notwithstanding  
23 anything otherwise to the contrary in the plan, nothing in the  
24 plan shall discharge or impair the obligations of the city as

25 provided in the charter or other organizational documents of  
13-53846-tjt Doc 13818-17 Filed 11/09/23 Entered 11/09/23 09:05:37 Page 9 of

1 such nature from the city to then indemnify, defend,  
2 reimburse, escrow pay, advanced fees and expenses, or limit  
3 the liability of officers, employees of the city.

4 So and this is consistent with Judge Rhodes' oral opinion  
5 that he gave when he said I'm going to confirm the plan which  
6 we attached as well to our motion and quoted within the brief  
7 itself where Judge Rhodes says, 1983 claims are not affected  
8 by this. And why this is important is because if you --

9 THE COURT: Well, just a minute.

10 MR. STEMPIEN: Okay.

11 THE COURT: Hold on. You cited Judge Rhodes' oral  
12 opinion regarding confirmation of the plan. That was later  
13 put into the order confirming plan.

14 MR. STEMPIEN: Correct.

15 THE COURT: And then later there was a written  
16 opinion which went into more detail, but it was consistent, I  
17 think, with the oral opinion about confirming the plan. In  
18 all of these documents it appears to me that what that meant  
19 and what was done with that is, that the Court sustained an  
20 objection to confirmation that had been made in part by -- by  
21 ruling that basically Section 1983 claims against individual  
22 officers and employees of the city were not being discharged  
23 by the plan, although such claims as against the City of  
24 Detroit and therefore also against city employees in their

1 being against the City of Detroit were being treated and  
2 discharged in the plan. Now do you -- do you disagree or  
3 agree with that reading?

4 MR. STEMPIEN: I agree that our claim is subject to  
5 the plan in the sense that -- in the sense that even if it  
6 wasn't within what Judge Rhodes said or put in the final plan,  
7 we agreed to that within the agreement. I mean I think that  
8 -- however the plan treats these 1983 claims is -- is going to  
9 be binding upon us based on what we said. But I guess what  
10 I'm --

11 THE COURT: Well, you're not answering my question.

12 MR. STEMPIEN: Okay. Maybe I misunderstood.

13 THE COURT: I want to be clear about -- if possible,  
14 I want to be clear about what the plan did and did not  
15 discharge with respect to 1983 claims.

16 The plan, the confirmed plan did not discharge 1983  
17 claims brought against officers or employees of the City of  
18 Detroit in their individual capacities, do you agree?

19 MR. STEMPIEN: Correct, yes.

20 THE COURT: But it did discharge 1983 claims brought  
21 against the City of Detroit or -- and/or -- and claims brought  
22 against employees or officers of the City of Detroit in their  
23 official capacities. Do you agree with that?

24 MR. STEMPIEN: I'm not able to answer that, I

1 to the city. With regard to the actions of within their  
2 official capacity, my -- my understanding of it, and I may be  
3 mistaken, is that it -- it's -- it's part of the  
4 indemnification requirements because that's exactly what the  
5 indemnification provisions are for.

6 THE COURT: Well, we're going to talk about the  
7 indemnification provisions in a minute. But before we get to  
8 that, I just want to be clear. We're talking about this sort  
9 of the same basic groundwork here.

10 I'm looking at the order confirming plan, docket 8272, at  
11 Pages 87 to 88, first of all. That's -- that's the order that  
12 confirmed the plan filed November 12, 2014. Docket 8272,  
13 Pages 87 to 88.

14 It's in a section called F, discharge of claims.  
15 Paragraph 30 which carries over on to Page 88 says, this --  
16 claims that are discharged and it says such discharge will not  
17 apply to among other things, "claims against officers who are  
18 employees of the city in their individual capacities --  
19 capacity under 42 USC Section 1983." That's the exception to  
20 the discharge for claims against employees in their individual  
21 capacity that we just talked about, right? Right?

22 MR. STEMPIEN: Correct, yeah.

23 THE COURT: Okay. Now if you see something here in  
24 the order confirming plan or in the plan for that matter that  
25 indicates that the -- that 1983 claims against the city and

1 officers, employees in their official capacity were not  
2 discharged were also exceptions to the discharge on this  
3 confirmed plan. I need you to tell me where that is because I  
4 don't know where that is. I don't think that's the case.

5 MR. STEMPIEN: I don't -- I would not be able to  
6 point that out to the Court.

7 THE COURT: All right. Okay. So now you were  
8 focusing here on Page 62 of the eighth amended plan that was  
9 confirmed in this Paragraph O on Page 62 about the provision  
10 regarding -- essentially meaning that the city's obligations  
11 to essentially to indemnify its employees -- officers and  
12 employees of the city was not being -- pardon me, discharged  
13 or impaired by the confirmed plan, right?

14 MR. STEMPIEN: Correct.

15 THE COURT: Okay. So from that concept and that  
16 provision in the confirmed plan you argue what?

17 MR. STEMPIEN: Well, I argued --

18 THE COURT: What's the consequence of that?

19 MR. STEMPIEN: My argument is that when they say the  
20 word nothing -- nothing in the plan shall discharge or impair  
21 their obligations to indemnify, I think the plain language of  
22 the plan itself is nothing before this that we put in here  
23 shall discharge that. And so my consequences --

24 THE COURT: Excuse me though. This is -- this

1 employees of the city, right?

2 MR. STEMPIEN: Correct.

3 THE COURT: It -- it doesn't refer to any sort of  
4 duty to indemnify third party claimants.

5 MR. STEMPIEN: Correct.

6 THE COURT: Like your claim.

7 MR. STEMPIEN: Correct.

8 THE COURT: Right?

9 MR. STEMPIEN: Right. And that's not my position.  
10 I'm not saying they indemnify me. My -- my -- here's the  
11 argument, Your Honor.

12 THE COURT: Sure.

13 MR. STEMPIEN: We -- we sued these individual  
14 officers. We didn't sue the City of Detroit. Our judgment  
15 which as an arbitration award we never turned into a judgment,  
16 but our arbitration award is as to these three individuals.

17 The only obligation that the City of Detroit could  
18 possibly have to pay that award/judgment is as an indemnitor  
19 for those three individual officers. That's the only  
20 obligation the city could possibly have.

21 And that would be an obligation found within their  
22 collective bargaining agreement. So this is not a direct  
23 action against the city. We did not sue the city. That's why  
24 I opened up with that because we didn't sue them.

25 Their -- only time they could ever have an obligation to  
13-53846-tjt Doc 13818-18 Filed 11/09/23 Entered 11/09/23 19:56:37 Page 14 of 126

1 pay, let's say we never had the bankruptcy if -- if you just  
2 went through the litigation and the City of Detroit paid the  
3 arbitration award on a City of Detroit check and the City of  
4 Detroit account, it would have only been as an indemnitor for  
5 those three officers. That would be the only way they could  
6 have been obligated in any manner.

7 Therefore because it's clear that they're indemnitors,  
8 and it's clear that the plan says nothing in the plan shall  
9 discharge per their obligations, they're obligated to  
10 indemnify these individual officers as to that full amount,  
11 it's not changed.

12 THE COURT: This duty to indemnify the officers that  
13 you're pointing to is not a duty that runs to your client, to  
14 an injured third party. It runs only to the officers, doesn't  
15 it?

16 MR. STEMPIEN: Correct.

17 THE COURT: So your clients couldn't possibly have a  
18 claim against the City of Detroit based upon the City of  
19 Detroit's duty to indemnify its officers, is that right?

20 MR. STEMPIEN: My position on that is usually we  
21 would have standing if they tried to challenge it to -- to  
22 argue on that. But I don't think we could bring an  
23 independent cause to enforce an -- or I mean an  
24 indemnification provision.

1 belong to the officers.

2 MR. STEMPIEN: That is correct.

3 THE COURT: You agree, okay.

4 THE COURT: All right.

5 MR. STEMPIEN: Yes. Now, this settlement agreement  
6 it looks like the arbitration award was made by the three  
7 arbitrators. It's looks like the written arbitration award  
8 was May 16, 2013 it looks like the date. And I think that's  
9 part of Exhibit A attached to docket 11181, the city's  
10 response and probably elsewhere in the record, but -- so it  
11 was after that arbitration award that Mr. McKay and the city  
12 made this settlement agreement that's at issue, right?

13 MR. STEMPIEN: That's correct.

14 THE COURT: The -- the agreement doesn't seem to  
15 state, you know, a date, official date of this agreement, but  
16 it looks like it was signed by the city on December 16, 2015  
17 signed by Mr. McKay it looks like June 23, 2014.

18 MR. STEMPIEN: Correct.

19 THE COURT: I'm just looking at the signature --

20 MR. STEMPIEN: That's right. And it -- it --

21 THE COURT: -- signature on the last page.

22 MR. STEMPIEN: -- was never signed by the attorneys  
23 for Mr. McKay.

24 THE COURT: Right. It was signed by Mr. McKay and  
25 by the city. And -- and that all happened after the

1 arbitration award had been entered against the individual  
2 officers.

3 MR. STEMPIEN: Yes.

4 THE COURT: Right? Okay. So and you've said that  
5 the settlement agreement settled Mr. McKay's claims against  
6 the individual officers.

7 MR. STEMPIEN: Correct.

8 THE COURT: As well as the city, everybody.

9 MR. STEMPIEN: Yes.

10 THE COURT: Okay. So the agreement -- the  
11 settlement agreement itself does not say the city would agree  
12 to be obligated to indemnify Mr. McKay for anything based on  
13 the arbitration award against the officers. Expressly what it  
14 did was it gave Mr. McKay an allowed claim of \$42,500 that  
15 would be classified and treated in the Chapter 9 plan as a  
16 general unsecured non-priority claim right, you would agree to  
17 that?

18 MR. STEMPIEN: Yes. But --

19 THE COURT: Yeah, okay.

20 MR. STEMPIEN: Well, you say they didn't promise to  
21 indemnify but they did promise to make a payment based on the  
22 provisions of the plan that was to be later adopted. So I  
23 mean whether you call it indemnification or not, but they made  
24 a promise to pay.

25 THE COURT: Well, I don't think it says they'll make

1 a payment. It said that -- and then it said, it's Paragraph  
2 5, it would -- in Paragraph 2 and 5 they give -- they give an  
3 allowed general unsecured non-priority claim and say it's  
4 going to be subject to the treatment of such -- for such  
5 claims in any Chapter 9 plan.

6 MR. STEMPIEN: Correct.

7 THE COURT: All right. All right. So the -- the  
8 provision regarding indemnification that you cited on Page 62  
9 of the confirmed plan, it doesn't say anything about how  
10 general unsecured non-priority claims are to be treated.

11 And it's limited for purposes of your motion, I think  
12 you'll agree, to the city's obligation to indemnify, defend,  
13 et cetera, its own employees.

14 MR. STEMPIEN: Yeah. The -- their obligation is to  
15 the employee, yes.

16 THE COURT: So -- so how -- how does that -- how  
17 does that -- I'm having trouble seeing the link that you're  
18 trying to make there between that provision in the confirmed  
19 plan and your ultimate conclusion that the city under this  
20 settlement agreement has to pay the full 42,500 of the claim.

21 MR. STEMPIEN: Because I think the operative words  
22 in Paragraph 5 are, subject to the treatment provided for such  
23 claims under any Chapter 9 plan. So the question has to  
24 become how does the plan treat this particular claim. The

1 THE COURT: Well, wait a minute. Look at Paragraph  
2 5. The treatment provided for such claims under any Chapter 9  
3 plan, the language you just pointed to. The reference to such  
4 claims there is a reference, isn't it, to the -- the phrase  
5 general unsecured non-priority claim?

6 MR. STEMPIEN: Yes.

7 THE COURT: It appears earlier in the sentence.

8 MR. STEMPIEN: Yes.

9 THE COURT: So when it says such claims you can  
10 translate that to mean -- to say and mean that the claim, Mr.  
11 McKay's claim, settled claim here, would be subject to the  
12 treatment provided for general unsecured non-priority claims  
13 under the Chapter 9 plan, is that right?

14 MR. STEMPIEN: Yes. And I would argue that 1983  
15 claims are unsecured non-priority claims. I -- there's no --  
16 there's no security created by our 1983 claim. There's no  
17 priority. And I apologize if there is, because I -- I don't  
18 practice bankruptcy at all. But my understanding is that  
19 priority claims are things like wages and -- and things of  
20 that nature.

21 This is -- my observance it's not a priority claim, it's  
22 not a secured claim. It is a -- it is an unsecured  
23 non-priority claim. But the plan treats 1983 claims --

24 THE COURT: Okay.

25 MR. STEMPIEN: -- differently than it does other

1 non-priority unsecured claims.

2 THE COURT: Maybe I'm -- I'm understanding your  
3 argument a little better now, but let me see if I've got it.

4 MR. STEMPIEN: Okay.

5 THE COURT: If I understand it. Seems -- seems to  
6 be what you're saying now is that this Paragraph 0 on Page 62  
7 of the confirmed plan is one place, not the only place  
8 necessarily, one place in which the plan, confirmed plan,  
9 treats general unsecured non-priority claims.

10 MR. STEMPIEN: Correct.

11 THE COURT: In the form of claims that are claims by  
12 employees of the city for indemnification, is that right?

13 MR. STEMPIEN: Well, it --

14 THE COURT: Isn't that what Paragraph 0 talks about?

15 MR. STEMPIEN: Yes. That is correct, yes, yes.

16 THE COURT: Okay.

17 MR. STEMPIEN: But the general unsecured claim that  
18 I have is a 1983 claim which I think is treated differently  
19 under this. So my obligation -- my claim -- my settlement as  
20 to the city and their officers was to be treated as that type  
21 of a claim under the plan which I think provides for \$42,500  
22 full payment.

23 Now does that mean I can go to the officers and say the  
24 officers have to pay me 42,500? Well, the Court's already

25 ruled no, I can't. I saw that in the prior ruling.

1           So then it's the city who is obligated to pay it under  
2 this. And the only way they can be obligated to pay is under  
3 the indemnification provision. And then if it's under the  
4 indemnification provision, I think it's -- that is not  
5 impaired or discharged in any manner.

6           THE COURT: Well, the city's obligated to pay  
7 something because they agreed to a settlement agreement that  
8 gave your client a general unsecured non-priority claim in the  
9 bankruptcy under the plan. Whether they had before agreeing  
10 to that, it was the city had any sort of legal obligation to  
11 pay your client anything I suppose is -- is a different issue.

12           But the settlement agreement gave your client a right to  
13 treatment, whatever treatment was -- what Paragraph 5 means  
14 under any confirmed plan by the city, right?

15           MR. STEMPIEN: Right.

16           THE COURT: Right.

17           MR. STEMPIEN: But it would be in conjunction I  
18 think with the nineteen eight -- we sued these individual  
19 police officers, not the city. We didn't bring a custom and  
20 policy claim against the city, we sued these individual  
21 officers.

22           My understanding then is that they're obligated as the  
23 full amount of the money. And if I had not -- my client had  
24 not signed this agreement I could go after these officers for

1 agrees that's true. We signed this agreement so now we have  
2 the city coming in.

3 So under one provision we get the full -- full 42,500,  
4 but when the city has to come in and pay it they get to pay it  
5 as a Class 14 under the notes. And I -- I think that that  
6 would be -- I think that would be reading the -- the  
7 provisions inconsistently. Because I think 1983 claims have  
8 gotten their own treatment. These are individual officers  
9 sued not -- not with the city, but as individuals.

10 And it was arbitrated. A decision was made. They had a  
11 judgment or could enter a judgment against them if we hadn't  
12 pursued the -- the agreement. And therefore if the city is  
13 going to pay it, they can do it as an indemnitor and therefore  
14 they're -- they're -- they can't impair that ability there to  
15 do so.

16 THE COURT: Well, look at, if you have it front of  
17 you there, Page 44 of the plan. It talks about the treatment  
18 of Class 14.

19 MR. STEMPIEN: I believe I do have that one with me,  
20 yes.

21 THE COURT: Other unsecured -- all right. The  
22 treatment of Class 14. Do you have it there?

23 MR. STEMPIEN: I'm looking at it.

24 THE COURT: Page 44 of the plan, docket 8272

25 attached to the order confirming the plan at treatment. It

1 says, "unless such holder agrees to a different treatment of  
2 such claim, each holder of an allowed other unsecured claim in  
3 full satisfaction such allowed claim shall receive," and then  
4 it goes on to talk about the -- the -- the notes, et cetera.  
5 The Class 14 treatment there.

6 Now the -- the phrase allowed other unsecured claim,  
7 allowed means the claim is allowed, but other unsecured claims  
8 defined at Page 21 of the plan, Paragraph 262 in the -- number  
9 262 of the definitions to mean any claim that is not an  
10 administrative claim, a convenience claim, a COP claim, a  
11 downtown development authority claim, a general obligation  
12 bond claim, a GRS pension claim, an LBB claim, a BFRS pension  
13 claim, a secured claim, indirect 36th District Court claim, or  
14 subordinate claim.

15 Then it says where the avoidance of doubt, Section 1983  
16 claims and indirect employee indemnity claims are included  
17 within the definition of other unsecured claim.

18 So doesn't that claim which made clear when combined with  
19 the language of the treatment of Class 14, that 1983 claims,  
20 including indirect employee indemnity claims are within the  
21 definition of -- of allowed other unsecured claim in Class 14  
22 of the plan.

23 MR. STEMPIEN: Again, the direct -- there was no  
24 direct 1983 claim, so it doesn't meet that because we didn't

1 individual officers for violation of the 42 USC 1983. That  
2 provision if it's read in the way that I believe the Court  
3 just indicated, I think would conflict with the -- the -- the  
4 subsequent provision that says that the 1983 claims against  
5 individual officers are not impaired. I don't remember the  
6 language, I apologize, but to that effect.

7       Again can the -- can the -- would the officers then have  
8 a different -- would they be in a different position to in  
9 their indemnity claim against the city if we went after them  
10 for the 42,500. It sounds like it would apply to that.

11       But then that -- that provision, that definition also  
12 conflicts with Article 4, subsection 0 which says there's no  
13 -- you know, there's no impairment of -- of an indemnity  
14 claim.

15       I would ask -- I would ask the Court to apply that, you  
16 know, sort of statutory construction rules that we would have  
17 or the more specific provisions and would rule over the  
18 general provisions. And I think when you read in conjunction  
19 the specific 1983 section about individual officers and the  
20 indemnification provisions it makes clear that I've still got  
21 my full claim against the officers because that -- when I  
22 signed this agreement and the -- and the officers -- or when  
23 my client signed this agreement and -- and said we're waiving  
24 our claim against the officers for 42,500 under the plan,

1 And then -- then the city's got to indemnify it because  
2 they're indemnified under their collective bargaining  
3 agreement. And Article 4, Section 0 we'd say they have to do  
4 it without impairment.

5 THE COURT: One of things I was going to get to and  
6 ask you about the language in the plan about the treatment of  
7 Class 14 on Page 44 in addition to what we've just already  
8 talked about is, the opening phrase of the -- of the paragraph  
9 that I just read to you, it says unless such holder agrees to  
10 a different treatment of such claim.

11 I thought you were going to argue that partly in response  
12 to my last question that well, yeah, the -- the claim that was  
13 settled and the claim which is allowed in the case is maybe a  
14 general unsecured non-priority claim. It is because that's  
15 what -- what the settlement agreement says in Paragraph 2 and  
16 5. And -- and it may be a -- an allowed other unsecured claim  
17 within the meaning of Class 14, but here the holder, your  
18 client of the claim, agreed to a different treatment of the  
19 claim. That is treatment different than what Class 14  
20 provides for.

21 MR. STEMPIEN: Right.

22 THE COURT: In the plan. And that, you're arguing  
23 is based on the settlement agreement, the full \$42,500  
24 payment.

1 THE COURT: Is that part of what you're arguing?

2 MR. STEMPIEN: Yes, yeah, yeah.

3 THE COURT: All right. You -- on the subject of  
4 your claim against the individual officers, I noticed that in  
5 March of this year apparently in the State Court action you  
6 obtained an order of that Court ordering the individual  
7 employees to pay the full amount of the arbitration award  
8 within 60 days, is that right?

9 MR. STEMPIEN: That is correct.

10 THE COURT: That's the order that is entitled order  
11 enforcing arbitration award in March 14, 2016, Circuit Court.  
12 This is -- a copy of this is -- it looks Exhibit 6 to your  
13 motion.

14 MR. STEMPIEN: Okay.

15 THE COURT: Refers to the arbitration award issued  
16 on May 16, 2013, order defendants, meaning the individual  
17 defendants being Meyer and Watkins and John -- Officer John  
18 Doe, so we're talking about Meyer and Watkins, I guess, to pay  
19 that award within 60 days.

20 MR. STEMPIEN: Correct.

21 THE COURT: Was the city involved in the litigation  
22 that led to this particular order in the State Court?

23 MR. STEMPIEN: Yes, they did.

24 THE COURT: They were?

25 MR. STEMPIEN: Yeah, they appeared at the hearing.

1 THE COURT: And did they argue against this?

2 MR. STEMPIEN: No.

3 THE COURT: Did they raise the issue of the  
4 settlement?

5 MR. STEMPIEN: No.

6 THE COURT: And did they oppose this entry of this  
7 order in any way?

8 MR. STEMPIEN: No.

9 THE COURT: During the hearing did they say anything  
10 about their indemnification obligation to Officer Watkins?

11 MR. STEMPIEN: No.

12 THE COURT: Did you bring up any of these things  
13 during that hearing?

14 MR. STEMPIEN: I did not.

15 THE COURT: All right. Well, what else do you want  
16 to say about your motion then, Mr. Stempien?

17 MR. STEMPIEN: No, I believe we've covered  
18 everything, Your Honor. I think the Court has a good sense of  
19 what my argument is. Thank you.

20 THE COURT: All right. Well, thank you. We'll hear  
21 from the city now. Mr. Spinner.

22 MR. SPINNER: Yes, good afternoon, Your Honor. I  
23 think you have actually covered most of what I would say. You  
24 know, now I understand exactly what he's -- brother counsel is

25 going after.

1 I think the -- the only issue I might raise, and it's  
2 probably a lot simpler than it -- than it would appear in the  
3 surface. To me the one doctrine that's being overlooked all  
4 over here is merger and the ability to settle claims. Two  
5 doctrines, I suppose.

6 First of all the parties can sell anything they wish for  
7 the most part. And they did so here and signed an agreement  
8 to that effect.

9 At the time the settlement took place, merger takes  
10 place. The original claim merges into the settlement. The  
11 settlement requires that this claim, this -- this suit in  
12 which the order was -- from the Court which issued the order,  
13 that suit was supposed to have been dismissed.

14 The claims against the individual police officers were  
15 obviously released as they were to the city. Claimant  
16 bargained for a \$42,500 unsecured claim, that's what he has,  
17 that's what he's gotten.

18 And beyond that I don't think I could add much to what  
19 Your Honor's already asked. Unless you have questions for me,  
20 Your Honor.

21 THE COURT: Well, what do you say about this  
22 Paragraph O on Page 62 of the confirmed plan and the argument  
23 made by Mr. Stempien here?

24 MR. SPINNER: Indemnification? The -- well, two  
25 things. First of all, there's no indemnification required

1 anymore, Your Honor, he's released the officers and said, I  
2 will take an unsecured claim against the city for payment. So  
3 there's no -- no ability or requirement for indemnification  
4 because there's no further charges against the officers.  
5 That's part of the settlement agreement that's been executed.  
6 And as to that --

7 THE COURT: So it is your view that the reference in  
8 the settlement agreement in Paragraphs 2 and 5 to the -- to  
9 Mr. McKay having a general unsecured non-priority claim  
10 subject to the treatment provided for such claims under any  
11 Chapter 9 plan, does not -- it means the treatment provided in  
12 Class 14 of the confirmed plan, not the -- not anything that's  
13 provided in Paragraph 0 on Page 62 of the plan relating to the  
14 indemnification of city employees.

15 MR. SPINNER: Oh, absolutely, Your Honor. As a  
16 matter of fact, you know, if we really want to get to be  
17 esoteric about this, most of the arbitration award was  
18 entered. In theory the 1983 claims merged with that and you  
19 have an arbitration dollar award. What is now against the  
20 individual officers is a dollar --

21 THE COURT: That was a binding arbitration, I  
22 assume, by agreement.

23 MR. SPINNER: I believe so.

24 THE COURT: Yeah.

25 MR. SPINNER: And then -- and that was exchanged and  
13-53846-tjt Doc 13-818-17 Filed 11/09/23 Entered 11/09/23 19:58:37 Page 29 of

1 merged into a settlement agreement and in the settlement  
2 agreement the plaintiff unambiguously agreed to release the  
3 city, its employees, and then -- and dismiss this case and in  
4 exchange for that would receive a Class 14 unsecured claim.

5 The reasons for the entering into the agreement, I'm not  
6 going to speculate. I'm not allowed to speculate because it's  
7 unambiguous. There's no parol evidence really to speculate  
8 upon. It's -- this is -- it is what it is. He was  
9 represented by counsel. It was executed and then -- and now  
10 he's gone off and gotten an award or an order from the Court.  
11 I would say that theoretically is in violation of the  
12 injunction. But I think this motion would probably take care  
13 of that.

14 In effect, Your Honor, what we're looking for is the same  
15 thing Mr. McKay is. We're looking to have the settlement  
16 enforced. I think we just have different interpretations of  
17 what that means.

18 THE COURT: The entry of this order on March --  
19 dated March 14, 2016 by the State Circuit Court, order  
20 enforcing arbitration award that I -- I referred to a little  
21 bit ago with Mr. Stempien, Exhibit 6 to the -- Mr. McKay's  
22 motion.

23 That order seems inconsistent with your argument about  
24 the settlement agreement having released any claims by Mr.

1 MR. SPINNER: Certainly would be my position, Your  
2 Honor.

3 THE COURT: So is there -- is there a problem  
4 however in the fact that there is a State Court judgment or in  
5 fact the order which I assume is a final order, that's  
6 inconsistent with the city's position?

7 MR. SPINNER: Insofar as that the order exists, Your  
8 Honor, if it's entered in violation of the Bankruptcy Court  
9 injunction that was entered with the plan, we could move to  
10 have it set aside. I mean technically speaking yes, the order  
11 stands until it's set aside and probably needs to be set  
12 aside.

13 I -- to be perfectly honest, I am not entirely familiar  
14 with the circumstances of how the order was extracted from the  
15 State Court. But if --

16 THE COURT: Well, how -- how would the order be in  
17 violation of any sort of injunction, discharge order, or  
18 injunction under the confirmed plan?

19 MR. SPINNER: Well, and to the extent -- just at a  
20 beginning without speculating on how many different ways.  
21 Just going after the fact the city's officers were sued in  
22 their official capacities, this order does not, I don't  
23 believe distinguish between that.

24 Certainly it's not limiting itself in any way. It's just  
25 simply the defendants shall pay within 60 days. So at a

1 minimum it should be corrected.

2 But I mean I would also say that regarding the  
3 settlement, the settlement said I will dismiss this case. And  
4 he did not dismiss this case. So I think the city would then  
5 have a claim against him theoretically for damages.

6 I don't want to speculate on how far this goes. I think  
7 this can be resolved a lot more simply than all. But if we're  
8 following hypotheticals, that's where I would take it.

9 THE COURT: The obligation to dismiss the city case  
10 or the civil case in State Court, that's Paragraph 9 of the  
11 settlement agreement.

12 MR. SPINNER: Yes, I believe so, Your Honor.

13 THE COURT: That says stipulation of dismissal with  
14 prejudice. And the form attached hereto is Exhibit B. I  
15 don't see any Exhibit B in the record. What is Exhibit B?

16 MR. SPINNER: You know, Your Honor, we have not  
17 found Exhibit B either. However, I believe when the Court  
18 last looked at this there was that similar -- this was exactly  
19 on all fours with the Phillips decision, Exhibit B was not  
20 found. But there was definitely an intent expressed within  
21 the agreement that the underlying litigation that led to the  
22 filing of the proof of claim was to be dismissed and the city  
23 takes the position that that same intent is expressed here,  
24 it's the same language exactly.

1 say then, Mr. Spinner?

2 MR. SPINNER: No, sir. Thank you.

3 THE COURT: All right. Mr. Stempien, as counsel for  
4 the moving party you can briefly reply if you want to.

5 MR. STEMPIEN: Your Honor -- I'll get to the  
6 lectern. The only thing I'd like to point out is that there  
7 has been no indication that they were sued only in their  
8 official capacities. And there's nothing in the arbitration  
9 award that tells us how it was awarded against them.

10 They were sued as individuals. We did not sue the City  
11 of Detroit. We did not bring them in and say they are -- you  
12 know, this is the city's problem. We sued individual officers  
13 which is actually in the 1983, that's generally how it's done.

14 So to -- to -- I think it's just -- I don't think that  
15 there's been an establishment. I think that the fact of the  
16 matter is we have an arbitration award that could have been a  
17 judgment entered against three individuals with no indication  
18 that it was in any -- in official capacity. So I believe it  
19 still falls within that one provision of the plan that we  
20 talked about earlier.

21 THE COURT: Entered against three individuals?

22 MR. STEMPIEN: Correct.

23 THE COURT: Who were those other than Meyer and  
24 Watkins?

25 MR. STEMPIEN: If I could, Your Honor. It was  
113-53846-tjt Doc 138-18 Filed 11/09/23 Entered 11/09/23 19:58:37 Page 33 of 33

1 originally filed against Mr. Watkins, and then the lawsuit was  
2 amended and we added three -- two other individual police  
3 officers and the award was Officer Myron Watkins, Frederick  
4 Persing, and Kevin Clark.

5 THE COURT: Oh, I see. They're named in the --

6 MR. STEMPIEN: It's Exhibit 5 of my --

7 THE COURT: They're named in the arbitration award.

8 MR. STEMPIEN: Right.

9 THE COURT: Yeah, okay, I got you. All right.

10 MR. STEMPIEN: Okay.

11 THE COURT: Go on.

12 MR. STEMPIEN: That's it. That's all.

13 THE COURT: All right. Thank you all. I'm going to  
14 rule on this motion now.

15 Based on the argument presented in -- in the hearing  
16 today and if this was not 100% clear in the papers filed by  
17 the moving party and by the city before today's hearing, but  
18 in the hearing it's now clear, that the moving party Mr.  
19 McKay's theory here to entitlement from the City of Detroit of  
20 full payment, the \$42,500, the full amount of the -- what is  
21 called the settled claim amount in Paragraph 2 of the  
22 settlement agreement, must be paid at 100% rather than paid at  
23 some -- with some lesser -- consideration of some lesser value  
24 because of the terms of the confirmed Chapter 9 plan.

1 total amount of relief and really the only theory of relief  
2 that ultimately is -- is argued here by the moving party, Mr.  
3 McKay. And that means as -- as stated by Mr. Stempien,  
4 counsel for Mr. McKay during the hearing made clear today, the  
5 -- Mr. McKay agrees and acknowledges that the settlement  
6 agreement provided for settlement of and release by him of the  
7 -- his 1983 claims, or his -- his claims -- civil rights and  
8 1983 claims against not only the City of Detroit whatever  
9 claims there may be, but also against the individual officers  
10 who were the subject of the arbitration award at issue.

11 And that's clear -- as the city argues, that's clear from  
12 Paragraph 8 of the settlement agreement which by the way is in  
13 the record as an exhibit to both parties' papers. I'm looking  
14 at docket 11187 as my copy here, it's Exhibit B at that point.  
15 It's also Exhibit 7 to the motion, docket 11157. That's the  
16 settlement agreement.

17 The -- the settlement agreement is clear in Paragraphs 2  
18 and 5 that what Mr. McKay was receiving as the sum total of  
19 consideration running in his direction in exchange for  
20 releasing his claims against the individual officers and the  
21 city in Paragraph 8, is -- provides -- that provided in  
22 Paragraphs 2 and 5 of the settlement agreement. That is in  
23 the form of Mr. McKay being given -- a provision stating that  
24 the claim Mr. McKay had filed in the City of Detroit's case

1 non-priority claim. That's Paragraph 2. In the amount of  
2 \$42,500.

3 The priority of the claim then is general unsecured  
4 non-priority. Paragraph 5 confirms that of the settlement  
5 agreement, confirms that as well. And says, "the parties  
6 agree that any settled claim is a general unsecured  
7 non-priority claim subject to the treatment provided for such  
8 claims under any Chapter 9 plan for the adjustment of debts  
9 confirmed by the Bankruptcy Court."

10 The -- Mr. McKay then is entitled to what he's entitled  
11 to from the city as the sum total of what the city is  
12 obligated to -- to provide to Mr. McKay under this based on  
13 this settlement agreement, is whatever treatment the confirmed  
14 Chapter 9 plan in this case provided for general unsecured  
15 non-priority claims.

16 And that treatment in my view clearly is the treatment  
17 provided in -- to Class 14 in the confirmed plan. The  
18 treatment of Class 14 is stated in the confirmed plan. At  
19 Page 44 of the confirmed plan, a copy of the confirmed plan is  
20 attached to the order confirming plan, docket number 8272 on  
21 file in this case. And that treatment is certainly quite  
22 different from full payment in cash of the full amount of the  
23 allowed claim as argued by Mr. McKay. It's the treatment that  
24 provides for a pro rata share of certain amount of new B notes

1 definitely not full payment in cash and it is far -- far less  
2 than that of the allowed claim.

3 Now Mr. -- that's clear in my view from the words used in  
4 the provision, the stated -- the treatment of Class 4 claims  
5 which are defined as allowed other unsecured claims, that's a  
6 defined term on Page 44 of the confirmed plan.

7 It allowed -- there's no dispute that there's an allowed  
8 claim here. The -- the question is whether this claim of Mr.  
9 McKay under the settlement agreement is a "Other Unsecured  
10 Claim" within the meaning of the statement of treatment under  
11 Class 14 on Page 44 of the plan.

12 In my view clearly it is. The definition of -- of other  
13 unsecured claim in the definitions of the confirmed plan on  
14 Page 21 to 22, Paragraph 262 in my view, although you have to  
15 parse through it, it's -- it's -- it's clear and unambiguous  
16 that that includes the general unsecured non-priority claim of  
17 the type which Mr. McKay was given as an allowed claim in this  
18 Chapter 9 bankruptcy case under the confirmed Chapter 9 plan  
19 by this settlement agreement, Paragraphs 2 and 5.

20 Mr. McKay has relied upon a provision in the confirmed  
21 plan on Page 62 of the confirmed plan. Again it's docket  
22 8272. The Paragraph 0 on that page which says for purposes  
23 irrelevant to this motion, in -- in essence says that the  
24 plan, the confirmed plan does not discharge or impair the

1 indemnify, defend, reimburse, exculpate, advanced fees and  
2 expenses to or limit the liability of officers and employees  
3 of the city.

4 As the movant's counsel acknowledged I think in today's  
5 hearing, it is clear that the city's obligation to indemnify,  
6 defend, reimburse, et cetera its employees, that was not  
7 discharged given the language in Paragraph 0 on Page 62 of the  
8 confirmed plan and otherwise, is an obligation that runs of  
9 the city to its employees and not an obligation the city has  
10 or that runs to any third party claimants who make claims  
11 against employees and officers of the city like Mr. McKay.

12 And so the settlement agreement in my view and its  
13 reference -- its language in Paragraphs 2 and 5 of the  
14 settlement agreement, is clear and unambiguous given the clear  
15 and unambiguous language of the confirmed Chapter 9 plan, that  
16 the treatment of the allowed \$42,500 claim that Mr. McKay has  
17 under the settlement agreement or under the Chapter 9 plan, is  
18 the treatment provided by in -- to holders of Class 14 claims  
19 under the confirmed plan that I've already referred to and  
20 nothing else and nothing more.

21 The city has no other obligation in my view under this  
22 settlement agreement and under the confirmed plan than that to  
23 Mr. McKay. The -- and so Mr. McKay's motion which seeks an  
24 order requiring the city to pay the full \$42,500 allowed

1 be inconsistent with the confirmed plan.

2 And the Court must reject Mr. McKay's motion and  
3 arguments to the contrary. So for that -- those reasons Mr.  
4 McKay's motion will be denied. I will prepare and enter an  
5 order reflecting this ruling and denying the motion. Thank  
6 you.

7 MR. STEMPIEN: Thank you, Your Honor.

8 THE COURT: The next motion then that I want to hear  
9 that's on our agenda is the -- the motion filed by the city  
10 seeking relief against Rodrick Siner.

11 For the record this motion was filed by the city on May  
12 12, 2016. It is at docket number 11159. It's entitled City  
13 of Detroit's motion for the entry of an order enforcing the  
14 plan of adjustment injunction and the bar date order against  
15 Rodrick Siner.

16 Now Mr. Spinner, you're on your feet. You're  
17 representing the city today in this hearing on this motion.  
18 For the record I will ask, I think I know the answer, but I  
19 will ask whether Rodrick Siner is present or if there's anyone  
20 here on behalf of Mr. Siner. I hear nothing. Mr. Siner has  
21 failed to appear at this hearing either in person or through  
22 any attorney.

23 And the Court and the city counsel may well know why that  
24 is or have good reason to suspect why that is, namely that Mr.

25 Siner is in prison in Alabama at the moment and did not try to  
113-53846-tjt Doc 138-18 Filed 11/09/23 Entered 11/09/23 09:56:37 Page 39 of 126

1 make any arrangements to participate in this hearing by  
2 telephone as far as I know and has not hired counsel as far as  
3 I know to represent him in this -- in this matter.

4 He did file a written response to the city's motion. For  
5 the record that appears at docket 11175. It was filed on May  
6 17, 2016. The city filed a reply to that response on June 10,  
7 2016 at docket 11261.

8 I have considered all of those documents. I also have  
9 reviewed and considered the document filed by Mr. Siner in  
10 this Court two days ago, June 13<sup>th</sup> at docket 11279 entitled  
11 motion to reschedule hearing.

12 I have not yet acted on that motion to reschedule  
13 hearing. For one thing a notice of deficiency had to be  
14 issued with respect to that motion it was deficient in several  
15 ways as identified in the deficiency notice that was filed  
16 yesterday at docket 11281.

17 Mr. Spinner, let me ask you as counsel for the moving  
18 party, the city, whether the city has a position regarding  
19 whether the Court should grant or deny Mr. Siner's motion to  
20 reschedule hearing filed two days ago.

21 MR. SPINNER: Your Honor, we do not believe it is --  
22 could be taken in good -- we suggest that the Court deny it.  
23 The -- if I -- if I read Mr. Siner's motion correctly, he  
24 would like it adjourned until he is either appointed counsel,

1 happen approximately April of 2017.

2 That would mean that the -- if the -- if the Court were  
3 to entertain it and adjourn it that long that would mean that  
4 Mr. Siner's suit in the District Court could continue which  
5 apparently he is able to manage from -- from prison for many  
6 months before we would be able to adjudicate on whether or not  
7 that is an illegal suit based on the plan injunction. So we  
8 don't think that's a -- that's particularly well taken.

9 THE COURT: All right. Well, the short answer is  
10 the city opposes Mr. Siner's motion to reschedule. I might  
11 have considered ruling otherwise if the city had agreed to the  
12 motion to reschedule in some way, but they -- they have not  
13 and I'm going to deny Mr. Siner's motion to reschedule today's  
14 hearing and I'll prepare and enter an order reflecting this  
15 ruling.

16 I'm denying it for the following reasons. First, the  
17 motion is untimely. It is filed much too late in time and  
18 much too close to the date of the scheduled hearing in my  
19 view.

20 Mr. Siner was mailed a notice of today's hearing on the  
21 city's motion on May 19, 2016, just one day short of four  
22 weeks before today's hearing date. And so shortly after that  
23 Mr. Siner knew of the June 15 hearing date on this motion and  
24 he waited until June 13 to file a motion to reschedule the  
25 hearing. That's untimely in my view and it's denied for that

1 reason.

2       Second, Mr. Siner as -- as Mr. Spinner mentioned, Mr.  
3 Siner asks in his motion to reschedule that the Court  
4 reschedule the hearing until a later date that will allow him  
5 to be present and present argument on his behalf, or in the  
6 alternative, appoint counsel to represent him. The Court  
7 cannot appoint counsel to represent Mr. Siner in this matter,  
8 there's simply no basis in law or under this Court's rules or  
9 procedures, or the Bankruptcy Code to permit that.

10       This Court does have a pro bono counsel, volunteer  
11 counsel program in which volunteer attorneys represent certain  
12 debtors and sometimes certain creditors in certain bankruptcy  
13 -- types of bankruptcy cases regarding certain issues. But  
14 they all have to do with issues of whether or not an  
15 individual debtor is to obtain a discharge in a Chapter 7  
16 case, or have a given -- certain types of debts excepted from  
17 discharge in a Chapter 7 case.

18       The Court's pro bono program does not extend to a motion  
19 of this type in this case. And so this Court does not have  
20 any ability to appoint counsel to represent Mr. Siner in this  
21 matter or otherwise.

22       And as Mr. Spinner pointed out, Mr. Siner's motion to  
23 reschedule this hearing indicates that he is incarcerated  
24 until -- is not scheduled to be released from his

1 circumstances far too long for this Court to wait to have --  
2 to merely have a hearing on the city's motion under all the  
3 circumstances.

4 And so for those reasons I'm -- I'm denying Mr. Siner's  
5 very late filed motion to reschedule today's hearing and we're  
6 going to go forward with today's hearing. And as I said, I'll  
7 prepare and enter an order reflecting that ruling.

8 That brings us then to the city's motion. And while I  
9 have denied and am denying Mr. Siner's motion to adjourn or  
10 reschedule today's hearing on the motion, I am not defaulting  
11 Mr. Siner for his failure to appear at the hearing today.

12 That is I'm not going to rule against him in any part or  
13 in any way because of his failure to appear at today's  
14 hearing. If I rule against him it will be based upon the  
15 merits of this dispute rather than any sort of default by Mr.  
16 Siner's failure to appear today.

17 And I do -- I do that because in this case it's obvious  
18 and -- and well known to the Court, Mr. Siner's made known to  
19 the Court that he -- that it is physically impossible for him  
20 to appear at today's hearing and argue his -- his position.

21 I have considered, however, the position and argument he  
22 made and facts he alleged in his written response to the  
23 city's motion that I referred to earlier as well as of course  
24 the city's arguments. Now I will give counsel for the city an  
25 opportunity to argue the motion since they have appeared at

1 today's hearing.

2 So Mr. Spinner, I'll do that now. What do you want to  
3 say about your motion?

4 MR. SPINNER: Thank you, Your Honor. Well,  
5 obviously you've been considering it. Also I will keep it  
6 extremely brief.

7 In short, Mr. Siner filed suit against the city in the  
8 District Court on October 8<sup>th</sup>, 2015, commenced the case  
9 15-13532 against the city and several John Doe police officers  
10 which he sued in their official and individual capacities --  
11 capacities asserting various violations of constitutional  
12 rights.

13 And the city for protection has appeared and answered.  
14 The short answer is that Mr. Siner is not allowed to do this.  
15 He's filed -- the filed bar date order at docket 1782,  
16 Paragraph 22 bars people from asserting pre-petition claims  
17 against the city after February 21<sup>st</sup>, 2014.

18 The plan at docket 8045 which Your Honor has cited the  
19 confirmation order confirming said plan contains a similar  
20 injunction in Article 3(d)(5). Siner -- Mr. Siner responds  
21 that the discharge could not cover future events and he cites  
22 the revocation of his Alabama parole on October 13<sup>th</sup>, 2015  
23 which he says he could not have foreseen to -- to which the  
24 city responds that first in his complaint he says he was

1 his arrest and his subsequent arrest took place sometime  
2 between 2010 and 2012 which clearly means he must have been  
3 aware of it since his parole officer -- he alleges himself, he  
4 admits his parole officer told him this would be the outcome.

5 And also as an aside technically though he clearly saw  
6 how the hearing was going to go because he filed -- he mailed  
7 the complaint to the Court September 29<sup>th</sup>, two weeks before the  
8 parole hearing alleging that his parole had been denied, so  
9 either he has a crystal ball or pretty good idea what was  
10 going on.

11 The Court has already considered how to decide whether a  
12 claim arises pre or post-petition. For the record the issued  
13 opinion is at docket 11089. And so the Court settled on the  
14 fair contemplation test to make the determination. And the  
15 simple question is with reasonable due diligence could the  
16 claimant here Siner, assert ascertaining they had a claim  
17 pre-petition and as we've just stated yes, he admits that his  
18 parole officer warned him. So he did not even need to  
19 exercise due diligence, he was informed that this could very  
20 well be the outcome.

21 So he knew this -- this could have happened. This was  
22 all pre-petition conduct and therefore it's all subject to the  
23 bar date and the injunction and the claims against the city  
24 and their officers at least in their official capacity, are

1 And I think that's pretty much the majority. The only  
2 comment I would mention is that he did mention, and since  
3 we're dealing with Mr. Siner in full fairness, he mentions he  
4 did not get notice of the bar date. He raised that in his  
5 motion to adjourn, although it's not technically up for the  
6 Court.

7 It's also not relevant for this particular question. If  
8 he feels he needs to file a motion to file a late filed claim  
9 he can -- he can do so. We can deal with it at a future time.  
10 But I wanted to respond fully to all of his -- his comments.  
11 Other than that if Your Honor has any questions, happy to  
12 address them. But I think you've -- you've covered it.

13 THE COURT: I don't have questions, thank you. I'm  
14 going to rule on this motion now as well.

15 This motion by the city will be granted. It's clear and  
16 -- it is clear from the facts and the circumstances presented  
17 here that in filing this action that he filed in U.S. District  
18 Court on or about October 8, 2015, Mr. Siner filed a lawsuit  
19 against the City of Detroit based on a pre-petition claim.  
20 That is a claim that he has against the City of Detroit that  
21 arose well before the city filed its bankruptcy petition in  
22 this Chapter 9 case on July 18, 2013. That was the bankruptcy  
23 petition date.

24 Mr. Siner's complaint and -- and his claim are claims  
25 against the city whatever validity or merit they may have or

1 may have had are based on actions and arise from actions,  
2 wrongful actions allegedly taken by one or more officers of  
3 the -- police officers of the city back in 2010. On or about  
4 April 13, 2010.

5 The complaint is based upon an alleged violation of Mr.  
6 Siner's constitutional rights that occurred he says and  
7 alleges when an arrest warrant was issued by the Detroit  
8 Police Department on April 13, 2010 against him on criminal  
9 charges. His complaint is based entirely on that as the  
10 wrongful action by the city and city officers that form the  
11 basis of his claim or claims against the city.

12 That is clearly a pre-petition claim in the sense that it  
13 arose well before the city filed its Chapter 9 bankruptcy  
14 petition in July 2013. The -- while Mr. Siner argues in his  
15 written response that he only suffered the most serious  
16 damages that he complains about, that is the revocation of his  
17 parole in Alabama that led to his incarceration that he still  
18 suffers from in Alabama according to his response, while that  
19 occurred after the filing of the bankruptcy petition, that is  
20 not dispositive of the issue in my view of when the claim or  
21 claims by Mr. Siner against the city arose for bankruptcy  
22 purposes.

23 As the city points out in their response, the Court  
24 recently issued an opinion discussing at length the law

1 arise for bankruptcy purposes. And when -- and whether it is  
2 deemed to arise before or after the filing of a bankruptcy  
3 petition.

4 I want to reiterate and incorporate by reference  
5 everything I said in -- in my recent opinion filed in this  
6 case on that subject. For the record the opinion was filed by  
7 me as -- as an amended opinion. It was filed on April 19,  
8 2016 and it is reported at 548 B.R. 748, a decision again from  
9 April 19, 2016.

10 In that opinion, that lengthy opinion and in particular  
11 at Pages 761 to 763 of the Court's opinion in that case, the  
12 Court discusses the fair contemplation test as the proper test  
13 for determining whether a claim arose pre-petition or  
14 post-petition for bankruptcy purposes and then apply that test  
15 to three different sets of claims that had been brought  
16 against the city and ruled as to whether they were pre or  
17 post-petition.

18 The claim of Mr. Siner, or claims of Mr. Siner clearly  
19 arose pre-petition. The alleged wrongful conduct by the city  
20 arose and Mr. Siner was well aware of the wrongful conduct,  
21 far and long before the bankruptcy petition date.

22 The fact that Mr. Siner suffered damage or additional  
23 damage from that alleged wrongful conduct by the city that he  
24 was aware of well before the bankruptcy petition date after

25 the petition date and continues to suffer some adverse affects

1 after the petition date from such pre-petition conduct does  
2 not make the claim arise after the filing of the bankruptcy  
3 case for bankruptcy purposes.

4 Rather clearly this claim arose before the filing of the  
5 bankruptcy petition. The consequences of that conclusion is,  
6 that the filing and prosecution of that lawsuit in District --  
7 U.S. District Court that's at issue in this motion by Mr.  
8 Siner was a violation of the discharge injunction in the  
9 confirmed Chapter 9 plan and the claim -- the so-called bar  
10 date order, both of which are cited and discussed in detail in  
11 the city's motion.

12 I agree entirely with the city on their arguments that  
13 the -- Mr. Siner's actions in filing and prosecuting that  
14 lawsuit in U.S. District Court was barred, is barred and  
15 prohibited by the discharge injunction and the bar date order  
16 in this bankruptcy case.

17 And so the city is entitled to the relief they request.  
18 The -- Mr. Spinner, I'll ask you to submit the proposed order  
19 that was attached to the motion. I will ask you to make one  
20 change in the order.

21 In Paragraph 2 of the order it requires Mr. Siner to  
22 dismiss or cause to be dismissed with prejudice his claims in  
23 the city -- or the U.S. District Court case within five days  
24 after the entry of this order. That -- that is perhaps a bit

1 prison in Alabama.

2 And so I'm going to make it 14 days. So I'll say no  
3 later than, and so I'll just say no later than and then put in  
4 the specific date that is 14 days after today which is June  
5 29. So, no later than June 29, 2016, Frederick Siner shall  
6 dismiss or cause to be dismissed, et cetera as it -- as it  
7 reads there.

8 And then I -- I'll ask you to submit the order as  
9 revised. I will modify probably in some non-substantive ways  
10 the first paragraph text of the order to recite the Court  
11 having held a hearing today and -- and -- and so forth. But  
12 other than that the order is fine and I'll ask you to submit  
13 that and I'll waive presentment of the revised order. Any  
14 questions about what's needed there, Mr. Spinner?

15 MR. SPINNER: Crystal clear, Your Honor.

16 THE COURT: All right. Thank you. As I said, I'll  
17 prepare and enter the order regarding denying the motion to  
18 reschedule the hearing.

19 All right. That next brings us to the remainder of the  
20 agenda for today which is the city's forty-fourth omnibus  
21 objection to certain claims. The city's forty-fifth omnibus  
22 objection to certain claims. And then an adjourned hearing  
23 regarding numerous claims that were the subject of several  
24 previous omnibus objections to claims heard earlier dates

1 and argued at today's adjourned hearing.

2 I think all of these matters concern basically the same  
3 issues. And so I think we'll consider them all together and  
4 those -- we'll hear first from counsel for the city regarding  
5 these omnibus objections to claim. And then anyone who is in  
6 the Court who wants to be heard regarding these, any of these  
7 matters insofar as it concerns a claim of theirs. Or if  
8 you're an attorney, a claim of your client's in this case will  
9 have an opportunity to be heard today in this hearing. So,  
10 Mr. Spinner.

11 MR. SPINNER: Well, Your Honor. Thank you. You've  
12 taken pretty much most of the words out of my mouth here  
13 today. Pretty much I was going to suggest we do them all  
14 together so that's -- that's absolutely appropriate.

15 What we were going to propose is that I would review the  
16 procedure of how we got here and the docket entries and then  
17 Mr. Willems would argue the brief. But Your Honor has been  
18 doing a fabulous job keeping the docket up to date so if you  
19 don't need me at all, I could just turn it over to Mr. Willems  
20 to argue his brief, or I can go through the procedure,  
21 whatever suits the Court.

22 THE COURT: I think you should briefly describe the  
23 procedure and the background a bit here as to the claims --  
24 objections other than the forty-fourth and forty-fifth omnibus

1 have counsel and -- and may benefit from hearing a bit about  
2 the background on this.

3 MR. SPINNER: Happy to do so. On July 9<sup>th</sup>, 2014 the  
4 Court entered the order pursuant to 11 USC Section 105(a) and  
5 Federal Rule of Bankruptcy Procedure 3007 approving claims  
6 objection procedures. That's at docket 5872 of the claims  
7 procedures order.

8 And at two on that order it allows the city to file  
9 omnibus objections with respect to claims that do not identify  
10 a valid basis for any liability of the city. On February 26,  
11 2016, the city filed omnibus claim objection twenty through  
12 thirty-four and that's docket numbers 10776 through 10790.

13 Fifty-three Detroit employees filed responses that were  
14 not stricken that raised similar issues with respect to terms  
15 of employment and the imposition in large part on city  
16 employment terms.

17 On March 24<sup>th</sup>, fifth, and April 7<sup>th</sup> of 2016, the city filed  
18 ex parte motions to establish an orderly process for hearing  
19 and determining these claims. And those were at docket  
20 numbers 10931 and 11050.

21 On March 10<sup>th</sup>, we also filed two more omnibus objections  
22 which related omnibus number thirty-six and thirty-seven at  
23 docket numbers 10811 and 10812.

24 The city ordered -- entered orders granting our ex parte  
25 motions. Those were entered at docket numbers 10941, 11035,

1 and 11054. And they were served upon the various claimants  
2 and the certificates of service are at docket numbers 10966,  
3 10987, 11070, and 11071.

4 Taken collectively these orders allowed the city the  
5 opportunity to explain collectively why employee obligation  
6 claims fail as a matter of law and thus on April 21<sup>st</sup> the city  
7 filed its supplemental brief in support of expungement or  
8 disallowance of claims of employee obligation claimants at  
9 document number 11 -- 11102. No responses were filed now so  
10 the employee obligation claims from those omnibus objections  
11 are up for hearing today.

12 On May 12<sup>th</sup>, subsequent to that the city filed its  
13 forty-fourth and forty-fifth omnibus objections for claimants  
14 who asserted claims that the city believed were in the same  
15 vein as those subject to the -- of the legal arguments in the  
16 supplemental brief. And those were filed, those omnibus  
17 objections were filed at docket numbers 11162 and 11163.

18 There were a number of timely responses to the  
19 forty-fourth and forty-fifth omnibus objections and a number  
20 of parties asserted that they were in positions funded by  
21 grants provided outside the city and thus for various reasons  
22 the city employment terms should not apply to them.

23 The city does not wish to rush to judgment on those. It  
24 wishes to afford additional time to investigate and resolve

1 to adjourn the hearing for these particular claimants at  
2 docket number 11255 and the Court granted that at document  
3 11265.

4 The city served all the parties affected by this by  
5 overnight service this past Friday at document number 11267 so  
6 the affected parties should have got notice of that. None of  
7 them have been returned, so they should all know they do not  
8 need to show up today.

9 Of course some responses have subsequently been stricken  
10 for various deficiencies. If the Court wishes, I can read in  
11 the list of claimants who were scheduled to be heard today but  
12 which were adjourned, or I can skip that.

13 THE COURT: One second.

14 MR. SPINNER: Certainly. There were 20 in all I  
15 think. Fourteen for the forty-fourth and six for the  
16 forty-fifth. And the reason for the size discrepancy, the  
17 forty-fourth was the first 100 and the remaining I think 40 or  
18 so were in the forty-fifth.

19 THE COURT: Just a minute, please.

20 MR. SPINNER: Sorry.

21 THE COURT: I -- I think, yes. I will ask you to  
22 read the names of those who were -- whose claims were the  
23 subject of the forty-fourth and forty-fifth omnibus claim  
24 objections which are being heard for the first time today.

1 who are being adjourned. I don't have --

2 THE COURT: Just let me finish.

3 MR. SPINNER: I'm sorry.

4 THE COURT: Those omnibus claims objections are  
5 being heard today except as to those individuals whose claims  
6 -- the objection to claim has been adjourned by the Court's  
7 order that was entered on June 10<sup>th</sup> that you referred to. So  
8 as to those individuals whose -- for whom the hearing on the  
9 claim objections have been adjourned to August 31 at 1:30  
10 p.m., I would like you to read those names.

11 MR. SPINNER: Sure.

12 THE COURT: For the record and for the benefit of  
13 anyone who has come to the hearing today, if your name is read  
14 now, understand that you -- your claim is not scheduled for  
15 hearing today, it's been adjourned for a hearing on August 31  
16 at 1:30. You're not required to be here and there's nothing  
17 to argue -- for you to argue today about your claim, but of  
18 course everyone who is here is welcome to be here.

19 This Court is open to the public. And anyone whether  
20 they have a claim or not in the city case is -- is --  
21 certainly may attend and listen to the hearing. So with that  
22 said, Mr. Spinner, would you read the names of those who are  
23 -- whose claim -- the objection to whose claims are not being  
24 heard today but rather have been adjourned to August 31 at

1 MR. SPINNER: Absolutely. Would you like just the  
2 name or the name and the docket number of their response?

3 THE COURT: Just read the names and speak up so  
4 everybody will hear you.

5 MR. SPINNER: Yes, sir. Michelle Duff, Anthony  
6 Derrick Smith, Hope Strange, Dinah L. Bolton, Jacqueline M.  
7 Jackson, Fern Clement --

8 THE COURT: Hold it, Mr. Spinner -- Mr. Spinner,  
9 let's do it this way. I'm following along. I want you to  
10 read it in the order that it appears in the order adjourning.  
11 Do you have that there?

12 MR. SPINNER: I do. And for further clarification,  
13 I believe -- I recognize some of these names have been  
14 recently stricken. Their responses have been stricken for  
15 various deficiencies. If the Court will indulge me just a  
16 moment.

17 THE COURT: Just read the names that are in the box  
18 on Page 2 of the June 10 order 11265. That's what I want you  
19 to do.

20 MR. SPINNER: Yes, Your Honor. I had to get the  
21 order in front of me.

22 THE COURT: All right. If you have that order in  
23 front of you, go ahead and again speak up.

24 MR. SPINNER: I will. Dinah L. Bolton, Gueelma

1 Michelle Duff, Warren T. Duncan, Gerhard Eady, Jacqueline M.  
2 Jackson, George A. Kaw, Kim McCoy, Sandra O'Neal, Diane L.  
3 Onuigbo, Diana Lynn Patillo, Marlene Y. Robinson, Anthony  
4 Derrick Smith, Hope Strange, Randall Thomas, Ranna K. Trivedi,  
5 and Darrell S. Carrington.

6 THE COURT: All right. Thank you. Again those are  
7 the names of individuals whose claims are not being discussed  
8 in today's hearing. The city's objection to your claim if  
9 you're on that list that was just read is -- has been  
10 adjourned to August 31 at 1:30 p.m. You need to be here then  
11 for that if you want to appear and be heard about it.

12 Now, that concerns the individuals whose claims were part  
13 of the city's forty-fourth and forty-fifth omnibus objections  
14 to claim. There is a list of it looks like about 49 people  
15 whose claims were the subject of earlier objections to claim  
16 but which the hearing of which has been adjourned to today.

17 MR. SPINNER: Yes.

18 THE COURT: Under the procedures you described,  
19 including the city's filing of its brief on April 21 talking  
20 about the -- the city employment terms and the employee  
21 obligation claims.

22 So is -- unless there's any further background that you  
23 wish to give then, Mr. Spinner, we'll -- we'll hear argument  
24 from the city on the merits of the -- these arguments.

1 the forty-fourth and forty-fifth. And I believe Mr. Wolfe's  
2 was just stricken by the Court prior to this hearing for a  
3 deficiency. So that leaves James Capizzo, Carla Smith, Gladys  
4 Cannon, and Gerald Moore from the forty-fourth going forward  
5 today and Renee Tollman for the forty-fifth. And that ends my  
6 portion and I will turn it over to my colleague.

7 THE COURT: Well, wait, Mr. -- excuse me, if Mr.  
8 Wolfe is present, I will allow him to be heard today in the  
9 hearing. I'll allow him to speak if he's here and he wants to  
10 speak about the names that you just went through.

11 But the names you just went through are the names of  
12 individuals who filed responses, written responses as they  
13 were required to do to the city's forty-fourth and forty-fifth  
14 omnibus claim objections and there are other names of  
15 individuals who were subject to those objections who are not  
16 being adjourned or who did not file a written response. And  
17 as to those, I -- I assume the city is seeking an order  
18 granting the -- sustaining the objection to claim and  
19 disallowing the claims.

20 MR. SPINNER: Yes, Your Honor.

21 THE COURT: All right. So if the city is ready to  
22 argue the merits, go ahead.

23 MR. WOLFE: Your Honor, you wanted to hear from Mr.  
24 Wolfe. I wanted to --

25 THE COURT: Are you Mr. Wolfe?

1 MR. WOLFE: Yes.

2 THE COURT: Well -- well, as I said, I'll give you  
3 an opportunity to speak, Mr. Wolfe after we hear from the  
4 attorney for the city.

5 MR. WOLFE: Okay. Thank you.

6 THE COURT: As I will give the others who are --  
7 whose claims are up today, I'll give everyone else a chance to  
8 speak. Go ahead, Mr. Williams is it?

9 MR. WILLEMS: Willems, Your Honor.

10 THE COURT: All right. Go ahead, Mr. Willems.

11 MR. WILLEMS: It's E-m-s at the end.

12 THE COURT: Go ahead.

13 MR. WILLEMS: Thank you, Your Honor. The -- what  
14 I'm going to do is just address briefly the general principles  
15 about which we are asking the Court to expunge with -- with  
16 all these -- these claims or disallow these claims.

17 THE COURT: Mr. Willems, let me ask you to speak up.

18 MR. WILLEMS: Yes, okay.

19 THE COURT: Apparently there are some folks in the  
20 back of the courtroom that are having trouble hearing. I want  
21 to make sure they hear. So I'm trying to speak up, hopefully  
22 I'm not yelling.

23 MR. WILLEMS: I'll move the mike a little closer.

24 THE COURT: Yeah, please do.

25 MR. WILLEMS: How is that?

1 THE COURT: All right. Go ahead.

2 MR. WILLEMS: Okay. So we have essentially three  
3 arguments, two of which apply to all of the claims and one of  
4 which applies to a certain subsection.

5 As we reviewed these claims, we noticed that all of them  
6 seem to have at least to a great degree or exclusively claims  
7 based on the reductions in pay and benefits that took place  
8 under what are known as the CET's, the city employment terms.  
9 The city employment terms were imposed on city employees both  
10 union and non-union in July of 2012 after the city entered  
11 into a consent agreement or a financial stability agreement  
12 with the state under what was then Act 4 which was in effect  
13 at the time. That's PA-4 of 2011.

14 The -- under -- under that -- under Act 4 and under the  
15 consent agreement, the city's duty to bargain with its unions  
16 was suspended for the period of the consent agreement. And  
17 that means that under -- under the Public Employment Relations  
18 Act normally the city is required as a public employer to  
19 bargain with the duly elected representatives of its  
20 employees, in this case the unions ASFCME, SAAA, et cetera.

21 Under -- under the consent agreement under Act 4 that  
22 duty was suspended for a period of time and so the city was  
23 legally allowed to impose terms and conditions of employment  
24 on its employees. And that was true whether it was a union

1 bargaining agreement you were an at will negotiable employee  
2 in any case.

3       So as part of the requirements under the consent  
4 agreement, certain financial efficiencies had to be instituted  
5 and a lot of those ended up being labor costs that were  
6 addressed in the CET's. And what -- what we see in these  
7 claims are pretty much the -- the same -- the same sort of  
8 claims of reductions in pay and benefits that -- that you see  
9 that were imposed in the CET's, the 10% wage loss, the  
10 reduction in -- in various holidays, bonuses, longevity,  
11 elimination, and loss of vacation days, swing, and election  
12 holidays, holiday pay, paid lunch hours, increased health care  
13 costs, changes in welfare benefits, freezing of reserved sick  
14 banks, all those kinds of things.

15       And to practically every claim with one or two exceptions  
16 I think, had some component of those reductions in them as  
17 their claim. In some cases the CET's were specifically  
18 referenced, in other cases they were not, but in any case the  
19 -- the specifics of the claims comported precisely with the  
20 reductions in -- in the -- in the pay and benefits that were  
21 imposed under the CET's.

22       Our argument on -- on this process is that there's really  
23 no valid underlying legal claim here. The CET's were lawfully  
24 imposed under Act 4. To the extent that there were any

1 there were really only three legal challenges, two of which  
2 we've cited in our brief. The Detroit Police Officers  
3 Association brought two separate cases attempting to argue  
4 primarily because they're a public safety union that they had  
5 still retained rights to negotiate the terms and conditions of  
6 employment despite the fact that there was -- that there were  
7 CET's in place and that there was a -- a consent agreement in  
8 place.

9 The Courts rejected those and as you may know  
10 historically Act 4 was suspended pending a referendum and at  
11 that point the Detroit Police Officers Association went back  
12 into Court and tried to get the CET's overturned and the  
13 Courts rejected that. Those cases were all up on appeal when  
14 the -- when the city was placed in receivership and ultimately  
15 the appeals were withdrawn.

16 So the -- the first reason for disallowing or expunging  
17 these claims is that there's no valid underlying legal claim.  
18 The city was within its rights to impose the CET's. There is  
19 no -- no challenge that -- that undermines that argument and  
20 the -- the claims should be disallowed for that reason.

21 The second reason for disallowing some of these claims is  
22 that they appear to be based on the actions of the emergency  
23 manager. As you -- as you know, in -- in March of 2013, the  
24 city was placed in receivership and it was placed under the  
25 guidance of -- of an emergency manager. This time under Act

1 436 which is the -- the successor statute to Act 4 and  
2 contains a lot of the same provisions.

3 But in effect under receivership the emergency manager  
4 also has no duty to bargain collectively under the Public  
5 Employment Relations Act. And so there were further terms  
6 imposed by the -- by the emergency manager and specifically  
7 the claims, some of these claims, and I think we've identified  
8 them in our brief, allege that in addition to the CET  
9 reductions the emergency manager also imposed an annuity and  
10 pension freeze under emergency manager order number 21.

11 And those claims should be expunged or disallowed for the  
12 same reasons that these were lawful actions taken by the  
13 emergency manager. There is no underlying legal claim that --  
14 that can be brought for any -- any reductions in pension or  
15 annuities.

16 Finally, all of these -- well, all but I think two of the  
17 claimants are union members and they belong to various unions.  
18 The -- the bulk of them are AFSCME, American Federation of  
19 State County and Municipal Employees which has a number of  
20 locals throughout the city and various departments.

21 There are also members of several other unions which  
22 we've identified in our brief. And all of these unions  
23 themselves are members of what is called a coalition of  
24 Detroit unions. The coalition and AFSCME both have their own

1 relating to the CET's that are brought here by the individual  
2 claimants.

3       So in essence these claims are duplicative of the omnibus  
4 union claims. The -- the Court is probably aware of both the  
5 AFSCME claim and the coalition claim. And we have attached  
6 those to our brief to demonstrate that the -- the claims  
7 brought by the unions are in fact the same kinds of claims  
8 that are brought by the individuals.

9       And being duplicative the individuals obviously the  
10 question for the Court is, if I have duplicate claims which  
11 one do I honor, which one prevails. And it's pretty clear  
12 under Michigan law that it would be the union claims that  
13 prevail.

14       The CET's as you recall were imposed under -- under an  
15 amendment to PARA that was made as a result of Act 4. They --  
16 they are -- are part of collective bargaining law in this  
17 state or they were at that time.

18       And the -- they supplanted the collective bargaining  
19 agreements. But they did not, although there was no duty to  
20 bargain with the unions, the unions still continued to be the  
21 duly elected representatives of the unions. And the CET's  
22 recognize that. They continued to have a grievance process.  
23 They continued to have, you know, the whole relationship and  
24 infrastructure between employer and union was still in place

25 under the CET's.

1 And it's -- it's kind of a basic principle of -- of labor  
2 law where you have a union in place that the employer has to  
3 deal with the union. It's got to negotiate with the union it  
4 cannot deal with employees individually, cannot negotiate with  
5 employees individually, it's their elected representative that  
6 manages the entire employment relationship.

7 If there's a problem there, the recourse is against the  
8 union as we pointed out in our brief and a duty of fair  
9 representation claim against the union. But in -- but the  
10 basic terms and conditions and relationships with the employer  
11 are in the hands of the union and that's by law, that's under  
12 PARA.

13 In fact if we were to attempt to settle any of these  
14 claims with the individuals we would probably hear from the  
15 unions fairly quickly because we would be in fact violating  
16 PARA on an attempt to do so. Remember each one of these  
17 claims is not an individual claim, it's a claim about a policy  
18 that affected all employees. The -- the policy being  
19 expressed in the CET's. So we have those three reasons why  
20 these claims should be disallowed or expunged.

21 THE COURT: Well, with respect to your argument  
22 about duplicate claims --

23 MR. WILLEMS: Yeah.

24 THE COURT: This -- this last argument you've

1 and the city's objections to the claims of AFSCME and the  
2 coalition of unions. You -- I -- you know, we -- we -- the  
3 Court has entered orders, several orders over the last few  
4 months extending deadlines.

5 MR. WILLEMS: Yes.

6 THE COURT: That the Court set a year or so ago  
7 originally for the filing of summary judgment motions, and  
8 briefs, and hearings. The -- the latest order if -- if I read  
9 it correctly sets as the first deadline for summary judgment  
10 motions to be filed, it's now June 28<sup>th</sup> this month.

11 MR. WILLEMS: Correct.

12 THE COURT: But I -- I thought I recalled seeing in  
13 some of the papers, including stipulations for recent  
14 extension orders, some indications that at least in principle  
15 the dispute between the city and these -- the AFSCME and the  
16 coalition regarding these claims has been settled, at least in  
17 principle.

18 MR. WILLEMS: The claims have -- in principle. And  
19 in fact we've -- we've --

20 THE COURT: So what is the status there?

21 MR. WILLEMS: Okay. We've gone a step beyond that.  
22 We have a document now that has been agreed to by council and  
23 it is now going through the ratification process in the city.  
24 As you know all agreements have to be ultimately ratified by

1 have -- we have a -- a complete settlement of both claims  
2 subject to ratification.

3 THE COURT: And that would include --

4 MR. WILLEMS: As far -- my understanding is, it's  
5 been ratified on the union side.

6 THE COURT: It has been?

7 MR. WILLEMS: Yes.

8 THE COURT: The -- if the settlement is approved by  
9 city council then the -- the settlement would settle any  
10 claims, any and all claims of these claimants AFSCME and the  
11 coalition of unions that you say are duplicates of claims some  
12 of these individuals have brought, is that right?

13 MR. WILLEMS: They would, they would.

14 THE COURT: And is it the city's position that --  
15 that whatever the -- the Court may rule on the city's  
16 arguments made today that all of these claims that have to do  
17 with the individuals' claims that have to do with the city  
18 employment terms, imposition of city employment terms, the  
19 employee obligation claims, the merits of those claims. That  
20 is the city's argument that there are no valid claims, no  
21 legal -- valid legal claims for those things. Whatever the  
22 Court rules on that, that's not going to be binding on AFSCME  
23 and the coalition of unions for purposes of their claims?

24 MR. WILLEMS: Well, it depends on what you -- how  
25 you rule, Your Honor.

1 THE COURT: In other words part -- part of your  
2 argument, I think --

3 MR. WILLEMS: Yeah.

4 THE COURT: Part of your argument is the same  
5 argument that had you not settled but gone to litigation on  
6 the AFSCME and coalition claims you would be making there.  
7 And you would be asking the Court to rule on there.

8 That is the argument I assume is in there that -- the  
9 city's argument that you're making now which is that the  
10 imposition of the city employment terms, both before and after  
11 the emergency manager was appointed under the Act 436, the  
12 ones under Act 4 and Act 436, were lawfully done and cannot  
13 give rise to any valid claim by anyone.

14 That's -- that's an argument that you -- the city was  
15 maintaining against AFSCME and the coalition of the unions on  
16 -- on that part of their claim that had to do with that,  
17 right?

18 MR. WILLEMS: On that part, yes. They also had  
19 other claims but yeah.

20 THE COURT: Yeah. And that was in there. And so  
21 that as to the AFSCME and the coalition union claims, that's  
22 in the process of -- of being settled, assuming the city  
23 council ratifies it, it's -- it's settled and isn't going to  
24 be litigated. But, you know, if something happens and city

1 matter has to be litigated, if I rule today on the merits of  
2 these arguments you're making now in connection with these  
3 individual claims is it your view that's going to bind the  
4 AFSCME and the coalition of the unions or not?

5 MR. WILLEMS: Well, I suppose there would be parts  
6 of it that might end up being law of the case, yes.

7 THE COURT: Well, except --

8 MR. WILLEMS: I mean obviously the --

9 THE COURT: Except AFSCME -- except your -- your  
10 position is that AFSCME and the coalition of unions are the  
11 prima parties to bring those claims if anyone and they're not  
12 here, right?

13 They weren't given an opportunity to respond to the  
14 city's April 21 brief and they're not participating in these  
15 objection to claims in the individual claims. And your  
16 objections are not stated as -- the ones before me today are  
17 not stated as objections to the AFSCME and the -- and the  
18 coalition union claims.

19 So I'm wondering how they're going to be -- they're not  
20 going to be bound by what I rule today, but on the other hand,  
21 you know, if I rule on the merits today, you know, you're  
22 going to -- you'll probably be -- be thinking well, the Judge  
23 isn't going to rule inconsistently with that later on.

24 So I -- I have this question about whether as a legal

1 any ruling that I make on the merits of your argument that  
2 you're making today with respect to these many individual  
3 claims. And I guess similar -- a similar concern that -- or  
4 question about -- about what -- whether the Court should wait  
5 to rule on the merits of all the -- of these arguments until  
6 we see whether the settlement is actually going to go through  
7 with the AFSCME and the coalition. Or -- or in the  
8 alternative result in litigation, a litigated result.

9 MR. WILLEMS: I'm sorry, or --

10 THE COURT: A litigated result.

11 MR. WILLEMS: Oh, oh, yeah, right, right.

12 THE COURT: Do you see the concern I have?

13 MR. WILLEMS: No, I -- I understand. So I guess  
14 here's my response to that. As I was sitting here, you know,  
15 prior to coming up to argue, I was thinking really the -- the  
16 -- the real issue here is the duplication issue.

17 And -- and that almost by itself kind of swallows the  
18 rest of the -- the -- the arguments here because really these  
19 claims under the CET's should and can only be brought by the  
20 unions. And to the extent there are duplicate -- there's  
21 duplication here, they, you know, they should be subsumed in  
22 the -- in the union claims and withdrawn or expunged or  
23 whatever as individual claims. Because that's -- that's  
24 either going to settle or litigate all these issues. And

25 whatever the results of that will be will affect these

1 claimants.

2 THE COURT: I would have thought that is the more  
3 difficult issue. That's how it struck me. That's a more  
4 difficult issue you know, when you get into issues about  
5 whether the individuals have right to bring their own claims  
6 here or not. That doesn't strike me as a -- as a simple  
7 issue, a simple matter.

8 If you're right about the merits, however, that is fairly  
9 clean and simple issue to deal with one way or the other. If  
10 you're right or you're wrong. But I had this concern about  
11 the impact if any on the pending settlement.

12 MR. WILLEMS: I understand, yeah. We were -- got a  
13 little bit of a crossfire going here that we need to be  
14 sensitive to. Is the Court suggesting that we adjourn pending  
15 what happens with the AFSCME cases?

16 THE COURT: Well, I, you know, I'm not wild about  
17 that idea. We've got everybody here and --

18 MR. WILLEMS: Right.

19 THE COURT: Today is the day for the hearing on  
20 this. And you've made -- you've made arguments about the  
21 merits here.

22 MR. WILLEMS: Right.

23 THE COURT: Not just this duplication argument. How  
24 soon will we know do you think whether or not city council has

25 -- has ratified this settlement with the -- the unions?

1 MR. WILLEMS: At this point, I think we may need one  
2 more adjournment to finish it off. But that would be the end  
3 of it. We should be able to have word from city council in at  
4 least a month and a half to two months.

5 THE COURT: All right. Well, let's assume we're not  
6 -- I'm not adjourning, we're going to have this hearing today  
7 and -- and if I can rule, I'm going to rule one way or the  
8 other on -- on the arguments. Is there anything else you'd  
9 like to say before we hear from the -- any individuals that  
10 want to be heard?

11 MR. WILLEMS: Can I take a moment to consult with  
12 counsel?

13 THE COURT: Sure.

14 MR. WILLEMS: I don't know if I --

15 THE COURT: Again, speak up, please. Go ahead.

16 MR. WILLEMS: Yeah. I don't know if I have anything  
17 very helpful to add. If we're going to proceed today then  
18 obviously you're going to decide on the merits. The -- the  
19 concern --

20 THE COURT: Well, I may decide today or I may decide  
21 to put it off.

22 MR. WILLEMS: Or you may decide to put it off, I  
23 understand.

24 THE COURT: But we're going to have the hearing

25 today, we're all here. We're all here.

1 MR. WILLEMS: Okay.

2 THE COURT: We're going to do it at least with that  
3 in mind.

4 MR. WILLEMS: Absolutely.

5 THE COURT: I had hoped -- I had hoped to be able to  
6 rule today from the bench as I try to do in many of these  
7 matters, but we'll see.

8 MR. WILLEMS: We -- we have not received any  
9 responses to our legal arguments, so we might hear some today,  
10 I -- I don't know. But the, I guess, other than that, you  
11 know, the concern you raised about the AFSCME and the  
12 coalition not being present in this sector of the arguments, I  
13 mean, you know, the -- the -- their claims are not being  
14 presented here.

15 If there's a -- if there's a issue in terms of who is  
16 bound or what's bound, I suppose we could discuss the -- the  
17 question of law of the case. But that would probably be  
18 something that they would have to bring up in terms of whether  
19 or not this ends up being that.

20 THE COURT: All right. Anything else you want to  
21 say before we hear from others?

22 MR. WILLEMS: I do not have anything else.

23 THE COURT: All right. So, I want to give anyone  
24 else who wants to be heard on this, whose claim is concerned

25 in this, an opportunity to be heard. The gentleman here,

1 you're an attorney, sir?

2 MR. GREENE: I am, sir.

3 THE COURT: Would you come up?

4 MR. GREENE: Yes.

5 THE COURT: If you want to be heard.

6 MR. GREENE: Yeah. Anthony Greene, I'm appearing on  
7 behalf of Da'Nean Brooks. And I want to first say that I did  
8 not submit her proof of claim for her, however, in her proof  
9 of claim she indicated that she was objecting to the taking of  
10 interest that she had gained on her annuity.

11 And I am arguing today, Your Honor, that the -- in  
12 January 16, 2015, the City of Detroit -- she gained exactly  
13 \$15,424.41 in interest on her annuity. The city took \$8,690  
14 of -- of those funds.

15 They accordingly recouped those funds on the basis of the  
16 eighth amended plan for adjustment of debts. And we object on  
17 the basis that we -- even though it was done according to an  
18 agreement, it certainly wasn't an agreement that she was  
19 subject to and we consider those monies to belong to her and  
20 not to the city, it was part of her annuity. And we argue  
21 that they were unlawfully taken. And --

22 THE COURT: Mr. -- Mr. Greene, let me ask you --

23 MR. GREENE: Yes.

24 THE COURT: Just one second. I want to -- in my

25 papers here I want to find Ms. -- the paper -- the information  
13-53846-tjt Doc 13818-18 Filed 11/09/23 Entered 11/09/23 09:56:37 Page 74 of 126

1 I have regarding Ms. Brooks' claim.

2 MR. GREENE: Yes.

3 THE COURT: Do you -- do you have -- which -- which  
4 omnibus objection to claim was her claim subject to? Do you  
5 have it there?

6 MR. GREENE: Hold on.

7 MR. WILLEMS: Your Honor, if I may, it's  
8 twenty-eight.

9 MR. GREENE: Yeah.

10 THE COURT: Twenty-eight? All right. One second,  
11 hold on.

12 MR. WILLEMS: And -- and it -- it would be Item 6 on  
13 our --

14 MR. GREENE: Yeah.

15 MR. WILLEMS: I'm sorry, Item 53 on -- on our  
16 Exhibit 1.

17 THE COURT: All right, hold on. Thank you. Exhibit  
18 1.

19 MR. WILLEMS: Exhibit 1 has a list of the --

20 THE COURT: Yeah, I know.

21 MR. WILLEMS: Okay.

22 THE COURT: It's the -- it's the chart, Exhibit 1 to  
23 the --

24 MR. GREENE: Yes.

25 THE COURT: -- to the April 21 brief.

1 MR. WILLEMS: Yes.

2 THE COURT: All right. I'm looking on there. It's  
3 number fifty what?

4 MR. WILLEMS: Fifty-three.

5 THE COURT: All right. Hold on. All right. Mr.  
6 Greene, I have found the information I was looking for in  
7 this.

8 MR. GREENE: Yes.

9 THE COURT: Why don't you continue? You're saying  
10 that the claim is -- is based on --

11 MR. GREENE: The taking of 800 -- \$8,690.31 that was  
12 -- it's called a recouplement. It was taken in January of 2016  
13 -- 2015 as a result of the bankruptcy.

14 THE COURT: As a result of the confirmed plan,  
15 right?

16 MR. GREENE: That is true, Your Honor.

17 THE COURT: All right. Just hold on, hold on.

18 MR. GREENE: Yeah, I'm sorry.

19 THE COURT: Hold on. So when was this proof of  
20 claim filed?

21 MR. GREENE: This proof of claim was filed, I think  
22 I do have that. That was filed on -- bear with me for a  
23 second. I got it. That's the original proof of claim. That  
24 was filed on February 21<sup>st</sup>, 2014.

25 And she -- and she -- in the proof of claim she does

1 mention that she was filing it to save part of her annuity  
2 which belonged to her at the time. Well --

3 THE COURT: So the claim could not possibly have  
4 included when -- when it was filed, anything about this  
5 recoupment that occurred January 16 of 2015. It concerned  
6 rather the -- the imposition of the city employment terms and  
7 -- and orders affect on pensions and annuities by the  
8 emergency manager order 21, both of which occurred pre --  
9 pre-bankruptcy, is that right?

10 MR. GREENE: That is true. But she did on March  
11 22<sup>nd</sup>, 2016, file an amended proof of claim.

12 THE COURT: All right. And that included then this  
13 -- as part of the claim, a claim based on this recoupment of  
14 8,690 on January 16 of 2015.

15 MR. GREENE: It is not mentioned in that -- in that  
16 amendment. But if you put both together, the original proof  
17 of claim and this proof of claim it is mentioned. But you're  
18 right, it -- she does not reference that recoupment in this  
19 particular second amended proof of claim, that's true.

20 THE COURT: All right. So to the extent the --  
21 perhaps we have two pieces here. You're arguing -- we've got  
22 the pre-petition claim which is --

23 MR. GREENE: Yeah, that's true, that's correct.

24 THE COURT: Which is based on the imposition of the  
25 city employment terms and --

1 MR. GREENE: Sure.

2 THE COURT: And the emergency manager order 21,  
3 possibly also as well. And then this -- this other component  
4 has to do with this recoupment that occurred under the terms  
5 of the confirmed plan.

6 MR. GREENE: Sure.

7 THE COURT: That occurred in January 2015.

8 MR. GREENE: Yes, that's true.

9 THE COURT: And -- and so as to that latter, that  
10 is, if I understand what you're saying correctly, Ms. -- Ms.  
11 Brooks is complaining there about the terms of the confirmed  
12 plan.

13 MR. GREENE: She is.

14 THE COURT: So how is that a valid claim?

15 MR. GREENE: Well -- well, I imagine it's a -- it's  
16 a it's a constitutional claim I guess that will go along with  
17 the claims of the actual AFSCME union which -- and that's  
18 another concern that I had that her claim really has a lot to  
19 do with the current claims of AFSCME union and I would ask the  
20 Court to withhold an opinion regarding her claim until that  
21 particular issue is resolved. Because they're arguing that,  
22 the AFSCME union that she's a part of.

23 THE COURT: The AFSCME union claim includes a claim  
24 based on the recoupment that occurred in January 2015?

25 MR. GREENE: Well, it -- it -- it challenges the

1 taking of the money from the annuity and the pension.

2 THE COURT: But it doesn't directly challenge the  
3 confirmed plan, does it?

4 MR. GREENE: I'll be honest with you, Your Honor, I  
5 have not reviewed their entire claim. And I -- and I -- I  
6 can't speak to that. I apologize for that.

7 THE COURT: Well, what do you want to say about the  
8 merits of the -- of these -- of Ms. Brooks' positions here?

9 MR. GREENE: Well, we're claiming that  
10 constitutionally that -- it constitutes a taking. Because  
11 those funds belong to Ms. Brooks. And I know it was a part of  
12 the -- the plan but certainly she wasn't individually a part  
13 of that plan and it was taking money that belonged directly to  
14 her.

15 THE COURT: Now are you talking about the  
16 recoupment?

17 MR. GREENE: Yes.

18 THE COURT: Under the plan?

19 MR. GREENE: Yes.

20 THE COURT: All right. Go ahead. You were -- you  
21 were saying.

22 MR. GREENE: Yeah, yeah. So -- so we believe that  
23 even though that amount was under the plan, we believe it was  
24 still unlawfully taken because it wasn't the city's money to

25 take

1 And -- and of course that's a, I guess a due process  
2 argument or a constitutional argument that they should never  
3 have taken those monies, even if it was a part of the plan.  
4 So that's my argument, Your Honor.

5 THE COURT: All right. Thank you. I'll allow the  
6 city to respond now to this argument by Mr. Greene and then  
7 we'll hear -- continue hearing from others who want to speak.

8 MR. GREENE: Thank you.

9 THE COURT: City?

10 MR. WILLEMS: Well, Your Honor, it appears that we  
11 have an objection to the confirmation of the plan rather than  
12 a claim. And it should be brought that way. So as -- as a  
13 claim it should still be expunged.

14 THE COURT: Well, Mr. Greene just left the courtroom  
15 but, you know, I'll say this. And, you know, I guess he'll  
16 have to get it from the recording of the hearing. He's not  
17 here, he just walked out.

18 The -- to the extent Ms. Brooks is making a claim that is  
19 based upon the -- this -- what's characterized by Mr. Greene  
20 in the hearing today as a recoupment of \$8,690 in January of  
21 2015 based on the terms of the confirmed plan, that claim is  
22 -- that claim is without merit because it is inconsistent with  
23 the terms of the confirmed Chapter 9 plan. Admittedly so by  
24 -- as admitted by counsel for Ms. Brooks which plan, confirmed

1 is a final order that's long since been a final order and it's  
2 not subject to debate.

3 Now, you know, that's -- that's the end of that piece of  
4 the argument. The other -- to the extent Ms. Brooks' claim,  
5 it appears that the claim she filed originally anyway, and  
6 perhaps even the amended claim she filed in March 2016 is  
7 based upon the imposition of the city employment terms and --  
8 and the emergency manager's order 31 its affect on pensions  
9 and annuities then that is part of the category of claims that  
10 the city has called employee obligation claims and which the  
11 city has argued are without merit as well as being duplicates  
12 of claims brought -- properly brought by the unions.

13 So I -- I'm not ruling at this moment on that aspect of  
14 the argument.

15 MR. WILLEMS: I understand.

16 THE COURT: And I'm going to hold off. I want to  
17 hear from others and then we'll come back to that.

18 But certainly to the extent of Ms. Brooks' claim is based  
19 upon essentially an objection to the confirmed plan, it's --  
20 it's overruled, the claim is -- the objection to that claim is  
21 sustained.

22 So anyway, who wants to be heard from next, anyone?  
23 Anyone who is represented by an attorney, I'll let you go  
24 next. Are there any other attorneys here in the courtroom

25 that want to be heard on behalf of a client? No? All right.

1 Who's -- sir, you're -- you're next if you want to --

2 MR. COLLINS: Julius Collins.

3 THE COURT: Come on up. Your name is what again?

4 MR. COLLINS: Julius Collins.

5 THE COURT: All right. One moment, sir. I want to  
6 find you in the -- in my list here. Oh, I see. Mr. Collins,  
7 it looks like the city objected to your claim as part of their  
8 twentieth omnibus objection to claim. What do you want to  
9 say, Mr. Collins?

10 MR. COLLINS: Good afternoon, Your Honor. Thank you  
11 and good afternoon.

12 My claims, I just ask the -- the city attorney was  
13 stating that my claim is still against the city for the  
14 actions taken against me and I worked for the City of Detroit  
15 for 12 years and not only we took pay cuts in 2014, but before  
16 then I don't have a accurate date, but of those cuts, that's  
17 what I'm asking. I'm claiming for those actions taken.

18 And while I worked for the City of Detroit those years, I  
19 -- we was forced to take pay cuts, and vacation cuts, and  
20 longevity and -- and all those. Holidays was -- was -- was  
21 cut and a lot of different actions were taken against us.

22 According to the CET and the consent agreement which I --  
23 which I believe was unfair for the City of -- of Detroit. My  
24 claim amount was -- was for 30,000 -- \$30,000 in recoupment.

25 And I -- I would -- my -- my claims that I was forced  
13-53846-tjt Doc 13-818-18 Filed 11/09/23 Entered 11/09/23 09:58:37 Page 82 of 126

1 reduction in -- in -- in wages and elimination of my benefits.

2 And while I retired from the City of Detroit in 2012.

3 And I had a great -- great reduction in my retirement  
4 benefits. And also I'm paying a retirement recoupment to the  
5 City of Detroit to bail out the City of Detroit which is every  
6 time I receive a -- a paycheck from the City of Detroit, I'm  
7 still paying -- paying \$61.00 to the City of Detroit according  
8 to the bail out -- the bankruptcy plan.

9 So I -- and also I have to pay my own insurance because  
10 certain -- certain period of time, I think it's July of 2013.  
11 They eliminated -- they -- they forced us to -- to pay our own  
12 medical benefits. We were -- we were given a stipend, but  
13 then they turned around and eliminated the stipend so we have  
14 to pay -- pay directly from -- from what my benefit is.

15 I had a \$125.00 stipend coming out of my -- coming to me,  
16 but after sometime in July, they reduced -- they eliminated  
17 that and directly coming out of my retirement today is -- is  
18 that amount, the \$125.00 I have to pay for insurance.

19 So my -- my thing and my issue today is that I am  
20 entitled to some type of financial restitution because the --  
21 the attorney spoke up, the union, AFSCME union was reacting on  
22 my behalf. The AFSCME union is not on my behalf today. I'm  
23 here individually. I can't afford a lawyer, so that's why I'm  
24 here, I'm here personally because of my benefit and -- and my  
25 cost of living. I can't afford a lawyer.

1           And -- and -- and I -- that's why I -- I -- I believe  
2 through my -- through my years working for the City of Detroit  
3 that I am entitled to some -- some financial restitution for  
4 -- for my work and for the unfairness. Say -- it was saying  
5 -- only said that the city had probably breached an employment  
6 obligation. My thing is that the city wrongfully handled our  
7 -- our employment obligation because we had no bargaining even  
8 though I was a member of the City of Detroit, I had -- I had  
9 nothing to say about what the city -- the CET, the city  
10 employment term.

11           I had no -- individually I had nothing to -- nothing to  
12 say about it, you know. I had -- I had no -- no offense so I  
13 had no defense, you know, for the CET, for the consent  
14 agreement. But I had -- as an employee of the City of  
15 Detroit, I had nothing -- nothing to say about it, you know.

16           THE COURT: All right. Mr. Collins, you need to --  
17 you need to wrap it up.

18           MR. COLLINS: Oh, I'm sorry.

19           THE COURT: I've got to give others a chance to  
20 talk, so --

21           MR. COLLINS: Okay, okay. I'm sorry, sir, you know.

22           THE COURT: That's all right. It's okay.

23           MR. COLLINS: Yes.

24           THE COURT: You -- you know, we have to --

1 THE COURT: -- have a reasonable limit on how long  
2 everybody can talk or we won't get done today.

3 MR. COLLINS: Okay, I'm -- I'm sorry, Your Honor.

4 THE COURT: So go ahead. Go ahead and finish.  
5 Finish up, please.

6 MR. COLLINS: But, okay. So -- so finally that's --  
7 that's I -- I -- I believe that I am entitled to -- and -- and  
8 we all are entitled to some financial obligation. And to me  
9 if we can't -- if we -- I'm speaking for myself, if I -- if I  
10 can't -- can't receive -- receive all of my claimant, I am --  
11 I am willing to settle for, you know, for a settle amount. So  
12 thank you, Your Honor.

13 THE COURT: All right. Thank you, Mr. Collins. Mr.  
14 Willems, you can have a seat. I think instead of calling on  
15 you after each person speaks now for the rest of the hearing  
16 I'll -- I'll give you a chance to speak when everyone else is  
17 done on the -- on the claimant's side.

18 MR. WILLEMS: Okay, that's fine.

19 THE COURT: So if you would hold any thoughts you  
20 were going to just express and we can hear those when everyone  
21 else has spoken. So you don't have to stand up. You can if  
22 you want, but you don't have to.

23 MR. WILLEMS: Thank you.

24 THE COURT: All right. So who would like to speak  
25 next of the creditors? Sir, come on up.

1 MR. STEELE: Good afternoon, Your Honor.

2 THE COURT: Come on up to the microphone and speak  
3 loud, please, so everyone can hear you. What's your name,  
4 sir?

5 MR. STEELE: My name is Craig Steele. Good  
6 afternoon, Your Honor.

7 THE COURT: Craig what?

8 MR. STEELE: Craig Steele.

9 THE COURT: S-t what?

10 MR. STEELE: S-t-e-e-l-e.

11 THE COURT: Mr. Steele --

12 MR. STEELE: Yes.

13 THE COURT: -- let me find your claim on the list  
14 here. One second. Mr. Willems, if you know where that -- he  
15 is in the list, let me know.

16 MR. WILLEMS: It's number -- it's Item 20.

17 THE COURT: All right. One second. Number 20 on  
18 the chart which is the city's Exhibit 1 to the April 21 brief.

19 MR. WILLEMS: Correct.

20 THE COURT: That's what we're talking about. So  
21 this is part of the city's twentieth omnibus -- twenty-ninth  
22 omnibus --

23 MR. WILLEMS: Twenty-ninth, yes.

24 THE COURT: Twenty-ninth omnibus objection. All

25 right. Go ahead, Mr. Steele. What would you like to say?

1 MR. STEELE: Well, Your Honor, I've been sitting in  
2 this Court all day and you are doing a wonderful job looking  
3 at all the back door moves that I consider very crafty and  
4 creative.

5 My only contention is that I took -- I took -- I paid  
6 attention to what you said about notion that if you rule today  
7 and what that -- as the -- as the city's counsel said that  
8 they have negotiations and they're almost in the process of  
9 ratifying certain claims which we didn't know, I didn't know.  
10 If you -- if you make a decision today that we don't have this  
11 kind of -- well, you made a decision with that then and now we  
12 want you to be consistent and make a decision in the same  
13 manner then.

14 Or -- or, you know, when that comes down. And like you  
15 said, you brought up a good question. What if the city  
16 doesn't ratify. What if we lose on both end. You sign with  
17 the city today and then the city council doesn't ratify.

18 So to me I think the Court shows a lot of wisdom and a  
19 lot of patience by saying maybe we should adjourn it until we  
20 see what that proceeding goes like.

21 THE COURT: And by the way, Mr. Steele and anyone  
22 else, in case it's not clear to anyone, I -- I don't know what  
23 the terms of this proposed settlement are, I have no idea.  
24 And I don't really need to know --

1 THE COURT: -- at this stage of the case --

2 MR. STEELE: Right.

3 THE COURT: -- as the Bankruptcy Judge.

4 MR. STEELE: Right.

5 THE COURT: I don't know. Because if the settlement  
6 does not happen --

7 MR. STEELE: And that was -- that was my contention  
8 -- I'm sorry, go ahead.

9 THE COURT: Excuse me. If the settlement does not  
10 happen and, you know, it's just a -- a dead letter, then the  
11 parties are going to litigate --

12 MR. STEELE: Right.

13 THE COURT: -- in front of me and I'm going to have  
14 to make decisions on the merits of the parties' arguments  
15 about the claim of the unions. And I don't really want to  
16 know what the parties talked about or agreed to tentatively  
17 with respect to settlement.

18 MR. STEELE: Right.

19 THE COURT: If I'm going to be doing that. And so I  
20 don't know what the terms are and I don't want to know. Just  
21 so everybody's clear, I have no idea what --

22 MR. STEELE: Right.

23 THE COURT: -- what the proposed settlement is --

24 MR. STEELE: Right.

25 THE COURT: -- or what it may or may not provide for

1 any of the creditors involved in this hearing today. I have  
2 no idea.

3 So just understand that and I want to make sure everyone  
4 understands that. So Mr. Steele, go on. What else did you  
5 want to say, anything?

6 MR. STEELE: Yes. And I -- and I appreciate you  
7 bringing out that point, Your Honor. And it's no way for you  
8 to even have that information.

9 But what I'm concerned like I said before is, that if you  
10 rule in their favor and then like I said I just learned about  
11 that information when city council said that they are in  
12 negotiations and close to ratifying. And then when you asked  
13 them how long would it be before they wrap up those  
14 negotiations, he said maybe a month, half, two months.

15 Well, maybe we should wait and adjourn until we see as I  
16 said, how that goes down. So we won't lose twice. That's --  
17 that is my concern. Because he doesn't want us -- he said  
18 that we cannot represent -- or AFSCME cannot represent, we  
19 represent our own case he said that's duplicates. Okay, I  
20 understand that.

21 Well, then if that is closer or not closer, but if that  
22 is -- he says that he has to go with what the union -- he  
23 can't even negotiate with us as individuals and if you can  
24 only negotiate with AFSCME's and the other unions and those

1 should wait till it does conclude.

2 THE COURT: All right. Mr. Steele, we need to wrap  
3 it up. Anything else you want to say?

4 MR. STEELE: No, that is -- that is it, sir. Thank  
5 you for your time.

6 THE COURT: All right. Thank you, Mr. Steele. Who  
7 would like to speak next? Come on up, sir. Your name, sir?

8 MR. WOLFE: Henry Wolfe.

9 THE COURT: All right. One second. All right.  
10 Good afternoon, Mr. Wolfe.

11 MR. WOLFE: Good afternoon.

12 THE COURT: Your claim is the subject of the city's  
13 forty-fourth omnibus objection to claims.

14 MR. WOLFE: Correct, correct.

15 THE COURT: And that's docket 11162. I did see the  
16 written response that you filed with the Court to that claim  
17 objection on June 7 at docket -- it's at docket number 11232.  
18 You -- one second.

19 I said earlier I would allow you to speak today, but I --  
20 I want to make sure you know and it will be mailed -- it's  
21 mailing -- being mailed to you today butt there is an order  
22 entered today, earlier today striking your response to the  
23 objection to claim because you did not comply with the Court's  
24 notice of deficiency regarding your claim. You did not make

25 the deficiency.

1 And the problem was that you didn't file a proof of  
2 service regarding -- or certificate of service regarding  
3 service so they may respond on the city. And you had seven  
4 days to fix that and you didn't do that within seven days and  
5 so the Court as it typically always does in that kind of  
6 situation, entered an order striking your response.

7 Now having said that, I will give you an opportunity to  
8 speak today and I want you to go ahead. What do you want to  
9 say about this?

10 MR. WOLFE: Okay. In regards to the -- I believe it  
11 was the -- the deficiency was proof of service. I'm saying --  
12 the justification for striking my response.

13 THE COURT: Well, what do you want to say?

14 MR. WOLFE: Well, I want to say that I received that  
15 notification this past Thursday, so it has not been seven  
16 days. I thought it said eight days, but I hasn't been seven  
17 days. And if the --

18 THE COURT: You mean Thursday of last week you  
19 received it.

20 MR. WOLFE: Of the last week I received it in the  
21 mail, correct.

22 THE COURT: The notice required that you correct the  
23 problem within seven days of the date of the notice, however,  
24 which was June 7, so that meant -- that meant June 14,

1 MR. WOLFE: Okay. Well, that's the reason why you  
2 hadn't received it.

3 My issue and response dealt with around the time of the  
4 bankruptcy I filed two proofs of claim. One was in regards to  
5 out of class payment and one was -- was in regards to  
6 longevity pay.

7 When I received the notice from the Court, I was not  
8 aware that it was in regards longevity pay so the response  
9 dealt more so with the -- with the issue about the out of  
10 class. That's why there was somewhat of some confusion there.

11 My contention about the -- I am still contesting about  
12 the longevity pay because the city's argument for dismissal is  
13 that the CET agreement nullified longevity pay, however the --  
14 that issue was issued in October of 2012 and my longevity pay  
15 I stopped receiving it in two thousand, I believe nine, two --  
16 two years had passed before the CET agreement had went into  
17 place and I did not receive longevity pay.

18 The out of class issue is a whole nother issue, but it  
19 was filed as a proof of claim with this Court. But that was  
20 not on the --

21 THE COURT: I don't see that that claim has been  
22 objected to yet at least. At least it's not in the -- it's  
23 not in the list. I don't -- it doesn't look like it's in the  
24 list for -- of claims that were objected to on the city's

1 and that, I think, and that is claim number 2258 for \$2,800.

2 MR. WOLFE: Correct.

3 THE COURT: Now if Mr. Willems can correct me if I'm  
4 -- if he thinks I'm wrong about this, if the city has objected  
5 to your -- what you refer to as your out of class pay claim,  
6 he can tell me that and we'll -- we'll deal with that. But  
7 I'm assuming for the time being that's not part of this claim  
8 objection.

9 MR. WOLFE: You know unless you want it to be, but  
10 no.

11 THE COURT: I'm not starting disputes that no party  
12 has raised. I've got enough disputes that parties have raised  
13 to deal with. So, anyway anything else you want to say then  
14 for today?

15 MR. WOLFE: No, that's it. The deficiency if it's  
16 in regards to -- it says something about proof of service.  
17 Could I maybe be made aware of what that is?

18 THE COURT: Sure. When you file anything with the  
19 Court, in this Bankruptcy Court and case, you have to serve a  
20 copy of it on opposing parties and opposing attorneys, or if  
21 the party is represented by an attorney as here on the -- on  
22 the opposing attorney by -- and then file a certificate that  
23 says that you have served your response on that -- on that  
24 attorney, in this case attorney for the city and you didn't do  
25 that and that's what the deficiency was about.

1 Now anything else you want to say about the merits of  
2 this issue about longevity pay before we let some other folks  
3 talk, please?

4 MR. WOLFE: No.

5 THE COURT: All right. Thank you.

6 MR. WOLFE: You're welcome.

7 THE COURT: Who wants to speak next? Good  
8 afternoon.

9 MR. DORCH: Good afternoon. My name is Ventonia  
10 Dorch.

11 THE COURT: One second. How do you spell your last  
12 name?

13 MR. DORCH: D-o-r-c-h.

14 THE COURT: All right. Which claim objection are  
15 you responding to, do you know?

16 MR. DORCH: I think it was on proof of -- what was  
17 it, documentation, proof of what I was claiming, the money  
18 that they took from me.

19 THE COURT: All right, just a minute. Mr. Willems,  
20 do you know?

21 MR. WILLEMS: Is it Dorch, Ventonia?

22 MR. DORCH: Yeah.

23 MR. WILLEMS: Okay. That would be Item 10. It's  
24 omnibus thirty-three.

1 see that. Go ahead, Mr. Dorch, what would you like to say?

2 MR. DORCH: Yes. In regards to they say the CET was  
3 in effect in 2012. I started having the 10% taken from me in  
4 2011. So it's way before the CET in late -- October 2011, I  
5 think it was.

6 THE COURT: Anything else you want to say?

7 MR. DORCH: That's pretty much it.

8 THE COURT: All right. Thank you. Who would like  
9 to speak next?

10 MR. GREENE: Your Honor, I just spoke with -- this  
11 is JaJuan Moore, JaJuan Moore.

12 THE COURT: Well, just a minute. Mr. Greene  
13 attorney for who now?

14 MR. GREENE: Anthony Greene, Your Honor, appearing  
15 on behalf of JaJuan Moore. And he is on --

16 MR. WILLEMS: It's -- it's objection number  
17 thirty-six, Item 18 in Exhibit 1.

18 THE COURT: All right. One second.

19 MR. GREENE: Yeah.

20 THE COURT: Just a minute. So you're representing  
21 Mr. Moore then, correct?

22 MR. GREENE: Yes, I am.

23 THE COURT: All right. Go ahead, what do you want  
24 to say?

25 MR. GREENE: I was just retained, so I was given his  
13-53846-tjt Doc 13818-18 Filed 11/09/23 Entered 11/09/23 19:58:37 Page 95 of

1 -- his summary of -- of what he believes he's entitled to from  
2 the city.

3 He has what are called payroll disputes. The city not  
4 providing him with the correct pay from June 11<sup>th</sup>, 2011 to  
5 January 1<sup>st</sup> of 2016. So it's pre-petition and post-petition,  
6 the city failing to provide him the correct amount. I believe  
7 in his --

8 THE COURT: What do you mean failing to provide the  
9 correct amount?

10 MR. GREENE: Well, he -- he was supposed to make -  
11 how much money?

12 MR. MOORE: 15.35.

13 MR. GREENE: But they paid him --

14 MR. MOORE: \$12.38.

15 MR. GREENE: Right. So they were actually paying  
16 him \$3.00 less each pay period. And they did that until  
17 January of 2016. And he added that amount up to \$3,000. And  
18 -- and that he failed to receive from the city as a result of  
19 them shorting his pay by \$3.00 an hour.

20 THE COURT: When you say shorting his pay, is -- is  
21 that because of the imposition of city employment terms?

22 MR. MOORE: That was -- if I may speak, Your Honor.  
23 That was because of the work brain system we had. That it was  
24 a payroll system. It also messed up our vacation time pay and  
25 our sick time pay. It could jumble it up and it wouldn't get

1 it on your paycheck.

2 The paycheck said something different from the computer.  
3 And Human Resources going to look at what's on your paycheck  
4 versus the computer. So it was always a issue. And then it  
5 always took a long time for them to pay you back and then  
6 since we changed over to Great Lakes Authority, we still  
7 haven't received compensation for that.

8 MR. GREENE: And there's also a question, Your  
9 Honor, of what's called four hours turnaround pay which he  
10 should have received and he can explain what turnaround pay  
11 is.

12 THE COURT: Well, look -- look, we don't need in  
13 this hearing an explanation in detail of what the claim is.

14 MR. GREENE: Okay.

15 THE COURT: What I -- what I need to know really,  
16 the key things I need to know is, are the -- is the claim --  
17 to what extent is the claim based upon city employment terms  
18 that were imposed --

19 MR. GREENE: Got it.

20 THE COURT: Excuse me. That were imposed before the  
21 city -- or the emergency manager was appointed or based on  
22 cuts or freezes that were imposed by the emergency manager  
23 before the bankruptcy case was filed.

24 To what extent are the claims based on that as opposed to  
25 something else. And if it's something else, what is the

1 something else. That's the -- the key thing I want to know.  
2 And then I would appreciate it if -- if you want -- any  
3 argument you want to make about the merits of the city's  
4 arguments regarding the first of those types of claims. That  
5 is the city imposed city employment terms and the emergency  
6 manager cuts previously. So go ahead, Mr. Greene.

7 MR. GREENE: Yeah, okay. With regards to the CET,  
8 we argue again that the cutting his income or taking out 10%  
9 of his wages which was also done as a result of the CET. The  
10 CET actually cut his wages by 10%.

11 He is also claiming that that was unlawfully taken as  
12 well. His arguments are -- are consistent with the AFSCME  
13 arguments in the pending litigation. And there's also the --  
14 the reason why we -- we request that the Court withhold  
15 judgment until that issue is resolved.

16 So what he's saying is, as a result of the CET, 10% of  
17 his wages were cut. And he believes that that was unlawful or  
18 should not have occurred.

19 THE COURT: Now what's -- what about the first part  
20 of my question which is to what extent if any does Mr. Moore  
21 argue his claim is based on something other than the cuts and  
22 adverse effects of the city imposed -- city employment terms  
23 that were imposed.

24 MR. GREENE: Okay, other than.

25 THE COURT: Other things.

1 MR. GREENE: Okay, right.

2 THE COURT: Pre-petition claim based on other  
3 things --

4 MR. GREENE: Pre-petition.

5 THE COURT: -- if any -- if anything.

6 MR. GREENE: Okay, right. Well, in terms of  
7 pre-petition the city for whatever reason was miscalculating  
8 his appropriate income and not paying him what they should  
9 have paid him pursuant to his employment agreement with them.  
10 And so that's a breach of contract, a breach of a contract  
11 claim, Your Honor.

12 THE COURT: You mean quite apart from any 10% cut  
13 or --

14 MR. GREENE: That's exactly right. Yeah, that's a  
15 totally separate issue.

16 THE COURT: Basically you're saying -- you're saying  
17 the city was making a mistake.

18 MR. GREENE: Yes. The city --

19 THE COURT: And paying him less than they even  
20 intended to pay him.

21 MR. GREENE: Yes, Your Honor.

22 THE COURT: Is that what you're saying?

23 MR. GREENE: Absolutely.

24 THE COURT: All right. So that's part of the claim.

25 MR. GREENE: That's part of the claim.

1 THE COURT: All right. Anything else that's not a  
2 CET type part of the claim?

3 MR. GREENE: I think that's it unless you have  
4 something else.

5 MR. MOORE: I would like to just add to that, part  
6 of that 2012 there was a collective bargaining extension  
7 agreement with the IOU. All of the people that was at the  
8 DSWD was placed into that union where it was no concessions  
9 involved or the CET.

10 The CET was new per that contract. So there was no  
11 concessions. And I have right here the contract 2012 to 2022  
12 per Sue McCormick acting on her own with DSWD away from the  
13 city. We was all placed up under this contract but we was all  
14 supposed to get our 10% back, wage concessions, and any issues  
15 with the payroll clocks handled with the new ceridian that has  
16 not been handled yet.

17 THE COURT: All right. Anything else then, Mr.  
18 Greene?

19 MR. GREENE: No, no, no, that's it.

20 THE COURT: All right. Thank you. Who would like  
21 to speak next? Ma'am, come on up, please.

22 MS. CANNON: I just want to mention prior to the --

23 THE COURT: No, no, what's your name, please?

24 MS. CANNON: Oh, I'm sorry. Gladys Cannon,

1 THE COURT: Hold on.

2 MS. CANNON: Okay.

3 MR. WILLEMS: I'm sorry, I didn't get the name.

4 MS. CANNON: Gladys Cannon.

5 MR. WILLEMS: Cannon?

6 MS. CANNON: Yes, C-a-n-n-o-n.

7 MR. WILLEMS: Okay.

8 THE COURT: All right. Ms. Cannon, as you've just  
9 referred to, your claim objected to as part of the city's  
10 forty-fourth omnibus objection.

11 MS. CANNON: Right.

12 THE COURT: To claims. And you filed a written  
13 response to that objection. What would you like to say?

14 MS. CANNON: What I would like to say is prior to  
15 the implementation of the CET, they did deny us longevity in  
16 2010 as well as 2011. I did file paperwork with the state  
17 Wage and Labor Commission regarding that.

18 And when I contacted them about it, they said it would be  
19 handled with the city, but we're talking a two year delay from  
20 the time that I originally filed the paperwork till the time  
21 that the CET was implemented.

22 THE COURT: All right. Thank you.

23 MS. CANNON: You're welcome.

24 THE COURT: Who would like to be heard next?

25 MS. MCCRARY: Good afternoon.

1 THE COURT: Good afternoon. Speak close and into  
2 the microphone, please, so we can all hear you. Your name,  
3 please?

4 MS. MCCRARY: Sarah McCrary.

5 THE COURT: And which claim objection, do you know?

6 MS. MCCRARY: Excuse me?

7 THE COURT: Which claim objection?

8 MR. WILLEMS: It's number thirty-seven.

9 THE COURT: Pardon?

10 MR. WILLEMS: Number thirty-seven, Your Honor.

11 THE COURT: All right. Hold on. Where in the  
12 chart?

13 MR. WILLEMS: Item 40.

14 THE COURT: Thirty-seventh omnibus objection. All  
15 right. Thank you. I see that in the chart. Ms. McCrary, go  
16 ahead. What would you like to say?

17 MS. MCCRARY: I'd just like to say that I've been  
18 working for the city for 20 years. And even prior to the CET  
19 and all the other things that are going on, we made a genuine  
20 effort to keep the -- the city going. I work for the ITS  
21 department.

22 We have saved the city hundreds of thousands of dollars  
23 in things contract reviews and disposal of equipment and --  
24 and other things. And also before this CET and the BRF's and  
25 all these things, we have already been taking do op days

1 That was back during the do op days. Whatever it took to --  
2 to keep the city going, is what we had to do.

3 And during the CET not only were we taking a 10%  
4 reduction in pay, but we were also doing the BRF days which  
5 was a 20% reduction in pay for some months which is more than  
6 I think was fair for the City of Detroit workers. I just --  
7 and I am not part of the union and I was not part of the  
8 union, so my claim is separate from everything else.

9 THE COURT: All right. Thank you.

10 MS. MCCRARY: Thank you.

11 THE COURT: Who would like to speak next? Sir, you  
12 came up earlier. Come on up.

13 MR. CAPIZZO: Good afternoon. My name is Jim  
14 Capizzo. I'm in the forty-fourth objection.

15 THE COURT: All right. One second, please.

16 MR. WILLEMS: I'm sorry, I didn't catch the name.

17 MR. CAPIZZO: The -- James Capizzo.

18 MR. WILLEMS: James Capizzo, forty-fourth, okay.

19 THE COURT: All right. Mr. Capizzo, I see the --  
20 where you -- where your claim is listed and under the  
21 forty-fourth omnibus objection to claim. And I see the  
22 written response. And I did review the written response that  
23 you filed to that claim objection. You filed it on June 7<sup>th</sup>,  
24 it's docket number 11239. What would you like to say?

25 MR. CAPIZZO: Just one major thing and a few minor  
13-53846-jjt Doc 13-148-1 Filed 11/09/23 Entered 11/09/23 09:55:07 Page 103 of 126

1 things. I'm just confused about this whole thing. I received  
2 this thing a couple weeks ago in the mail and it said I should  
3 be here or I might lose my claim on the one hand. And on the  
4 other hand it says if you're a member of a union you're  
5 duplicate filing and that sort of implies you shouldn't be  
6 here. So that's -- that's just been confusing to me.

7 Now there's minor things. A young lady back there said  
8 something. Not all the people received their notices so that  
9 maybe she could address that, I don't know.

10 The -- the city says I don't have a valid basis. My  
11 basis is it was the CET was non-negotiated. Now I also put  
12 for my thing --

13 THE COURT: And your part of what union, sir?

14 MR. CAPIZZO: SAAA.

15 THE COURT: All right. Thank you. Go ahead.

16 MR. CAPIZZO: SAAA calculated for me some \$13,000 in  
17 claim and I put -- and I also added plus for pension, so  
18 somebody put unliquidated so it's -- it's the thirteen  
19 thousand some dollars and -- and full pension. And our  
20 pension is being -- pension cuts are being on appeal today in  
21 the Court in Cincinnati. I think that Court is probably over  
22 by now.

23 So also the emergency manager law was appealed and I  
24 think that might be coming up in August. The emergency

1 -- than negotiate under democracy.

2 So that's my points. Thank you. I have some -- some  
3 documents for the Court.

4 THE COURT: No.

5 MR. CAPIZZO: No.

6 THE COURT: If you want the Court to consider  
7 documents, you need to file them with the clerk's office in  
8 the case rather than hand them up at -- at a hearing.

9 MR. CAPIZZO: Okay. Thank you.

10 THE COURT: All right. Thank you. Who would like  
11 to speak next? Anyone? All right. No other creditors have  
12 asked to speak next in the hearing here now. Mr. Willems, I  
13 will give you a chance to reply and to speak further if you  
14 would like to for the city.

15 MS. BECKOM-WHITE: Excuse me.

16 THE COURT: I can't hear what you're saying, but  
17 Ma'am, do you want to speak?

18 MS. BECKOM-WHITE: How are you doing? My name is  
19 Wanda Beckom-White. I'm on part case thirty-three.

20 THE COURT: Spell your last name, please.

21 MS. BECKOM-WHITE: B as in boy, E as in Edward, C as  
22 in cat, K as in -- and O as in Mary, and the color White.

23 THE COURT: Ms. Beckom-White?

24 MS. BECKOM-WHITE: Yes.

25 THE COURT: Is that how you say it? All right. And  
13-53846-tjt Doc 13-118-1 Filed 11/09/23 Entered 11/09/23 09:55:07 Page 05 of 26

1 you're part of the forty --

2 MS. BECKOM-WHITE: Thirty-three.

3 THE COURT: I'm sorry?

4 MS. BECKOM-WHITE: Thirty-three.

5 THE COURT: All right. Just a minute. Where is  
6 that in the chart, Mr. Willems?

7 MR. WILLEMS: I'm looking. I think it's towards the  
8 back. Hang on. I'm sorry, is it White or Beckom?

9 MS. BECKOM-WHITE: It is both. But it's under  
10 Beckom-White.

11 MR. WILLEMS: Oh, okay.

12 MS. BECKOM-WHITE: The omnibus thirty-three omnibus.

13 MR. WILLEMS: Oh, I'm sorry. Okay. It's  
14 thirty-three is the objection, you're correct. And it's  
15 twenty-three on the chart.

16 THE COURT: All right. One second. All right.  
17 Thank you. Go ahead, Ms. -- what's -- the chart says White,  
18 Wanda Beckom. What is your name again, Wanda Beckom-White?

19 MS. BECKOM-WHITE: Wanda -- Wanda Beckom-White.

20 THE COURT: Is Beckom-White one word, is it  
21 hyphenated or what is it?

22 MS. BECKOM-WHITE: It's hyphenated with White.

23 THE COURT: Okay. I -- I got you. All right. Ms.  
24 Beckom-White, go ahead.

25 MS. BECKOM-WHITE: Okay. Thank you for giving us

1 the opportunity to come to Court and -- and support the fact  
2 that 10% have been taken away from our -- our -- our wages  
3 along with longevity, some of our shift premium.

4 And I came here to say thank you for giving us the  
5 opportunity to come. Some of the people that was on -- that  
6 was in the case did not receive a packet to be able to  
7 represent themselves. And I wanted to see if there is any way  
8 possible that they was going to be included in this City of  
9 Detroit under AFSCME.

10 When you say that city council is looking into  
11 negotiating with AFSCME. I was trying to see the people that  
12 did --

13 THE COURT: Ms. Beckom-White -- Ms. Beckom-White.

14 MS. BECKOM-WHITE: Uh-huh.

15 THE COURT: This isn't the time for you to ask  
16 questions of the attorney for the city.

17 MS. BECKOM-WHITE: Okay, okay.

18 THE COURT: You can do that after the hearing.

19 MS. BECKOM-WHITE: Okay.

20 THE COURT: -- but not -- not during the hearing.

21 This is your chance --

22 MS. BECKOM-WHITE: No, was trying to --

23 THE COURT: Hold it, hold it.

24 MS. BECKOM-WHITE: Okay.

25 THE COURT: This is your chance to speak to the

1 Court.

2 MS. BECKOM-WHITE: Okay.

3 THE COURT: And say whatever you want to say, but  
4 don't -- you know, do it briefly and go ahead.

5 MS. BECKOM-WHITE: Okay. I just wanted the people  
6 that wasn't able to get a packet from the Court, to be able to  
7 -- be able to be looked, you know, for them to look over it.  
8 And how can I put it? So they can be able to be known that  
9 they also have lost their 10%, they annuity, and they  
10 longevity.

11 THE COURT: Well, I don't know who you're referring  
12 to Ms. --

13 MS. BECKOM-WHITE: And they assist --

14 THE COURT: Excuse me.

15 MS. BECKOM-WHITE: Uh-huh.

16 THE COURT: I don't know who you're referring to  
17 there --

18 MS. BECKOM-WHITE: Uh-huh.

19 THE COURT: -- but you're free to -- certainly to  
20 bring to the attention of the attorneys for the city --

21 MS. BECKOM-WHITE: Uh-huh.

22 THE COURT: -- the names of any persons who you  
23 think had a claim objected to by the city at any time and then  
24 did not get proper notice of that objection to the claim --

25 MS. BECKOM-WHITE: Uh-huh.

1 THE COURT: -- and of the hearing date. So if -- if  
2 you think there are such people, I would encourage you to let  
3 the city's attorneys know about that.

4 MS. BECKOM-WHITE: Uh-huh.

5 THE COURT: And if any of those people want to seek  
6 relief from the Court by way of a motion from any adverse  
7 orders that may have been entered regarding their claim on the  
8 ground that they didn't receive proper notice, they can do  
9 that on their own behalf, but that's -- that's for them to do.  
10 Anyway, go ahead. Anything else?

11 MS. BECKOM-WHITE: But that was my concern.

12 THE COURT: Anything else?

13 MS. BECKOM-WHITE: That was it.

14 THE COURT: All right. Thank you. Now, I'll ask  
15 again, anyone else among the creditors who want to speak in  
16 the hearing today before we turn -- let the city counsel speak  
17 and then conclude the hearing. All right, I hear nothing.  
18 Mr. Willems, did you want to reply?

19 MR. WILLEMS: Well, Your Honor, as to the  
20 individuals who have made a presentation to the Court --

21 THE COURT: Remember, please speak up so everybody  
22 can hear you back there. Thank you.

23 MR. WILLEMS: Your Honor, as to the individuals who  
24 have made a presentation to the Court, I first pointed out

1 legal arguments or its arguments on the merits.

2 With respect to Mr. Collins, I'd note that his response,  
3 the city did request that it be stricken because it was filed  
4 late. I had the document that we filed in my hand just a  
5 second ago, but it's gotten swallowed up in the paper mess  
6 over there. But he doesn't -- he doesn't add anything to his  
7 claim. It appears that he's still -- it's basically a CET  
8 claim.

9 With respect to Mr. Wolfe --

10 THE COURT: Wait, hold on one second, please.

11 MR. WILLEMS: Yeah.

12 THE COURT: All right. Thank you. Go ahead.

13 MR. WILLEMS: In fact his original claim, Mr.  
14 Collins' original claim didn't even state an amount, it just  
15 said compensation earned without any specificity. So his  
16 claim is deficient for that reason.

17 With respect to Mr. Wolfe, I -- I wasn't sure if the  
18 Court said that it had not seen our reply in support of  
19 forty-fourth -- the city's forty-fourth omnibus objection.

20 THE COURT: I have seen it, I read it.

21 MR. WILLEMS: Oh, okay. All right. All right.

22 THE COURT: That was filed last Friday, right?

23 MR. WILLEMS: Yes. Yeah, it's --

24 THE COURT: Yeah, I saw that, I read it.

25 MR. WILLEMS: Okay. All right. As -- as -- as we  
13-53846-tjt Doc 13-118-1 Filed 11/09/23 Entered 11/09/23 09:55:07 Page 11 of 26  
of 26

1 indicate in that response, or reply, first of all his -- his  
2 response should be overruled. He's -- he's actually bringing  
3 in a new claim after the bar date. He's bringing in now an  
4 out of class claim as opposed to the longevity claim that he  
5 previously pleaded.

6 So -- and in addition the -- the new claim is -- has been  
7 settled as part of a -- an entire group of grievances that --  
8 that the city settled as part of the -- the overall labor  
9 settlement in -- under the -- under the bankruptcy  
10 proceedings. And Tab 9 behind our -- behind the reply, Tab A9  
11 I should say, addresses that.

12 THE COURT: What is Mr. Wolfe getting as a result of  
13 the settlement of his claim regarding out of class pay?

14 MR. WILLEMS: I don't know what the specifics are.  
15 There's a -- there's an omnibus settlement agreement that's --  
16 that's at that tab which settles all of the grievances that  
17 were filed as part of the AFSCME proof of claim.

18 As you may recall the AFSCME proof of claim had two  
19 parts. It had the -- the first part was a general recitation  
20 of a number of broad collective bargaining claims and then as  
21 Exhibit 2 it had several -- well, 50 or more pages of  
22 individual grievances that were pending at the time of the  
23 bankruptcy proceeding.

24 And those were all settled. I don't have the specifics  
25 of how each one was settled. But Mr. Wolfe's claim is at Page

1 56 of -- of that attachment. And it -- it -- it specifies  
2 that it was a grievance based on out of class payments and the  
3 amount is the precisely same amount that -- that he has in his  
4 claim here. So that -- that --

5 THE COURT: He said that he filed two claims, is  
6 that correct?

7 MR. WILLEMS: His initial claim was based on the --  
8 on the elimination of longevity.

9 THE COURT: Right.

10 MR. WILLEMS: The second claim, the untimely one was  
11 the out of class pay.

12 THE COURT: Well, you say untimely. Was it filed  
13 actually as a proof of claim, or merely a response to your  
14 claim objection?

15 MR. WILLEMS: Well, it was -- it was filed as a  
16 response but it added an entirely new claim.

17 THE COURT: All right. So it wasn't as if he filed  
18 two proofs of claim in the case.

19 MR. WILLEMS: He did not file two proofs of claim,  
20 no.

21 THE COURT: Okay.

22 MR. SPINNER: Your Honor --

23 THE COURT: Go on, Mr. Willems.

24 MR. SPINNER: Your Honor, Ron Spinner. I'm sorry to  
25 interrupt. I'm not entirely certain that there are a second

1 proof of claim. We just know that at the time what the city  
2 has said were to be objected were on the list. I do not have  
3 a collapsed list that says everything by claimant. So it's  
4 possible pending a search there could be a second additional  
5 proof of claim and I just don't want to go on the record  
6 unless Mr. Willems is certain of that fact.

7 Based on the knowledge we have today there's no second  
8 original pre-petition proof of claim. But I cannot stand  
9 before you today for the city and say that for sure.

10 MR. WILLEMS: I appreciate that correction.

11 THE COURT: Well, if there is -- if there is, and  
12 the city -- I mean eventually the city will object to it if  
13 the city has an objection to it, I presume based on it being  
14 settled or whatever else there may be for argument.

15 MR. SPINNER: That's right. For this purpose here  
16 to the extent that Mr. Wolfe is suggesting that his first  
17 claim, the one we were checking to longevity is an out of  
18 class claim, we're explaining why it won't work as far as an  
19 amendment goes. He can't -- untimely, amendment, all that  
20 good stuff. But his original other claim as filed will remain  
21 as it is until -- assuming that there is such a claim, it  
22 remains there until we file an objection of course.

23 THE COURT: All right. Back to you, Mr. Willems.

24 MR. WILLEMS: Moving on to Mr. Dorch. He's claiming

1 to -- to address that at this moment.

2 It could well be that there's some confusion about the  
3 timing. The -- the -- there were prior to the imposition of  
4 the CET's under prior imposed collective bargaining  
5 agreements, some reductions. But if that's what he's talking  
6 about, then the argument would be the same. Those were --  
7 those were lawfully imposed in the context of collective  
8 bargaining.

9 And then they were -- they were not the CET's, but just  
10 by way of quick historical background, the 2008, 2012  
11 collective bargaining agreement between the city and AFSCME  
12 was initially an imposed, and eventually an agreed to  
13 collective bargaining agreement.

14 And under that 2008, 2012 collective bargaining  
15 agreement, there were also some reductions that -- including  
16 longevity and -- and there may have been some what they call  
17 BFR days or 10% cuts, or something along that line.

18 And Mr. Moore, and I haven't had a chance to look this  
19 up. Obviously he's got, as we now understand it, an  
20 additional claim on failure to pay checks. I looked back in  
21 his claim and -- and I think that -- that there's probably  
22 some language in there that -- that would validate that --  
23 that it's part of the original claim. But that's the -- the  
24 -- the failure to properly pay step increases.

1 one where -- I guess I can't imagine that there wouldn't have  
2 been a grievance filed or something along that line. That  
3 that wouldn't have been addressed in some way.

4 And what -- what I'd like to do with that one is propose  
5 that -- that I take that information back to the city and we  
6 look at it and see whether there's a -- there's an issue  
7 there. Obviously with the rest of his claim which is a CET --  
8 which is a standard CET claim, all our arguments would still  
9 be in play on that one.

10 Ms. Cannon, she hasn't brought anything forth to  
11 distinguish her from the other CET claimants and therefore our  
12 arguments would hold there. The same with Ms. McCrary. Same  
13 with Mr. Capizzo, although it looks like he may have also have  
14 some claims that would fall under the -- either the confirmed  
15 plan, or the emergency manager order 21, but it wasn't clear  
16 from his recitation.

17 And I guess the same thing would apply to Ms.  
18 Beckom-White. She didn't present any information to change  
19 the nature or the -- the affect of our arguments on her claim.  
20 And that's all I have.

21 THE COURT: All right, just a moment. All right.  
22 Mr. Willems or Mr. Spinner, whoever wants to answer this. Am  
23 I correct in assuming that when the Detroit city council  
24 decides whether or not to ratify the proposed settlement of

1 that the -- that some sort of agreed order will be stipulated  
2 to and submitted to the Court for entry if the settlement is  
3 approved? Is that correct or is that not correct?

4 MR. WILLEMS: That's a correct assumption, Your  
5 Honor.

6 THE COURT: So if it's approved, I will -- the Court  
7 will learn about it that way if not some other way. That is  
8 there will be a -- I'll see a stipulation and a proposed order  
9 that indicates that it has been -- the settlement has been  
10 approved and the city's objections to the claims of those  
11 unions are fully settled, is that right?

12 MR. WILLEMS: That's -- that's correct.

13 THE COURT: What if the city council does not  
14 ratify, decides not to ratify the settlement. How will the  
15 Court know that? Will it -- will there be something filed  
16 relating to the litigation deadlines order that will tell me  
17 that or what?

18 MR. WILLEMS: I mentioned that we would then apprise  
19 the Court of the fact that that particular settlement hasn't  
20 been approved and there will either be a plan B attempt to  
21 settle in some other way, or we may at that point decide that  
22 -- or the parties may decide that they should come back to the  
23 Court and litigate the issues.

24 THE COURT: Now currently as you know as I mentioned  
25 earlier, the -- the first -- current first deadline in the

1 litigation schedule for the filing of certain summary judgment  
2 motions regarding these claims is -- is currently now an  
3 extended date of -- I think it was June 28<sup>th</sup>.

4 So if the city council hasn't acted before then, the  
5 parties, I -- I assume were going to come back to the Court  
6 and seek another extension order, right?

7 MR. WILLEMS: We will be, Your Honor.

8 THE COURT: And when you -- when you do that you  
9 will -- I hope you will put something in there to indicate  
10 what the status is of the proposed settlement.

11 MR. WILLEMS: I think we've done that each time and  
12 we will certainly do that again.

13 THE COURT: Yeah. The last time there was just --  
14 the dispute had been settled entirely in principle subject to  
15 documentation. So you'll give me an update of that kind about  
16 the status if it has not yet been fully approved you'll tell  
17 me what's -- what the status is of the settlements, right?

18 MR. WILLEMS: We will do that.

19 THE COURT: Yeah. All right. So then I'll -- I'll  
20 know one way or the other then in the not too distant future  
21 what's going on with the settlements.

22 MR. WILLEMS: You will indeed.

23 THE COURT: All right. All right. Thank you.

24 With respect to the matters that the Court has just been

1 has been hearing that the forty-fourth omnibus, the  
2 forty-fifth omnibus objections to claim, and the adjourned  
3 hearing today on all of the claims that were subject to the --  
4 to earlier omnibus objections to claim but which the Court  
5 adjourned for hearing to today to give the city and the  
6 parties a chance to file briefs, all of which have to do with  
7 the city's arguments that these are employee -- so-called  
8 employee obligation claims and the arguments that the city  
9 makes in its brief that was filed April 21 at docket 11102 and  
10 -- and argued further about today.

11 As to those, I'm not going to make a ruling today. And  
12 I'm not going to make any ruling until I -- I see what happens  
13 with the proposed settlement between the -- regarding the  
14 city's objection to the claims of AFSCME and the coalition of  
15 unions that we've talked about today.

16 If the city council of Detroit approves the -- or  
17 ratifies the settlement from what's been told -- what I've  
18 been told in this hearing, the -- the result of that will be  
19 an order that -- that fully resolves the city's objection to  
20 the claims of those unions. And the Court will have no  
21 further concern about what impact a ruling on the merits of  
22 the arguments presented today and in the April 21 brief may  
23 have on the city's objection to the claims against AFSCME and  
24 the coalition of unions since those matters will be settled  
25 and will not be litigated.

1 And I think it's appropriate for the Court to wait and  
2 see if this settlement is approved. And if the settlement is  
3 not approved and it's going to be litigated, and then the  
4 dispute is going to be litigated including the issues  
5 regarding the imposition of -- of -- of city employment terms  
6 and the emergency manager 21 and its affects on employees in  
7 the -- and whether or not those adverse actions can give rise  
8 to any valid legal claim by anyone in the city's bankruptcy  
9 case.

10 I think those issues are issues that would be part of the  
11 litigation between the city on the one hand and the AFSCME and  
12 coalition of unions on the other regarding their claims. And  
13 I would want the -- before I rule on the merits of those  
14 arguments, I would want in that instance the city -- or rather  
15 the coalition of unions and the AFSCME to have an opportunity  
16 to be heard, to brief and to be heard on those -- the city's  
17 arguments that are made in the April 21 brief about that.

18 However that will not be necessary if in fact in the next  
19 month to month and a half as -- as the timing is predicted by  
20 city's counsel -- city's counsel today in the hearing, the  
21 claims -- the objections to claims against the claim of AFSCME  
22 and the coalition of unions is settled through a final  
23 settlement ratified by Detroit city council.

24 So I'm going to wait to see what happens with this

1 ruling on these objections to claim that we've talked about  
2 today, except Mr. Willems, correct me if I'm wrong, I -- I  
3 believe with respect to the forty-fourth and forty-fifth  
4 omnibus objections to claim, there have been some creditors  
5 who did not file a response to those objections and did not  
6 appear today, is that correct?

7 MR. WILLEMS: That appears to be the case, yes.

8 MR. SPINNER: Yes, Your Honor.

9 THE COURT: Does the city want the Court essentially  
10 by default to enter an order sustaining the objections as to  
11 those creditors and those claims?

12 MR. SPINNER: I believe that has been the past  
13 practice, Your Honor. And we would -- yes, we would like  
14 that.

15 THE COURT: And the past practice has been -- yes,  
16 it has been that. And -- and, you know, it's up to you, you  
17 can tell me. I'm willing to do that much, that's not really a  
18 ruling on the merits. Basically those claimants are having  
19 their claims -- the objection to their claim sustained by  
20 default.

21 And so I'll ask the counsel for the city to submit a  
22 proposed order, one for each, the forty-fourth, one for the  
23 forty-fifth sustaining the objection to claims as to all the  
24 claims which no written response was -- neither a written

1 appear at today's hearing both.

2 So if the creditor for a particular claim did not file a  
3 written response, stricken or not, did not file any written  
4 response and did not appear at today's hearing and speak at  
5 today's hearing, either one, then I'll sustain the objection  
6 as to those -- their claim. Otherwise not.

7 And so that should be the -- the list of claims and  
8 creditors on the list in the orders that -- proposed order  
9 that you're going to submit. Do you -- do you -- do you see  
10 what's needed here?

11 MR. SPINNER: I do. The only question I have, it  
12 sounds like you're suggesting so that we do not include in  
13 that Mr. Wolfe because he did appear today.

14 THE COURT: No, do not include Mr. Wolfe for -- for  
15 the time being I'm going to leave him out there as part of the  
16 other group and for ruling at a later time.

17 MR. SPINNER: That's fine, Your Honor.

18 THE COURT: So Mr. Spinner or Mr. Willems, one of  
19 you will submit that order. I'll waive presentment of these  
20 orders, each of them. Ask you to submit those. And how  
21 quickly can you get those to me? Tomorrow?

22 MR. SPINNER: I believe so. I certainly can work to  
23 have that arranged. I'm traveling to the ABI conference  
24 tomorrow, but our paralegal who takes care of this is well

25 versed in this by now and I think we can get through that.

1 THE COURT: All right. Well, you know, as soon as  
2 you can. Now with respect to the claims that are not going to  
3 be sustained, the objection to claims it's not going to be  
4 sustained yet at least on the forty-fourth and forty-fifth,  
5 plus all the other claims that were adjourned for hearing  
6 today.

7 As I said, I'm going to hold off ruling on those. And so  
8 with respect to those, what I'll do is deem them -- deem the  
9 objections to those claims submitted for a decision, but the  
10 Court's decision will await a determination of whether the  
11 objections to claims of the AFSCME claim and the coalition of  
12 union claims are -- are settled or not. And so I'll prepare  
13 and enter an order reflecting that. So the exact terms of that  
14 will be -- will be known.

15 Now, Mr. Willems or Mr. Spinner, one or the other, I  
16 think there was at least one claim that was discussed during  
17 today's hearing in which Mr. Willems says -- indicated he  
18 wanted to go back to the city and find out more about it.

19 And I think the issue had to do with whether or not the  
20 claim was -- involved any aspect or any -- any basis other  
21 than the imposition of city employment terms, or the emergency  
22 manager order 21. Or -- or for that matter, a claim that is  
23 basically at war with the confirmed plan. Some other  
24 pre-petition claim.

1 he wanted to check on. I think that was the claim of Mr.  
2 Moore.

3 MR. WILLEMS: It was Mr. Moore. And -- and he -- he  
4 had asserted that there was a failure to pay step increases  
5 and so he was underpaid for --

6 THE COURT: Does the city want an opportunity to  
7 file a supplement to its claim objection regarding Mr. Moore's  
8 claim?

9 MR. WILLEMS: We -- I -- I -- that would be --

10 THE COURT: Pardon?

11 MR. WILLEMS: Yes, I would propose that.

12 THE COURT: Any of the other ones heard today that  
13 you want to -- the opportunity to supplement regarding?

14 MR. WILLEMS: You know, offhand I -- I -- and none  
15 of the others jump out at me as something that we need to  
16 supplement.

17 THE COURT: All right. All right. So what sort of  
18 deadline would you like me to set for any such optional  
19 supplement by the city to be filed? One week enough?

20 MR. WILLEMS: One week may not be enough because in  
21 trying to track down this -- this issue it may take longer  
22 than that. So --

23 THE COURT: How much time do you want?

24 MR. WILLEMS: I would ask for at least two weeks.

25 THE COURT: All right. That's June 29. I'll put

1 that in the order.

2 MR. COLLINS: And, Your Honor --

3 THE COURT: And as I said, I'll prepare and enter an  
4 order reflecting what I've said here and we'll go from there.  
5 So I think that concludes matters for today. Sir, why do you  
6 raise your hand?

7 MR. COLLINS: Your Honor, the attorney --

8 THE COURT: If you want to -- if you want to speak,  
9 come up to the microphone. But this hearing is basically  
10 finished. So what is it? You're Mr. Collins?

11 MR. COLLINS: Yes.

12 THE COURT: You spoke earlier.

13 MR. COLLINS: Okay. Yes, yes, it is.

14 THE COURT: What is it, sir?

15 MR. COLLINS: What's that? The -- the attorney for  
16 the city said that I did not submit any -- you know, anything.

17 THE COURT: Mr. Collins, this is not an opportunity  
18 for you to reply to his -- the reply of the city. They speak  
19 last because they're the party objecting. We're done.

20 MR. COLLINS: Okay. Sir, I -- I did submit my  
21 claims to the Court and to the clerk. And I did submit them  
22 out for, you know --

23 THE COURT: Mr. Collins, I just said we're done.  
24 Thank you. All right. Thank you all and we'll see you next

25 time

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MR. COLLINS: Thank you, Your Honor.

THE CLERK: All rise. Court is adjourned.

(Court Adjourned at 4:31 p.m.)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

We certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

/s/Deborah L. Kremlick, CER-4872  
Jamie Laskaska

Dated: 7-5-16

**U.S. Bankruptcy Court  
Eastern District of Michigan (Detroit)  
Bankruptcy Petition #: 13-53846-tjt**

Assigned to: Judge Thomas J. Tucker  
Chapter 9  
Voluntary  
No asset

Date filed: 07/18/2013  
Plan confirmed: 11/12/2014

**Debtor In Possession**  
**City of Detroit, Michigan**  
2 Woodward Avenue  
Suite 1126  
Detroit, MI 48226  
WAYNE-MI  
Tax ID / EIN: 38-6004606

represented by **Megan R.I. Baxter**  
150 West Jefferson Avenue  
Suite 2500  
Detroit, MI 48226  
(313) 496-8459  
Email: [baxter@millercanfield.com](mailto:baxter@millercanfield.com)

**Bruce Bennett**  
555 S. Flower Street  
50th Floor  
Los Angeles, CA 90071  
(213) 489-3939  
Email: [bbennett@jonesday.com](mailto:bbennett@jonesday.com)

**Eric D. Carlson**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7567  
*TERMINATED: 07/06/2020*

**Mary Beth Cobbs**  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-3075  
Fax : 313-224-5505  
Email: [cobbm@detroitmi.gov](mailto:cobbm@detroitmi.gov)

**Tamar Dolcourt**  
500 Woodward Ave.  
Suite 2700  
Detroit, MI 48226  
313-234-7161  
Email: [tdolcourt@foley.com](mailto:tdolcourt@foley.com)

**Timothy A. Fusco**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226-4415  
(313) 496-8435  
*TERMINATED: 07/06/2020*

**Eric B. Gaabo**  
2 Woodward Avenue

Ste. 500  
Detroit, MI 48226  
313-237-3052  
Email: [gaabe@detroitmi.gov](mailto:gaabe@detroitmi.gov)

**Jonathan S. Green**  
150 W. Jefferson  
Ste. 2500  
Detroit, MI 48226  
(313) 963-6420  
Email: [green@millercanfield.com](mailto:green@millercanfield.com)

**David Gilbert Heiman**  
901 Lakeside Avenue  
Cleveland, OH 44114  
(216) 586-7175  
*TERMINATED: 03/18/2019*

**Robert S. Hertzberg**  
4000 Town Center  
Suite 1800  
Southfield, MI 48075-1505  
248-359-7300  
Fax : 248-359-7700  
Email: [hertzbergr@pepperlaw.com](mailto:hertzbergr@pepperlaw.com)

**Kelly Houk**  
400 Renaissance Center  
Detroit, MI 48243  
313-568-6530  
Email: [khok@dykema.com](mailto:khok@dykema.com)  
*TERMINATED: 08/23/2017*

**Jeffrey S. Kopp**  
Foley & Lardner LLP  
500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Fax : (313) 234-2800  
Email: [jkopp@foley.com](mailto:jkopp@foley.com)

**Deborah Kovsky-Apap**  
Pepper Hamilton LLP  
4000 Town Center  
Suite 1800  
Southfield, MI 48075  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kovskyd@pepperlaw.com](mailto:kovskyd@pepperlaw.com)

**Kay Standridge Kress**  
4000 Town Center  
Southfield, MI 48075-1505  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kay.kress@troutman.com](mailto:kay.kress@troutman.com)

**Stephen S. LaPlante**  
150 W. Jefferson Ave.  
Suite 2500  
Detroit, MI 48226  
(313) 496-8478

Email: [laplante@millercanfield.com](mailto:laplante@millercanfield.com)

**Heather Lennox**

901 Lakeside Avenue  
Cleveland, OH 44114-1190  
(216) 586-7111  
Email: [hlennox@jonesday.com](mailto:hlennox@jonesday.com)

**John D. Mulvihill**

20 W. Washington  
Suite 2  
Clarkston, MI 48346  
(248) 625-3131  
Email: [jdmassistant@sbcglobal.net](mailto:jdmassistant@sbcglobal.net)

**Scott Eric Ratner**

One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John A. Simon**

500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Email: [jsimon@foley.com](mailto:jsimon@foley.com)

**Ronald A. Spinner**

150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7829  
Email: [spinner@millercanfield.com](mailto:spinner@millercanfield.com)

**Marc N. Swanson**

Miller Canfield Paddock and Stone, P.L.C.  
150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7591  
Email: [swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**Albert Togut**

One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John H. Willems**

150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7544  
Email: [willems@millercanfield.com](mailto:willems@millercanfield.com)

**Stanley L. de Jongh**

Two Woodward Ave., 5th Floor  
Suite 500  
Detroit, MI 48226  
313-237-5031

Fax : 313-224-5505  
Email: [jongsl@detroitmi.gov](mailto:jongsl@detroitmi.gov)

**U.S. Trustee**  
**Daniel M. McDermott**  
*TERMINATED: 12/23/2019*

represented by **Sean M. Cowley (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-3432  
Email: [Sean.cowley@usdoj.gov](mailto:Sean.cowley@usdoj.gov)

**Richard A. Roble (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-6769  
Email: [Richard.A.Roble@usdoj.gov](mailto:Richard.A.Roble@usdoj.gov)

**U.S. Trustee**  
**Andrew R. Vara**

represented by **Sean M. Cowley (UST)**  
(See above for address)

**Richard A. Roble (UST)**  
(See above for address)

**Creditor Committee**  
**Committee of Unsecured**  
**Creditors**  
*TERMINATED: 03/03/2014*

represented by **Brett Howard Miller**  
1290 Avenue of the Americas  
40th Floor  
New York, NY 10104  
(212) 468-8051  
Email: [bmiller@mofocom.whildbold@mofocom](mailto:bmiller@mofocom.whildbold@mofocom)  
*TERMINATED: 03/03/2014*

**Geoffrey T. Pavlic**  
AF Group  
200 N. Grand River Ave.  
Lansing, MI 48933  
(517) 708-5146  
Fax : (248) 352-4488  
Email: [Geoffrey.Pavlic@afgroup.com](mailto:Geoffrey.Pavlic@afgroup.com)  
*SELF-TERMINATED: 11/19/2014*

**Mark H. Shapiro**  
25925 Telegraph Rd.  
Suite 203  
Southfield, MI 48033-2518  
(248) 352-4700  
Fax : (248) 352-4488  
Email: [shapiro@steinbergshapiro.com](mailto:shapiro@steinbergshapiro.com)  
*SELF-TERMINATED: 10/27/2023*

**Creditor Committee**  
**Charlene Hearn**  
PO Box 6612  
Detroit, MI 48206

**Creditor Committee**  
**Craig Steele**

**Retiree Committee**  
**Official Committee of Retirees**

represented by **Sam J. Alberts**  
1301 K Street, NW

Suite 600, East Tower  
 Washington, DC 20005-3364  
 (202) 408-7004  
 Email: [sam.alberts@dentons.com](mailto:sam.alberts@dentons.com)  
 SELF- TERMINATED: 03/13/2015

**Paula A. Hall**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [hall@bwst-law.com](mailto:hall@bwst-law.com)

**Claude D. Montgomery**  
 620 Fifth Avenue  
 New York, NY 10020  
 (212) 632-8390  
 Email: [claudemontgomery@dentons.com](mailto:claudemontgomery@dentons.com), [docketny@dentons.com](mailto:docketny@dentons.com)

**Carole Neville**  
 1221 Avenue of the Americas  
 25th Floor  
 New York, NY 10020  
 (212) 768-6889  
 Email: [carole.neville@dentons.com](mailto:carole.neville@dentons.com)

**Matthew Wilkins**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [wilkins@bwst-law.com](mailto:wilkins@bwst-law.com)

| Filing Date | #            | Docket Text   |
|-------------|--------------|---|
| 01/30/2019  | <u>13000</u> | Motion to Enforce <i>Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desirea Ricks</i> Filed by Debtor In Possession City of Detroit, Michigan (Swanson, Marc) (Entered: 01/30/2019)  |
| 02/13/2019  | <u>13004</u> | Response to (related document(s): <u>13000</u> Motion to Enforce <i>Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desirea Ricks</i> ) Filed by Interested Parties Akilah Cobb, Desire'a Ricks, Desmond Ricks (Arndt, Stephanie) (Entered: 02/13/2019)   |
| 03/15/2019  | <u>13021</u> | Corrected Reply to (related document(s): <u>13004</u> Response filed by Interested Party Desmond Ricks, Interested Party Akilah Cobb, Interested Party Desire'a Ricks, <u>13020</u> Reply – motions filed by Debtor In Possession City of Detroit, Michigan) <i>Corrected Reply in Support of City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desirea Ricks</i> Filed by Debtor In Possession City of Detroit, Michigan (Swanson, Marc) (Entered: 03/15/2019) |
| 03/20/2019  | <u>13025</u> | Order Granting City Of Detroit's Motion For The Entry Of An Order Enforcing The Bar Date Order And Confirmation Order Against Desmond Ricks, Akilah Cobb And Desire' A Ricks (Related Doc # <u>13000</u> ). (ckata) (Entered: 03/20/2019)   |

|            |              |   |
|------------|--------------|---|
| 04/06/2022 | <u>13532</u> | Motion to Enforce <i>Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris–Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris</i> Filed by Debtor In Possession City of Detroit, Michigan (Attachments: # <u>1</u> Exhibit 6–1 # <u>2</u> Exhibits 6–2 and 6–3) (Swanson, Marc) (Entered: 04/06/2022)   |
| 05/17/2022 | <u>13565</u> | Response to (related document(s): <u>13532</u> Motion to Enforce <i>Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris–Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris</i> ) Filed by Interested Parties Julia Metris, Paul Metris, Debra Marie Metris–Shamoon, Mukhlis Shamoon, Carl Veres (Attachments: # <u>1</u> Index Exhibit List # <u>2</u> Exhibit 1 None # <u>3</u> Exhibit 2 None # <u>4</u> Index 3 None # <u>5</u> Exhibit 4 Proof of Service # <u>6</u> Exhibit 5 None # <u>7</u> Exhibit 6 Documentary Exhibit and Index # <u>8</u> Exhibit A Davis Civil Docket # <u>9</u> Exhibit B Media Articles # <u>10</u> Exhibit C Hansberry Criminal Docket # <u>11</u> Exhibit Davis Request to Produce # <u>12</u> Exhibit E Davis Settlement # <u>13</u> Exhibit F DPD Communications # <u>14</u> Exhibit G Declaration of Adam Shamoon # <u>15</u> Exhibit H Declaration of Debra Metris–Shamoon # <u>16</u> Exhibit I Jury Trial Transcript # <u>17</u> Exhibit J Deposition Transcript of Chief Craig # <u>18</u> Exhibit K Detroit News Articles # <u>19</u> Exhibit L Dkt #8045 Plan # <u>20</u> Exhibit M Worthy Press Release # <u>21</u> Exhibit N IA Memorandum # <u>22</u> Exhibit O Notice of Seizure # <u>23</u> Exhibit P IA Report # <u>24</u> Exhibit Q IA Excerpt # <u>25</u> Exhibit R Correspondence # <u>26</u> Exhibit S Shamoon Civil Docket) (Dezsi, Michael) (Entered: 05/17/2022) |
| 06/24/2022 | <u>13588</u> | Reply to (related document(s): <u>13565</u> Response filed by Interested Party Debra Marie Metris–Shamoon, Interested Party Mukhlis Shamoon, Interested Party Carl Veres, Interested Party Paul Metris, Interested Party Julia Metris) Filed by Debtor In Possession City of Detroit, Michigan (Swanson, Marc) (Entered: 06/24/2022)  |
| 08/26/2022 | <u>13617</u> | Opinion Regarding the City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris–Shamoon, et al. (Docket #13532)(RE: related document(s) <u>13532</u> Motion to Enforce filed by Debtor In Possession City of Detroit, Michigan). (Vozniak, Mary) (Entered: 08/26/2022)  |
| 08/26/2022 | <u>13618</u> | Order Granting the City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris–Shamoon, et. al. (Docket #13532) Motion To Enforce (Related Doc # <u>13532</u> ). (Vozniak, Mary) (Entered: 08/26/2022)  |

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER  
AGAINST DESMOND RICKS, AKILAH COBB AND DESIRE’A RICKS**

The City of Detroit, Michigan (“City”) by its undersigned counsel, Miller, Canfield, Paddock and Stone, PLC, files this *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desire’a Ricks* (“Motion”). In support of this Motion, the City respectfully states as follows:

**I. Introduction**

1. On August 23, 2017, Desmond Ricks (“Ricks”), Akilah Cobb and Desire’a Ricks (collectively, the “Plaintiffs”) filed a federal court lawsuit against the City seeking monetary damages on account of alleged events that occurred in 1992. The filing of the lawsuit violates the discharge and injunction provisions in the City’s confirmed Plan and the Bar Date Order (each as defined below). The City informed the Plaintiffs of these violations and asked them to voluntarily dismiss the City from their federal court lawsuit, but to no avail. As a result, the City is left with no choice but to seek an order barring and permanently enjoining

the Plaintiffs from asserting and prosecuting the claims described in the federal court action against the City or property of the City and requiring the plaintiffs dismiss the federal court action with prejudice to the extent it seeks any such relief.

## II. Factual Background

### A. The City's Bankruptcy Case

2. On July 18, 2013 (“Petition Date”), the City filed this chapter 9 case.

3. On October 10, 2013, the City filed its *Motion Pursuant to Section 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* (“Bar Date Motion”) [Doc. No. 1146], which was approved by order of this Court on November 21, 2013 (“Bar Date Order”). [Doc. No. 1782].

4. The Bar Date Order established February 21, 2014, as the deadline for filing claims against the City. Paragraph 6 of the Bar Date Order states that the

following entities must file a proof of claim on or before the Bar Date...any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment proposed by the City...

Bar Date Order ¶ 6.

5. Paragraph 22 of the Bar Date Order also provides that:

Pursuant to sections 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), **any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an “Unscheduled Claim”); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.**

6. None of the Plaintiffs filed a proof of claim.

7. On October 22, 2014, the City filed its *Eighth Amended Plan of the Adjustment of Debts of the City of Detroit* (“Plan”), which this Court confirmed on November 12, 2014. [Doc. Nos. 8045 & 8272].

8. The discharge provision in the Plan provides:

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date. Except as provided in the Plan or in the Confirmation

Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (ii) the Holder of a Claim based on such debt has accepted the Plan.

Plan, Art. III.D.4, at p.50.

9. Further, the Plan injunction set forth in Article III.D.5 provides in pertinent part:

### **Injunction**

**On the Effective Date, except as otherwise provided herein or in the Confirmation Order,**

**a. all Entities that have been, are or may be holders of Claims against the City...shall be permanently enjoined from taking any of the following actions against or affecting the City or its property...**

**1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affect the City of its property...**

**5. proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and**

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

Plan, Article III.D.5, at pp.50-51 (emphasis added).

10. The Court also retained jurisdiction to enforce the Plan injunction and to resolve any suits that may arise in connection with the consummation, interpretation or enforcement of the Plan. Plan, Art. VII. F, G, I, at p.72.

**B. Plaintiffs’ United States District Court Lawsuit**

11. On December August 23, 2017, the Plaintiffs filed a complaint against the City and certain individuals, in the United States District Court for the Eastern District of Michigan, commencing case number 17-12784 (“Lawsuit”). On May 18, 2018, the Plaintiffs filed their *First Amended Complaint* (“Amended Complaint”) against the City and three individuals in their individual capacity. The Amended Complaint is attached as Exhibit 6.

12. In the Amended Complaint, the Plaintiffs assert claims which all arise from or relate to the alleged wrongful conviction of Ricks on September 23, 1992. Amended Complaint ¶ 75.

**III. Argument**

13. The Plaintiffs violated the Plan’s injunction and discharge provisions when they filed the Lawsuit to assert claims and otherwise seek relief against the City. And, they continue to violate them by persisting in prosecuting the Lawsuit.

14. The Plan’s discharge provision states that the “rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the

Effective Date.” Plan Art. III.D.4, at p.50. The Plaintiffs did not file a proof of claim in the City’s bankruptcy case. Consequently, they do not have a right to a distribution or payment under the Plan on account of the claims asserted in the Lawsuit. Plan, Art. III.D.5, at p.50 (“[A]ll entities that have been, are or may be holders of Claims against the City . . . shall be permanently enjoined from . . . proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan.”). *See also* Plan, Art. I.A.19, at p.3; Art. I.A.134, at p.11; Art. VI.A.1, at p.67 (“Notwithstanding any other provision of the Plan, no payments or Distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim.”). Any claims that Plaintiffs may have had were discharged, and the Plan enjoins Plaintiffs from pursuing them. The Bar Date Order also forever barred, estopped and enjoined the Plaintiffs from pursuing the claims asserted in the Amended Complaint.

15. Even if the Plaintiffs could somehow seek relief on their claims against the City or its property (which they cannot), the proper and only forum for doing so would be in this Bankruptcy Court. There is therefore no set of circumstances under which Plaintiffs are or would have been permitted to commence and prosecute the Lawsuit against the City or its property.

#### IV. Conclusion

16. The City thus respectfully requests that this Court enter an order, in substantially the same form as the one attached as Exhibit 1, (a) directing Plaintiffs to dismiss, or cause to be dismissed, the City with prejudice from the Lawsuit; (b) permanently barring, estopping and enjoining Plaintiffs from asserting the claims alleged in, or claims related to, the Lawsuit against the City or property of the City; and (c) prohibiting Plaintiffs from sharing in any distribution in this bankruptcy case. The City sought, but did not obtain, concurrence to the relief requested in the Motion.

Dated: January 30, 2019

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

Attorneys for the City of Detroit

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**EXHIBIT LIST**

|           |                                 |
|-----------|---------------------------------|
| Exhibit 1 | Proposed Order                  |
| Exhibit 2 | Notice of Opportunity to Object |
| Exhibit 3 | None                            |
| Exhibit 4 | Certificate of Service          |
| Exhibit 5 | None                            |
| Exhibit 6 | Complaint                       |

**EXHIBIT 1 – PROPOSED ORDER**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DESMOND RICKS, AKILAH COBB  
AND DESIRE’A RICKS**

This matter, having come before the Court on the Motion to Enforce Order, Pursuant to Sections 105, 501, and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing of Proofs of Claim and Approving Form and Manner of Notice Thereof Against Desmond Ricks, Akilah Cobb and Desire’a Ricks (“Motion”),<sup>1</sup> upon proper notice and a hearing, the Court being fully advised in the premises, and there being good cause to grant the relief requested,

**THE COURT ORDERS THAT:**

1. The Motion is granted.

<sup>1</sup> Capitalized terms used but not otherwise defined in this Order shall have the meanings given to them in the Motion.

2. Within five days of the entry of this Order Desmond Ricks, Akilah Cobb and Desire'a Ricks shall each dismiss, or cause to be dismissed, the City of Detroit with prejudice from the case captioned as *Desmond Ricks, Akilah Cobb and Desire'A Ricks, Plaintiffs, v David Pauch, in his individual capacity, Donald Stawiasz, in his individual capacity, and City of Detroit, a Municipal Corporation, Defendants*, filed in the United States District Court for the Eastern District of Michigan and assigned Case No. Case No. 17-cv-12784 (“Lawsuit”).

3. Desmond Ricks, Akilah Cobb and Desire'a Ricks are each permanently barred, estopped and enjoined from asserting claims asserted in the Lawsuit or claims arising from or related to the Lawsuit against the City of Detroit or property of the City of Detroit.

4. Desmond Hicks, Akilah Cobb and Desire'a Ricks are each prohibited from sharing in any distribution in this bankruptcy case.

5. The Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**EXHIBIT 2 – NOTICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**NOTICE OF OPPORTUNITY TO OBJECT TO CITY OF  
DETROIT’S MOTION FOR THE ENTRY OF AN ORDER ENFORCING  
THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST  
DESMOND RICKS, AKILAH COBB AND DESIRE’A RICKS**

The City of Detroit has filed papers with the Court requesting the Court to enforce the Order, Pursuant To Sections 105, 501, and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates For Filing Proofs Of Claim and Approving Form and Manner Of Notice Thereof Against Desmond Ricks, Akilah Cobb and Desire’a Ricks.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney.**

If you do not want the Court to enter an Order granting the *City Of Detroit’s Motion To Enforce Order, Pursuant To Sections 105, 501, and 503 Of The Bankruptcy Code and Bankruptcy Rules 2002 and 3003(C), Establishing Bar Dates For Filing Proofs Of Claim and Approving Form and Manner Of Notice*

*Thereof Against Desmond Ricks, Akilah Cobb and Desire'a Ricks*, within 14 days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>1</sup>

United States Bankruptcy Court  
211 W. Fort St., Suite 1900  
Detroit, Michigan 48226

If you mail your response to the court for filing, you must mail it early enough so that the court will **receive** it on or before the date stated above. You must also mail a copy to:

Miller, Canfield, Paddock & Stone, PLC  
Attn: Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time, and location of that hearing.

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

---

<sup>1</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

Dated: January 30, 2019

**EXHIBIT 3 – NONE**

**EXHIBIT 4 – CERTIFICATE OF SERVICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on January 30, 2019, he served a copy of the foregoing **CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST DESMOND RICKS, AKILAH COBB AND DESIRE’A RICKS** upon counsel for Desmond Ricks, Akilah Cobb and Desire’a Ricks, in the manner described below:

Via first class mail and email:

James J. Harrington , IV  
Fieger, Fieger, Kenney, Giroux & Harrington, P.C.  
19390 W. Ten Mile Road  
Southfield, MI 48075-2463  
Email: j.harrington@fiegerlaw.com

Milica Filipovic  
Fieger, Fieger, Kenney & Harrington  
19390 West Ten Mile Road  
Southfield, MI 48075-2463  
Email: m.filipovic@fiegerlaw.com

Sima G. Patel  
Fieger, Fieger, Kenney & Harrington  
19390 W. Ten Mile Rd.  
Southfield, MI 48075-2463  
Email: s.patel@fiiegerlaw.com

DATED: January 30, 2019

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**EXHIBIT 5 – NONE**

**EXHIBIT 6 – AMENDED COMPLAINT**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DESMOND RICKS, individually;  
AKILAH COBB, individually; and  
DESIRE'A RICKS, individually;

Plaintiffs,

-v-

No. 17-cv-12784  
Hon. Paul D. Borman

DAVID PAUCH, in his individual capacity;  
and DONALD STAWIASZ, in his  
individual capacity; ROBERT B. WILSON,  
in his individual capacity; and CITY OF  
DETROIT, a municipal corporation;

Defendants.

---

**FIRST AMENDED COMPLAINT**

NOW COME the Plaintiffs, DESMOND RICKS, individually, AKILAH COBB, individually, and DESIRE'A RICKS, individually, by and through their attorneys, MUELLER LAW FIRM, by WOLFGANG MUELLER, and file their Complaint against the Defendants in this civil action, stating unto this Court as follows:

1. This is an action for damages brought pursuant to 42 U.S.C. §§1983 and 1998, the Fourth, Fifth, Sixth and Fourteenth Amendments to the United States Constitution against Defendants, DAVID PAUCH, in his individual capacity, DONALD STAWIASZ, in his individual capacity,

ROBERT B. WILSON, in his individual capacity, and CITY OF DETROIT, a municipal corporation.

2. Jurisdiction is founded upon 28 U.S.C. §1331 and 28 U.S.C. §1343.

3. Forum is proper based on the situs of the incident, which occurred in the CITY OF DETROIT.

4. At all pertinent times Plaintiffs, DESMOND RICKS, AKILAH COBB, and DESIRE'A RICKS, were United States citizens.

5. At all pertinent times, Defendant, DONALD STAWIASZ ("STAWIASZ"), was employed as a Sergeant by the Detroit Police Department ("DPD"), a department of the CITY OF DETROIT ("DETROIT") and was acting under color of law.

6. At all pertinent times, Defendant, DAVID PAUCH ("PAUCH"), was employed as a police officer and Evidence Technician for the DPD and was acting under color of law.

7. At all pertinent times, Defendant, ROBERT B. WILSON ("WILSON"), was employed as a police officer and Evidence Technician for the DPD and was acting under color of law.

8. At all pertinent times, DETROIT was a municipal corporation formed under the laws of the State of Michigan and was the employer of STAWIASZ and PAUCH.

### **GENERAL ALLEGATIONS**

9. On March 3, 1992, at approximately 4:45 p.m., Gerry Bennett was shot to death in the parking lot of a Top Hat restaurant located at 16101 James Couzens, in the City of Detroit.

10. On that occasion, Plaintiff, a friend of Mr. Bennett, accompanied Bennett to the Top Hat restaurant in a red Ford Escort. Bennett, the driver of the Escort, parked the vehicle. Soon, a yellow Chevrolet Monte Carlo pulled up next to the Escort. Bennett got out of the Escort, while a light-skinned black man of medium height got out of the back seat of the Monte Carlo and entered the restaurant with Bennett. Plaintiff remained in the front passenger seat of the Escort.

11. When the two men left the restaurant about five to 10 minutes later, Plaintiff saw the light-skinned man point a chrome handgun at Bennett and shoot him in the stomach. Plaintiff got out of the Escort to confront the man. As he did, he saw the other man shoot Bennett in the head, then turn to shoot at Plaintiff.

12. Plaintiff turned and ran, shedding his winter coat to avoid it being caught in bushes as he ran through bushes into an adjacent neighborhood. The coat was later found by DPD officers. It contained his visitor's pass to Hutzel Hospital, where his girlfriend had just given birth to his baby daughter, Desire'a. The jacket also contained a phone book and a picture of his newborn baby.

13. An eyewitness at the scene, Arlene Strong, who was working as a cashier at the restaurant, gave a statement to police on the date of the murder. She stated that the shooter was an occupant of the yellow car. She described a "*big silver gun*" and described the shooter as "*bright complexion, medium height.*"

14. Desmond Ricks is dark-skinned and stands 6'3"; in no way can he be described as "*bright complexion, medium height.*"

15. The initial police report from the murder, authored by Officer R. Turner, described Ms. Strong as "*[o]ne of the best witnesses.*"

16. Ms. Strong was the only eyewitness at the scene who provided a physical description of the shooter. Her description did not match Desmond Ricks.

17. On or about March 4, 1992, Defendant, STAWIASZ, was assigned as Officer-in-Charge ("OIC") of the homicide investigation.

18. On March 4, an autopsy was performed on Bennett's body. The Medical Examiner, Dr. Sawait Kanluen, retrieved one bullet from Bennett's brain, where it lodged after penetrating his skull. A second bullet was lodged in Bennett's spine.

19. On March 5, 1992, at approximately 4:00 p.m., Detroit Police Officer, James Fleming, acting on orders from DPD Sgt. Robert Gerds, and accompanied by federal A.T.F. agent, Anthony Primak, and Deputy U.S. Marshal, John Reghi, arrived at Plaintiff's mother's house at 16500 Hubbell Street in Detroit. Fleming later testified that Mary Ricks, Plaintiff's mother, was working in her garden in the front yard when they arrived.

20. Fleming also testified that the officers saw Plaintiff standing inside the doorway of the front door. He was arrested inside his home.

21. The officers did not have an arrest warrant, or consent to enter, or exigent circumstances, or probable cause, to arrest Plaintiff inside his home. It was an illegal, unconstitutional arrest.

22. Before Plaintiff was removed from the house, Mary Ricks allegedly told the officers that her son didn't shoot anybody, as he didn't even own a gun. She also stated that she was the only one in the house who owned a gun, which was a pistol she kept under her pillow, and that her son, Desmond, had never fired the gun.

23. Mrs. Ricks allowed the officers to take her handgun, a Rossi .38 Special, 5-shot revolver, serial #: D373334.

24. As the agents left the house, Plaintiff heard one agent, Primak, tell Fleming, “*This gun hasn’t been fired.*” Fleming responded, “*Take it anyway.*”

25. The .38 Special caliber revolver was given to Fleming to take to the DPD.

26. Plaintiff was arrested before Mary Ricks’ handgun was recovered and tested to compare the slugs removed from the victim’s body to bullets test-fired from the handgun.

27. At the time of Desmond Ricks’ arrest, there were no witnesses who identified Plaintiff as the shooter and no physical evidence linking him to the crime. The DPD had no evidence upon which to base probable cause for an arrest. The only evidence the police had was Plaintiff’s mere presence at the murder scene.

28. Long before March 3, 1992, it was clearly established under Michigan and federal law that an individual’s mere presence at a crime scene was insufficient, without more, to establish probable cause for an arrest. *People v. Olszewski*, 119 Mich.App. 455, 459; 326 N.W.2d 394 (1982); *Harris v. Bornhorst*, 513 F.3d 503, 515 (6<sup>th</sup> Cir. 2008), *cert. denied*,

554 U.S. 903; 128 S.Ct. 2938; 171 L.Ed.2d 865 (2008) (“[I]t is well-established that an individual’s mere presence at a crime scene does not constitute probable cause for an arrest”).

29. On March 6, 1992, one day after Plaintiff was illegally arrested, Defendant, STAWIASZ, requested that firearms identification testing be conducted on the Rossi handgun taken from Ricks’ home, to compare bullets to the slugs removed from Gerry Bennett’s body. STAWIASZ brought the handgun to Defendants, PAUCH and WILSON, firearm and tool-mark experts in the DPD Crime Lab. PAUCH and WILSON had previously received the slugs from the victim’s body.

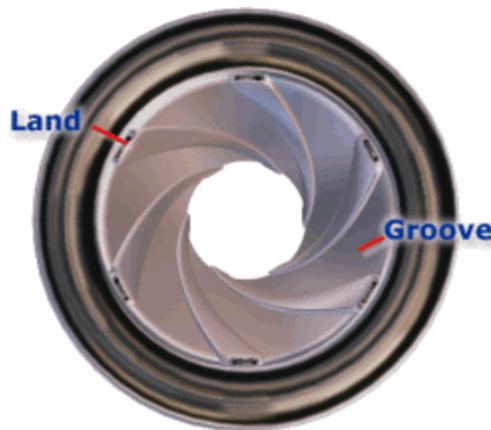
30. PAUCH, WILSON, and STAWIASZ, as sworn police officers, had taken an oath, the Law Enforcement Code of Ethics, that stated, in pertinent part: *“As a sworn police officer, my fundamental duty is to serve the community; to safeguard lives and property; to protect the innocent against deception, the weak against oppression or intimidation and the peaceful against violence or disorder; and to respect the constitutional rights of all to liberty, equality and justice.”*

31. PAUCH and WILSON, with STAWIASZ present, test-fired bullets from the Rossi handgun and compared them to bullets removed from Bennett’s body.

32. A fundamental part of firearms identification, known to every competent (and even incompetent) firearms examiner, including PAUCH and WILSON, is the classification of bullets and guns by the number of lands and grooves in the barrel of a gun, and the direction of twist of the lands and grooves.

33. In firearms, rifling consists of helical grooves on the inside surface of a gun's barrel, which impart a spin to a bullet around its longitudinal axis. This spin serves to gyroscopically stabilize the bullet, improving its aerodynamic stability and accuracy.

34. A manufacturer's gun barrel can have any number of lands and grooves. The diameter of a barrel is measured between the distance of the lands, or raised surfaces, on the inside of the barrel.



**6-R**  
**Inside surface of a gun barrel showing lands and grooves.**

35. As a bullet passes through the barrel of a gun, the bullet surface, which consists of a softer metal than the barrel, is scored by the lands in the barrel, which make the grooves in the bullet, allowing for a stable flight, much like the spin on a football.

36. The lands and grooves in the barrel are directional, meaning that the bullet will spin clockwise or counterclockwise. This is designated as the direction of the twist (“Right-hand twist” or “Left-hand twist”).

37. Competent firearms examiners, such as PAUCH and WILSON, can microscopically determine the number of lands and grooves and the direction of twist of the firearm or bullet. These are known as class characteristics and can help determine whether a certain bullet was fired from a specific gun.

38. PAUCH and WILSON’s report noted that the Rossi .38 Special caliber revolver was classified as “6-R,” so PAUCH and WILSON clearly knew the significance of such classifications.

39. The “6” designation means that the barrel of the Rossi handgun would cut six grooves (and corresponding lands (identifying features)) into the surface of the bullet, while the “R” designation signifies a “right-hand” rotation of the bullet as it passes through the barrel.

40. PAUCH and WILSON's examination revealed that one of the two slugs removed from the victim's body, bullet #2 removed from the spine (Evid. Tag # 923410), clearly was a "5-R" classification, meaning that it had five lands and grooves with a right-hand twist.

41. Based on their independent examinations, PAUCH and WILSON, well-trained, competent firearm and tool-mark examiners who had testified as expert witnesses on numerous occasions, knew to a certainty that the 5-R bullet recovered from Gerry Bennett's body could not have come from the 6R Rossi .38 Special caliber revolver.

42. Knowing the bullets did not match the suspect's gun, and that the description of the shooter by the only eyewitness did not describe Plaintiff, PAUCH, WILSON and STAWIASZ conspired and agreed to commit the overt act of falsifying the firearms identification test results to indicate a "*Positive ID*" (match) between the evidence bullets and the Rossi .38 Special caliber revolver removed from Plaintiff's home.

43. The fabricated "*Positive ID*" lab report provided the only link between Desmond Ricks and the murder of Gerry Bennett, as there was no physical evidence or eyewitness identification linking him to the crime.

44. PAUCH, WILSON, and STAWIASZ, all experienced, well-trained police officers who took an oath to protect citizens' constitutional

rights, conspired to knowingly deprive Desmond Ricks of his constitutional rights under the 4<sup>th</sup> Amendment, which guarantees “[t]he right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation ....”

45. PAUCH, WILSON, and STAWIASZ knew their decision to fabricate the firearms lab report ran afoul of the United State Supreme Court’s recognition of the *“fundamental value determination of our society that it is far worse to convict an innocent man than to let a guilty man go free.”* *In re Winship*, 397 U.S. 358, 372; 90 S.Ct. 1068, 1077; 25 L.Ed.2d 368 (1970) (Harlan, J., concurring). See also T. Starkie, *Evidence* 956 (1824) (*“The maxim of the law is . . . that it is better that ninety-nine . . . offenders should escape, than one innocent man should be condemned”*).

46. PAUCH and WILSON also made a deliberate, knowing, and intentional choice not to identify the number of grooves and lands, or the orientation of rotation, on either of the two slugs removed from the victim’s body. Instead, the report simply stated that the slugs demonstrated *“[t]races of lands and grooves,”* even though the lands and grooves,

especially on bullet #2 (ET# 923410) were clearly able to be measured.

**(Lab Report, 3-6-92, Exhibit 1).**

47. Despite knowing that the bullets did not match the weapon, the PAUCH and WILSON report declared that a comparison of the bullets removed from Bennett's body to the Rossi handgun "*yielded a POSITIVE ID. Meaning the fired evidence was fired from the above weapon.*" *Id.* PAUCH would later testify at trial that "*It leaves the same marks such as fingerprints would leave to that gun.*" TT, 9-21-92, p. 52. PAUCH would further testify to his degree of certainty in his conclusion, "*Positive identification. These bullets were fired from this weapon and no other weapon.*" *Id.*

48. In fact, as later established by the Michigan State Police firearms expert, D/Sgt. Dean Molnar, Jr., in April and May of 2017, the slug removed from the head wound (Slug #1) was too mangled to identify any number of lands and grooves. However, the report stated that the other slug, removed from the back wound (Slug #2), "*is consistent with being a .38/9mm caliber class fired lead bullet displaying conventional rifling specifications of five lands and grooves with a right twist.*" **(MSP report, 5-24-17, Exhibit 2).**

49. A "6-R" gun cannot make a "5-R" identification in the bullet.

50. PAUCH and WILSON, competent, well-trained evidence technicians who had testified as firearms identification experts on numerous prior occasions, knew long before March 6, 1992, that a “5-R” bullet cannot come from a “6-R” handgun.

51. Every expert in this case who has examined the subject bullets, including Defendants’ own retained expert, Jay Jarvis, a retired firearms identification expert from the Georgia Bureau of Investigations, has concluded that the subject bullets are classified as “5R.” *“Based on data in the 2010 version of the General Rifling Characteristics File published by the FBI Laboratory and the undersigned’s previous experience, the rifling characteristics of five lands and grooves with a right twist exhibit on the item 1 and 2 bullets are commonly found in Smith & Wesson, Ruger and Taurus .38 Special and .357 Magnum revolvers.” (Jarvis report, 11-30-17, Exhibit 3).*

52. Neither the slugs removed from Bennett’s body, nor photographs of the slugs, were provided to the prosecutor.

53. Based on the results of several Freedom of Information Act requests to the DPD, it is believed that PAUCH and WILSON did not take any photographs of the evidence bullets from the victim’s body, or any

comparison photographs to document that the evidence bullets and the test-fired bullets matched like “fingerprints.”

54. On March 6, 1992, PAUCH and WILSON made a deliberate, knowing, and intentional and/or reckless choice not to photograph the slugs from the victim’s body.

55. On March 6, 1992, STAWIASZ made a conscious, knowing, and intentional and/or reckless choice not to request or require photographs of the fired slugs.

56. Had the slugs been provided to the prosecutor, Kenneth Simon, before trial, Simon would have had a constitutional “*Brady*” obligation to provide them to the defense, as they clearly impeached PAUCH’s conclusion that the slugs were a perfect match to Ricks’ gun, and were exculpatory evidence, because the slugs did not match Ricks’ revolver.

57. Neither PAUCH nor STAWIASZ told the prosecutor that the slugs from the victim’s body did not match the Rossi .38 Special caliber revolver retrieved from Plaintiff’s mother.

58. Had the true test results (that the slugs did not match the alleged murder weapon) been provided to the prosecutor before trial, he would have had a constitutional “*Brady*” obligation to provide them to the defense, as they clearly impeached PAUCH and WILSON’s conclusion that

the slugs were a perfect match to Ricks' gun, and were exculpatory evidence, because the slugs did not match Ricks' handgun.

59. Had PAUCH and STAWIASZ told the prosecutor before trial that they had fabricated the lab report results, he would have had a constitutional "*Brady*" obligation to provide that evidence to the defense, as it clearly impeached PAUCH's conclusion that the slugs were a perfect match to Ricks' gun, and were exculpatory evidence, because the slugs did not match Ricks' handgun.

60. Since PAUCH, WILSON, and STAWIASZ knew that the slugs did not match the Rossi .38 Special caliber revolver removed from Desmond Ricks' mother's house, STAWIASZ, as Officer-in-Charge, made a conscious, knowing, and intentional and/or reckless choice not to request a fingerprint examination of the handgun to check for a match with Desmond Ricks, despite having requested a fingerprint test of the victim's cell phone and automobile.

61. On March 6, 1992, one day after his arrest, Plaintiff was interviewed by STAWIASZ and Investigator, Richard Ivy. Plaintiff explained what had occurred at the Top Hat restaurant and that he did not shoot Gerry Bennett, to which STAWIASZ responded, "*We know you didn't; but*

*you know who did, and you'll be the one going to prison if you don't tell us."*

After that, Plaintiff refused to speak to STAWIASZ any further.

62. Later that morning, STAWIASZ informed Plaintiff that the bullets from the victim's body matched the Rossi .38 Special caliber revolver taken from Plaintiff's mother's bedroom.

63. On March 6, 1992, a witness on the scene, Howard Dillworth, was asked to view a live lineup with Desmond Ricks in the lineup. Mr. Dillworth did not identify Mr. Ricks as the shooter. STAWIASZ supervised the live lineup.

64. On March 11, 1992, another witness on the scene, Ollie McAdoo, was asked to view a live lineup with Desmond Ricks in the lineup. Mr. McAdoo did not identify Mr. Ricks as the shooter. STAWIASZ supervised the live lineup.

65. Despite police reports describing Arlene Strong as "one of the best witnesses" in the case, and Ms. Strong having previously described the shooter as "*bright complexion, medium height,*" STAWIASZ made a conscious, knowing, and intentional and/or reckless choice not to have Arlene Strong view a live lineup.

66. On July 15, 1992, the trial court ordered the physical evidence, including the slugs and handgun, to be examined by retired Michigan State

Police D/Lt., David Townshend. The examination was to be conducted at the Detroit Police Department.

67. Inexplicably, a subsequent order, dated August 6, 1992, was entered, allowing Defendant, STAWIASZ, to transport the evidence to Townshend's lab in Mason, Michigan, instead of testing being conducted at the DPD lab.

68. In furtherance of the decision to frame Desmond Ricks for murder, STAWIASZ switched the slugs taken from Gerry Bennett's body with the test-fired bullets from the Rossi .38 Special caliber revolver and marked the test-fired bullets as Evidence Tags 923409 and 923410. STAWIASZ then transported the evidence to Townshend's office for testing on August 16, 1992.

69. After viewing the evidence bullets, Townshend, an experienced firearms examiner, was concerned that the two bullets represented to be from the victim's body were not from the victim at all, because their condition was "too pristine" and they were not damaged, as he would have expected. STAWIASZ, however, assured Townshend that the bullets provided to him were, in fact, from the victim's body.

70. Relying on STAWIASZ's integrity and ethics, David Townshend, with STAWIASZ present, microscopically examined the

evidence and compared the bullets presented by STAWIASZ to bullets Townshend test-fired from the Rossi handgun. Townshend concluded that the bullets represented by STAWIASZ to have come from the victim's body matched the Rossi .38 Special caliber revolver.

71. STAWIASZ knew they would match, since he supplied Townshend with the fabricated evidence (previously test-fired bullets from the Rossi handgun) and told Townshend that they were from the victim's body!

72. The firearms identification evidence was the centerpiece of the State's case, since no eyewitness testified that Plaintiff shot Gerry Bennett. The prosecutor stressed the physical evidence in his closing:

This case, ladies and gentlemen, comes down to really one thing, one piece of evidence, and that is this gun here. Because this is the one . . . inescapable fact of this case is that this gun is the weapon that killed Gerry Bennett. And this gun . . . was found at the defendant's house. That's the one inescapable fact. No matter how the defendant tries to escape it, he can't. This gun that killed Gerry Bennett was found at his house.  
TT, 9-23-92, p. 107.

73. The prosecutor continued to emphasize Pauch's testimony:

You heard Officer Pauch say the nature of this evidence is about like a fingerprint. He has never seen – Officer Pouch (sic) has never seen a gun or two different guns that fired the same bullet the same way such as they would be misidentified. That just does not happen. This is the nature of fingerprint evidence. You can always tell when slugs were fired from a certain gun. It is that certain. And Officer Pouch (sic) told you he was certain.

*Id.* at 109.

74. PAUCH and WILSON's doctored test results were so important to prosecutor, Kenneth Simon's, case, that Simon mentioned the phrases "*inescapable fact*" and "*can't escape the fact*" [that Ricks' gun killed Gerry Bennett] no less than seven times during his closing argument.

75. Based on the fabricated "scientific testing," the jury convicted Plaintiff of second-degree murder and felony firearm on September 23, 1992.

76. But for Defendants' conduct, as set forth below, there would have been no probable cause for Plaintiff to be charged with the murder of Gerry Bennett.

77. After 25 years of wrongful incarceration, testing by the Michigan Police Department Crime Lab in 2017 demonstrated that the bullets from Gerry Bennett's body did not match the alleged murder weapon taken from Desmond Ricks' home.

78. On May 26, 2017, after Desmond Ricks had spent **9,214 days, or 25 years, 2 months, and 22 days**, in jail and/or prison, he was released from the Richard A. Handlon Correctional Facility in Ionia, Michigan, on the order of Wayne County Circuit Court Judge Richard Skutt.

79. On June 1, 2017, charges were dismissed by the Wayne County Prosecutor's Office and Desmond Ricks, now 51, was finally set free. **(Order of Nolle Prosequi, 6-1-17, Exhibit 4).**

80. On June 1, 2017, the Wayne County Prosecutor's Office released a statement saying *"We worked collaboratively with the University of Michigan Innocence Clinic to secure a reanalysis of the ballistic evidence in this case. The ultimate result was that we agreed to the motion requesting a new trial on May 26, 2017. After thoroughly examining the remaining evidence in the case we have concluded that we cannot proceed to trial, and today we agree that Mr. Ricks should be released."*

**DETROIT'S CUSTOMS AND POLICIES THAT LED TO PLAINTIFF'S  
WRONGFUL CONVICTION**

81. In and before March 5, 1992, the date of Plaintiff's arrest, the City of Detroit, by and through its final policymakers, had a custom and policy to authorize, condone, tolerate and approve illegal and unconstitutional actions by Detroit Police Department officers and command staff.

82. The illegal and unconstitutional actions and practices included but were not limited to:

- a. Conducting inadequate investigations into serious felony cases, such as murder, in order to expeditiously close

- cases, and affirmatively choosing not to develop or pursue actual leads or evidence;
- b. Knowingly and deliberately fabricating evidence in order to manufacture probable cause to arrest and/or strengthen a case for conviction;
- c. Knowingly and deliberately choosing not to conduct formal tests and identification procedures because investigators knew that the results would contradict evidence against their target suspect.

83. Defendant, DETROIT, through its final policymakers, further maintained a custom and policy of failing to adequately train, supervise, and/or discipline officers concerning proper and constitutionally adequate evidence collection, analysis, and disclosure, including their duty not to fabricate evidence and to disclose apparent exculpatory and impeachment evidence.

84. DETROIT's customs and policies, set forth above, demonstrated deliberate indifference to the constitutional rights of its citizens, including Desmond Ricks, and were the moving force behind the individual Defendants' constitutional violations.

85. Due to the conduct of Defendants, STAWIASZ, WILSON, PAUCH, and DETROIT, as set forth below, Plaintiff, DESMOND RICKS, suffered the following injuries and damages:

- A. Suffering a deprivation of liberty by being wrongfully incarcerated and imprisoned for a period of over twenty-five years, including significant time spent in solitary confinement;

- B. Severe emotional distress for the period from his arrest to the present, including, but not limited to: the emotional distress of being charged with second-degree murder and felony-firearm, facing a sentence of 32- to 62-years in prison; and being wrongfully convicted of crimes the Defendants knew he did not commit;
- C. Physical manifestations of emotional distress including, but not limited to, sleeplessness, irritability, loss of appetite, headaches, and other symptoms;
- D. Fright, shock, indignity, humiliation, outrage, and embarrassment of being wrongfully charged and imprisoned for murder;
- E. Loss of enjoyment of daily activities including, but not limited to, seeing his children grow up;
- F. Not being able to attend the funerals of family members, including his beloved mother;
- G. Physical injuries suffered in prison;
- H. Loss of employment opportunity, past income and future earning capacity;
- I. Loss of his close relationship with his minor daughters;
- J. Physical injuries while being imprisoned, including being assaulted;
- K. Loss of employment opportunity, past income and future earning capacity;
- L. Restricted and/or complete loss of all forms of personal freedom and physical liberty, including but not limited to diet, sleep, personal contact, educational opportunity, vocational opportunity, personal fulfillment, sexual activity,

family relations, recreational activities, and personal expression;

- M. Many of Plaintiff's injuries and damages are likely to be permanent;
- N. Other damages which may be revealed through discovery.

86. Due to the conduct of Defendants, STAWIASZ, WILSON, and PAUCH, as set forth below, Plaintiff, AKILAH COBB, only seven years old when her father was arrested, suffered the loss of the parental society, companionship, guidance, and full relationship with her father.

87. Due to the conduct of Defendants, STAWIASZ, WILSON, and PAUCH, as set forth below, Plaintiff, DESIRE'A RICKS, only five days old when Plaintiff was arrested, suffered the loss of the parental society, companionship, guidance, and full relationship with her father.

88. Due to the conduct of Defendants, STAWIASZ, WILSON, and PAUCH, as set forth below, the true killer has never been caught and the victim's family has never received true closure.

**COUNT I**  
**CONSTITUTIONAL VIOLATIONS BY ALL DEFENDANTS**

89. Plaintiffs incorporate by reference each preceding paragraph as if fully stated herein.

90. Defendants, STAWIASZ and PAUCH, were under an unwavering legal duty (“*Brady*” duty) to disclose to the prosecutors all material evidence where its exculpatory and impeachment value was apparent, including, but not limited to, the evidence that they fabricated the test results to state that the examination “*yielded a POSITIVE ID. Meaning the fired evidence was fired from the above weapon,*” when, in fact, the bullets did not match the Rossi .38 Special caliber revolver. Defendants’ failure to disclose the above-referenced evidence to the prosecutor resulted in material exculpatory and impeachment evidence not being turned over to Plaintiff’s defense counsel, in violation of the State’s *Brady* obligations.

91. Defendant, STAWIASZ, as Officer-in-Charge, was under a further duty to make truthful statements to the prosecutor and magistrate judge to establish probable cause for an arrest warrant.

92. Defendants, PAUCH and WILSON, were under a further duty to make truthful statements in forensic reports they knew would go to the prosecutor to establish probable cause for an arrest warrant.

93. Defendants violated DESMOND RICKS’ constitutionally-protected rights, including his right to liberty protected by the Due Process clause of the Fifth Amendment, as applicable to the States via the Fourteenth Amendment to the U. S. Constitution, his right to a fair trial,

guaranteed by the Sixth Amendment, as well as his right to be free from continued unlawful detention without probable cause based on fabricated evidence, guaranteed by the Fourth Amendment, by the following conduct:

### **Brady Violations**

Defendants, STAWIASZ and PAUCH, deliberately and knowingly, or with reckless disregard for the truth, chose not to disclose material exculpatory and impeachment evidence in their files to the prosecutor in violation of their constitutional obligation under *Brady v Maryland*, 373 US 83 (1963) and its progeny, which would have resulted in no arrest warrant being issued, or a finding of lack of probable cause at the preliminary exam or an acquittal at trial; such conduct constituting a claim for a “*Brady* violation” under the Fifth Amendment;

### **Malicious Prosecution**

Defendant, STAWIASZ, influenced or participated in the initiation of criminal prosecution when he deliberately and knowingly supplied false evidence by switching bullets to be provided to David Townshend, and supplied false information and omitted material information which showed a reckless disregard for the truth in requesting an arrest warrant and swearing to facts in support of probable cause, which was material to a finding of probable cause. Such conduct constitutes a claim of federal “malicious prosecution” under the Fourth Amendment;

Defendants, PAUCH and WILSON, influenced or participated in the initiation of criminal prosecution when they deliberately and knowingly supplied false information (that the bullets from Gerry Bennett’s body matched Ricks’ gun) that was relied upon by the prosecutor in bringing criminal charges, and was material to a finding of probable cause that Plaintiff had committed the crime of murder, which otherwise would have been lacking. Such conduct constitutes a claim of federal “malicious prosecution” under the Fourth Amendment;

### **Fabrication of Evidence**

Defendants, STAWIASZ, WILSON, and PAUCH, deliberately and knowingly fabricated evidence to create probable cause, including the “positive ID,” to suggest that the bullets from the victim’s body had come from the handgun retrieved from Ricks’ mother’s house, which was material to a finding of probable cause that Plaintiff had committed the crime of murder, and would otherwise have been lacking; such conduct constituting a claim of “fabrication of evidence” under the Fourth Amendment;

Defendant, STAWIASZ further fabricated evidence, in deliberate and knowing fashion, to secure a conviction, including switching the bullets provided to expert, David Townshend, which was material to the jury’s decision that Plaintiff had committed the crime of murder, and which otherwise would have been lacking; such conduct constituting a claim of “fabrication of evidence” under the Fourth Amendment;

### **DETROIT’s Monell Liability**

Defendant, DETROIT, created policies, practices and customs, including a failure to provide adequate training to its police officers, including Defendants, PAUCH and STAWIASZ, in the manner set forth above, which demonstrated “deliberate indifference” to the constitutional rights of its citizens, and was the moving force behind the individual Defendants’ violations of Plaintiff’s constitutional rights.

94. Desmond Ricks’ right not to be deprived of liberty based upon fabrication of evidence by a government official acting in an investigatory capacity, including a police detective and police evidence technician, was clearly established before March 5, 1992.

95. Desmond Ricks' right to be provided with material exculpatory and impeachment evidence ("*Brady*" evidence), was clearly established before March 5, 1992.

96. Desmond Ricks' right not to be seized and continuously detained without probable cause, based upon a police officer's deliberate and knowing fabrication of evidence and false statements and material omissions to prosecutors and magistrate judges, guaranteed by the Fourth Amendment, was clearly established before March 5, 1992.

97. Defendants' *Brady* violations resulted in Plaintiff not receiving a fair trial, described as "a trial resulting in a verdict worthy of confidence." *Kyles v. Whitley*, 514 U.S. 419, 434, (1995).

98. As a direct and proximate result of the Defendants' willful violation of his constitutionally-protected rights, Plaintiff was detained without probable cause, charged with crimes he did not commit, wrongfully convicted and imprisoned for over 25 years, and deprived of his liberty, causing him to suffer the injuries and damages set forth above.

WHEREFORE, Plaintiff, DESMOND RICKS, prays for compensatory damages in a minimum amount of Fifty Million Dollars (\$50,000,000.00). Plaintiff further seeks punitive damages pursuant to 42 U.S.C. §1983 as to Defendants, PAUCH and STAWIASZ, in a minimum amount of Twenty-

Five Million Dollars (\$25,000,000.00) against each Defendant, together with interest, costs, attorney fees, and other such relief as the Court deems appropriate.

**COUNT II**  
**COMMON LAW MALICIOUS PROSECUTION BY DEFENDANTS,**  
**DONALD STAWIASZ, ROBERT B. WILSON, AND DAVID PAUCH**

99. Plaintiffs incorporate by reference each preceding paragraph as if fully stated herein.

100. Defendant, STAWIASZ, initiated criminal prosecution against Plaintiff in state court by submitting a Warrant Request and swore to false facts in support of an arrest warrant.

101. The criminal proceedings ultimately terminated in Plaintiff's favor with a dismissal of the charges in state court on June 1, 2017.

102. STAWIASZ initiated the prosecution by deliberately stating false and misleading facts in his Request for Warrant, which were relied upon by the Wayne County Prosecutor's Office. STAWIASZ acted maliciously and/or with a wanton or reckless disregard for Plaintiff's rights, by deliberately fabricating evidence (the "bullet evidence") to suggest that the handgun retrieved from Plaintiff's mother's house was the same weapon used in the murder of Gerry Bennett. Thus, STAWIASZ did not act with good faith.

103. PAUCH and WILSON also initiated the prosecution by deliberately stating false and misleading opinions in their March 6, 1992, lab report, which were relied upon by the Wayne County Prosecutor's Office. PAUCH and WILSON acted maliciously and/or with a wanton or reckless disregard for Plaintiff's rights, by deliberately fabricating evidence (the "bullet evidence") to suggest that the handgun retrieved from Plaintiff's mother's house was the same weapon used in the murder of Gerry Bennett. Thus, PAUCH and WILSON did not act with good faith.

104. The prosecution was undertaken without probable cause, with malice, and for the purpose of framing Plaintiff for the murder and covering up an illegal arrest, not with the intention of bringing Plaintiff to justice for having committed the alleged murder.

105. The prosecution was undertaken to justify and cover up an illegal, warrantless arrest, and to counter the DPD's abysmal and long-standing record and reputation for failing to solve homicides.

106. As a direct and proximate result of Defendants' malicious conduct, Plaintiff, DESMOND RICKS, was charged with crimes he did not commit, causing him to suffer the injuries and damages set forth above.

107. As a direct and proximate result of Defendants' malicious prosecution, Plaintiffs, AKILAH COBB and DESIRE'A RICKS, suffered the injuries and damages set forth above.

108. Defendants' conduct was malicious and so willful and wanton as to demonstrate a reckless disregard of Plaintiffs' rights, and would readily inspire feelings of humiliation, outrage and indignity, such as would warrant exemplary damages.

WHEREFORE, Plaintiff, DESMOND RICKS, prays for such compensatory and exemplary damages as are available pursuant to the common-law of the State of Michigan, in a minimum amount of Fifty Million Dollars (\$50,000,000.00), together with pre-judgment interest, costs and attorney fees in an amount to be determined by the Court.

WHEREFORE, Plaintiffs, AKILAH COBB and DESIRE'A RICKS, pray for such compensatory and exemplary damages as are available pursuant to the common-law of the State of Michigan, in a minimum amount of Twelve and One Half Million Dollars (\$12,500,000.00) for each Plaintiff, together with pre-judgment interest, costs and attorney fees in an amount to be determined by the Court.

**COUNT III**  
**COMMON LAW INTENTIONAL INFLICTION OF EMOTIONAL**  
**DISTRESS BY DEFENDANTS, DONALD STAWIASZ,**  
**ROBERT B. WILSON, AND DAVID PAUCH**

109. Plaintiffs incorporate by reference each preceding paragraph as if fully stated herein.

110. Defendants, STAWIASZ, WILSON, and PAUCH, by their extreme and outrageous conduct, described above, demonstrated such intent and/or recklessness as to cause Plaintiff, Desmond Ricks, severe emotional distress.

111. Defendants' conduct can only be described as atrocious, outrageous, and utterly intolerable in a civilized society.

112. Defendants' conduct meets the elements of the common law claim for Intentional Infliction of Emotional Distress.

WHEREFORE, Plaintiff, DESMOND RICKS, prays for such compensatory and exemplary damages as are available pursuant to the common-law of the State of Michigan, in a minimum amount of Fifty Million Dollars (\$50,000,000.00), together with pre-judgment interest, costs and attorney fees in an amount to be determined by the Court.

WHEREFORE, Plaintiffs, AKILAH COBB and DESIRE'A RICKS, pray for such compensatory and exemplary damages as are available pursuant to the common-law of the State of Michigan, in a minimum amount of

Twelve and One Half Million Dollars (\$12,500,000.00) for each Plaintiff, together with pre-judgment interest, costs and attorney fees in an amount to be determined by the Court.

MUELLER LAW FIRM

s/Wolfgang Mueller  
WOLFGANG MUELLER (P43728)  
Attorneys for Plaintiffs  
34405 W. Twelve Mile Rd., Ste. 200A  
Farmington Hills, MI 48331  
(248) 489-9653  
[wolf@wolfmueллерlaw.com](mailto:wolf@wolfmueллерlaw.com)

Dated: May 18, 2018

**RELIANCE ON JURY DEMAND**

Plaintiffs, by and through their attorneys, MUELLER LAW FIRM, rely on their previously filed jury demand in this matter.

MUELLER LAW FIRM

s/Wolfgang Mueller  
WOLFGANG MUELLER (P43728)  
Attorneys for Plaintiff  
34405 W. Twelve Mile Rd., Ste. 200A  
Farmington Hills, MI 48331  
(248) 489-9653  
[wolf@wolfmueллерlaw.com](mailto:wolf@wolfmueллерlaw.com)

Dated: May 18, 2018

**CERTIFICATE OF SERVICE**

I hereby certify that on May 18, 2017, I electronically filed First Amended Complaint with the Clerk of the Court using the ECF system which will send notification of such filing to the following: Jerry Ashford, Esq. and Jacob Satin, Esq.

I further hereby certify that I have mailed by United States Postal Service the paper to the following non-ECF participants: None.

s/Wolfgang Mueller  
MUELLER LAW FIRM  
34405 W. Twelve Mile Rd., Ste. 200A  
Farmington Hills, MI 48331  
248-489-9653  
[wolf@wolfmueллерlaw.com](mailto:wolf@wolfmueллерlaw.com)  
(P43728)

# EXHIBIT 1

DETROIT  
DEPARTMENT  
POLICE

LABORATORY ANALYSIS

|               |        |
|---------------|--------|
| LAB NO.       | 515-92 |
| LOCK SEAL NO. | -----  |

|               |  |                     |              |                |       |
|---------------|--|---------------------|--------------|----------------|-------|
| RECEIVED BY   | DATE   | TIME                | DELIVERED BY | PRECT/SECTION  |       |
| Johnston      | 3/5/92   | 930AM               | Gerds        | Homicide       |       |
| REFERENCE     | Gerry Bennett Puritan and James Cousins (Fatal shooting) |                     |              |                |       |
| CASE OFFICERS | PRECT, SECT.   | TECHNICIAN ASSIGNED | DATE STARTED | DATE COMPLETED | HOURS |
| Stawiasz      | Homicide   | D Pauch             | 3/6/92       | 3/6/92         |       |

SERVICE REQUESTED

1. Examine, classify submitted evidence.
2. Examine, classify and test fire submitted weapon.
3. Microscopic comparison of fired evidence against test shots.

EVIDENCE SUBMITTED

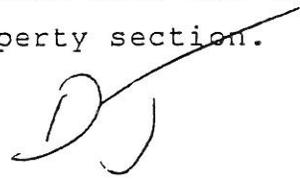
- ET#923423 (1)38spl, Rossi, 68, Brazil, BSr, 5shot, 3"bbl, class 6R, serial#D373334,  
 (3)38spl, remington peters, lead round nose,  
 (1)38spl, Winchester, lead round nose,  
 (1)38spl, Norma, lead round nose cartridges,  
 (2)used for test.

NOTE: Above evidence received by Wilson, 3/6/92, 850AM, Delivered Edwards,  
 ET#923409 (1)38spl, lead bullet, traces of lands and grooves,  
 ET#923410 (1)38spl, lead bullet, traces of lands and grooves,

RESULTS OF EXAMINATION

The submitted evidence was examined and classified as stated. Weapon test fired fully functional and test shots retained. A microscopic comparison of the test shots from weapon on ET#923423 against the fired evidence on tag#s 923409, 923410 yielded a POSITIVE ID. Meaning the fired evidence was fired from the above weapon.

All evidence sent to property section.



David W. Pauch  
 DAVID W. PAUCH  
 POLICE OFFICER  
 FIREARMS EXAMINER  
  
 ROBERT B. WILSON  
 SERGEANT  
 FIREARMS EXAMINER

# EXHIBIT 2



STATE OF MICHIGAN  
DEPARTMENT OF STATE POLICE  
FORENSIC SCIENCE DIVISION  
Metro Detroit Forensic Laboratory  
1301 Third Street  
Detroit, MI 48226

LABORATORY REPORT  
Corrected Copy

Laboratory No. : MD17-1738 Record No. : 1  
Investigating Ofcr. : Frances Donnelly Date Received : March 30, 2017  
Agency : Detroit Police Department Time Received : 10:02 a.m.  
Agency No. : 0092029495 Date Completed : May 24, 2017

Nature of Offense:

0900-1 - Murder/Nonnegligent Manslaughter

Victim:

Bennett, Gerry

Suspect:

Desmond, Ricks

Evidence Received:

Container 1 1 - Tape sealed envelope (DPD Tag 465922-1), containing:  
Item 1 1 - String tied envelope (marked Head), containing:  
1 - Fired lead bullet.  
Container 2 1 - Tape sealed envelope (DPD Tag 465937-1), containing:  
Item 2 1 - String tied envelope (marked Back Bone), containing:  
1 - Fired lead bullet.

Results of Physical/Microscopic Examination:

Items 1 and 2 (fired lead bullets) could not be identified or eliminated (inconclusive) as having been fired in the same firearm. The individual characteristics present did not display sufficient agreement.  
Item 1 is consistent with being a .38/9mm caliber class fired lead bullet displaying conventional rifling specifications of a right twist. Damage/mutilation prevented a more definitive classification.  
Item 2 is consistent with being a .38/9mm caliber class fired lead bullet displaying conventional rifling specifications of five lands and grooves with a right twist.

The classification statement for Items 1 and 2 will be separated and Item 2 is going to add that it is has five lands and grooves with a right twist.

This report contains the conclusions, opinions, and/or interpretations of the laboratory analyst whose signature appears on this report. This analyst is qualified by education, training, and experience to perform this analysis and does so as part of his or her regular duties. The analysis was conducted in an MSP laboratory accredited under the ASCLD/LAB international testing program since July 26, 2012.

The relevant supporting data upon which the expert opinion or inference was made are available for review/inspection.  
13-53846-tjt Doc 13809-19 Filed 03/30/19 Entered 03/30/19 15:58:35 Page 61 of 61

Laboratory No.: MD17-1738  
Agency No.: 0092029495

Record No.: 1

Date of Report: May 24, 2017



D/Sgt. Dean Molnar Jr.  
State Police Specialist  
Firearms/Toolmarks Unit  
email: molnard1@michigan.gov

May 24, 2017

cc: Krista Chludzinski, Jonathan Mycek

*This report contains the conclusions, opinions, and/or interpretations of the laboratory analyst whose signature appears on this report. This analyst is qualified by education, training, and experience to perform this analysis and does so as part of his or her regular duties. The analysis was conducted in an MSP laboratory accredited under the ASCLD/LAB international testing program since July 26, 2012.*

*The relevant supporting data upon which the expert opinion or inference was made are available for review/inspection.*

# EXHIBIT 3



# ARMA FORENSICS

Post Office Box 116  
Armuchee, Georgia 30105  
706-331-9971  
www.armaforensics.com

## OFFICIAL REPORT

**November 30, 2017**

**2017-CV-100201**

Jerry Ashford  
City of Detroit Law Department  
2 Woodward Ave, Suite 500  
Detroit, Michigan 48226

RE: Desmond Ricks vs. City of Detroit

### DESCRIPTION OF EVIDENCE

On November 27, 2017, the following evidence was received from Sgt. David Marshall:

1. Sealed manila envelope identified as containing one bullet.
2. Sealed manila envelope identified as containing one bullet.

### SERVICES REQUESTED

Bullet examination and comparison

### EXAMINATIONS CONDUCTED

The Item 1 package consists of a larger string tie manila envelope sealed with evidence tape. There is evidence that the package has been opened and re-sealed on more than one occasion. Inside the outer envelope is a smaller string tie commercially printed evidence envelope. Affixed to the smaller envelope with a staple is a small clear heat sealed plastic bag containing a lead bullet.

The Item 1 lead bullet is identified by markings on the package as coming from the autopsy of Gerry Bennett and removed from the decedent's head. It is identified as a 38 caliber bullet and exhibits damage consistent with a lead bullet that has penetrated a human skull. There is dried tissue and what appears to be a fragment of bone embedded in the side. This hollow base lead bullet is consistent with 158 grain .38 Special ammunition marketed by the Federal Cartridge Corporation. This fired bullet weighs 138.6 grains. Due to damage, the rifling characteristics were determined by dividing the bullet circumference by the combined widths of the best available land and groove impressions.

Inscribed on the side of the item 1 bullet is the number 51592 followed by what appeared to be initials. The characters comprising the initials could not be definitively discerned. Inscribed inside the base of the item 1 bullet is the number MD17-1738 followed by what appeared to be initials and the number 1. The characters comprising the initials could not be definitively discerned. The item 1 bullet was compared microscopically with the item 2 bullet.

The Item 2 package consists of a larger string tie manila envelope sealed with evidence tape. There is evidence that the package has been opened and re-sealed on more than one occasion. Inside the outer envelope is a smaller string tie commercially printed evidence envelope. Affixed to the smaller envelope with a staple is a small clear heat sealed plastic bag containing a lead bullet.



# ARMA FORENSICS

Post Office Box 116  
Armuchee, Georgia 30105  
706-331-9971  
www.armaforensics.com

## OFFICIAL REPORT

**November 30, 2017**

**2017-CV-100201**

The Item 2 lead bullet is identified by markings on the package as coming from the autopsy of Gerry Bennett and removed from the decedent's back. It is identified as a 38 caliber bullet and exhibits damage consistent with a lead bullet that has penetrated a human body. There is dried tissue on the side and inside the base. This hollow base lead bullet is consistent with 158 grain .38 Special ammunition marketed by the Federal Cartridge Corporation. This fired bullet weighs 152.2 grains. Due to damage, the rifling characteristics were determined by dividing the bullet circumference by the combined widths of the best available land and groove impressions.

Inscribed on the side of the item 2 bullet is the number 51592 followed by what appeared to be initials. The characters comprising the initials could not be definitively discerned. Inscribed inside the base of the item 2 bullet is the number MD17-1738 followed by what appeared to be initials and the number 2. The characters comprising the initials could not be definitively discerned. The item 2 bullet was compared microscopically with the item 1 bullet.

### CONCLUSIONS

The item 1 bullet from the decedent's head was compared microscopically with the item 2 bullet from the decedent's back. There were sufficient corresponding individual characteristics on both the land and groove impressions on multiple areas of the bullets to conclude the two bullets were fired from the same firearm barrel.

Based on data in the 2010 version of the General Rifling Characteristics File published by the FBI Laboratory and the undersigned's previous experience, the rifling characteristics of five lands and grooves with a right twist exhibited on the item 1 and 2 bullets are commonly found in Smith & Wesson, Ruger and Taurus .38 Special and .357 Magnum revolvers. This does not preclude the possibility that a firearm produced by a different manufacturer with the same rifling characteristics could have fired the two bullets.

This report contains the interpretations and opinions of the undersigned based solely on the results of examinations conducted on the evidence discussed above. Analytical bench notes, photographs and other data supporting the conclusions are maintained separately within the case record.

Respectfully submitted,

Francis T. "Jay" Jarvis, M.S.  
Principal Scientist

# EXHIBIT 4

Approved SCAO

Original - Court  
 1<sup>st</sup> copy - Prosecutor  
 2<sup>nd</sup> copy - Defendant/Juvenile

3<sup>rd</sup> copy - Police agency  
 4<sup>th</sup> copy - Arresting agency  
 PROBATE JIS CODE: NOL

|  |  |  |
|--|--|--|
| <b>STATE OF MICHIGAN<br/>                 THIRD JUDICIAL CIRCUIT<br/>                 WAYNE COUNTY</b> | <b>MOTION/ORDER<br/>                 OF NOLLE PROSEQUI</b> | <b>CASE NO.<br/>                 92-003680-01-FC</b> |
|--|--|--|

ORI MI- 821095J Court address 1441 St. Antoine - Detroit, MI 48226 Courtroom 303 Court telephone no. 313-224-2477

Police Report No.

|   |                    |   |  |  |                        |                    |                   |
|---|--------------------|---|--|--|------------------------|--------------------|-------------------|
| THE PEOPLE OF <input checked="" type="checkbox"/> The State of Michigan<br><input type="checkbox"/> _____ | <b>V</b>           | Defendant/Juvenile name, address, and telephone no.<br>Desmond Ricks<br>16500 Hubbell<br><br><table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">CTN/TCN<br/>92214636-01</td> <td style="width:33%;">SID<br/>MI-1363210W</td> <td style="width:33%;">DOB<br/>05/08/1966</td> </tr> </table> |  |  | CTN/TCN<br>92214636-01 | SID<br>MI-1363210W | DOB<br>05/08/1966 |
| CTN/TCN<br>92214636-01  | SID<br>MI-1363210W | DOB<br>05/08/1966   |  |  |                        |                    |                   |

Juvenile In the matter of \_\_\_\_\_

| Count | CRIME                                  | CHARGE CODE(S)<br>MCL citation/PACC Code |
|-------|--|--|
| 1     | Homicide - Murder - Second Degree      | 750317                                   |
| 2     | Weapons Felony Firearm                 | 750227B-A                                |
| 3     | Habitual Offender - 2nd Offense Notice | 76910                                    |

**MOTION**

Jason W. Williams, prosecuting official, moves for a nolle prosequi in this case

Name (type or print)  
 for the following reason(s): People have insufficient evidence to proceed.

6/1/17 \_\_\_\_\_ Date  
 \_\_\_\_\_ Prosecuting official  
 \_\_\_\_\_ Bar no. 57503

A TRUE COPY  
 CATHY M. GARRETT  
 WAYNE COUNTY CLERK  
 DEPUTY CLERK

**ORDER**

**IT IS ORDERED:**

- 1. Motion for nolle prosequi is granted and the case is dismissed without prejudice.
- 2. Motion for nolle prosequi is granted as to the following charge(s) which are dismissed without prejudice:

- 3. Motion for nolle prosequi is denied.
- 4. Defendant/Juvenile shall be immediately discharged from confinement in this case.
- 5. Bond is canceled and shall be returned after costs are deducted.
- 6. Bond is continued on the remaining charge(s).

June 1, 2017 \_\_\_\_\_ Date  
 \_\_\_\_\_ Judge/Magistrate Richard M. Skutt 20564 Bar no.

If item 1 is checked the clerk of the court shall advise the Michigan State Police Criminal Justice Information Center of the disposition as required under MCL 769.16a.

**TO THE DEFENDANT:** Your fingerprints and arrest card will be destroyed by the Michigan State Police within 60 days of the date of this order when permitted by MCL 28.243.

MC 263 (03/09) MOTION/ORDER OF NOLLE PROSEQUI MCL 28.243, MCL 767.29, MCL 769.16a, MCR 5.936(D)

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

City of Detroit, Michigan,  
Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

---

*Oral Argument Requested*

---

**PLAINTIFFS DESMOND RICKS, AKILAH COBB AND  
DESIRE'A RICKS'S RESPONSE IN OPPOSITION TO  
THE CITY OF DETROIT'S MOTION FOR THE ENTRY OF AN  
ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DESMOND RICKS, AKILAH  
COBB AND DESIRE'A RICKS**

Desmond Ricks, Akilah Cobb, and Desire'a Ricks, by and through their attorneys Fieger, Fieger, Kenney & Harrington, P.C., file this response opposing the City of Detroit's *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desire'a Ricks* ("Motion"). In support of this response, Desmond Ricks, Akilah Cobb, and Desire'a Ricks state as follows:

**I. Introduction**

1. Admitted that on August 23, 2017, Desmond Ricks ("Ricks"), Akilah Cobb and Desire'a Ricks (collectively, the "Plaintiffs") filed a

federal lawsuit pursuant to 42 U.S.C. §1983 and related state law claims stemming from the wrongful imprisonment of Desmond Ricks. Mr. Ricks was wrongfully convicted based on falsified evidence, and was imprisoned for over 24 years for a crime he did not commit. Mr. Ricks was exonerated in 2017 based on newly discovered evidence.

Denied that Plaintiffs' claims are barred by the bankruptcy orders. It is black letter law that a wrongful imprisonment claim under §1983 does not accrue until the sentence or conviction has been invalidated. "Just as a cause of action for malicious prosecution does not accrue until the criminal proceedings have terminated in the plaintiff's favor, so also a § 1983 cause of action for damages attributable to an unconstitutional conviction or sentence does not accrue until the conviction or sentence has been invalidated." *Heck v. Humphrey*, 512 U.S. 477, 489-90 (1994)(cleaned up). Mr. Ricks's §1983 claim, thus, accrued in 2017, well after the City of Detroit bankruptcy had concluded. The Plaintiffs' claims accrued after the City was discharged from Bankruptcy, and their claims are not subject to the Bankruptcy order.

Denied that Plaintiffs' federal lawsuit violates this Court's Bar Date Order. Plaintiffs have valid claims against the City that are not subject to the bankruptcy orders, since they accrued after the bankruptcy was over.

Admitted that Plaintiffs declined to concur with the City's requested relief, given that Plaintiffs have valid claims against the City that are not subject to any bankruptcy order. Notably, the City of Detroit did not make any attempts to contact Plaintiffs' counsel to discuss its motion, or the basis for the relief sought, other than e-mailing a draft of the motion and asking for concurrence.

## II. Factual Background

### A. The City's Bankruptcy Case

2. Admitted that on July 18, 2013 ("Petition Date"), the City filed this chapter 9 case.

3. Admitted that on October 10, 2013, the City filed its *Motion Pursuant to Section 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* ("Bar Date

Motion") [Doc. No. 1146], which was approved by order of this Court on November 21, 2013 ("Bar Date Order"). [Doc. No. 1782].

4. Admitted that the Bar Date Order established February 21, 2014, as the deadline for filing claims against the City. Further admitted that Paragraph 6 of the Bar Date Order states that the

following entities must file a proof of claim on or before the Bar Date...any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment proposed by the City...

Bar Date Order ¶ 6.

5. Admitted that Paragraph 22 of the Bar Date Order also provides that:

Pursuant to sections 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City

that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an "Unscheduled Claim"); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

**Denied** that the above provisions of the Bar Date Order apply to Plaintiffs' lawsuit filed in federal court. The Bar Date Order defines the term "claim" as it is defined in the section 101(5) of the Bankruptcy Code. Bar Date Order ¶ 6. Section 101(5) of the Bankruptcy Code, in turn, defines a "claim" as:

(A) right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or

(B) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

In order to be subject to the Bar Date Order, Plaintiffs must have had a “right to payment” before the applicable deadline.

Plaintiffs did not have any “right to payment” on or before February 21, 2014, the deadline for filing claims against the City. In February 2014, Mr. Ricks was still wrongfully imprisoned, and conviction had not been invalidated. Any dream of exoneration was not yet realized. At that time, Mr. Ricks had no “right to payment” (in any form) from the City, and thus had no “claim” for which he was required to file proof of. Mr. Ricks’s claims against the City did not accrue until 2017, when he was exonerated.

6. Admitted that none of the Plaintiffs filed a proof of claim, but Plaintiffs further state that they were not required to. As a practical matter, it is impossible to file a “proof of claim” for a cause of action that has not yet accrued. Simply put, there is no “claim,” as defined by the Bankruptcy Code.

7. Admitted that on October 22, 2014, the City filed its *Eighth Amended Plan of the Adjustment of Debts of the City of Detroit* (“Plan”), which this Court confirmed on November 12, 2014. [Doc. Nos. 8045 & 8272].

8. The discharge provision in the Plan provides:

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and **release of all Claims arising on or before the Effective Date**. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (ii) the Holder of a Claim based on such debt has accepted the Plan.

Plan, Art. III.D.4, at p.50.

9. Admitted that the Plan injunction set forth in Article III.D.5 provides in pertinent part:

#### Injunction

On the Effective Date, except as otherwise provided herein or in the Confirmation Order,

a. all Entities that have been, are or may be holders of Claims against the City...shall be permanently enjoined from taking any of the following actions against or affecting the City or its property...

1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other

proceeding of any kind against or affect the City of its property...

5. proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and

6. taking any actions to interfere with the implementation or consummation of the Plan.

Plan, Article III.D.5, at pp.50-51.

**Denied** that the Plan or its injunction provision apply to Plaintiffs' litigation. Plaintiffs did not have any "claims" against the City that accrued "on or before the effective date." They could not, therefore, file any "proof of claim" under the Plan Order deadlines. The injunction provisions do not apply to Plaintiffs' litigation.

10. Admitted that this Court retained jurisdiction to enforce the Plan injunction and to resolve any suits that may arise in connection with the consummation, interpretation or enforcement of the Plan. Plan, Art. VII. F, G, I, at p.72.

**Denied** that Plaintiffs' federal court litigation is implicated by the Plan.

**B. Plaintiffs' United States District Court Lawsuit**

11. Admitted that on December August 23, 2017, the Plaintiffs filed a complaint against the City and certain individuals in the United States District Court for the Eastern District of Michigan, commencing case number 17-12784 ("Lawsuit"). On May 18, 2018, the Plaintiffs filed their *First Amended Complaint* ("Amended Complaint") against the City and three individuals in their individual capacity.

12. Admitted that in the Amended Complaint, the Plaintiffs assert claims which arise from or relate to the alleged wrongful conviction of Ricks on September 23, 1992. **Denied** that the date that Mr. Ricks was wrongfully convicted controls when his "claim" against the City arose. Mr. Ricks did not have a viable cause of action against the City or its employees for wrongful conviction until a Court of Law *deemed that conviction wrongful and set it aside*. As stated above, it is black letter law that a claim for wrongful conviction under §1983 does not accrue until the conviction or sentence has been invalidated. *Heck, supra*, at 489-90.

Mr. Rick was not exonerated, and his conviction was not invalidated and declared wrongful, until 2017. Thus, his "claim" stemming from the wrongful conviction did not arise until 2017.

### III. Argument

13. Denied that Plaintiffs violated the Plan's injunction and discharge provisions when they filed the Lawsuit to assert claims and otherwise seek relief against the City. As explained above, Plaintiffs did not have a claim arising from the wrongful conviction until the conviction was itself invalidated: 2017.

14. Admitted that the Plan's discharge provision states that the "rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date." Plan Art. III.D.4, at p.50 (emphasis added).

**Denied** that Plaintiffs do not have a right to bring a cause of action against the City, or pursue their litigation in federal court. Plaintiffs' claims did not accrue until 2017, well after the bankruptcy discharge provisions were put into place. The Plan did not discharge future claims, and specifically states that it only applies to "Claims arising on or before the Effective Date." Mr. Ricks did not have a claim—i.e. a right to payment—



**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,  
Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**CERTIFICATE OF SERVICE**

I hereby certify that on February 13, 2019, I electronically filed the below-listed document with the Clerk of the Court using the ECF system, which sent notification of such filings to all participating attorneys:

Desmond Ricks, Akilah Cobb, and Desire'a Ricks response opposing the City of Detroit's *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desire'a Ricks*

***FIGER, FIGER, KENNEY  
& HARRINGTON, P.C.***

Dated: February 13, 2019

          /s/Stephanie L. Arndt            
STEPHANIE L. ARNDT (P66870)  
*Fieger, Fieger, Kenney & Harrington, P.C.*  
19390 W Ten Mile Road  
Southfield, MI 48075  
(248)355-5555  
s.arndt@fiegerlaw.com  
Attorney for Desmond Ricks, Akilah  
Cobb, and Desire'a Ricks

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CORRECTED REPLY IN SUPPORT OF CITY OF DETROIT’S  
MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR  
DATE ORDER AND CONFIRMATION ORDER AGAINST DESMOND  
RICKS, AKILAH COBB AND DESIRE’A RICKS**

The City of Detroit, Michigan (“City”) files this Corrected Reply respectfully stating as follows:

1. Plaintiff Desmond Ricks<sup>1</sup> mistakenly asserts that his claim is not barred because it allegedly did not accrue under applicable non-bankruptcy law until after the City’s bankruptcy case. This Court, however, has made clear that the proper test is not when the cause of action accrues under nonbankruptcy law but rather when a right to payment arises for bankruptcy purposes. *In re City of Detroit, Mich.*, 548 B.R. 748 (Bankr. E.D. Mich. 2016). And, as Ricks’ claim against the City is a direct result of his alleged unlawful conviction in 1992 and the City’s alleged customs and policies “in and before March 5, 1992,” his claim was

---

<sup>1</sup> The City’s Motion sought relief against Desmond Ricks, Akilah Cobb, and Desire’a Ricks. Upon review of the First Amended Complaint (attached to the City’s Motion, Doc. No. 13000), the City is only a named defendant in Count I and Akilah and Desire’a do not assert claims in Count I. Based on this assumption, the City withdraws without prejudice its request for relief against Akilah and Desire’a.

within his fair contemplation for over twenty-one years before the City filed for bankruptcy. First Amended Complaint, ¶ 81. Indeed, no later than 2011 and before the City filed for bankruptcy, on Ricks' behalf, the University of Michigan Innocence Clinic began requesting information and evidence from the City of Detroit and the US Attorney in an effort to overturn Ricks's conviction. Exhibits 1-16. During this same time period, Ricks was also professing his innocence and alleging that tainted evidence from the Detroit Crime Lab resulted in his conviction. *Id.* Consequently, the City respectfully requests that the Court require Ricks to dismiss the City with prejudice from the federal court action.

### **Background**

2. The First Amended Complaint contains three counts: in Count I, entitled "Constitutional Violations by all Defendants," Plaintiff Desmond Ricks (but not Plaintiffs Cobb or Desire'a Ricks) asserts a claim against the City and the Individual Defendants. The other two counts assert claims against the individual defendants but not the City.

3. In Count I, Ricks asserts that the City is liable because

Defendant, DETROIT, created policies, practices and customs, including a failure to provide adequate training to its police officers, including Defendants, PAUCH and STAWIASZ, in the manner set forth above, which demonstrated "deliberate indifference" to the constitutional rights of its citizens, and was the moving force behind the individual Defendants' violations of Plaintiff's constitutional rights.

First Amended Complaint, ¶ 93.

4. Plaintiff described the alleged policies and practices in paragraph 81 through 85 of the First Amended Complaint. Paragraph 81 makes clear that alleged unconstitutional policies existed before the date of Plaintiff's alleged unlawful arrest:

In and before March 5, 1992, the date of Plaintiff's arrest, the City of Detroit, by and through its final policymakers, had a customer and policy to authorize....

First Amended Complaint, ¶ 81.

5. Consequently, the basis for the Plaintiff's claim against the City was a conviction and allegedly policies and procedures that were in effect over twenty-one years before the City filed for bankruptcy.

**Argument**

6. Plaintiff's claim against the City was discharged by the City's Plan because it within his fair contemplation before the City filed for bankruptcy. As this Court previously explained,

[Claimants] may be correct that their claims were not yet actionable under state law or the City Employment Terms as of the petition date. But the question of when a claim arises under the Bankruptcy Code is governed by federal law. *In re Parks*, 281 B.R. 899, 902 (Bankr. E.D. Mich. 2002) (citations omitted). And, as the above quoted definition of "claim" in Section 101(5) of the Bankruptcy Code indicates, pre-petition claims that are "contingent" or "unmatured," and thus not presently actionable, may be discharged. *In re Dixon*, 295 B.R. 226, 229–30 (Bankr.E.D.Mich.2003) (citing *In re Kilbarr Corp.*

*v. G.S.A. (In re Remington Rand Corp.)*, 836 F.2d 825, 830–31 (3rd Cir.1988)) (other citations omitted) (“Courts have been careful to distinguish when a right to payment arises for bankruptcy purposes, and when the cause of action accrues.”).

In *Parks*, the court explained the meaning of a “contingent” debt, as that term is used in Section 101(5):

A “contingent debt is ‘one which the debtor will be called upon to pay only upon the occurrence or happening of an extrinsic event which will trigger the liability of the debtor to the alleged creditor.’” Thus, a right to payment need not be concurrently enforceable in order to constitute a claim that is dischargeable in bankruptcy. See *Riverwood Int’l Corp. v. Olin Corp. (In re Manville Forest Prods. Corp.)*, 225 B.R. 862, 866 (Bankr. S.D.N.Y. 1998) (“Because contingent and unmatured rights of payment are ‘claims’ under the Code, it is possible that a right to payment that is not yet enforceable at the time of the filing of the petition under non-bankruptcy law, may be defined as a claim within section 101(5)(A) of the Code.”). See also *Kilbarr Corp. v. G.S.A. (In re Remington Rand Corp.)*, 836 F.2d 825, 832 (3rd Cir. 1988) (“[A] party may have a bankruptcy claim and not possess a cause of action on that claim.”).

*In re Parks*, 281 B.R. at 901–02 (other citations omitted).

By contrast, “it is well-settled that ‘a debt is *noncontingent* if all events giving rise to liability occurred prior to the filing of the bankruptcy petition.” *In re Redburn*, 193 B.R. 249, 259 (Bankr. W.D. Mich. 1996) (emphasis added) (quoting *Nicholes v. Johnny Appleseed of Wash. (In re Nicholes)*, 184 B.R. 82, 88 (9th Cir. BAP 1995)).

*City of Detroit*, 548 B.R. at 761-63.

7. The Court then rejected the “right to payment” test, which provides that arises for bankruptcy purposes only after each element of the claim has been

established, and, instead adopted the “fair contemplation” test. “Under this test, a claim is considered to have arisen pre-petition if the creditor could have ascertained through the exercise of reasonable due diligence that it had a claim at the time the petition is filed. *Id.* (citations and quotations omitted). This test allows “the Court to examine all of the circumstances surrounding a particular claim—the debtor's conduct, the parties' pre-petition relationship, the parties' knowledge, the elements of the underlying claim—and use its best judgment to determine what is fair to the parties, in context.” *Id.*

8. In *Sanford v. City of Detroit, et al*, No. 17-13062, (E.D. Mich. Dec. 4, 2018), the United States District Court for the Eastern District of Michigan applied this Court’s fair contemplation test in dismissing a claim against the City that was nearly identical to the one asserted by Ricks. Ex. 17. The plaintiff in that case, Sanford, also asserted that the City’s alleged customs, policies, and practices resulted in his unlawful conviction. *Id.* p. 8. And, Sanford argued that because his prepetition conviction was not overturned until after the City exited bankruptcy, his claim was not subject to the discharge in the City’s plan. The court rejected that argument stating:

He certainly contemplated the factual bases underlying the claims raised in his complaint, since he attempted repeatedly to argue actual innocence before the state courts since at least 2008, insisting that his confessions was falsely obtained, concocted, and coerced. Sanford correctly points out that he could not have sued the City until his convictions were set

aside, which did not happen until after bankruptcy. But, the courts that have considered the question uniformly have concluded that claims based on prepetition malicious prosecutions were barred, notwithstanding that the plaintiff could not file suit on his claims until his criminal conviction was overturned.

*Id.*, p. 10.

9. Despite this Court’s adoption of the fair contemplation test (and not the right to payment test), Ricks’ argues that his claim was not discharged because his cause of action against the City did not accrue “until the conviction or sentence has been invalidated.” Response, p. 2. This Court should reject this argument because it adopted under the fair contemplation test. Under the fair contemplation test, as in *Sanford*, Ricks’ claim against the City arose prior to the City’s bankruptcy filing.

10. Here, by Ricks’ own admission, the City’s alleged conduct which gave rise to his claim occurred “in and before March 5, 1992.” First Amended Complaint ¶ 81. Of course, the relationship between the parties that gave rise to the claim also took place in 1992. Further, Ricks has always proclaimed his innocence and thus he knew he had an alleged claim against the City since 1992. *See, e.g.*, First Amended Complaint 75-78; Exhibits 1-16. Beginning no later than 2011, with the assistance of firearms identification expert David Townshend, Attorney David Moran and Student Attorney Sally Larsen at the University of Michigan Law School Innocence Project, Claudia Whitman, Director of the

National Capital Crime Assistance Network, and Roberto Guzman, Senior Legal Assistant at the Peoples Task Force To Free The Wrongfully Convicted, Ricks undertook substantial efforts to prove his alleged innocence well before the City filed for bankruptcy in 2013. *Id.* Finally, *Monell* holds that municipalities may be held liable for the constitutional violations of their employees only where the municipality's policy or custom led to the violation. *Robertson v. Lucas*, 753 F.3d 606, 622 (6th Cir. 2014). There can be no liability under *Monell* without an underlying constitutional violation. *See Scott v. Clay Cnty., Tenn.*, 205 F.3d 867, 879 (6th Cir. 2000). The alleged constitutional violations here all took place in 1992. First Amended Complaint ¶¶ 90-98. In short, all of the factors considered under the fair contemplation test demonstrate that the claim asserted against the City arose in 1992 and was discharged by the City's Plan.

WHEREFORE, the City respectfully requests that the Court enter an order requiring Ricks to dismiss the City with prejudice from the federal court action.

Dated: March 15, 2019

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

Attorneys for the City of Detroit

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on March 15, 2019, he served a copy of the foregoing **CORRECTED REPLY IN SUPPORT OF CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST DESMOND RICKS, AKILAH COBB AND DESIRE’A RICKS** upon counsel for Desmond Ricks, Akilah Cobb and Desire’a Ricks, in the manner described below:

Via first class mail and email:

James J. Harrington , IV  
Fieger, Fieger, Kenney, Giroux & Harrington, P.C.  
19390 W. Ten Mile Road  
Southfield, MI 48075-2463  
Email: j.harrington@fiegerlaw.com

Milica Filipovic  
Fieger, Fieger, Kenney & Harrington  
19390 West Ten Mile Road  
Southfield, MI 48075-2463  
Email: m.filipovic@fiegerlaw.com

Sima G. Patel  
Fieger, Fieger, Kenney & Harrington  
19390 W. Ten Mile Rd.  
Southfield, MI 48075-2463  
Email: s.patel@fiiegerlaw.com

DATED: March 15, 2019

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**Exhibit List**  
(Page 1 of 2)

| <b>Ex. No.</b> | <b>Date</b> | <b>Document</b>   | <b>Summary</b>  |
|----------------|-------------|---|---|
| 1              | 5/21/2018   | Deposition Transcript of Desmond Ricks  | Ricks discussing contacting Townshend (the expert he used in the 1992 trial) in 2009<br>p. 38, lines 15-24<br>p. 39, lines 5-25 (bar journal page referenced is last page in exhibit 1)<br>p. 40, lines 7-20<br>p. 41, lines 6-15<br>p. 43, lines 1-17<br>p. 46, lines 22-25<br>p. 47, line 1 |
| 2              | 8/6/2009    | Letter from State Appellate Defender Office to Ricks                            | State Appellate Defender Office acknowledging Rick's letters asking whether tainted evidence from Detroit Crime Lab resulted in conviction  |
| 3              | 2/11/2010   | Letter from State Appellate Defender Office to Ricks                            | Enlosing questionnaire for potential representation regarding potential Detroit crime lab issues  |
| 4              | 8/16/2010   | Letter from Townshend to Ricks  | Discussing Ricks' request to have Townshend meet with him   |
| 5              | 6/23/2011   | Email from Assistant US Attorney to Claudia Whitman (an investigator for Ricks) | Indicating that Assistant US Attorney referred issues to University of Michigan Innocence Clinic  |
| 6              | 11/23/2011  | Email from University of Michigan student Z. Dembo to Claudia Whitman           | Discussing prison's refusal to allow Ricks access to research materials regarding firearms evidence   |
| 7              | 12/16/2011  | Email chain between Roberto Guzman and Claudia Whittman                         | Regarding efforts to contact US Attorney regarding claim  |

**Exhibit List**

(Page 2 of 2)

| <b>Ex. No.</b> | <b>Date</b> | <b>Document</b>   | <b>Summary</b>   |
|----------------|-------------|---|--|
| 8              | 2/1/2012    | Letter from Ricks to Bureau of Alcohol, Tobacco and Firearms      | Ricks asserting that he is incarcerated for a crime he did not committ and asking that Claudia Whitman (an investigator for Ricks) be allowed to interview two federal agents that arrested him on March 5, 1992 |
| 9              | 6/13/2012   | Letter from Michigan Innocence Clinic to US Attorney McQuade      | Requesting assistance in accessing information regarding Ricks' case   |
| 10             | 6/19/2012   | FOIA request to City of Detroit from Michigan Innocence Clinic    | Requesting information on Ricks' case  |
| 11             | 9/14/2012   | Email from Michigan Innocence Clinic to Claudia Whitman           | Regarding possibility of rerunning ballistics  |
| 12             | 8/1/2012    | Email chain between Michigan Innocence Clinic and Claudia Whitman | Discussing ballistics  |
| 13             | 9/24/2012   | Letter from Ricks to Michigan Innocence Clinic                    | Discussing caselaw   |
| 14             | 10/9/2012   | Emails between Innocence Clinic and Claudia Whitman               | Regarding notes of discussion with ballistic experts   |
| 15             | 11/3/2012   | Email chain between Michigan Innocence Clinic and Claudia Whitman | Discussing ballistics issues   |
| 16             | 9/12/2012   | Letter from Ricks to crime scene witness (Ms. Strong)             | Professing innocence and alleging issues with Detroit Crime Lab  |

**EXHIBIT 1**

Desmond Ricks  
May 21, 2018

Page 1

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DESMOND RICKS, AKILAH COBB,  
and DESIRE'A RICKS,

Plaintiffs,

vs.

USDC Case No. 17-cv-12784

Hon. Paul D. Borman

DAVI PAUCH, DONALD STAWIASZ,  
and CITY OF DETROIT,

Defendants.

---

The Videotaped Deposition of DESMOND RICKS  
Taken at 34405 West 12 Mile Road, Suite 200A  
Farmington Hills, Michigan  
Commencing at 10:20 a.m.  
Monday, May 21, 2018  
Before Maureen Collier, CSR-7422.

Carroll Court Reporting  
586-468-2411

1 Q. If you can identify them for me.

2 A. Yes, sir.

3 Q. Okay.

4 MR. MUELLER: For the record, Exhibit 1 is  
5 18 pages?

6 MR. ASHFORD: Yes, sir. 18 pages.

7 THE WITNESS: Yes, sir.

8 BY MR. ASHFORD:

9 Q. Exhibit 1.

10 A. Uh-hmm.

11 Q. Okay?

12 A. Uh-hmm. Yes, sir.

13 Q. The first name is David Townshend.

14 A. Correct.

15 Q. How do you know Mr. Townshend?

16 A. Mr. Townshend is the man who I hired to do the initial  
17 firearms examination after the Detroit Police  
18 Department said that those bullets matched that gun  
19 and it didn't.

20 So I subsequently had sought his help to  
21 come in and do -- do another analysis to show that  
22 what I'm saying was correct: That that gun didn't  
23 kill that guy, and I didn't commit this crime.

24 Q. When did you first contact David Townshend?

25 MR. MUELLER: During, during the criminal

1 process or like years later?

2 THE WITNESS: Yes, that's what I was --

3 BY MR. ASHFORD:

4 Q. Years later.

5 A. I was in the law library in 2009 at -- I forgot the  
6 place they sent us to. But I was in the law library  
7 in 2009, and I was going through the bar journal. And  
8 sometimes you just sit there.

9 And one of these days I was -- you have  
10 different days you do different stuff. You type one  
11 day. You would write brief -- write briefs one day.  
12 Type one day. Go back and forth.

13 So this particular day was a writing day.  
14 So as I'm in there writing, I'm going through the bar  
15 journal. I'm looking for names in there that have --  
16 I always, always sought help. Always wrote letters  
17 and wrote the people, call me, please help me, I'm  
18 innocent. So always -- I would just go through there  
19 periodically.

20 And as I'm going through there, I'm  
21 going -- I'm flipping through the back, and I happen  
22 to see the name that says, it said Spectrum Forensic  
23 Examination Services. And as I look closer, I look at  
24 the bottom. I see his name. And I know it's God sent  
25 it to me. Only God, only God can do this.

1 At the bottom it said David Townshend. I  
2 thought he had died. To be truthful with you, I  
3 thought he -- because he was an older gentleman then.  
4 And this was 20 -- this was 25, 20 -- at that time it  
5 was almost 20 years. So I figured he might have  
6 passed. But God is good. He was still alive.

7 So I, I wrote to that place, and I asked  
8 him -- I wrote there -- no, I called first. And they  
9 told me that he, that he did like outsourcing work for  
10 them; that he didn't reside there.

11 So I wrote, I wrote, asked them could I  
12 send him some mail there because I had no other  
13 address for him, only what was in the bar journal  
14 which was their address. So accommodated me and said  
15 yes, we'll get -- next time he comes out or whatever,  
16 we'll give it to him. Because I didn't know when that  
17 would be, but I'm shooting my shot, you know. I  
18 didn't care. I had nothing to lose.

19 So I got all the paperwork out and sent it.  
20 You know, I sent it to him. And then he contacted me.

21 Q. How long was it before he contacted you?

22 A. Maybe about -- to be truthful with you, I can't  
23 remember. It wasn't -- it was, it was, it was long,  
24 but it, it -- it felt long, but I don't think it was  
25 long. But you know how you just be anticipating so --

1           you want it so bad and it comes, you think it -- I  
2           don't think -- maybe -- to be truthful, I don't really  
3           want to put a time on it. I can't say, because I  
4           can't say. But I know it, it felt long, but I don't  
5           think it was really long.

6                         And when he finally contacted me, you know,  
7           I asked him do you remember me. And he said no. He  
8           told me the truth. I don't remember you. I don't  
9           remember the case. I don't remember none of that  
10          stuff.

11                        You have to understand this man didn't know  
12          me. He didn't know -- all he know it's somebody on  
13          the phone asking him different questions about  
14          something that he may have done, you know, a while  
15          ago. He didn't know. He wasn't going to commit  
16          himself to that, and I understood that. I understood  
17          that.

18                        So this when I got to the point where I  
19          needed to see him, you know. And I asked him, would  
20          you be willing to come and visit me. I work in  
21          prison. I don't have no money. I work in prison. I  
22          work in the, in, in, in prison, and I be saving my  
23          money and stuff.

24                        I can, you know, go to my counselor, and  
25          they can take the money out of your account and send

1 to people. I can send you 30, 40, 50 bucks for some  
2 gas if you would just come up here and visit me and  
3 let me show you some of this stuff I got, and maybe  
4 you'll help me. You know, I had nothing else to lose,  
5 you know. Nothing to lose.

6 Q. So then what happened?

7 A. He came. He -- well, I had to go through the visit  
8 process. I had to the visiting process first.

9 Q. Did he tell you on the phone that, that he would come?

10 A. No. I'm going to get that correct. I'm going to give  
11 you the whole story.

12 I called. I asked him -- I talked to him.  
13 I asked him, I said well, I'm in prison. He said, he  
14 said you went to prison? He said he didn't even know  
15 I went -- he didn't know what had happened, from what  
16 he, what he said. But I let it go. That's not what I  
17 was trying to get. What I was trying to get was some  
18 help. You know what I'm saying?

19 So I explained to him what was going on.  
20 He, he agreed to do the visiting process. I went  
21 through that, got the visiting process. Maybe about  
22 two, three weeks he came to visit me. And when he  
23 came to visit me, this is when I had some paperwork.  
24 I didn't have the majority of the paperwork. I had, I  
25 had some paperwork.

1                   And when I showed him some stuff, he was  
2                   kind of like -- he didn't, he couldn't remember. And  
3                   I understood that. That was 20 -- that was 20 years,  
4                   over 20 years ago. I understand he couldn't remember,  
5                   but I was trying to save certain stuff or show him  
6                   certain things and jog his memory a little bit. And  
7                   it really did -- and it did. I'm going to be truth --  
8                   it didn't the first time. It didn't. You know, he  
9                   felt -- he say he can recall, but he had told me he  
10                  had lost all his effects and stuff, all his effects in  
11                  a flood somewhere. Something happened. A flood  
12                  somewhere. He lost all his stuff that he had had from  
13                  back then.

14                  Because I wanted to get some of them notes  
15                  that he had of some of the stuff that he had did  
16                  during this process that could help me, but he didn't  
17                  have it, you know. And that was kind of like a  
18                  downer, but, you know, I took it, you know. At least  
19                  I can still talk to you and I see who knows what I  
20                  might get.

21                  And the second time he came, this is when I  
22                  had more paperwork. Now when I went out there and  
23                  showed him his name and where he signed stuff and  
24                  examination and stuff he did, and he had did a little  
25                  more research. He started recalling a little more,

1 and we started going back and forth. When he seen it,  
2 you know, I guess, you know, memory comes back. It's  
3 like --

4 Q. How did you have more paperwork?

5 A. Because my, my -- I had got -- in 1994 my mother had  
6 went to 1300 Beaubien, police headquarters in Detroit.  
7 And I asked her to get my homicide file from the  
8 Detroit Police Department. And they charged her \$40.  
9 Gave -- I don't know where the receipt at now. But  
10 they charged her \$40 and gave her a copy of my  
11 homicide file.

12 She subsequently sent that file to me when  
13 I was incarcerated. And me and my cellmate, the guy  
14 you talking about, one of my cellmates, we sat down  
15 and started going over my stuff. And this is when I  
16 was trying to effectuate my appeal and try, you know,  
17 do different things, you know.

18 And I had all that extra paperwork, but  
19 my -- when my mother died -- when I went to prison, my  
20 mother died. My sister ended up -- my oldest sister  
21 Gwen ended up with it. She take the paperwork, not  
22 knowing what it is, puts it in her closet. And it  
23 sits in there from 2000, when my mother passed, until  
24 2011, almost '11.

25 Because he had seen me in '10, and I, I

1 don't know how long it took for him to come back. But  
2 '10 or '11, something like that. It sat there for  
3 over ten years.

4 So one day she was just -- me and her had  
5 been conversing on the phone. And she moved to  
6 Charleston, South Carolina. And one day me and her  
7 conversing on the phone, and she said I found some  
8 paperwork in my closet that momma had at the house  
9 that I took. And I was like what? What kind of  
10 paperwork? She was like some stuff with -- some court  
11 stuff with some names on there and different stuff.

12 So when she said this, I'm thinking to  
13 myself what -- popped back in my mind, '94, the  
14 homicide file. It had to be some of that paperwork  
15 that she kept. Because I told my mother to make a  
16 copy of the file. Keep the original and make a copy  
17 and send me the copies.

18 So she got the original. Now my sister got  
19 it. Once again it's God helping me, blessing me. My  
20 sister, you know, my sister say she found those papers  
21 in her closet when she was going to find some shoes to  
22 go dancing with her husband. And she just happened to  
23 see the box on the floor and remembered it, opened the  
24 box up and all my papers were in there.

25 And when she sent me those papers, it was

1 the papers Mr. Townshend had done and all the other  
2 papers and everything else I needed to show people  
3 that, you know, this man might be -- this man might be  
4 telling the truth.

5 Because you have to understand, in the  
6 beginning you telling people -- I, I was telling  
7 people I didn't do this. Nobody believed me. Nobody,  
8 nobody believed me. Called me a liar and a bunch of  
9 other things that I don't want to say. But I had to  
10 accept that, and I took that.

11 It hurt. Don't get me wrong. But I didn't  
12 have time to feel pain. I had to continue to do what  
13 I had to do to prove my innocence, and I wasn't going  
14 to stop no matter what nobody else said or what nobody  
15 else felt.

16 And when I got those papers -- he came back  
17 on the second visit. And when I started showing him  
18 that and he seen his name and what was going on, he  
19 knew it was legitimate.

20 Q. So you received those documents after the first visit.

21 A. Yes, sir. Yes, sir.

22 Q. So what did Mr. Townshend tell you during the second  
23 visit?

24 A. I mean, it was pretty much he, he didn't fully recall.  
25 But he started to remember certain things about what

1 know. I don't know.

2 Q. Did he work for the innocence project?

3 A. Not that I know of. He worked, maybe he worked for  
4 one, but I don't think he worked for -- he didn't work  
5 for the University of Michigan. No, sir.

6 Q. Did he work with Claudia Whitman?

7 A. Yes. At one point, yes.

8 Q. Okay. Who is Claudia Whitman?

9 A. She is the lady who is responsible for me sitting here  
10 talking to you right now. The first person who  
11 believed I was innocent and the lady who fought tooth  
12 and nail to get me out of prison. The first person  
13 who believed in me, who knew what I was telling her  
14 was true because she could see it. She could feel it.  
15 That's what she does.

16 She helps innocent people all over United  
17 States of America. So in doing that -- you do that  
18 job for so long, you get a feel for people. You know  
19 what I'm saying. And you be around that person. You  
20 get a feel for them. You say okay, this person -- you  
21 might still have a little apprehension in there. But  
22 once people start showing you stuff, you start seeing  
23 different paperwork -- I started showing her that  
24 stuff. She knew what it was. She could see it.

25 Q. Has she helped anyone else that you, that you knew of?

1           prison, Mr. Townshend had never informed me or, to my  
2           knowledge, my attorney Kristi Glenn about the  
3           irregularities he observed when he examined the  
4           evidence in my case. Is that true?

5       **A.**    That's true.

6       **Q.**    What irregularities?

7       **A.**    That the bullets were in pristine condition, as he  
8           said in his affidavit. I didn't know these things,  
9           you know. I didn't know none of this. I was hoping,  
10          but I didn't know. I was praying, but I didn't know.

11      **Q.**    Mr. Ricks, you wrote a lot of letters when you were in  
12          prison; right?

13      **A.**    Yes, sir.

14      **Q.**    Do you have copies of any of those letters?

15      **A.**    Yes, sir. I wrote Barbara McQuade, United States  
16          Attorney General. I mean, United States Attorney for  
17          the Eastern District of Michigan. Judith Levy. I  
18          wrote a lot of people, all kind of people that helped  
19          me. I wrote Obama. Wouldn't make no difference. I'd  
20          write Trump.

21      **Q.**    You wrote --

22      **A.**    I wasn't guilty.

23      **Q.**    In paragraph number four, you wrote Ms. Strong a  
24          letter; correct?

25      **A.**    Yes, sir.

1 Q. Okay. Do you have a copy of that letter?

2 A. Yes, sir. Yes, sir. Yes, sir.

3 Q. You wrote letters to the innocence project?

4 A. Yes, sir.

5 Q. And Ms. Whitman?

6 A. Yes, sir. Ms. Winware (ph) over in Canada. She's  
7 over in Canada. She's -- it's not called the Canadian  
8 Innocence Project, but it's just an innocence project  
9 over there in Canada. Her name is Winware. She's a  
10 representative over there. She runs it. Wrote her,  
11 too. She was going to help me.

12 I wrote Kym Worthy several letters. Wrote  
13 Ms. Worthy several letters begging her, please. I  
14 didn't do this. Please help me.

15 Q. How do you feel about Ms. Worthy?

16 MR. MUELLER: Objection.

17 THE WITNESS: I just, I just felt that she  
18 could have did better than what she did. That's all.  
19 I felt she could have did a lot better than what she  
20 did, especially when she seen it wasn't right.

21 Beforehand I could understand. Everybody  
22 screams they're innocent. But when a guy proves he's  
23 innocent, you see he's innocent, at least have the  
24 decency to come back and say it wasn't on my watch,  
25 but I apologize what happened to you. And we going to

1 make it right and get you out of there.

2 They wouldn't even come and get me. The  
3 State Police said I was innocent three weeks before  
4 they even came and got me. They wouldn't even come  
5 and get me until they called the ATF. They basically  
6 forced their hand. Let that man out of there. Why  
7 y'all got that innocent man in there. Y'all know that  
8 man didn't commit that crime. Let him out. It make  
9 no sense.

10 But no, I have no ill will towards her, no.  
11 I don't have no ill will towards nobody, Mr. Ashford,  
12 nobody. I'm just happy to be alive and out of that  
13 prison.

14 Q. And it's your testimony today that you didn't bribe or  
15 threaten or promise anyone anything --

16 A. No, sir.

17 Q. -- for their testimony?

18 A. No, sir.

19 MR. MUELLER: That is your testimony?

20 BY MR. ASHFORD:

21 Q. To change their testimony?

22 A. I didn't promise or offer anybody anything, sir. Not  
23 at all. I just asked for the truth. The truth is  
24 enough. That's all you need. Lies, you got to change  
25 them up.

1 and it had her name -- it had her birth date on there.

2 And I was able to use that to get some help.

3 Q. Okay.

4 A. The rest of the people, I didn't have that. They just

5 had -- like it was blacked out, so I really

6 couldn't -- I caught a break with that. Basically

7 just her and Mr. -- Ms. Strong and Mr. Townshend.

8 Q. How did you find out about Ms. Whitman at the National

9 Capital Crime Assistance Network?

10 A. I was -- I was directed to her by a guy who I dealt

11 with in there named Jessie Agnew. He introduced me to

12 Claudia.

13 Q. And how did you first come into contact with the

14 innocence project?

15 A. I wrote --

16 Q. And for the record, we're talking about the innocence

17 project at the University of Michigan Law School.

18 A. That's correct. That's correct. I wrote them a

19 letter back in 2009 and asked them could they assist

20 me. But they had a waiting list. They had just

21 started in like, a couple years before, something like

22 that. And they had, you know, got swamped. And they

23 had a waiting list.

24 And they would have to go through and

25 figure out who was innocent and who wasn't basically.

1 A. No, sir. I mean, that's hard to say because if  
2 somebody come and visit me and they work for Detroit,  
3 I don't know where they work. I don't want to lie to  
4 you and say I don't and I -- I don't where those  
5 people work. I don't ask them.

6 MR. MUELLER: We can narrow it --

7 BY MR. ASHFORD:

8 Q. But as far as you know, you haven't, you haven't had  
9 any contact with any Detroit police officers.

10 A. No, sir.

11 Q. In the last ten years.

12 A. No, sir.

13 Q. Or any Detroit lawyers.

14 A. No, sir. No, sir. I was at that place --

15 Q. Have you had, have you had any contact with anyone at  
16 the National Capital Crime Assistance Network besides  
17 Claudia Whitman and the paralegal that you, that you  
18 referenced earlier?

19 A. Yeah. And her husband, Mr. Laird, Laird Carlson.  
20 That's Claudia's husband. He works -- he does the  
21 newspaper part of stuff like that for the --

22 Q. For her organization?

23 A. Yes, sir. Yes, sir.

24 Q. Have you had any contact with any Wayne County  
25 prosecutors in the last ten years?

1 MR. MUELLER: Other than David Townshend.

2 THE WITNESS: Through my attorneys.

3 MR. MUELLER: Well, he's retired.

4 MR. ASHFORD: Yeah, he's retired.

5 THE WITNESS: But I'm saying through my  
6 attorneys I've had contact with --

7 BY MR. ASHFORD:

8 Q. No, you personally.

9 A. No, sir. No, sir.

10 Q. And you've mentioned the innocence project in Canada.

11 A. Yes, sir.

12 Q. That you contacted.

13 A. Yes, sir. I have letters and all that stuff, too.

14 Q. What other organizations have you contacted?

15 MR. MUELLER: Other than what he's talked  
16 about?

17 BY MR. ASHFORD:

18 Q. Other than what you've told me about.

19 A. People in Atlanta, they had some kind of thing and  
20 they was doing -- helping the people get transcripts.  
21 It took me a long time -- I, I couldn't get my  
22 transcripts. They wouldn't give me my transcripts  
23 from down there.

24 They wouldn't give it to me in the '90s.

25 They wouldn't give it to me in the early 2000s. I

1 incarceration; correct?

2 **A. Yes, sir.**

3 **Q.** So why are you still suing the City of Detroit?

4 **MR. MUELLER:** Let me make a general  
5 objection. One, that's why he's got a lawyer. But  
6 you can go head and tell him how you were wronged and  
7 what you --

8 **BY MR. ASHFORD:**

9 **Q.** I'm not asking for a legal basis. I'm asking for you  
10 personally. Why are you --

11 **A.** It's not, it's not the money, Mr. Ashford. I want my  
12 life back. I want them 25 years they took from me  
13 back, and I can't get that. And I understand that.

14 And I love that city to death, man. I love  
15 that city. But some of the people that were in that  
16 city back then weren't right. They weren't right.  
17 And they got to answer for what they did. And that's  
18 just -- I don't wish no ill will. I have no hard  
19 feelings, none of that. I don't have none of that,  
20 none of that. Because I went, I went -- I came out of  
21 the bottom of hell, and I asked God laying on my back  
22 on that floor in that darkness, will you please help  
23 me. If you help me to get out of here, I'm not -- I  
24 can't be the best person I can be. I'm not going to  
25 lie to you, God. But I'm going to be -- I'm going to

1 want wrong around me. I didn't go to the yard. I  
2 didn't go to chow hall. I didn't leave my cell.  
3 Because my focus was to get out of prison. And God  
4 gave it to me when he closed that crime lab in 2008.  
5 That was a blessing to me.

6 Q. Why?

7 A. Because that was the -- that was the reason I was sent  
8 to jail, and that was the reason I'm out of jail.

9 Q. Why?

10 A. Because that crime lab wasn't right down there. The  
11 error rate was too high. You playing with people's  
12 lives. You got a 10 percent error rate down there,  
13 Mr. Ashford. Out of 10 percent, that's a lot of  
14 people going to jail. And I'm one of them that went  
15 to jail and didn't have -- never was supposed to see  
16 inside a jail, not for that crime, something that you  
17 know I didn't do.

18 And then this man tells me right to my  
19 face, I know you didn't do it. But if you don't help  
20 me basically catch the criminal, you going -- you good  
21 enough. I'm going to take you.

22 MR. MUELLER: What man said that?

23 THE WITNESS: Donald Stawiasz told me to my  
24 face if you don't help me get these people, we're  
25 going to take you. And I couldn't help him get those

# Classified Advertising—Expert

**AMERICAN DOCUMENT EXAMINERS, INC.**

- FORGERY DETECTION
- HANDWRITING IDENTIFICATION
- OPINION LETTERS—IBRACHY
- Certified
- Court Qualified
- Expert Witness
- Criminal
- Probate
- Federal

**(248) 681-7255**  
 11600 Oakman  
 www.amerdocex.com

**JOHN P. RICCI—FORENSIC DOCUMENT EXAMINER**

3 years as an Apprentice with the Detroit Police Department and Michigan State Police  
 33 years of governmental and private practice experience

*Member of the Midwestern Association of Forensic Scientists*

Expert witness testimony in criminal, civil and federal courts, administrative hearings and arbitration boards.

- Detection of Forgery
- Handwriting/Printing Identification
- Ink analysis/dating
- Examination of medical and business records for alterations, additions, and rewritings
- Experienced in all other document-related problems
- Résumé upon request

1230 W. Church Road, Morrice, MI 48857-9759  
 517-625-7319 • FAX: 517-625-3732

**Anderson Economic Group**, experts in Economics, Finance, and Statistics for matters of commercial damages, business valuation, asset valuation, lost profits, antitrust, tax, buy/sell agreements, and fairness opinions. We also provide economic and market feasibility studies. Call 517.333.6984, or visit [www.AndersonEconomicGroup.com](http://www.AndersonEconomicGroup.com). Offices in East Lansing, Chicago, Dallas, and Oklahoma City.

Online Change of Address Form  
<http://www.michbar.org/programs/addresschangeform>

**W. Thomas Munsell, P.E.**  
 Structural Engineer

- Structural Building Inspections
- Expert Witness
- Engineers
- Structural Design & Evaluation of Brick and Block Masonry, Steel, Wood, Concrete, & Foundations

**W. Thomas Munsell, P.E.**

41550 Rayburn  
 Northville, MI 48168  
 Ph: (248) 755-0922  
 Fax: (734) 420-1167  
 E-mail: Tom@munsellassoc.com

**SPECKIN FORENSIC LABORATORIES**

Experts in Criminal Defense—Assistance provided in obtaining court ordered expert funding  
 Specialists in the following disciplines using many former government experts:

- DUI-DUID – Toxicology review in impaired driving cases – Datamaster and Blood Alcohol review and consultation – Expert court testimony
- Forensic firearms and ballistics examinations – Distance determination – Self Defense – Trajectory
- Crime scene reconstruction – Pathology Review
- Fingerprint, palmprint and AFIS analysis and ID
- DNA review, consultation, and analysis
- Computer forensics – deletions – recovery – analysis
- Dating of documents, inks, paper and photo copies, forensic examination of medical and business records for alteration, additions, and rewritings
- Identification of handwriting, signatures and forgeries
- Trace evidence analysis, shoe and tire prints
- Civil and criminal forensic consultation

|  |  |   |
|--|--|---|
| <b>ROGER J. BOLHOUSE</b><br>Laboratory Director<br>Crime Scene Reconstruction<br>Forensic Analyst and Consultant                   | <b>KARL E. EBNER, Ph.D.</b><br>Forensic Toxicologist           | <b>MICHAEL J. SINKE</b><br>Latent Print Specialist<br>Crime Scene Reconstruction<br>Forensic Document Analyst |
| <b>RICHARD L. BRUNELLE</b><br>Retired Ink Dating Consultant  | <b>JASON S. HARNER, BS</b><br>Forensic Chemist and Examiner    | <b>ERICH J. SPECKIN</b><br>Forensic Document Analyst<br>Forensic Ink Dating Specialist                        |
| <b>ARN CHAMBERLAIN, MS</b><br>Serologist<br>DNA Analyst and Consultant<br>Crime Scene Reconstruction<br>Bloodstain Pattern Analyst | <b>ROBERT D. KULLMAN</b><br>Forensic Document Analyst          | <b>LEONARD A. SPECKIN</b><br>Retired Document Consultant  |
| <b>LARRY A. DALMAN</b><br>Computer Recovery Specialist   | <b>MARCO A. SCARPETTA, Ph.D.</b><br>DNA Analyst and Consultant | <b>DAVID G. TOWNSEND</b><br>Forensic Firearms Examiner  |
|  | <b>JAY A. SIEGEL, Ph.D.</b><br>Analytical Chemist              |   |
|  | <b>LAURENCE B. SIMSON, MD</b><br>Forensic Pathologist          |   |

**TOLL FREE (888) 999-1009**      Testimony presented in over  
**(517) 349-3528**      -1800- state and federal  
**Fax (517) 349-5538**      court appearances  
 Local and national references available

[www.4N6.com](http://www.4N6.com)  
 e-mail [info@4N6.com](mailto:info@4N6.com)  
 2105 University Park Dr., Ste. A  
 Okemos, MI 48864

**STATE BAR OF MICHIGAN**  
 ADVERTISING INFORMATION  
<http://www.michbar.org/publications/advertising.cfm>

## EXHIBIT 2

# STATE APPELLATE DEFENDER OFFICE

Main Office: SUITE 3300 PENOBSCOT • 645 GRISWOLD • DETROIT, MICHIGAN 48226-4281  
Phone: 313.256.9833 • Fax: 313.965.0372  
CLIENT CALLS 313.256.9822

JAMES R. NEUHARD  
DIRECTOR

DAWN VAN HOEK  
CHIEF DEPUTY DIRECTOR  
DETROIT/LANSING

JONATHAN SACKS  
DEPUTY DIRECTOR  
DETROIT



LANSING OFFICE  
101 NORTH WASHINGTON  
14<sup>TH</sup> FLOOR  
LANSING, MICHIGAN 48913-0001  
Phone: 517.334.6069 • Fax: 517.334.6987

Website: [www.sado.org](http://www.sado.org)

August 6, 2009

Desmond L. Ricks  
No. 187002  
Pine River Correctional Facility  
320 N. Hubbard  
St. Louis, MI 48880

Dear Mr. Ricks:

I write in response to your letters regarding the Detroit Crime Lab. The State Appellate Defender Office (SADO) is undertaking a complete review of our Wayne County clients to determine whether tainted evidence from the Detroit Crime Lab resulted in conviction.

We are also determining whether SADO can provide representation to non-clients with potential Detroit Crime Lab problems. We will keep your letter on file and update you as this process unfolds. For now, I can only suggest that you contact the Forensic Integrity Review Unit at the Wayne County Prosecutor's Office.

Wayne County Prosecutor's Office  
Forensic Integrity Unit  
1441 Saint Antoine St., Fl 12  
Detroit, MI 48226

I wish you the best of luck as you continue to explore post-conviction options and I will contact you if SADO receives a mandate to represent former non-SADO clients.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Sacks".

Jonathan Sacks  
Deputy Director

MI Innocence Clinic 002235

# EXHIBIT 3

# STATE APPELLATE DEFENDER OFFICE

Main Office: SUITE 3300 PENOBSCOT • 645 GRISWOLD • DETROIT, MICHIGAN 48226-4281  
Phone: 313.256.9833 • Fax: 313.965.0372  
CLIENT CALLS 313.256.9822

JAMES R. NEUHARD  
DIRECTOR

DAWN VAN HOEK  
CHIEF DEPUTY DIRECTOR  
DETROIT/LANSING

JONATHAN SACKS  
DEPUTY DIRECTOR  
DETROIT



LANSING OFFICE  
101 NORTH WASHINGTON  
14<sup>TH</sup> FLOOR  
LANSING, MICHIGAN 48913-0901  
Phone: 517.334.6069 • Fax: 517.334.6987

Website: [www.sado.org](http://www.sado.org)

February 11, 2010

Desmond Ricks  
No. 187002  
Pine River Correctional Facility  
320 Hubbard Street  
St Louis MI 48880

Re: **Detroit Crime Lab**

Dear Desmond Ricks:

You have expressed interest in having our office review your case for potential Detroit Crime Lab issues. Enclosed you will find an eleven page questionnaire and consent form that you need to complete and return to us as soon as possible. Please follow the instructions provided and do not send any documents pertaining to your case at this time.

Return the completed questionnaire to my attention at the Detroit address above.

The review process will take time, so please be patient as the process unfolds.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim McGinnis".

Kim McGinnis  
Assistant Defender  
Principal Attorney, Crime Lab Unit

KMM/mbd  
Enclosure

MI Innocence Clinic 002451

# EXHIBIT 4



**FORENSIC EXAMINATION SERVICE**  
**CIVIL AND CRIMINAL EXAMINATIONS**

David G. Townshend  
(517) 628-2411

5395 Bunker Road  
Mason, MI 48854

August 16, 2010

Mr. Desmond Ricks  
Inmate # 187002  
R.A. Handlon Correctional Facility  
1728 W. Bluewater Hwy  
Ionia, MI 48846

Dear Mr. Ricks:

I called the TX # you gave me immediately after speaking with you on this date. The lady I spoke with advised that I could not just show up to visit you. She said that you had to; first meet with your counsellor, then submit an application for me to fill out and return. She said that the process would take 4-6 weeks altogether. She went on to advise that without prior approval a person could not stop and visit you.

Sincerely,

David G. Townshend  
Forensic Examination Service

# EXHIBIT 5

**From:** Levy, Judith (USAMIE) Judith.Levy@usdoj.gov  
**Subject:** RE: Question on Desmond Ricks  
**Date:** June 23, 2011 at 9:37 AM  
**To:** Claudia Whitman claudia@celldoor.com  
**Cc:** David Moran morand@umich.edu



Ms. Whitman:

I sent a letter to the University of Michigan Innocence Clinic indicating that I had spoken to Mr. Ricks but was unable to investigate his claim of innocence. There is no federal statute that gives the United States the authority to investigate individual claims of this nature.

I did not send a letter to the Innocence Clinic to "press" them in any manner. Rather, I wrote to inform them of the information I received because these are the sorts of issues they deal with in their work.

Thank you very much for your message,

Judy Levy

Judith E. Levy  
Assistant U.S. Attorney  
Eastern District of Michigan  
Chief, Civil Rights Unit  
211 West Fort Street, Ste. 2001  
Detroit, Michigan 48226  
judith.levy@usdoj.gov  
(o) 313-226-9727  
(c) 313-244-5160

-----Original Message-----

**From:** Claudia Whitman [mailto:claudia@celldoor.com]  
**Sent:** Wednesday, June 22, 2011 12:57 PM  
**To:** Levy, Judith (USAMIE)  
**Cc:** David Moran  
**Subject:** Question on Desmond Ricks

Judith: I hope you remember me from asking you about Det./Ronald Sanders. Desmond Ricks called yesterday and said that he talked with you and you wrote a letter to Dave about his case. I did speak with David Townshend, the ballistics expert who looked at the bullets 19 years ago and he said they were pristine, had no blood or anything on them and were test bullets. Also, they were in an unsealed envelope. He is willing to give an affidavit but no longer has his notes, though he remembers the case well. Did you, in fact, write Dave to press for the IP looking at the case? Thanks. Claudia Whitman

*in de  
fighter*

# EXHIBIT 6

From: Zach Dembo zdembo@umich.edu  
Subject: Re: Desmond Ricks  
Date: November 23, 2011 at 9:41 AM  
To: Claudia Whitman claudia@celldoor.com



Interesting. And yes, I got both the fax yesterday and the material for Lacino a week or two ago, thank you. Enjoy your newest friend! Happy Thanksgiving!

On Wed, Nov 23, 2011 at 11:25 AM, Claudia Whitman <claudia@celldoor.com> wrote:

This speaks for itself. Did you get all the stuff I faxed yesterday? And have a fun Thanksgiving. We picked up my friend's new Morgan yesterday. What a prince! C

Begin forwarded message:

From: Roberto Guzman <legal\_begal01@sbcglobal.net>  
Date: November 23, 2011 7:54:17 AM MST  
To: claudia@celldoor.com  
Subject: Desmond Ricks

I can't believe they intercepted some research material I sent to Desmond involving firearms evidence. What reactionaries! They should at least allow him the Executive Summary prepared by the National Research Council.

**PEOPLE'S TASK FORCE TO FREE THE WRONGFULLY CONVICTED**  
**16234 WHITCOMB**  
**DETROIT, MICHIGAN 48235**  
**(313) 272-1406**

November 23, 2011

Mr. John Prelesnik  
Warden  
Handlon Correctional Facility  
1728 Bluewater Highway  
Ionia, MI 48846

*Re: Appeal of Notice of Package/Mail Rejection*

Dear Mr. Prelesnik:

Please consider this letter my objection to the enclosed Notice of Package/Mail Rejection, which was received by me on November 22, 2011. For the following reasons, I ask that you reconsider the grounds for rejecting the material and allow Mr. Ricks to receive it.

The package I sent to Mr. Ricks contained two informational pieces about forensics evidence: one entitled *Firearms, Projectiles, and Toolmark Identification Evidence*, the other entitled *Executive Summary, Strengthening Forensics Science in the United States: A Path Forward*.

While the firearms and tool mark identification material contains information about bullets and how they are used as evidence, nothing more can be said about that. Indeed, the misidentification or otherwise mishandling of ballistics evidence by Detroit Police in Mr. Ricks' 1992 murder trial for which someone other than he was the killer is at the heart of research we are doing in assisting him in possibly filing post-conviction appeals. We are at the initial stages of researching the science of forensics evidence on his behalf and merely intend to share our findings with him to assist him in preparing for an appeal. It strains reasoning to conclude that the research material could pose a threat to institutional security or possibly encourage criminal activity when prisoners are not walking around your facility with firearms on their person. If that were the case, every prisoner serving time at your facility involving forensics evidence and who has crime lab or expert reports prepared by ballistics and/or DNA experts at the time of their trials could be said to be in possession of material posing a threat to institutional security or encourage criminal behavior. Of course, that is a stretch at logic, as was done here in rejecting the research material I sent to him. For these reasons, I ask that you reconsider the rejection notice and allow Mr. Ricks to receive the material for his information.

As concerns the executive summary prepared by the National Research Council, that report was given to Congress in February 2009 in the wake of scandals involving the now-defunct Detroit Crime Lab in which many defendants, Mr. Ricks among them, were wrongfully convicted of crimes based on faulty or falsified ballistics evidence. The NRC's report contained recommendations for the development of forensic science into a mature field of multidisciplinary research and practice run by forensics sciences independent of law enforcement agencies and prosecutors, both of whom bring an inherent bias into the field of forensics investigations. That is what that report discusses. Nothing in that report contains sensitive information on how to make, build or manufacture bullets or other weapons such that it would pose a threat to institutional security or encourage criminal activity, as the rejection notice flatly assumes. Therefore, I ask that you overturn the rejection notice as it concerns this informational piece as well.

In closing, I want to stress that both items sent to Mr. Ricks were legal research material intended to assist him with his appeals and nothing more. That said, even if the firearms and tool mark identification research material can be said to pose a threat to institutional security (which I disagree), the NRC's report to Congress clearly does not.

I invite you to review the material and provide me your findings at your convenience. If you have any questions or concerns, kindly contact the undersigned at the return address above or feel free to call me at (313) 272-1406.

Sincerely,

Roberto Guzman  
Senior Legal Assistant

RG/klm

c: Mr. Desmond Ricks, #187002  
K. Kasper, Mailroom Supervisor

# EXHIBIT 7

From: Roberto Guzman legal\_begal01@sbcglobal.net  
Subject: Re: Attaching letter on Ricks to US Attorney  
Date: December 16, 2011 at 11:58 AM  
To: Claudia Whitman claudia@celldoor.com



I did a google and corrections based search on him several weeks ago and came up with no hits. But I will see about searching other applications for hits on Pitts. I just thought about something else too - much of what Desmond has told us puts me right in that parking lot that day and in the cop car with him. Much of what he has said we are finding out is true (like, for instance, his account that two federal agents were involved, the door being left wide open, Arlene Strong's description of the shooter, etc.) Our confirming from the paperwork Desmond's account that the two FBI agents were involved, leads me to also believe Desmond when he says they showed him a picture of Craig Pitts as the possible murder suspect. But when and why did they lose his scent? Big question.

Here's another thought - How is it that Desmond knows Craig Pitts' name? Do the FBI feed that to him? I think I recall Desmond saying other inmates at the prison saw his picture in a paper or something and told him Craig Pitts' name.

I suppose if you get a chance to interview or depose those agents, we sit with them with the FBI's paperwork to refresh their recollection and be able to find out if they ever caught up with Craig Pitts and find out why were they initially focusing on him as the killer in Desmond's case.

I would think the feds had Pitts and/or the other guy under surveillance for quite some time, as apparently they were business partners in the drug trade. What do you think we attempt to discover some information about the deceased too, which might lead us to Craig Pitts? I am going to do a pacer search to see if Pitts was ever federally charged for drug crimes and let you know what I find.

--- On Fri, 12/16/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Friday, December 16, 2011, 12:25 PM

Let me know. Des just called and was excited that I found the agents. I suggested he write Ms. McQuade and reenforce how important this is to proving his innocence and also ask that he be present to question them under subpoena. He just said, "You don't know what it is like. I look in the mirror every day and see an innocent face in the mirror". Can you do any checking on Pitts? He is not in the system now. C

On Dec 16, 2011, at 7:21 AM, Roberto Guzman wrote:

I saw paperwork to where those two agents names were involved in Desmond's arrest, which leads me to believe much of what Desmond says. He was never federally charged for the case or any case for that matter, so it begs the question why were the feds even looking at this murder, which for all purposes was something for the local authorities to prosecute - and they did. My take on it is that Desmond is correct in saying the feds were hot on Pitts' nephew and suspected he was (or even knew he was) involved in this killing. One other thing that stands out in my mind about the crime scene, and I shared this with Desmond when he called the other day. When police arrived on the scene, the passenger door to the vehicle where Desmond was seated was left open. That lends credibility to Desmond's claim that he ran for his life and was being fired upon by Pitts as he fled. The fact the door was found open is proof someone got the hell out of there really fast. If Desmond had walked with the deceased into the restaurant to make the transaction but instead chose to rob and kill him, he would have closed that passenger door and not leave it left open. I definitely will take another look at the lab reports to determine if more than two shell casings were found at the scene. If so, that would lend credence to Desmond's claim that after killing the victim, Pitts then turned his gun on Desmond as he fled.

--- On Fri, 12/16/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Friday, December 16, 2011, 12:31 AM

You are so sweet. Thanks. I will certainly let you know but no plan now. I have to be in DC for the NCADP Board meeting mid-January and the 21st is the Move to Amend demonstration. Let's see what Ms. McQuade says. Unfortunately, unless he was lying, Reghi didn't remember Des or anything about the case. But if he did show Des a picture and say this guy was the suspect, maybe it is in the file or in his report. His name is definitely on the police report as one of the two federal agents involved in the case, as is Primak's. C

On Dec 15, 2011, at 3:53 PM, Roberto Guzman wrote:

If you are able to arrange an interview with the US attorney and need to come to Detroit, by all means, let me know and I will gladly accommodate you again (this time with no hiccups 😊) in the plans. I have the time where I could take off work, rent a car and pick you up at the airport, accommodate you at my house, etc., so by all means, don't hesitate to ask, okay?

--- On Thu, 12/15/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Thursday, December 15, 2011, 11:12 AM

I have talked and e-mailed with Judy. I actually have to get permission from Ms. McQuade so we will see what happens next. C

On Dec 15, 2011, at 8:55 AM, Roberto Guzman wrote:

Very good introduction letter, Claudia. And your message of seeking their cooperation is clear. Just one note, in the address line of the US Attorney's Office, be sure to address it to Barbara McQuade. Her name is in the salutation, but not in the address subject line. If you arrange a meeting, having Moran or others from his staff go with you would be wise, so that was good to put that in there too. Moran is well known in Judith Levy's office.

--- On Wed, 12/14/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman Roberto" <legal\_begal01@sbcglobal.net>  
Date: Wednesday, December 14, 2011, 11:58 PM

From: **Roberto Guzman** legal\_begal01@sbcglobal.net  
Subject: Re: Attaching letter on Ricks to US Attorney  
Date: December 16, 2011 at 7:21 AM  
To: Claudia Whitman claudia@celldoor.com



I saw paperwork to where those two agents names were involved in Desmond's arrest, which leads me to believe much of what Desmond says. He was never federally charged for the case or any case for that matter, so it begs the question why were the feds even looking at this murder, which for all purposes was something for the local authorities to prosecute - and they did. My take on it is that Desmond is correct in saying the feds were hot on Pitts' nephew and suspected he was (or even knew he was) involved in this killing. One other thing that stands out in my mind about the crime scene, and I shared this with Desmond when he called the other day. When police arrived on the scene, the passenger door to the vehicle where Desmond was seated was left open. That lends credibility to Desmond's claim that he ran for his life and was being fired upon by Pitts as he fled. The fact the door was found open is proof someone got the hell out of there really fast. If Desmond had walked with the deceased into the restaurant to make the transaction but instead chose to rob and kill him, he would have closed that passenger door and not leave it left open. I definitely will take another look at the lab reports to determine if more than two shell casings were found at the scene. If so, that would lend credence to Desmond's claim that after killing the victim, Pitts then turned his gun on Desmond as he fled.

--- On Fri, 12/16/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Friday, December 16, 2011, 12:31 AM

You are so sweet. Thanks. I will certainly let you know but no plan now. I have to be in DC for the NCADP Board meeting mid-January and the 21st is the Move to Amend demonstration. Let's see what Ms. McQuade says. Unfortunately, unless he was lying, Reghi didn't remember Des or anything about the case. But if he did show Des a picture and say this guy was the suspect, maybe it is in the file or in his report. His name is definitely on the police report as one of the two federal agents involved in the case, as is Primak's. C

On Dec 15, 2011, at 3:53 PM, Roberto Guzman wrote:

If you are able to arrange an interview with the US attorney and need to come to Detroit, by all means, let me know and I will gladly accommodate you again (this time with no hiccups ☺) in the plans. I have the time where I could take off work, rent a car and pick you up at the airport, accommodate you at my house, etc., so by all means, don't hesitate to ask, okay?

--- On Thu, 12/15/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Thursday, December 15, 2011, 11:12 AM

I have talked and e-mailed with Judy. I actually have to get permission from Ms. McQuade so we will see what happens next. C  
On Dec 15, 2011, at 8:55 AM, Roberto Guzman wrote:

Very good introduction letter, Claudia. And your message of seeking their cooperation is clear. Just one note, in the address line of the US Attorney's Office, be sure to address it to Barbara McQuade. Her name is in the salutation, but not in the address subject line. If you arrange a meeting, having Moran or others from his staff go with you would be wise, so that was good to put that in there too. Moran is well known in Judith Levy's office.

--- On Wed, 12/14/11, Claudia Whitman <claudia@celldoor.com> wrote:



From: Claudia Whitman <claudia@celldoor.com>  
Subject: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman Roberto" <legal\_begal01@sbcglobal.net>  
Date: Wednesday, December 14, 2011, 11:58 PM

From: **Roberto Guzman** legal\_begal01@sbcglobal.net  
Subject: Re: Attaching letter on Ricks to US Attorney  
Date: December 16, 2011 at 12:28 PM  
To: Claudia Whitman claudia@celldoor.com



Yeah, and a client of mine told me about Ken and Byron and Ken and another lawyer downtown here looking at cases. Very creepy stuff. Yeah, Mr. Byron's nose is so high in the air knowing the Pitts name precedes him. He is also very cozy with Ron Scott of the Coalition Against Police Brutality, who, most of us feel, has not turned coat to the cops. He is a sell out. Scott is. The corruption and political pay to play here is so deep it is crazy.

--- On Fri, 12/16/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Friday, December 16, 2011, 2:22 PM

Byron is pretty arrogant. Damion Todd, the juvenile on the ACLU complaint against JLWOP, and one of the people in my notebook, had Cornelius as his attorney and he not only did nothing, there is reason to believe he colluded with the prosecution. I met with Byron when I was there last month. He is friends, big time, with my investigator, Ken.  
On Dec 16, 2011, at 12:15 PM, Roberto Guzman wrote:

Yes, I met Byron Pitts at the Godboldo trial. The Pitts family tree leaves a bad taste in my mouth. The Kelly Nobles case I sent you last week? Cornelius Pitts represented Nobles at preliminary exam, but was fired by the time of trial. Long story. Cornelius used to take the big time dope cases in the 80s and crooked police cases. When all the dope dealers got sent to prison or were killed, his business plummeted. Very shady character. He would always play the race card too, if a defendant was African-American and got on a soap box about black persecution by a white system. Very very unscrupulous lawyer. He only won cases because he was good at reminding people of the Jim Crow era and pulling the race card. I see Byron going down that same road.

--- On Fri, 12/16/11, Claudia Whitman <claudia@celldoor.com> wrote:

From: Claudia Whitman <claudia@celldoor.com>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman" <legal\_begal01@sbcglobal.net>  
Date: Friday, December 16, 2011, 2:10 PM

I think Des only found out the name recently. Pitts is the nephew of Cornelius Pitts, well known lawyer in Detroit and he is thus a cousin of Byron Pitts, currently a hot shit lawyer. Gerry Bennett is the victim. Maybe you can put him together with Pitts. If all is true, they were watching Pitts but there were political reasons not to hassle him and Des was handy to take the fall. They do this all the time. Des told me Craig Pitts did some time and got release. I think his name is Craig Kent Pitts. C  
On Dec 16, 2011, at 11:58 AM, Roberto Guzman wrote:

I did a google and corrections based search on him several weeks ago and came up with no hits. But I will see about searching other applications for hits on Pitts. I just thought about something else too - much of what Desmond has told us puts me right in that parking lot that day and in the cop car with him. Much of what he has said we are finding out is true (like, for instance, his account that two federal agents were involved, the door being left wide open, Arlene Strong's description of the shooter, etc.) Our confirming from the paperwork Desmond's account that the two FBI agents were involved, leads me to also believe Desmond when he says they showed him a picture of Craig Pitts as the possible murder suspect. But when and why did they lose his scent? Big question.

Here's another thought - How is it that Desmond knows Craig Pitts' name? Do the FBI feed that to him? I think I recall Desmond saying other inmates at the prison saw his



Reghi didn't remember Des or anything about the case. But if he did show Des a picture and say this guy was the suspect, maybe it is in the file or in his report. His name is definitely on the police report as one of the two federal agents involved in the case, as is Primak's. C

On Dec 15, 2011, at 3:53 PM, Roberto Guzman wrote:

If you are able to arrange an interview with the US attorney and need to come to Detroit, by all means, let me know and I will gladly accommodate you again (this time with no hiccups ☺) in the plans. I have the time where I could take off work, rent a car and pick you up at the airport, accommodate you at my house, etc., so by all means, don't hesitate to ask, okay?

--- On Thu, 12/15/11, Claudia Whitman <[claudia@celldoor.com](mailto:claudia@celldoor.com)> wrote:

From: Claudia Whitman <[claudia@celldoor.com](mailto:claudia@celldoor.com)>  
Subject: Re: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman"  
<[legal\\_begal01@sbcglobal.net](mailto:legal_begal01@sbcglobal.net)>  
Date: Thursday, December 15, 2011, 11:12 AM

I have talked and e-mailed with Judy. I actually have to get permission from Ms. McQuade so we will see what happens next. C

On Dec 15, 2011, at 8:55 AM, Roberto Guzman wrote:

Very good introduction letter, Claudia. And your message of seeking their cooperation is clear. Just one note, in the address line of the US Attorney's Office, be sure to address it to Barbara McQuade. Her name is in the salutation, but not in the address subject line. If you arrange a meeting, having Moran or others from his staff go with you would be wise, so that was good to put that in there too. Moran is well known in Judith Levy's office.

--- On Wed, 12/14/11, Claudia Whitman <[claudia@celldoor.com](mailto:claudia@celldoor.com)> wrote:

From: Claudia Whitman <[claudia@celldoor.com](mailto:claudia@celldoor.com)>  
Subject: Attaching letter on Ricks to US Attorney  
To: "Roberto Guzman Roberto"  
<[legal\\_begal01@sbcglobal.net](mailto:legal_begal01@sbcglobal.net)>  
Date: Wednesday, December 14, 2011, 11:58 PM

# EXHIBIT 8

Desmond L. Ricks #187002  
R.A. Handlon Correctional Facility  
1728 W. Bluewater Highway  
Ionia, Michigan 48846

February 1, 2012

Bureau of Alcohol, Tobacco, and Firearms  
1155 Brewery Park Blvd., Suite 300  
Detroit, Michigan 48207-2602

RE: Legal Assistance

Dear Bureau of Alcohol, Tobacco, and Firearms,

I am writing to you in concerns of hopefully receiving some help from your office with the legal matters that I am having.

I know that you are very busy, so I will keep this correspondence as brief as possible.

I have been incarcerated for the past 20yrs. for a crime that I did not commit. I have reached out to so many people on so many occasions for help, but I guess that it was not my time then.

But, recently I have been blessed to have the assistance of Mrs. Claudia Whitman, she is the Director of NDRAN of Cure. Which is a National Organization that reaches out to aid and assist the Wrongfully Convicted.

I was Arrested on March 5, 1992 in the City of Detroit, MI by 2 Federal Agents.

[1] Tony Primak #2703, A.T.F. Agent <> [2] John Reghi #2858, U.S. Marshal

Also upon my arrest, my Mothers .38 Caliber Handgun was confiscated by these Agents. In the police car on the ride to the police station, Agent John Reghi showed me a picture of the man whom I had seen shoot and kill the now deceased victim. I asked the Agents if they knew that he was the killer, why was I being taken to jail? They told me that everything was going to be alright.

Once we got to the police station, I never again saw those 2 Federal Agents.

The Detroit Police started asking me questions and I explained to them that the 2

Federal Agents that brought me down there knew that I was not the person who had committed that crime. They did not want to hear what I was saying. I was told by the Detroit Police Dept. that my Mothers Gun was used to commit that murder. I knew then that I was being railroaded for a crime that I did not commit.

So I hired an Independent Firearms Examiner to come and re-test the (2) Slugs in this case that were removed from the body of the deceased victim, and show that the police were in error with their findings.

An Order was entered by the Judge allowing the Independent Firearms Examiner to go down to the Detroit Crime Laboratory and conduct his examination on the evidence. But, when the Independent Firearms Examiner called the Detroit Crime Lab to schedule a date to get there and do his test, he was told that he could not perform his examination there. There was never a reason given as to why he was not allowed. So the (2) Evidence Slugs were taken to the Independent Examiner by the Lead Detective in the case. The same man that repeatedly told me that he was going to send me to jail. The Independent Examiner was not given the (2) Slugs from the crime, he was given test-fired shots that had been fired from my Mothers Gun. (the evidence was never sealed)

I have an Affidavit from the Independent Firearms Examiner, David G. Townshend, in which he says that the (2) Slugs that he was given to test did not have any "Blood" or other "Trace Evidence" on them that would indicate that they had been removed from the body of a "deceased victim".

There was also an eyewitness to the crime that made a statement to the police in which she said that "she observed a "bright-complexioned man", "medium height", with a "Big Silver Gun" shooting".

I have a "dark complexion", I am 6' 3" in height, and the Gun that was confiscated was a "black .38".

I humbly and sincerely ask that you would "Please" allow Mrs. Whitman the opportunity to interview these 2 Federal Agents who arrested me, and also be provided with their Reports that were made on March 5, 1992.

Hopefully that will show that I am not the man who committed this crime and I can finally go home.

When the Detroit Crime Lab was closed down in 2008, I knew that GOD had answered my Prayer for Help.

I wrote a letter to the Prosecutors Office in Detroit, and asked could the evidence in my case be re-tested by the Michigan State Police. They wrote me back and basically said be patient, they will get around to it. I have been patient for 20yrs. with the exact same problem. They want me to give up and I will never do that!

I did not kill that man, and I respectfully ask for your Help.

I Thank You in advance for your time in listening to my plea for help.

MAY GOD BLESS YOU.

P.S.

I wrote to the United States Attorney, Barbara L. McQuade, and she directed me to you. \*Please fine the letter enclosed.\*

Respectfully,

  
Desmond L. Ricks #187002

# EXHIBIT 9

June 13, 2012

U.S. Attorney Barbara L. McQuade  
United States Attorney's Office  
211 W. Fort Street, Suite 2001  
Detroit, MI 48226  
Tel: (313) 226-9100

Dear U.S. Attorney McQuade:

I am writing to request your assistance in accessing information related to the murder of Gerry Bennett in Detroit in 1992, or to the case of Desmond Ricks, MDOC # 187002, who was convicted of Mr. Bennett's murder. We believe that agents with the U.S. Marshalls and the U.S. Bureau of Alcohol, Tobacco and Firearms may have information related to this incident. We do not represent Mr. Ricks, but are investigating his claims of innocence, and information from these agencies could help us to understand whether or not his claims might have merit.

Mr. Ricks was convicted of the March 3, 1992 shooting of Mr. Bennett at the Top Hat Restaurant then located at the intersection of Puritan St. and James Couzens Fwy. in Detroit, Michigan. He maintains that while he was on the scene, he was not the shooter, and that he saw the face of the man who was in fact the shooter. He claims that on March 5, 1992, he was picked up by two federal agents: Tony Primak, ATF Agent #2703, and John Reghi, U.S. Marshall #2858. As they drove him to the police station they showed him a picture of a man and asked him whether this was the person Mr. Ricks had seen shoot Mr. Bennett. Mr. Ricks said that it was, and the agents told him everything was going to be alright. However, when Mr. Ricks reached the police station he was taken for questioning and charged with the shooting. He did not see the agents again.

One key piece of evidence in Mr. Ricks' conviction was ballistics testing by the Detroit Crime Lab that found a match between the bullets in Mr. Bennett's body and test bullets fired from Mr. Ricks' mother's gun. Independent testing requested by Mr. Ricks' defense attorney confirmed that that there was a match between the test bullets and those the Crime Lab identified as having been taken from Mr. Bennett's body.

However, the independent examiner has now come forward with an affidavit stating that, due to a number of irregularities in the evidence that the Detroit Crime Lab gave him to test in Mr. Ricks' case, he believes "a new examination of the evidence on this case is warranted." Aff. of David G. Townshend, Aug. 30, 2011, p. 3. Among other irregularities, the bags containing the ballistics evidence were improperly sealed and the bullets identified as having been taken from Mr. Bennett's body were in "near pristine" condition: They "failed to reveal the presence of trace evidence or deformation that would be associated with bullets that had been fired in to the skull and the body of a homicide victim." Aff. of David G. Townshend, Aug. 30, 2011, p. 2.

Given Mr. Townshend's affidavit and what is now known about the ballistics testing practices at the Detroit Crime Lab at this time, we believe Mr. Ricks' innocence claims warrant further investigation. Therefore, any information that the U.S. Marshalls or the Bureau of Alcohol, Tobacco and Firearms might have related to Mr. Bennett's murder or Mr. Ricks' arrest could be very important, and we request your assistance in accessing any information they might have.

Thank you for your time and consideration. If you have questions related to this request, please contact the Michigan Innocence Clinic at (734) 763-9353 or at the address above.

Sincerely,

David Moran  
Clinical Professor of Law  
The Michigan Innocence Clinic

Sally Larsen  
Student Attorney  
The Michigan Innocence Clinic

**EXHIBIT 10**

**M** Michigan Law  
UNIVERSITY OF MICHIGAN LAW SCHOOL  
**MICHIGAN INNOCENCE CLINIC**

BRIDGET McCORMACK  
DAVID A. MORAN

701 South State Street  
Ann Arbor, Michigan 48109-3091  
734.763.9353  
Fax: 734.764.8242

June 19, 2012

Ellen Ha  
City of Detroit Law Department, FOIA Coordinator  
660 Woodward Ave., Ste. 1650  
Detroit, MI 48226  
313-237-0423 (p)  
313-224-5505 (f)

Dear FOIA Coordinator:

Pursuant to the Michigan Freedom of Information Act, the Michigan Innocence Clinic requests police reports, progress notes, test results, witness/suspect statements, sketches and all other disclosable documents relating to the following persons and incident.

Incident Type: Homicide

Date: 03/03/1992

DPD File/Case No.: 92-126

Location: The Top Hat Restaurant located at the intersection of James Couzen Fwy and Puritan St.

Victim's Name: Gerry Bennett

Suspect Arrested: Desmond Ricks

If you have any questions regarding this request or require any further information, please contact us by phone at (734) 763-9353.

Sincerely,



Sally Larsen  
Student Attorney  
Michigan Innocence Clinic

**EXHIBIT 11**

From: Claudia Whitman claudia@celldoor.com  
Subject: Fwd: Des  
Date: September 16, 2012 at 1:35 PM  
To: Claudia Whitman claudia@celldoor.com



Begin forwarded message:

**From:** Sally Larsen <sally.e.larsen@gmail.com>  
**Date:** September 14, 2012 6:44:12 PM EDT  
**To:** Claudia Whitman <claudia@celldoor.com>  
**Subject:** Re: Des

Hi Claudia,

Yes, I definitely understand that the bullets that were tested were not actually the bullets that killed Gerry Bennett. When I said that they could be retested, I meant that they could be examined by a ballistics lab to determine whether they are "pristine" enough that they could not have been fired into a body (especially a skull, as one of the shots that killed Bennett went right through the bone of his skull into his brain). I left a voicemail for Mr. Townsend this morning because I think that it would be very useful for Mr. Westrick to talk to Townsend, although it is discouraging that he can't find his notes. Please know that Ricks' case is one of my highest priorities at the Clinic and I am familiar with Mr. Townsend's affidavit and the other ballistics evidence in his case -- although there is always the possibility that I have overlooked or misread something.

Because Derrick Andrews and I were unable to find a time when we both could talk (due to my class schedule and his limited phone hours), he suggested that I call his assistant resident unit supervisor and schedule a call with him. I left two voicemails for his supervisor this week but he has not yet been in touch. Believe me, I understand the important of talking to Mr. Andrews. He has been so consistent in reaching out to me despite all the scheduling conflicts, it has been really heartening. But your point that every witness has a point where they lose interest is well-taken. I will send Andrews a J-Pay asking him to talk to his supervisor about calling me back - if that doesn't work, I can skip a portion of class if it comes to it.

Best,

Sally

On Fri, Sep 14, 2012 at 2:28 PM, Claudia Whitman <claudia@celldoor.com> wrote:

David Townshend is the guy who testified, visited Des, talked to me several times, did a long affidavit, etc. You should have it but I just forwarded it. Lamentably, he never could find his work notes where he normally had a chart where he would mark things off. He did mention that the evidence was not properly sealed in his initial report but never mentioned the pristine nature of the bullets being a concern, which, he says, would have been on the work sheet. He did look for it and found notes but can't explain why he didn't do the regular chart thing. But if they give you the same bullets to test, you won't get anything because they are pristine. Townshend also says that when the Det. police brought him the bullets (contrary to what the judge had ordered and what was normal, ie., his going to the police station to do the testing, they had a smug demeanor like they knew he would get a match. Well, he did, because they were the test bullets.

On Sep 14, 2012, at 12:28 PM, Sally Larsen wrote:

Yikes, that sounds crazy. I'll keep an eye out for info on Det. Rice. I wanted you to know I have gotten in touch with a ballistics expert who is interested in learning more about the case - Aaron Westrick. (He is quite Google-able if you want to know more about him. You also may already know him, since he says he worked with us on the Titus case - I hadn't been aware of that before we talked.) At any rate, I'm going to check with my supervisors about whether we can send him more information related to Mr. Rick's case - if we are able to get ahold of the ballistics evidence in the case (which, for now, we are not even sure exists), he would be willing to do the retesting for us. Let me know if you had someone else in mind or if I should hold off for any reason in getting him more involved in the case.

Best,

Sally

On Thu, Sep 13, 2012 at 3:05 PM, Claudia Whitman <claudia@celldoor.com> wrote:

Des called today and wants to talk with you and wanted to know when. I suggested he JPay you directly so you can set it up. Did you see the article on the 10th on Det. William Rice. He often appears in many of my cases. I think he took over when Sanders had the stroke. But he was equally as bad and now they are going after him for fraud and drug dealing. There was a pretty dirty bunch up there in homicide: James Harris, who just got out of federal prison, Rice, Sanders, and their boss, a guy named Stewart, who was really a slime bag. Claudia

--

Sally Larsen  
University of Michigan Law School

Class of 2014

Sally Larsen  
University of Michigan Law School  
Class of 2014

**EXHIBIT 12**

From: Sally Larsen sally.e.larsen@gmail.com  
Subject: Re: Desmond Ricks  
Date: August 1, 2012 at 4:05 PM  
To: Claudia Whitman claudia@celldoor.com



Hi Claudia,

I've been looking and looking for the notes that I took on our conversation when I was in the car on July 20th, but I can't find them. Could you please send me by email the information we talked about on the phone related to the name of the possible shooter in the Burton/Owens/Young case? My apologies.

- Sally

On Wed, Jul 25, 2012 at 5:07 PM, Sally Larsen <sally.e.larsen@gmail.com> wrote:  
Claudia,

Attached are the files I received from the U.S. Attorney for the Eastern District of Michigan, related to Desmond Ricks' case.

I'll stay in touch on this, although over the next couple of weeks I will probably be working more heavily on other cases, since there are a lot I will be transferring or closing out before the end of the summer.

Best,

Sally

On Tue, Jul 24, 2012 at 10:31 PM, Claudia Whitman <claudia@celldoor.com> wrote:

You may be right. It's just that I can usually find previous criminal records one place or another and I believe I asked my friend who is with the fed. defenders' office to check him out and he couldn't find anything. They have deep access. It would be great if you had a picture of him when you meet with Primak, though, if what Des says is true, they just avoided mentioning the other suspect once they had Des in line for the conviction. I think the next step is to interview Arlene, especially if you could get the picture of Pitts, because her first statement describes a person who is not Des and then her memory "fades". Tomorrow is fine for the documents and thanks.

On Jul 24, 2012, at 8:27 PM, Sally Larsen wrote:

Hi Claudia,

I just got back to Ann Arbor, much later than I expected. If its alright, I'll scan and send you the documents from the feds tomorrow instead of going into the office tonight.

About the Pitts charge, its not clear to me whether its being purposefully hidden. It might not be showing up on OTIS because he's been releases from prison and may be through with parole/probation as well. Was there some place besides OTIS that seemed to be hiding this information? Desmond didn't seem surprised about the charge; he seemed to assume it was the shooting he heard about at a Coney Island restaurant on Six Mile in Detroit. I may have a way of inquiring further about Pitts; I'm looking into it and will let you know.

- Sally

On Jul 24, 2012 5:55 PM, "Claudia Whitman" <claudia@celldoor.com> wrote:

Interesting on Pitts. They have hidden it from general knowledge. Did Des have any ideas?

On Jul 24, 2012, at 3:56 PM, Sally Larsen wrote:

Hi Claudia,

I just spoke to him - he seemed to take it alright. I let him know that I will be trying to get in touch with Agent Primak for more information. I also found some info on Craig Kent Pitts on the Court of Appeals website, including an opinion affirming his conviction for second-degree murder in a shooting in 1996.

- Sally

On Tue, Jul 24, 2012 at 11:08 AM, Claudia Whitman <claudia@celldoor.com> wrote:

Great. It will be interesting to see how Des handles it today. I think he will be super bummed. I really believe he didn't do it and I trust him more than those agents. Good luck on your other case.

On Jul 24, 2012, at 12:50 AM, Sally Larsen wrote:

Hi Claudia,

I will email you the documents tomorrow. It probably won't be till late afternoon/evening since I'm going to Battle Creek/Grand Rapids tomorrow for another case. I may have used the wrong word earlier in saying "summaries". I

...and I hope to get another case. I may have used the wrong word earlier in saying "summaries"; I believe the documents we received were in fact the statements of the agents. (They were referred to as "interviews.") I believe they gave us everything they have. However, I will get in touch with the U.S. Attorney's Office to see if they can confirm that. I'll also ask Dave/them about the possibility of interviewing Primak.

Best,

Sally

On Mon, Jul 23, 2012 at 9:53 PM, Claudia Whitman <claudia@celldoor.com> wrote:

I would like to see them. I spoke with Reghi and he said he didn't remember the case. The bullets issue is clearly explained by Townsend; they were not the bullets that killed the victim, according to him. The guy who did ballistics for the police, Pauch, I think was not above cooking the books on several cases. But this is disappointing. I think your supposition is probably right: ones they got the alleged "match" they didn't need to mention another suspect. I think Primak still works for ATF. Maybe you could interview him. That was my intention. Also, summaries of statements by Primak and Reghi seem insufficient. Is there a way to see the actual statement? Des did call today and my husband told him that 2:300 was a go. Great work getting the records!

On Jul 23, 2012, at 8:16 PM, Sarah Larsen wrote:

> Hi Claudia,

>

> I wanted to let you know that today I had mail from the U.S. Attorney's office. They sent over records related to the Ricks case, which included summaries of statements from Tony Primak, John Reghi and one other ATF agent, Curtis Brunson. Unfortunately, none of the statements mentioned another suspect in the case. The statements were pretty barebones and dealt only with Ricks' arrest, not with any larger view of the case. They all did include the fact that the ballistics ended up matching Ricks' mother's gun; I wonder if the statements were influenced by that (supposed) fact. At any rate, I can scan and email you the documents tomorrow, and will let Ricks know about it on our phone call tomorrow afternoon. I think we have plenty else to follow up on and investigate, but this was certainly disappointing.

>

> Best,

>

> Sally

>

> --

> Sally Larsen

> Michigan Innocence Clinic

> University of Michigan Law School

> Class of 2014

>

--

Sally Larsen  
University of Michigan Law School  
Class of 2014

--

Sally Larsen  
University of Michigan Law School  
Class of 2014

--

Sally Larsen  
University of Michigan Law School  
Class of 2014

Sally Larsen  
University of Michigan Law School  
Class of 2014

**EXHIBIT 13**

Desmond L. Ricks #187002  
R. A. Handlon Correctional Facility  
1728 W. Bluewater Highway  
Ionia, Michigan 48846

September 24, 2012

Ms. Sally Larsen, Student Attorney  
University Of Michigan Law School  
Michigan Innocence Clinic  
701 South State Street  
Ann Arbor, Michigan 48109-3091

RE: Legal Assistance

Dear Ms. Larsen,

How are you? Good I hope.

This is a case that I was fortunate enough to get from the Court of Appeals. I was in the Law Library reading and ran across it. It's a fairly new case, within the last year as you can see.

It sent it to you to show the parallels between this case and mine. I also have enclosed a "brief guide" to show you exactly the points I feel are pertinent.

I know that you will read the whole case, but the information that I needed starts on

\* pg.14 > pg 17 \* (I apologize for the mistakes, wanted to get it out A.S.A.P)

As always, I am greatly appreciative of your help. \*GOD BLESS\*

Sincerely,

  
Desmond L. Ricks #187002

**EXHIBIT 14**

From: Sally Larsen sallyel@umich.edu  
Subject: Re: Call with David Townshend + Burton/Owens/Young  
Date: October 9, 2012 at 9:30 PM  
To: Claudia Whitman claudia@celldoor.com



Hi Claudia,

Thanks for your emails. It will be disappointing if David Townshend cannot find his notes. Thank you very much for talking to him and asking him to double-check; hopefully it will turn something up.

Funny you should mention Kristi Glenn - I had just reached out to her myself. I'd like to talk to her and see whether she remembers anything - basically whether she remembers Townshend mentioning anything to her about the bullets looking funny. My guess is no, but it would be good to know before we go much further if she does remember this. She said she doesn't remember anything about the case, and asked me to send her a disk with the transcripts on it, which I will try to do by the end of the week.

About the evidence tag numbers changing -- it's possible that Desmond did mention this and it got lost in the shuffle of all the issues surrounding the evidence. He is sending me some more information about the ballistics, and we are scheduled to talk again on Friday, so I will bring it up with him then.

If you find me a little out of touch over the next week, I apologize. There's a crunch of stuff going on at school.

Best,

Sally

On Mon, Oct 8, 2012 at 11:54 AM, Claudia Whitman <claudia@celldoor.com> wrote:

As I suspected, he never sent me those notes. I spoke to him on 8/22/2011 and he told me he found his notes from 11/30/95 and that he had not done a worksheet, which he couldn't explain. He says he gave information he had to a Gwendolyn Brumfield. (I don't know who this is; I didn't make notes on her but you could ask him or I could). I had called Kristi Glenn, his trial attorney. She now lives somewhere like VA. She says she kept no paper work. I had also asked him whether he felt he had any conflict of interest testifying as he did, since Des had hired him. He said he did not because the prosecutor had subpoenaed him and paid for his coming to court.

I just talked to him and he is going to double check. He doesn't remember who Brumfield is or where he might have sent them but he is going to look and see if he can find them. Claudia

There is also that issue that a number had been changed on the evidence. Originally, I think it was 923409 and 10 but then something is labeled 423.... Did Des go over this with you?

On Oct 6, 2012, at 1:33 PM, Sally Larsen wrote:

Okay great, thank you so much! If you fax them, put something like Michigan Innocence Clinic prominently on the cover sheet, because the fax machine goes to all of the clinics.

I'm in Brooklyn for the weekend and it is way too warm. I hope it's cooler where you (still Maine?) for hay moving!

- Sally

On Sat, Oct 6, 2012 at 3:05 PM, Claudia Whitman <claudia@celldoor.com> wrote:

I did e-mail Danny and said I wanted him to call me about Nicole to clarify things. I asked him to try this weekend, if he actually gets the JPay in time. I don't know what I have from Townshend but it is all in the file. I have a new printer that scans and have your fax at the clinic so I will try to do it tomorrow. Today we are moving 900 pound bales of hay. You are doing such great work. C

On Oct 6, 2012, at 12:36 AM, Sally Larsen wrote:

Hi Claudia,

Sorry for the delay, but below are my notes from my call with David Townshend. They are sort of extensive, sorry about that. He says you have his notes from the examination he did. Would you mind making a copy for me and scanning or mailing them to me? (If mailing, the address is Michigan Innocence Clinic, 701 S. State St., Ann Arbor, MI 48109.) Probably good to have lots of copies of those, I think they might become important. I've come across a law student who is a former police officer - I'm going to ask him to take a look at the chain of custody issue with me and help me understand it fully.

Also, I spoke with Dave and he is interested in pursuing Mr. Andrews' story (he agrees - we have no other choice at this point but to pursue the truth on this matter). He had some good ideas on what comes next -- we can ask the Wayne County ME's office to let us know whether they had a death like Fooks' come in during the right time frame. And I think I'm going to go visit Mr. Andrews to try to get a fuller sense of his story. But before I do that, I'd love to get a better sense of what Nicole Accola's murder has to do with this, so let me know if you talk to Danny about it.

I think that's all I've got for now. Hope you're having a great weekend :)

- Sally

Notes from call with David Townshend  
October 2, 2012

Overall: Mr. Townshend was quite nice and sounded 100% competent. He spent a long time on the phone with me and was thoughtful in his responses. He seemed like he would be happy to continue to help us out as necessary.

He said that the Ricks case has always stuck in his mind as one where things "just didn't seem right."

6 months or a year before DT was asked to look at the ballistics in Ricks' case, he had been asked to look at the ballistics in another case - he can't remember the defendant's name. The defense asked him to take a second look at the conclusion of the Detroit Crime Lab that test bullets from the defendant's gun in that case matched the bullets removed from a victim's body. But Townshend did not find a match. He performed his test at the Detroit Crime Lab and could not find sufficient similarities between the marks and grooves in the two sets of bullets. He asked the lab tech to point out what he thought proved they were from the same gun, and the tech pointed to a tiny dot present on all the bullets - not nearly enough, Townshend said, to prove they were the same. DT testified that in his opinion the bullets were not a match, and he believes the defendant was acquitted. He says he knows the Lab was furious about that.

Though originally DT was supposed to go to the Detroit Crime Lab to do the test in Ricks' case, he later received word that a sergeant would be bringing the evidence to him instead. This strikes him as very strange, because it costs substantial man hours and gas for the police to send someone to his lab, far from Detroit. He says the Detroit Crime Lab had never done that sort of thing before - he always went to them - although sometimes federal agencies like the FBI would go to DT's lab for the testing. Although this was definitely strange, DT cannot think of any advantage that the Lab would have gained by having the test done at DT's lab... if a fraud was perpetrated, this could just as easily have been accomplished by DT coming to Detroit. So that remains an open question -- and potentially an important one.

DT remembers thinking to himself, "Damn, these bullets look good," when he saw the bullets that purportedly came from Mr. Bennett's body. They were in "great condition" and "did not look like they came out of a body." He also noticed that marks that are usually made by the ME on either the slugs themselves or the envelopes into which the slugs are placed when they are removed from a victim's body were not present on these slugs. DT does not remember whether he mentioned this to Ms. Glenn, although this would normally be the kind of thing that he would mention. He does remember that when he gave his testimony in court and announced that the bullets were a match, Ricks was clearly shocked -- Ms. Glenn had not informed him of what DT's testimony would be (Ricks confirmed this to me). I know from conferences recorded in the trial transcript that Ms. Glenn was aware of

what Mr. Townshend's testimony would be before he testified. It is super unfortunate that Ms. Glenn did not inform Mr. Ricks of the results in advance, but that doesn't mean that she also knew, and failed to communicate, that DT believed the bullets were suspicious. This could make the difference between whether the claim is a new evidence claim or an ineffective assistance of counsel claim... and the IAC claim might be stronger, if we could make it. Or maybe less strong -- either way, we need to know.

DT was of the opinion that, if the slugs were switched, it would have happened after the Detroit Crime Lab test, but before Townshend was given the bullets. This suggests a pattern of events such as this: The correct slugs are removed from Bennett's body and put in envelopes, but unsealed. They are taken to the Detroit Crime Lab and perform the test with Ricks' gun. Pauch concludes that the two sets up bullets are a match (this could be either because he is incompetent or because he purposely overlooked that the bullets did not appear to be the same). Then he hears that DT will be retesting the bullets. He realizes that DT will not find a match, either because the bullets from Bennett's body clearly were not a match to Ricks or because the bullets from Bennett's body are too beat up to draw a match at all. So he fires some test bullets from Ricks' gun and replaces them with the slugs in the unsealed evidence bags.

This would mean the chain of custody from the date on which the Detroit Crime Lab test was performed and the date when Townshend's test was performed is very important. If Pauch had access to the bullets between those dates, that's important. What Townshend pointed out is that it is possible that the bullets that were preserved in evidence are the ones removed from Bennett's body - that the bullets Townshend was shown were discarded at some point and not preserved. I think this would be okay. For one thing, maybe those bullets could be excluded as having come from Ricks' gun. For another, if they couldn't, Townshend could testify that those were definitely not the bullets he was shown at the time, and he or another ballistics expert could testify that no match can be found between the two sets of bullets.

Townshend explained the reasons why, at the time he did the testing, he felt that something was fishy about the bullets:

- They did not look like they had been fired into a body.
  - They were lead bullets, and lead is pretty soft. They should have had deformations from hitting bone.
  - They did not have trace evidence deposited on them. He said he can't recall a case in which he tested a bullet and didn't find blood, human issue, threads of fabric, something like that. There should be material on the bullet, unless the bullet has been washed, which it is not supposed to be.
- The bullets appeared to have been fired recently. Normally, he said, a lead bullet has lubricant on it that is removed when it passes through the barrel. This causes the bullet to begin to oxidize, and the oxidation process progresses over time - so one can tell to some degree by looking at the bullet how long

ago it was fired. He remembers that these bullets looked like they had been fired unusually recently. He asked me to look up the dates from the ballistics testing forms to see how long it should have been between when Bennett was shot and when Townshend did his testing.

- The bullets, or the envelopes they were stored in, were not marked by pathology. Townshend thought this was something he had mentioned in his affidavit. While his affidavit mentioned that the envelopes were not sealed, I think this is a somewhat different issue. I will ask him to take a look at his affidavit and tell me if this is a different issue.

Townshend said he would find his notes from this case and send them to me, but later he emailed and said he couldn't find them and must have sent them to Claudia. I'll write to her and ask her for a copy.

--  
Sally Larsen  
Michigan Innocence Clinic  
University of Michigan Law School  
Class of 2014

--  
Sally Larsen  
Michigan Innocence Clinic  
University of Michigan Law School  
Class of 2014

--  
Sally Larsen  
Michigan Innocence Clinic  
University of Michigan Law School  
Class of 2014

**EXHIBIT 15**

From: Sally Larsen sallyel@umich.edu  
Subject: Re: Interesting update  
Date: November 3, 2012 at 4:00 PM  
To: Claudia Whitman claudia@celldoor.com



Hi Claudia,

That's awesome, I would love to talk to this guy (as would everyone else in the Clinic, I imagine). Thanks so much for this.

About the lead bullets - I'm attached the ME receipt for bullets - that's the only thing I've got from the ME on ballistics, but I don't think it will be useful because it doesn't say what type of bullets they were. I read through the ME's testimony again and he doesn't get more specific there either. I have been assuming that we were looking at soft bullets because Townshend seemed certain that they should have been fairly destroyed by what they supposedly went through.

- Sally

On Thu, Nov 1, 2012 at 4:43 PM, Claudia Whitman <claudia@celldoor.com> wrote:

So, a guy who is an investigator in the Fed. Defenders' office in Detroit was a homicide detective who started in 1994. He switched to defense partly because he believed there were innocent people out there. Anyway, he described the "closet" to me in detail and he is going to check, since it is now used for storage, if I could get in there and get it photographed. Also, he doesn't know Sanders but says he is willing to talk about the fact that the kind of stuff Sanders did is what they did in those days. He is also willing to meet with you. I'll send info and plan to talk to him when I return.

On Des: I told John Nixon, who is from Indiana, though British by birth and a major expert, that it was a lead bullet and the type of gun. He wanted to know if he have info on the name of the bullet type because there are 3 lead bullets and one is very soft and would have marks and one is medium and one is hard. He also wants to know what the ME described in his report about the bullet. He also said that they often do some kind of a wash on bullets after the ME is finished before they go to get tested but he doesn't think they did it before 2000. The purpose is to clean them up in case of AIDS, etc. What other info do you have? I don't think I've seen the ME report but I may have it.

---  
Sally Larsen  
Michigan Innocence Clinic  
University of Michigan Law School  
Class of 2014



ME Police  
Receipt...s 2.pdf

**EXHIBIT 16**

December 12, 2012

Dear Ms Strong,

I do not know how to begin this letter So I will simply start by saying, "I hope that you have been well, and "GOD has Blessed You & Your Family".

I know that we have never met, so for the sake of proper introduction, my name is Desmond Ricks.

Let me first say, that I do not wish to upset you or bring any grief into your life I just simply wish to briefly speak to you on this paper, and convey what I have been wanting to say in the past, and now the present.

You are not the reason why I am in prison. We both know that. Through a series of mostly bad choices, and reckless living as a young adult, I take full responsibility for what has happened to me. I fully understand that real men have to accept the mistakes that they have made, and live with the consequences that those mistakes carry with them. I also have come to understand, that when a man starts to learn from his past mistakes and begins to correct the flaws that he has, his life will change for the better.

I am no philosopher or psychiatrist Ms. Strong, I have just lived on this earth a long time, and in doing so you begin to have insight on the different aspects of life, and living. This insight is heightened by being isolated from society, and the simple things that people sometimes take for granted.

I know that you may be busy with the holiday season being in full swing, and I do not want to take away any of your time from that in reading this letter. So I will make this as brief and to the point as I possibly can. I need your help Ms. Strong

As you know, I was the guy that was in the Red Car with the guy that came into the restaurant and got shot. (His name was Gerry Bennett) The police wanted me to tell them who the guy was that shot Gerry I am telling you as I told them Ms. Strong, I do not know who that guy was, or the other guys that were with him Sure, I knew why we were there, and what we were there for, but I did not kill my friend.

I waited in the car for him to conduct his business with that guy, as you saw I never got out of the car until the shooting started. When I did get out of the car, the same guy shot at me and I started running across the parking lot. As I was running, I seen the bushes that were next to the building at the back. I didn't want my coat to get stuck in the bushes when I ran through them, so I slipped my coat off as I was running and it was left on the ground. In my coat pocket was a parking lot hospital pass with my girlfriends hospital room number on it. It was from Hutzel Hospital. We had a daughter born 2 days before this happened. Also in the pocket was a picture of my then 7 year old daughter, and my telephone book.

Why would I leave my coat at the scene of a crime with all of that vital information in it that would ultimately lead the police straight to me. It makes no sense, and I tried to explain that to them but they would not listen.

I could have went to the police afterwards, but I could only give them the same description that you gave them, "bright-complexion man", "medium height", with a "Big Silver Gun". The difference was, that I was a street guy, and the street code was, never under any circumstances, cooperate with the police. I know that you may not understand, but try this. My newborn daughter and her mother along with the rest of my family was out there unprotected. Never would I have allowed anything to happen to them on account of the street life that I was living.

I have never cried at any time in this place, or felt depressed. I knew that with that life came consequences. Knowing that, I had to as we say in the old school, "take my medicine". Please don't misunderstand, I was extremely angry and frustrated at what the police did to me. But I can never let that anger and frustration I felt towards the police cloud my judgement and hinder me from my regaining my freedom.

I knew that someone had to have seen what happened, and would eventually tell the police. This happened in broad daylight.

After the police got my coat, went through it and found my stuff inside, they came to arrest me. 2 days later on March 5th, I was arrested at my mothers home, on Hubbell and Florence. The police took my mothers gun from the house, which was a "Black .38", that

was registered to her since the late 70's. They said after some tests that were done on it, it was the gun that killed Gerry. So since I was with Gerry when he died, I must have killed him.

Ms. Strong, I am "6'3" tall, I have a "dark complexion", and the gun that the police have is a "Black .38". That man that you described shooting at the restaurant, "medium height", "bright complexion", with a "Big Silver Gun", was not, and could never be me.

The Detroit Crime Lab was closed down in 2008 for doing bad testing on evidence, such as Guns and Bullets. I am hoping that they will re-test the evidence in my case, but until that day comes, will you "PLEASE HELP ME".

I did not kill Gerry Ms. Strong. The police wanted me to tell them who did, and since I couldn't, they believed that I wouldn't, and sent me to prison for a crime that they know I did not commit.

I don't know if you have been watching the various television programs that show how innocent people are sent to prison all the time. The show *Vindicated* which comes on BET and *Centric Tuesday Nights*, shows how people finally receive justice after spending years and years in prison for crimes that they have not committed. I hope to be vindicated one day for this crime that I did not commit.

I have done wrong in the past Ms. Strong, and Karma catches up with everyone. But, for the past 20 years of my life that I have spent in prison an innocent man, I figure that Ms. Karma, and everyone else, are all even. I don't want to die in prison Ms. Strong.

I have a daughter whom I said was 7 years old when I was sent to prison. She is 27 now, and I have 6 grandchildren, 4 granddaughters, and 2 grandsons. I have spoken with my grandchildren on the telephone as much as I can, but I have never seen them face to face. I vowed to never have them subjected to coming inside of a prison and visiting me. I don't want them to ever have to see this side of life, especially for a circumstance that they did not cause. Their ages start at 6 years to 6 months. They are too young to understand now anyway. My second daughter is 20 years old now and a college student. She will be 21 years old on March 1st, and I will have been in prison

21 years, 4 days after her birthday.

My daughters wanted to meet with you and ask you to help their father. But I had to explain to them that this was not an ordinary situation that we are in, and that you may have reservations about helping me. I understand how they feel, they just want me to come home and help them the way a father is suppose to help his daughters.

My Faith and My Belief are never shaken.

Ms Strong, I Prayed, and Prayed, and Prayed, for GOD to help me Then in May of this year, I was blessed to have the University Of Michigan Innocence Clinic take a serious look at my case and see if they could help me. Ms. Sally Larsen of the Michigan Innocence Clinic has been assisting me with getting the facts together and contacting potential help for me I am deeply indebted to her for her help.

Ms. Strong, I just need for you to do an Affidavit for me, which basically is a letter stating that I was not the person whom you saw shooting at the restaurant. "Please Ms Strong", with that letter I can be one of those people on T.V. who has been Vindicated. There is no harm that can come to you for telling the Truth. I know that you have been reading the newspapers and watching T.V. The police have been running wild in Detroit, doing all sorts of corrupt and unethical things to lock people up whether innocent or not They don't care,

I said that I was not going to take up a lot of your time, but when a person is basically begging for their life, time seems to evaporate rapidly.

I sincerely appreciate your reading this letter I hope that you can find it in your heart to help me.

I lost my Mother in August of 2000. She went to her grave knowing that the police used her gun to send me to prison. I am not looking for any sympathy Ms. Strong, I just would like for you to help me make this wrong right.

As I close this correspondence, let me lastly say, no matter what you decide, I always have and always will, wish you nothing but the best of what this life has to offer.

\* MAY GOD BLESS YOU & YOUR FAMILY "

\*MERRY CHRISTMAS & HAPPY NEW YEAR\*

Sincerely,

[4]

**EXHIBIT 17**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DAVONTAE SANFORD,

Plaintiff,

v.

Case Number 17-13062

Honorable David M. Lawson

CITY OF DETROIT, MICHAEL  
RUSSELL, and JAMES TOLBERT,

Defendants.

\_\_\_\_\_ /

**OPINION AND ORDER GRANTING IN PART AND  
DENYING IN PART DEFENDANTS’ MOTION TO DISMISS**

Fourteen-year-old Davontae Sanford was convicted of murdering four people upon his plea of guilty in a Detroit, Michigan court in 2008. After another person confessed to the crimes and confirmed that Sanford was not involved, a state police investigation uncovered evidence that Sanford’s confession and ensuing guilty plea were the product of Detroit police misconduct. His conviction was set aside and all charges against him were dismissed in 2016, but not before he had spent over eight years in prison. He filed this lawsuit against the City of Detroit and the officers who constructed the case against him to recover damages for the violations of his civil rights that led to his wrongful conviction and confinement. The defendants moved to dismiss the complaint on various theories. One has merit: Detroit’s intervening bankruptcy bars Sanford’s claim against the City in this Court, because the final plan of adjustment discharged prepetition claims and the plaintiff is enjoined from pursuing his claim against the City except as the plan allows. Therefore, the Court will grant the motion to dismiss in part and dismiss the case against the City. The case will proceed, however, against the City’s police officers.

I. Facts

The City's motion is based in part on Federal Rule of Civil Procedure 12(b)(1); it contends that the Court does not have subject-matter jurisdiction over Sanford's claim against it. The defendant police officers' motion is based on Federal Rule of Civil Procedure 12(b)(6). Because the defendants have challenged the adequacy of the complaint under that rule, the following facts as stated in the complaint are summarized below.

Around 11:25 p.m. on September 17, 2007, two professional hit men, Vincent Smothers and Ernest Davis, executed Michael Robinson, a low level drug dealer, and three other people who were present in Robinson's home on Runyon Street, on Detroit's East Side. The killings were provoked by a drug war. Smothers also found a woman and her young child in the house, hiding in a back bedroom. The woman and her child had been hit when Smothers and Davis first fired their weapons into the house, but they had survived. Smothers told them to hide and then left the house. Once outside, he exchanged gunfire with police chaplain Jesse King, who had happened upon the scene. Smothers and Davis then ran through a vacant lot to their getaway car.

Police soon responded and began to canvas the neighborhood of the crime scene. Among the officers on scene were the defendants, Detroit Police Department (DPD) Sergeant Michael Russell and Homicide Commander James Tolbert, and non-party Investigator Dale Collins. Witnesses at the scene told the police that the shooters were two black men, 30 to 35 years old, with brown skin and slim to medium builds. One was just over six feet tall, and the other just under six feet. Both men were wearing dark clothes and masks, and the taller man (Smothers), was wearing a coat and carrying a rifle.

From their survey of the scene, the police observed that the perpetrators began their shooting rampage outside, firing into the house through the front door and windows. Then they

went inside and continued shooting at the persons they found inside. The four victims all were killed in the living room, and a handgun and assault rifle were used during the attack. A seven-year-old boy was found hiding under a bed in the back room with his mother, Valerie Glover. Glover told police that one of the attackers had spoken to her briefly, then left the house. Several marijuana plants were found growing in the basement, and neighbors told police that they thought Robinson had been selling drugs out of the home. The police also spoke to King, who told them that he had exchanged fire with one of the shooters as the men ran away from the house.

Plaintiff Davontae Sanford was 14 years old at the time and lived nearby on Beland Street. He was blind in one eye, functionally illiterate, and had a learning disability. When the police showed up, Sanford went outside, still in his pajamas, to ask them what was going on. Defendant Russell approached Sanford and asked him some questions about the shooting, which Sanford could not answer, since he did not know anything about the crime. Nearby, a K-9 officer was standing with his dog, who had been searching the scene, but the dog did not react to or show any interest in Sanford. Sanford also had no trace of blood on his clothes or person, despite the abundance of blood at the gory scene where multiple victims had been executed. Russell told Investigator Collins to take Sanford to his home and obtain parental consent to question the boy, and Collins secured a signed consent form from Sanford's grandmother. The defendants then transported Sanford to the police station, where they performed a gunshot residue test on his hands, and then interrogated him. The residue test eventually came back with a negative result.

Over the next two days, Sanford was interrogated twice by Russell and Tolbert. During one of those interrogations (it is unclear which), Sanford told the defendants that he recently had smoked marijuana and was still feeling the effect of it. The defendants also were aware of Sanford's learning disability. Nevertheless, and despite his young age, Russell and Tolbert

questioned Sanford without an attorney or guardian present, contrary to DPD policy. The first interrogation ran for several hours into the morning of September 18th, and at the end of that first session Sanford signed a confession. Sanford's purported written confession, which was composed and typed up by Russell, stated that Sanford was present during the planning of the crime, but not during the shooting, and that the executions were carried out by three persons named as "Tone," "Tone-Tone," and "Carrie." The only accurate details in the statement were inserted by the defendants when it was composed, which were (1) that a handgun and assault rifle were used, (2) that the name of the intended victim was Michael or Mike, and (3) that there was a red car in the driveway of the home.

Sanford was released and went home after he signed the first statement. However, around 8:40 p.m. on September 18th, Russell and Tolbert went to Sanford's home and spoke to Sanford and his mother, Taminko Sanford. The officers did not inform Ms. Sanford that they already had obtained a statement from Davontae in which he implicated himself. But they did obtain another signed parental consent to further question the boy. Sanford was taken to the police station, where Russell began to interrogate him a second time around 9:30 p.m. The defendants lied to Sanford during the interrogation, telling him that he would be free to go afterwards, also falsely telling him that blood from the scene had been found on his shoes. When Sanford asked for an attorney, Russell responded by calling him a "dumbass," and he told Sanford that no attorneys were available at that hour. Russell and Tolbert concocted another written confession, which included additional details police had learned about the crime, including that the shooting had started outside, there were two gunmen involved who used a handgun and a rifle, the specific positions of bodies found at the scene, the survivors found hiding in a back room, and the fact that the shooters had traded shots with a witness after they left the house. The description of the clothing Sanford

was wearing when he first was encountered by police also differed in the second statement and better matched the description of clothing witnesses had seen the gunmen wearing.

Russell and Tolbert reported, and later testified, that Sanford also had drawn a diagram of the crime scene that was attached to the second written confession. However, Tolbert had drawn that diagram and given it to Sanford, with instructions to sketch in the locations of bodies to match photographs of the scene that were shown to Sanford during the interrogation. During a 2015 investigation, Tolbert confessed to Michigan State Police investigators that he had drawn the sketch and that he falsely had testified that it was drawn by Sanford.

The interrogation facilities had audio and video recording features, but those were not active during most of the interrogation. Instead they only were turned on at the end, when police directed Sanford to “proofread” his confession (which he, however, could neither read nor understand, due to his illiteracy).

In the second statement, the perpetrators of the shooting were identified as “Los, Tone-Tone, PBI Tone, and Carrie,” but police later learned that none of those persons were involved. In particular, on September 29, 2007, DPD officers learned that Angelo Gardner, a.k.a. “Los,” and Antonio Langston, a.k.a. “PBI Tone,” both had solid alibis, and Gardner and Langston never were charged for the Runyon Street shooting. DPD officers later arrested Santo Green, a.k.a. “Tone-Tone,” but he never was charged either.

Sanford was charged with four counts of first-degree murder, based solely on the purported written confession and the sketch that he supposedly had drawn. During a psychiatric exam ordered after his arraignment, Sanford insisted he was innocent and that the police had fabricated and coerced his confession. The written statements and sketch were used as evidence at Sanford’s preliminary examination, and at a bench trial in March 2008. The defendants also testified that all

of the facts in the written statements were volunteered by Sanford with no prompting from his interrogators, and that many of them would have been known only by the shooters.

Sanford entered a mid-trial guilty plea to the four murder charges (reduced to second-degree murder) and one firearm count. On April 4, 2008, the state court sentenced him to four concurrent terms of 37 to 90 years for the murder counts and an additional two-year term for the gun count.

On April 19, 2008, two weeks after Davontae went to prison, Vincent Smothers was arrested outside his home in Shelby Township and taken in for questioning by police. Smothers was interviewed by police over the course of two days, and he confessed that he had committed multiple murders in the Detroit area in 2006 and 2007, including the Runyon Street shootings.

Smothers told police that Sanford was not involved in the Runyon Street murders, and he volunteered several facts about the crimes that previously were unknown to police, including that his accomplice and the other shooter was Ernest Davis, that Davis had used a .45 caliber pistol and Smothers used an AK-47, that Davis had fired from outside the house, that Smothers found a woman and child hiding under a bed in the back room, and spoke briefly to them before leaving, that he had taken a .40 caliber pistol from the scene which he later used in another contract killing, and that when he learned there was a warrant out for his arrest, he told his wife to hide the guns used at Runyon Street in a house that belonged to Davis's cousin.

One of the officers who questioned Smothers was defendant Russell. During an intermission, when Russell took Smothers to the bathroom, he instructed Smothers to stop making statements about the Runyon Street shooting. In May 2008, Smothers was interviewed again by DPD Investigator Ira Todd, and he again confessed to the Runyon Street shootings. Smothers

eventually was charged with eight of the twelve murders in which he had confessed his involvement — every one *except* the four shootings on Runyon Street.

In 2008, Sanford's appellate lawyer learned about Smothers' confession from news reports. Sanford filed a post-conviction motion asserting his innocence, supported in part by an affidavit supplied by Smothers. In 2015, the Michigan State Police began an investigation into alleged police misconduct surrounding the Runyon Street murder investigation. As noted above, Tolbert finally confessed to state police investigators then that he had fabricated the sketch supposedly drawn by Sanford. The evidence collected by the state police also included the contents of victim Michael Robinson's cell phone, which included a photograph of a .40 caliber pistol that resembled the gun used by Smothers in one of the murders to which he confessed (the same gun that Smothers told police he had taken away from the Runyon Street scene).

On May 20, 2016, the state police submitted a report of the investigation to the Wayne County Prosecutor's office. On June 8, 2016, Sanford's attorneys and the Wayne County Prosecutor's Office submitted a joint stipulation asking the trial court to set aside Sanford's conviction, and Sanford was released from custody. Finally, on July 19, 2016, the state court dismissed all of the charges against him.

The plaintiff filed his complaint in this case on September 18, 2017. The defendants filed a motion to dismiss in lieu of an answer. The complaint pleads four counts alleging violations of various constitutional amendments via 42 U.S.C. § 1983 and the Americans With Disabilities Act (ADA), and a separate claim against the City of Detroit. In Count I, the complaint alleges that the police violated the plaintiff's right to due process under the Fifth and Fourteenth Amendments by (1) fabricating inculpatory evidence, (2) withholding exculpatory evidence that they were required to disclose under *Brady v. Maryland*, and (3) compelling, manipulating, and coercing the plaintiff

to make a false confession. In Count II Sanford alleges that the police violated his rights under the Fourth Amendment by instigating a malicious prosecution against him based on fabricated evidence and without probable cause.

In Count III, Sanford alleges that the City of Detroit endorsed the illegal conduct by the defendants through customs, policies, and practices of pursuing rushed, shoddy investigations of high profile cases in order to secure quick arrests and convictions of any available suspect, while deliberately ignoring and suppressing evidence that pointed to anyone other than the designated suspect, and, subsequently, bestowing commendations and promotions on officers who secured rapid arrests and convictions, even when supervisors knew about dishonest and illegal conduct during their investigations. Sanford alleges in the complaint that defendant Tolbert was promoted to Commander of the Detroit Police Department's Major Crimes Unit in 2005, the same year when he was accused by Southfield police of filing a false police report (a felony).

In Count IV, Sanford alleges that when he was arrested and interrogated, he had intellectual and learning disabilities, was a minor (age 14), and was illiterate, and that he therefore was subject to a disability under the ADA, but instead of reasonably accommodating the plaintiff's disability and ensuring that he understood what was happening during his interrogation, the police instead intentionally exploited his diminished mental capacity by subjecting him to extended interrogation sessions, telling him to sign documents including a confession that he could not read or understand, and leading him to believe that he would be allowed to go free if he confessed, although that obviously was false.

In their motion, the defendants challenge each of these counts.

## II. Post-Bankruptcy Claim Against Detroit

In 2013, the City of Detroit filed for protection under Chapter 9 of the Bankruptcy Code. The bankruptcy court set a date of February 21, 2014 for filing a proof of claim against the City. The City argues that Sanford's claims against it are barred by the discharge that resulted from the approval of the City's final plan of adjustment, which occurred on November 12, 2014. Sanford responds that none of the claims are barred by the bankruptcy, because they did not accrue, and he could not have asserted them by the exercise of reasonable diligence, before his conviction was vacated in 2016.

It is undisputed that Sanford never filed a proof of claim in the bankruptcy proceeding. The critical question is whether Sanford's claims raised against the City in this lawsuit are prepetition "claims." The City's liability on prepetition claims "was discharged when the Plan [of Adjustment] was confirmed on November 12, 2014, and became effective on December 10, 2014." *In re City of Detroit, Michigan*, 548 B.R. 748, 751 (Bankr. E.D. Mich. 2016). Claimants seeking damages from the City based on claims that can be characterized as prepetition claims "are enjoined from pursuing a recovery beyond what is provided for in the Plan." *Ibid.* (citing 11 U.S.C. §§ 524(a)(2), 901(a), 944).

"The Bankruptcy Code defines 'claim' as a 'right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured.'" *Id.* at 761 (quoting 11 U.S.C. § 101(5)). "Congress intended by this language to adopt the broadest available definition of "claim," which includes 'all legal obligations of the debtor, no matter how remote or contingent.'" *Ibid.* (quoting *Johnson v. Home State Bank*, 501 U.S. 78, 83 (1991); *In re Huffly Corp.*, 424 B.R. 295, 301 (Bankr. S.D. Ohio 2010) (quotations marks omitted)).

“‘[F]ederal law determines when a claim arises under the Bankruptcy Code.’” *In re Castellino Villas, AKF, LLC*, 836 F.3d 1028, 1034 (9th Cir. 2016) (quoting *In re SNTL Corp.*, 571 F.3d 826, 839 (9th Cir. 2009)). When determining whether a creditor’s claim arose before a bankruptcy petition was filed, most federal courts, including bankruptcy courts within the Sixth Circuit, “use the ‘fair contemplation’ test. Under this test, ‘a claim arises when a claimant can fairly or reasonably contemplate the claim’s existence even if a cause of action has not yet accrued under nonbankruptcy law.’” *Ibid.* (quoting *SNTL Corp.*, 571 F.3d at 839); *see also In re City of Detroit, Michigan*, 548 B.R. at 761 (collecting cases). “‘It is well-established that a claim is ripe as an allowable claim in a bankruptcy proceeding even if it is a cause of action that has not yet accrued.’” *SNTL Corp.*, 571 F.3d at 839 (quoting *VillCool Fuel, Inc. v. Board of Equalization (In re Cool Fuel, Inc.)*, 210 F.3d 999, 1007 (9th Cir. 2000)).

It must be said here that all Sanford’s claims against the City were within his “fair contemplation” before the City declared bankruptcy. He certainly contemplated the factual bases underlying the claims raised in the complaint, since he attempted repeatedly to argue actual innocence before the state courts since at least 2008, insisting that his confession was falsely obtained, concocted, and coerced. Sanford correctly points out that he could not have sued the City until his convictions were set aside, which did not happen until after the bankruptcy. But the courts that have considered the question uniformly have concluded that claims based on prepetition malicious prosecutions were barred, notwithstanding that the plaintiff could not file suit on his claims until his criminal conviction was overturned.

For instance, in *In re Motors Liquidation Co.*, 576 B.R. 761 (Bankr. S.D.N.Y. 2017), the court, confronting similar facts, concluded that the claims based on prepetition misconduct were barred, notwithstanding that the plaintiff could not file suit until after the criminal case against him

was dismissed, which occurred post-petition. The plaintiff, Gillispie, brought a claim alleging that certain General Motors employees were complicit in causing his wrongful conviction for rape, kidnapping and robbery. The employees' conduct predated the automaker's bankruptcy filing, but Gillispie's convictions were not vacated until after the bankruptcy filing. In finding the claims barred, the court found "irrelevant" the fact that non-bankruptcy law prevented Gillispie from bringing his claim against GM until his convictions were set aside, because "the 'accrued state law claim theory' does not apply to the determination whether a creditor has a 'claim' under section 101(5)(A) of the Bankruptcy Code." *Id.* at 777. The court explained:

The occurrence of the contingency event that would trigger Old GM's potential liability, namely the vacation of the conviction, was within the actual or presumed contemplation of Gillispie at the time he was convicted allegedly as a result of the conduct of GM employees. Gillispie surely knew (and believed) that his conviction was not warranted based on Old GM's employees' testimony, and as a result[,] Gillispie "has steadfastly maintained his innocence and labored tirelessly for over 20 years to clear his name." Gillispie initiated proceedings to vacate or reverse his conviction as soon as he was convicted. For example, as soon as February 26, 1991 — two weeks after his conviction — Gillispie filed a motion in state court seeking a new trial.

*Ibid.* Because Gillispie's claims were contingent on the successful termination of his criminal case, and were disputed and unliquidated, they were "contingent claims within the meaning of section 101(5)(A) of the Bankruptcy Code. To preserve the claims in this bankruptcy case, Gillispie had to file a proof of claim before the Bar Date." *Ibid.*; *see also Stone v. Kmart Corp.*, No. 06-302, 2007 WL 1034959, at \*3 (M.D. Ala. Mar. 30, 2007) ("The accrual time for Plaintiff's malicious prosecution claim under Alabama law does not control this action. The relevant inquiry is whether a claim has accrued under bankruptcy law based upon the statutory definition of a claim. The court finds that Plaintiff's claim accrued for purposes of bankruptcy law prior to the Bar Date. Applying the broad definition of claim to the facts of this case, Plaintiff, at the time of her arrest, had an arguably remote claim for malicious prosecution against Kmart. The scope of the term

claim, as determined through the legislative history of the Bankruptcy Code, is more than broad enough to accommodate a malicious prosecution action, although the action has not accrued for purposes of state law.”).

For the same reasons, Sanford’s claims against the City must be considered prepetition claims. As such, it is barred by the City’s bankruptcy. 11 U.S.C. §§ 524(a)(2) (“A discharge in a case under this title . . . operates as an injunction against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such debt as a personal liability of the debtor, whether or not discharge of such debt is waived . . .”).

### III. Claims Against the Officers

Sanford brings his claims against the individual defendants under 42 U.S.C. § 1983 and Title II of the Americans with Disabilities Act (ADA), 42 U.S.C. § 12132.

Defendants Russell and Tolbert argue that (1) the plaintiff is estopped from proceeding with any claims against them for his wrongful conviction because his guilty pleas, and the subsequent affirmance of his convictions by the state courts, were “superseding causes” of his damages; (2) the *Brady* claims are barred because (a) the State had no obligation to disclose any information about the other person who confessed to the crimes of conviction, after the plaintiff pleaded guilty and was convicted, (b) the information about the falsity of the plaintiff’s confession and the fabrication of the sketch was equally available to the plaintiff, and the State therefore had no obligation to disclose any such information to him, and (c) fabricated information in police reports that were not disclosed was inadmissible hearsay, and the State has no obligation to disclose any information that does not constitute evidence; (3) the plaintiff is judicially estopped from asserting that he was unable to read or write, because he testified under oath at his plea hearing that he could read and write English; and (4) the plaintiff’s ADA claim for failure to provide

reasonable accommodations during his interrogation accrued 10 years ago when he was interrogated, his *Brady* claims accrued nine years ago when he became aware of the allegedly falsified and withheld information, his claims based on a coerced confession accrued when his confession was used against him during the trial proceedings, and the limitations period was not tolled due to the plaintiff's incarceration and expired after any period of tolling due to the plaintiff's minority, so all of those claims are time barred under Michigan's three-year statute of limitations.

To state a claim under section 1983, the plaintiff must plead facts showing that a defendant acting "under color of state law" deprived him of a right established by the Constitution or the laws of the United States. *Baynes v. Cleland*, 799 F.3d 600, 607 (6th Cir. 2015) (citing *Sigley v. City of Parma Heights*, 437 F.3d 527, 533 (6th Cir. 2006)). The plaintiff must establish the liability of each individual defendant by that person's own conduct. *Ashcroft v. Iqbal*, 556 U.S. 662, 676 (2009) ("Because vicarious liability is inapplicable to Bivens and § 1983 suits, a plaintiff must plead that each Government-official defendant, through the official's own individual actions, has violated the Constitution."). Sanford contends that the conduct of both Russell and Tolbert deprived him of rights guaranteed by the Fourth, Fifth, and Fourteenth Amendments and the ADA.

#### A. Claims Relating to Police Misconduct

##### 1. Coerced Confession

Sanford contends that his confession, and later his guilty plea, were coerced by the defendants' misconduct. The misconduct consisted of fabricating evidence, deception, refusing a request for a lawyer, and exploiting the plaintiff's illiteracy and mental deficiencies. The complaint plainly states a claim under the Fifth and Fourteenth Amendments.

It is true that extracting an involuntary confession by itself does not establish the civil liability of the interrogator under section 1983. *Chavez v. Martinez*, 538 U.S. 760, 766-67 (2003).

However, “[u]sing a coerced confession against the accused at trial may give rise to a claim for violation of the accused’s Fifth Amendment right not to be a witness against himself.” *Avery v. City of Milwaukee*, 847 F.3d 433, 439 n.2 (7th Cir. 2017) (citing *Chavez*, 538 U.S. at 767).

A confession is involuntary when “(i) the police activity was objectively coercive; (ii) the coercion in question was sufficient to overbear the defendant’s will; (iii) and the alleged police misconduct was the crucial motivating factor in the defendant’s decision to offer the statements.” *United States v. Binford*, 818 F.3d 261, 271 (6th Cir. 2016) (quoting *United States v. Mahan*, 190 F.3d 416, 422 (6th Cir. 1999)).

The plaintiff plausibly has alleged sufficient facts establishing each of these elements. He has outlined how the conduct of Tolbert and Russell was objectively coercive, when these defendants, knowing of his minority and his learning disability, induced Sanford to endorse a written confession and purported accompanying sketch of the crime scene which, due to his mental condition and illiteracy, he had no reasonable capacity knowingly or intelligently to comprehend or adopt. Moreover, the complaint also alleges that, during the second interrogation, at the end of which Sanford purportedly signed a second and more detailed written confession, the defendants refused the plaintiff’s request for an attorney and assured the plaintiff that he would be free to go if he confessed. Promises by police that a suspect would not be prosecuted may be illusory and suffice to show coercion where the police had no authority control whether the defendant would be charged or not based on the evidence collected by them. *United States v. Siler*, 526 F. App’x 573, 576 (6th Cir. 2013).

The plaintiff also alleges that the confession played a major role in his midtrial guilty plea, thereby connecting the defendants’ misconduct as a “crucial motivating factor” in his decision to plead guilty. Sanford has stated a viable claim for violation of his rights under the Fifth

Amendment’s self-incrimination and due process clauses. *See Sornberger v. City of Knoxville, Ill.*, 434 F.3d 1006, 1025 (7th Cir. 2006) (“[W]here, as here, a suspect’s criminal prosecution was not only initiated, but was commenced because of her allegedly un-warned confession, the ‘criminal case’ contemplated by the Self-Incrimination Clause has begun.”); *Avery*, 847 F.3d at 439.

## 2. Malicious Prosecution

The plaintiff also amply has made out viable claims for malicious prosecution under the Fourth and Fourteenth Amendments. The complaint states facts establishing these elements: “(1) that a criminal prosecution was initiated against the plaintiff and that the defendant made, influenced, or participated in the decision to prosecute; (2) that there was a lack of probable cause for the criminal prosecution; (3) that, as a consequence of a legal proceeding, the plaintiff suffered a deprivation of liberty apart from the initial seizure; and (4) that the criminal proceeding must have been resolved in the plaintiff’s favor.” *Mills v. Barnard*, 869 F.3d 473, 480 (6th Cir. 2017) (quotations omitted).

The plaintiff charges that the defendants induced a fraudulent prosecution that resulted in the defendant’s guilty plea to four murders that he did not commit. Those allegations track “[t]he prototypical case of malicious prosecution[, which] involves an official who fabricates evidence that leads to the wrongful arrest or indictment of an innocent person.” *Ibid.* So it is here. The Sixth Circuit readily has recognized malicious prosecution claims where the police instigate a fraudulent prosecution by presenting false evidence and lying under oath. *Sykes v. Anderson*, 625 F.3d 294, 313-14 (6th Cir. 2010) (“[W]e have no trouble concluding that a reasonable jury could have found that Sgt. Nichols influenced or participated in the decision to prosecute and that her

false testimony was thus one cause of the commencement of the criminal proceedings against the Plaintiffs.” (rejecting argument that police officers did not “make the decision” to prosecute)).

#### B. Superseding Cause

The defendants take the curious position that the plaintiff’s guilty plea, and state court appellate rulings upholding his conviction, were “superseding causes” of his damages that bar him from recovering for the defendants’ misconduct. But the two cases that they cite to support that theory readily are distinguishable because in those cases the plaintiffs’ convictions had not been overturned, and in one case the allegedly fabricated evidence supported a single charge that had been dismissed. *Reyes v. City of New York*, 992 F. Supp. 2d 290, 298 (S.D.N.Y. 2014) (“Plaintiff did not plead guilty to the tampering with evidence charge that the purportedly fabricated evidence [a packet of heroin] created (as it was dropped) — thus, the charge formed no part of his criminal sentence.”); *Barmapov v. Barry*, No. 09-03390, 2011 WL 32371, at \*4 (E.D.N.Y. Jan. 5, 2011) (“Plaintiff was convicted by guilty plea on September 8, 2009, and sentenced to ninety days imprisonment. As ninety days after September 8, 2009 have long since elapsed, and there is no evidence that Plaintiff is currently incarcerated, this Court can only conclude that Plaintiff is no longer ‘in custody.’”).

All the other cases that might illuminate the argument involved claims of alleged Fourth Amendment violations for unreasonable searches or seizures without probable cause, which the courts uniformly held were barred by subsequent guilty pleas or admissions that resulted in still-intact convictions. *Brown v. Morales*, No. 13-1056, 2017 WL 6949522, at \*5 (W.D.N.Y. Oct. 10, 2017), *report and recommendation adopted*, No. 13-1056, 2018 WL 451823 (W.D.N.Y. Jan. 17, 2018) (“Because Plaintiff pled guilty to multiple counts in the superseding indictment, there is conclusive evidence that probable cause existed for his arrest, and his false arrest claim should be

barred.”); *Masetta v. Town of Irondequoit*, No. 06-6143, 2010 WL 4823684, at \*4 (W.D.N.Y. Nov. 29, 2010) (“[A] guilty plea on an underlying charge establishes probable cause as a matter of law.”); *Padilla v. Miller*, 143 F. Supp. 2d 453, 477 (M.D. Pa. 1999) (“At trial, Fayne Padilla admitted that the firearms found in his trunk were not owned by him and that he was carrying the concealed weapons and ammunition without a license to do so. Under these circumstances, Trooper Miller’s violation of Padilla’s Fourth Amendment rights cannot be regarded as the proximate cause of Fayne Padilla’s incarceration.”).

In this case, Sanford is not attempting to recover merely for an unlawful initial arrest or an unreasonable search — violations which are complete when they occur, regardless of the ultimate outcome of the criminal proceeding. Instead, he is seeking damages arising from a wrongful prosecution and conviction — which, the plaintiff alleges, inevitably compelled his fateful decision to plead guilty in the face of substantial false evidence manufactured by the police and presented to the court at his bench trial. The defendants’ position that they should be *absolved* of liability for stacking the deck against the plaintiff because their efforts to corner him into a guilty plea *succeeded* is nonsense, and they cite no authority to support it. Instead, the Supreme Court has stated that “§ 1983 ‘should be read against the background of tort liability that makes a man responsible for the natural consequences of his actions.’” *Malley v. Briggs*, 475 U.S. 335, 345 (1986) (quoting *Monroe v. Pape*, 365 U.S. 167, 187 (1961)).

Sanford unquestionably has pleaded facts that demonstrate the defendants’ wrongful conduct caused his damages. “Traditional tort concepts of causation inform the causation inquiry on a § 1983 claim.” *Powers v. Hamilton Cty. Pub. Def. Comm’n*, 501 F.3d 592, 608 (6th Cir. 2007) (citing *McKinley v. City of Mansfield*, 404 F.3d 418, 438 (6th Cir. 2005)). Sanford has alleged that Tolbert’s and Russell’s conduct was both a cause-in-fact and the proximate cause of

his injuries. He has alleged that his prosecution and incarceration for a crime he did not commit “would not have occurred but for the[ir] conduct.” *Ibid.* (citing *Butler v. Dowd*, 979 F.2d 661, 669 (8th Cir. 1992)). And he has plausibly alleged that his damages were the foreseeable result of their misconduct in fabricating a case against him. *Id.* at 609 (noting that “courts have framed the § 1983 proximate-cause question as a matter of foreseeability, asking whether it was reasonably foreseeable that the complained of harm would befall the § 1983 plaintiff as a result of the defendant’s conduct”).

The defendants’ attempt to foist responsibility on the state courts fares no better, because judicial action does not “supersede” the defendants’ liability where the instigation and progress of the trial and appellate process was tainted by the defendants’ deception. *Cf. Geronimo-Dominguez v. Vill. of Albion*, No. 07-406C, 2009 WL 3128311, at \*3 (W.D.N.Y. Sept. 29, 2009) (“A *valid* prosecution resulting in conviction is conclusive evidence that probable cause existed for an arrest.”); *Wray v. City of New York*, 490 F.3d 189, 193 (2d Cir. 2007) (“*In the absence of evidence that Officer Weller misled or pressured the prosecution or trial judge, we cannot conclude that his conduct caused the violation of Wray’s constitutional rights; rather, the violation was caused by the ill-considered acts and decisions of the prosecutor and trial judge.*”) (emphases added).

Nothing about Sanford’s guilty plea sensibly can be regarded as an intervening or superseding cause that isolated the defendants’ misconduct and prevented it from visiting damages for the constitutional violations Sanford alleged. Sanford has pleaded viable claims for these violations of his rights.

### C. *Brady v. Maryland* Claims

Sanford also plausibly has alleged violations of his Fourteenth Amendment due process rights based on the defendants’ unconscionable conduct in falsifying evidence against him and

suppressing evidence that would have prompted his exoneration (and eventually did). It is well established that “the suppression by the prosecution of evidence favorable to an accused upon request violates due process where the evidence is material either to guilt or to punishment, irrespective of the good faith or bad faith of the prosecution.” *Wearry v. Cain*, --- U.S. ---, 136 S. Ct. 1002, 1006 (2016) (quoting *Brady v. Maryland*, 373 U.S. 83, 87 (1963)).

The defendants persistently fixate on the plaintiff’s knowledge of his own innocence. But they ignore the crucial evidence that was so stubbornly suppressed by them, *namely their admissions that they made up evidence and concocted a written confession out of whole cloth, and then lied under oath to the prosecutor and the state trial court to procure a conviction*. However, courts have “[c]onsistently held that a police officer who manufactures false evidence against a criminal defendant violates due process if that evidence is later used to deprive the defendant of [his] liberty in some way.” *Avery*, 847 F.3d at 439 (quoting *Whitlock v. Brueggemann*, 682 F.3d 567, 580 (7th Cir. 2012); citing *Mooney v. Holohan*, 294 U.S. 103, 112 (1935) (“[T]he presentation of testimony known to be perjured . . . to procure the conviction and imprisonment of a defendant is as inconsistent with the rudimentary demands of justice as is the obtaining of a like result by intimidation.”)).

The defendants’ confessions of their own lies certainly would have been admissible in any court proceeding. And their admissions would have lent decisive weight to the plaintiff’s claims that he was innocent — likely, as it did nearly a decade later, promptly leading to his exoneration and the dismissal of the case against him. Those facts certainly suffice to sustain a substantive due process claim. *Winslow v. Smith*, 696 F.3d 716, 736 (8th Cir. 2012) (“Plaintiffs assert that their substantive due process rights were violated when Defendants conducted a conscience-shocking reckless investigation and amassed false evidence that was used to box Plaintiffs into entering

guilty pleas. . . . Accordingly, we find Plaintiffs have pointed to sufficient evidence to support their claims based on a conscience-shocking, reckless investigation and manufactured false evidence.”).

The plaintiff also plausibly has alleged violations of his post-conviction due process rights caused by the defendants’ continued efforts to obscure and conceal the evidence that another person had confessed to the murders. According to the complaint, defendant Russell went as far as brazenly coaching the confessed true killer to “keep quiet” about his guilt and Sanford’s innocence. “In 2009, the Supreme Court acknowledged that convicted individuals ‘have a liberty interest in demonstrating [their] innocence with new evidence under state law.’” *Howard v. City of Durham*, No. 17-477, 2018 WL 1621823, at \*4 (M.D.N.C. Mar. 31, 2018) (quoting *District Attorney’s Office for Third Judicial Dist. v. Osborne*, 557 U.S. 52, 68 (2009)). “While *Osborne* recognizes that a ‘criminal defendant proved guilty after a fair trial does not have the same liberty interests as a free man,’ it also makes clear that conduct that ‘transgresses any recognized principle of fundamental fairness in operation’ can cause a violation of a convicted individual’s right to demonstrate his innocence with new evidence.” *Ibid.* (quoting 557 U.S. at 68-69). The *Howard* court had little difficulty when facing similar facts finding a viable claim for denial of post-conviction due process:

Howard represents, and the officers do not dispute, that the 2011 court order directed the DPD to “immediately share with counsel for Mr. Howard any information it possesses about the man whose DNA was detected in Doris W.’s sexual assault kit.” Howard further alleges that Soucie and Pennica intentionally suppressed the recording of Jones and its contents, despite that order. The recording was plausibly key evidence, as Howard was exonerated at the hearing when it was presented to the state court. As such, the court finds that a reasonable person in the position of Soucie and Pennica should have known that suppression of the recording would violate the court’s disclosure order and Howard’s right to post-conviction relief, pursuant to his liberty interest. Moreover, that Soucie and Pennica acted intentionally in violation of the order is plausibly alleged, given the detailed allegations regarding their involvement in the case and that they provided

a written report that allegedly misrepresented their interactions with Jones and omitted the fact that Jones made incriminating, contradictory, and inconsistent statements.

*Howard*, 2018 WL 1621823, at \*5 (citations omitted).

Similarly, Sanford has stated a viable claim for violation of his rights under the Fourteenth Amendment's Due Process Clause.

#### D. Americans with Disabilities Act

The plaintiff alleges that the defendants violated the ADA by their failure to account for his mental limitations during his interrogation, and, moreover, their apparent cynical and deliberate exploitation of those limitations, of which they allegedly were aware. Title II of the ADA “provides that ‘no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.’” *Roell v. Hamilton County*, 870 F.3d 471, 488 (6th Cir. 2017) (quoting 42 U.S.C. § 12132). “Neither the Supreme Court nor [the Sixth Circuit] has squarely addressed whether Title II of the ADA applies in the context of an arrest.” *Id.* at 489. However, “several [other] circuits [] have found Title II applicable to law-enforcement activities, including arrests.” *Ibid.*

Two types of claims can be brought under Title II: “claims for intentional discrimination and claims for a reasonable accommodation.” *Ibid.* (citing *Ability Center of Greater Toledo v. City of Sandusky*, 385 F.3d 901, 907 (6th Cir. 2004)). The Eighth Circuit has held that both types of ADA claims may arise from exploitative police conduct in the course of a custodial interrogation, on facts that pale against the stark allegations in the complaint in this case. *See Folkerts v. City of Waverly*, 707 F.3d 975, 983-84 (8th Cir. 2013).

The defendants contend that the plaintiff is “judicially estopped” from claiming that he cannot read or write (or could not in 2007), based on his monosyllabic response to the trial judge’s

question on that point during the plea colloquy. Defs.’ Reply, Ex. 7, Plea Tr. at 71 (“Q. You can read and write the English language without trouble? A. Yes.”) (Pg ID 1780).

“Judicial estoppel is an ‘equitable doctrine that preserves the integrity of the courts by preventing a party from abusing the judicial process through cynical gamesmanship, achieving success on one position, then arguing the opposite to suit an exigency of the moment.’” *United States v. Bates*, 730 F. App’s 281, 283 (6th Cir. 2017) (quoting *Mirando v. United States Dep’t of Treasury*, 766 F.3d 540, 545 (6th Cir. 2014)). “While declining to establish ‘inflexible prerequisites or an exhaustive formula for determining the applicability of judicial estoppel,’ the Supreme Court identified three factors that often guide a court in deciding whether to apply the doctrine: ‘First, a party’s later position must be clearly inconsistent with its earlier position. Second, courts regularly inquire whether the party has succeeded in persuading a court to accept that party’s earlier position, so that judicial acceptance of an inconsistent position in a later proceeding would create the perception that either the first or the second court was misled. . . . A third consideration is whether the party seeking to assert an inconsistent position would derive an unfair advantage or impose an unfair detriment on the opposing party if not estopped.’” *Ibid.* (quoting *New Hampshire v. Maine*, 532 U.S. 742, 750-51 (2001)). However, “it is ‘well-settled that judicial estoppel does not apply where the prior inconsistent position occurred because of mistake or inadvertence.’” *Ibid.* (quoting *Lewis v. Weyerhaeuser Co.*, 141 F. App’x 420, 425 (6th Cir. 2005)); *see also New Hampshire v. Maine*, 532 U.S. at 753 (“We do not question that it may be appropriate to resist application of judicial estoppel when a party’s prior position was based on inadvertence or mistake.” (quotations omitted)).

The balance of equities does not favor the application of judicial estoppel here, because (1) the plaintiff does not stand to procure any “unfair advantage” by his supposed contradictory

positions; and (2) in any event, he plausibly has alleged that his mental condition was such that he reasonably could have given his answer in the criminal proceeding inadvertently or by mistake — i.e., because he did not fully understand the nature or consequences of the question posed to him.

The complaint states cognizable claims for intentional discrimination and denial of reasonable accommodations under Title II of the ADA.

#### E. Statute of Limitations

Finally, the defendants contend that the plaintiff's claims are time-barred. "Although the statute of limitations is an affirmative defense, a claim may be dismissed under Rule 12(b)(6) if the complaint affirmatively shows that the claim is time-barred." *Lambert v. Sessions*, No. 17-5324, 2017 WL 8217699, at \*2 (6th Cir. Oct. 4, 2017) (citing *Cataldo v. U.S. Steel Corp.*, 676 F.3d 542, 547 (6th Cir. 2012) ("The statute of limitations is an affirmative defense, and a plaintiff generally need not plead the lack of affirmative defenses to state a valid claim.") (citing Fed. R. Civ. P. 8(a), (c))). The defendants argue that Sanford did not file his complaint within three years of when his claims accrued. They contend that the plaintiff's claims accrued either when he was interrogated or confessed, or when he was convicted.

In Michigan, a three-year statute of limitations applies to federal claims brought under 42 U.S.C. § 1983. *Scott v. Ambani*, 577 F.3d 642, 646 (6th Cir. 2009). The date on which a section 1983 claim accrues is determined by reference to federal law and in accordance with common-law tort principles. *Wallace v. Kato*, 549 U.S. 384, 388 (2007). "Under those principles, it is the standard rule that accrual occurs when the plaintiff has a complete and present cause of action, that is, when the plaintiff can file suit and obtain relief." *Ibid.* (internal citations, quotations marks, and brackets omitted). That rule was complicated, however, by the Court's earlier decision in *Heck v. Humphrey*, 512 U.S. 477 (1994), which held that "a § 1983 cause of action for damages

attributable to an unconstitutional conviction or sentence does not accrue until the conviction or sentence has been invalidated.” *Id.* at 489–90. The conviction is invalidated when it “has been reversed on direct appeal, expunged by executive order, declared invalid by a state tribunal authorized to make such determination, or called into question by a federal court’s issuance of a writ of habeas corpus.” *Id.* at 487.

Sanford’s claims are timely because it is undisputed that they were filed within three years after the criminal proceedings against the plaintiff terminated in his favor, by the trial court’s order of dismissal. *See King v. Harwood*, 852 F.3d 568, 579 (6th Cir. 2017). “Because an ‘element that must be alleged and proved in a malicious prosecution action is termination of the prior criminal proceeding in favor of the accused,’ the statute of limitations in such an action does not begin to run until ‘the plaintiff knows or has reason to know of’ such favorable termination.” *Ibid.* (quoting *Heck v. Humphrey*, 512 U.S. 477, 484 (1994); *Eidson v. State of Tenn. Dept. of Children’s Servs.*, 510 F.3d 631, 635 (6th Cir. 2007)). The same can be said of Sanford’s other claims, since he was convicted and success on his claims would imply the invalidity of the convictions. *See Kucharski v. Leveille*, 526 F. Supp. 2d 768, 774 (E.D. Mich. 2007).

Curiously, the defendants argue that *Heck* does not apply to prolong the accrual date of Sanford’s claims because the criminal proceedings have not terminated in the plaintiff’s favor, since the dismissal was “without prejudice.” But the record is unclear on the precise nature of the trial court’s order, since no copy of that order was attached to the pleadings, and none is evident from the portions of the trial court record so far submitted to the Court. In any event, the Sixth Circuit readily has found that the third element under *Heck* is satisfied where the prosecution has been “abandoned” by the State, without regard to whether the dismissal was “with” or “without” prejudice. *E.g., Mills*, 869 F.3d at 479-480 (“In 2014, Mills filed a motion to dismiss the

indictment, and the State responded with a *nolle prosequi* motion. The Marshall County Circuit Court entered a *nolle prosequi* order on April 4, 2014. . . . There appears to be no dispute that Mills suffered a deprivation of liberty and that the proceeding was eventually resolved in his favor . . . .”); Black’s Law Dictionary (10th ed. 2014) (“Nolle Prosequi: 1. A legal notice that a lawsuit or prosecution *has been abandoned*. 2. A docket entry showing that the plaintiff or the prosecution *has abandoned the action*.”); *King*, 852 F.3d at 576 (“On October 9, 2014, the Spencer Circuit Court entered an order dismissing the charges against King, *thereby terminating the criminal prosecution against her*. King now seeks to bring claims under both 42 U.S.C. § 1983 and Kentucky tort law against Defendants, chiefly arising from her prosecution and confinement.”) (emphases added).

Sanford’s claims are not time-barred.

#### IV. Conclusion

Plaintiff Davontae Sanford’s claims against the City of Detroit must be considered prepetition claims that are barred by the approval of the City’s final plan of adjustment, which was approved by the bankruptcy court on November 12, 2014. However, he has stated viable claims against defendants Michael Russell and James Tolbert. Their challenges to those claims in their motion to dismiss have no merit.

Accordingly, it is **ORDERED** that the defendants’ motion to dismiss (ECF No. 36) is **GRANTED IN PART AND DENIED IN PART**.

It is further **ORDERED** that the complaint is **DISMISSED WITHOUT PREJUDICE** against defendant City of Detroit **only**. The motion is **DENIED** in all other respects.

s/David M. Lawson  
DAVID M. LAWSON  
United States District Judge

Date: December 4, 2018

**PROOF OF SERVICE**

The undersigned certifies that a copy of the foregoing order was served upon each attorney or party of record herein by electronic means or first-class U.S. mail on December 4, 2018.

s/Susan K. Pinkowski  
SUSAN K. PINKOWSKI

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,  
Debtor.

Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DESMOND RICKS, AKILAH COBB  
AND DESIRE’A RICKS**

This case is before the Court on the motion filed by the City of Detroit, entitled “City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Desmond Ricks, Akilah Cobb and Desire’a Ricks (Docket # 13000, the “Motion”).<sup>1</sup> The Court held a hearing on the Motion on March 20, 2019. For the reasons stated by the Court on the record during the hearing,

**IT IS ORDERED THAT:**

1. The Motion is granted.
2. No later than March 27, 2019, Desmond Ricks, Akilah Cobb and Desire’a Ricks must each dismiss, or cause to be dismissed, the City of Detroit with prejudice from the case captioned as *Desmond Ricks, Akilah Cobb and*

---

<sup>1</sup> Capitalized terms used but not otherwise defined in this Order have the meanings given to them in the Motion.

*Desire’A Ricks, Plaintiffs, v. David Pauch, etc., et al., Defendants*, filed in the United States District Court for the Eastern District of Michigan and assigned Case No. Case No. 2:17-cv-12784 (the “Lawsuit”).

3. Desmond Ricks, Akilah Cobb and Desire’a Ricks (the “Plaintiffs”) are each permanently enjoined from asserting claims asserted in the Lawsuit or claims arising from or related to the Lawsuit against the City of Detroit or property of the City of Detroit. Any and all claims made by Plaintiffs against Defendants David Pauch, Donald Stawiasz, and/or Robert B. Wilson (the “Individuals”) in their individual capacity (rather than in their official capacity) are unaffected by this Order. This Order does not affect any right to indemnity that the Individuals may have against the City of Detroit.

4. The Court will retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**Signed on March 20, 2019**



**/s/ Thomas J. Tucker**

---

**Thomas J. Tucker  
United States Bankruptcy Judge**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER  
AGAINST DEBRA METRIS-SHAMOON, MUKHLIS SHAMOON, CARL  
VERES, PAUL METRIS AND JULIA METRIS**

The City of Detroit, Michigan (“City”) by its undersigned counsel, Miller, Canfield, Paddock and Stone, PLC, files this *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris* (“Motion”).

In support of this Motion, the City respectfully states as follows:

**I. Introduction**

1. On July 8, 2021, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris (collectively, the “Plaintiffs”) filed their second amended complaint against the City seeking monetary damages on account of alleged events that occurred approximately ten months before the City filed for bankruptcy. The filing of the lawsuit violates the discharge and injunction provisions in the City’s confirmed Plan and the Bar Date Order (each as defined below). The City informed the Plaintiffs of these violations and asked them to

voluntarily dismiss the lawsuit, but to no avail. As a result, the City is left with no choice but to seek an order barring and permanently enjoining the Plaintiffs from asserting and prosecuting the claims described in the federal court action against the City or property of the City and requiring the Plaintiffs to dismiss the federal court action with prejudice.

## II. Factual Background

### A. The City's Bankruptcy Case

2. On July 18, 2013 ("Petition Date"), the City filed this chapter 9 case.

3. On October 10, 2013, the City filed its *Motion Pursuant to Section 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* ("Bar Date Motion") [Doc. No. 1146], which was approved by order of this Court on November 21, 2013 ("Bar Date Order"). [Doc. No. 1782].

4. The Bar Date Order established February 21, 2014, as the deadline for filing claims against the City. Paragraph 6 of the Bar Date Order states that the

following entities must file a proof of claim on or before the Bar Date...any entity: (i) whose prepetition claim against the City is not listed in the List of Claims or is listed as disputed, contingent or unliquidated; and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any chapter 9 plan of adjustment proposed by the City...

Bar Date Order ¶ 6.

5. Paragraph 22 of the Bar Date Order also provides that:

Pursuant to sections 105(a) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(2), **any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules or this Order with respect to a particular claim against the City, but that fails properly to do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an “Unscheduled Claim”); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.**

6. None of the Plaintiffs have filed a proof of claim in the City’s bankruptcy case.

7. On October 22, 2014, the City filed its *Eighth Amended Plan of the Adjustment of Debts of the City of Detroit* (“Plan”), which this Court confirmed on November 12, 2014. [Doc. Nos. 8045 & 8272].

8. The discharge provision in the Plan provides:

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date, discharge the City from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (ii) the Holder of a Claim based on such debt has accepted the Plan.

Plan, Art. III.D.4, at p.50.

9. Further, the Plan injunction set forth in Article III.D.5 provides in pertinent part:

**Injunction**

**On the Effective Date, except as otherwise provided herein or in the Confirmation Order,**

**a. all Entities that have been, are or may be holders of Claims against the City...shall be permanently enjoined from taking any of the following actions against or affecting the City or its property...**

**1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affect the City of its property...**

**5. proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan or the settlements set forth herein to the extent such**

**settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and**

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

Plan, Article III.D.5, at pp.50-51 (emphasis added).

10. The Court also retained jurisdiction to enforce the Plan injunction and to resolve any suits that may arise in connection with the consummation, interpretation or enforcement of the Plan. Plan, Art. VII. F, G, I, at p.72.

**B. Plaintiff’s United States District Court Lawsuit**

11. On November 26, 2018, the Plaintiffs filed a complaint against the City and certain individuals in the United States District Court for the Eastern District of Michigan (“District Court”), commencing case number 18-13683 (“Lawsuit”). The docket sheet for the lawsuit is attached as **Exhibit 6-1**.

12. On June 25, 2021, the District Court entered the *Order Granting in Part and Denying in Part Defendants’ Motion for Judgment on the Pleadings and Denying Defendants’ Motion for Summary Judgment* (“Opinion”) in the Lawsuit. The Opinion is attached as **Exhibit 6-2**.

13. As set forth in the Opinion, each of the Plaintiffs’ claims stem from a raid which occurred on September 13, 2012. Opinion, p. 1. All of the Plaintiffs claims against the individual defendants have been dismissed. Opinion, p. 10. The only claims that remain in the Lawsuit are claims against the City.

14. In the Opinion, the District Court ordered the Plaintiffs to file an amended complaint. Opinion, p. 37.

15. On July 8, 2021, the Plaintiffs filed the *Second Amended Complaint and Jury Demand* ("Second Amended Complaint").<sup>1</sup> The Second Amended Complaint is attached as **Exhibit 6-3**. The Second Amended Complaint contains three counts. Each of the counts stem from the alleged raid on September 13, 2012. Second Amended Complaint ¶ 10.

### **III. Argument**

16. The Plaintiffs violated the Plan's injunction and discharge provisions when they filed the Lawsuit to assert claims and otherwise seek relief against the City. And, they continue to violate them by persisting in prosecuting the Lawsuit.

17. The Plan's injunction prohibited the filing of the Lawsuit and requires that it be dismissed with prejudice. Plan, Article III.D.5, at pp.50-51.

18. Further, the Plan's discharge provision states that the "rights afforded under the Plan and the treatment of Claims under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before

---

<sup>1</sup> The Plaintiffs improperly added Sgt. Stephen Geelhood as a defendant in the Second Amended Complaint even though they acknowledge that the claims against him were dismissed: "'Plaintiffs recognize that Defendant Geelhood was previously dismissed by the Court, however, he is listed herein for purposes of Plaintiffs' preserving their claims against him.'" Second Amended Complaint, p. 1, FN 1.

the Effective Date.” Plan Art. III.D.4, at p.50. The Plaintiffs did not file a proof of claim in the City’s bankruptcy case. Consequently, they do not have a right to a distribution or payment under the Plan on account of the claims asserted in the Lawsuit. Plan, Art. III.D.5, at p.50 (“[A]ll entities that have been, are or may be holders of Claims against the City . . . shall be permanently enjoined from . . . proceeding in any manner in any place whatsoever that does not conform or comply with the provisions of the Plan.”). *See also* Plan, Art. I.A.19, at p.3; Art. I.A.134, at p.11; Art. VI.A.1, at p.67 (“Notwithstanding any other provision of the Plan, no payments or Distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim.”). Any claims that Plaintiffs may have had were discharged, and the Plan enjoins the Plaintiffs from pursuing them. The Bar Date Order also forever barred, estopped and enjoined the Plaintiffs from pursuing the claims asserted in the Second Amended Complaint.

19. Even if the Plaintiffs could somehow seek relief on their claims against the City or its property (which they cannot), the proper and only forum for doing so would be in this Bankruptcy Court. There is therefore no set of circumstances under which the Plaintiffs are or would have been permitted to commence and prosecute the Lawsuit against the City or its property.

#### IV. Conclusion

20. The City thus respectfully requests that this Court enter an order, in substantially the same form as the one attached as Exhibit 1, (a) directing the Plaintiffs to dismiss, or cause to be dismissed, the Lawsuit with prejudice; (b) permanently barring, estopping and enjoining the Plaintiffs from asserting the claims alleged in, or claims related to, the Lawsuit against the City or property of the City; and (c) prohibiting the Plaintiffs from sharing in any distribution in this bankruptcy case. The City sought, but did not obtain, concurrence to the relief requested in the Motion.

Dated: April 6, 2022

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

Attorneys for the City of Detroit

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,  
Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**EXHIBIT LIST**

|             |                                 |
|-------------|---------------------------------|
| Exhibit 1   | Proposed Order                  |
| Exhibit 2   | Notice of Opportunity to Object |
| Exhibit 3   | None                            |
| Exhibit 4   | Certificate of Service          |
| Exhibit 5   | None                            |
| Exhibit 6-1 | Docket Sheet                    |
| Exhibit 6-2 | Opinion                         |
| Exhibit 6-3 | Second Amended Complaint        |

**EXHIBIT 1 – PROPOSED ORDER**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br><br>City of Detroit, Michigan,<br><br>Debtor. | Bankruptcy Case No. 13-53846<br><br>Judge Thomas J. Tucker<br><br>Chapter 9 |
|---|---|

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DEBRA METRIS-SHAMOON,  
MUKHLIS SHAMOON, CARL VERES, PAUL METRIS AND JULIA  
METRIS**

This matter, having come before the Court on the *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris* (“Motion”),<sup>1</sup> upon proper notice and a hearing, the Court being fully advised in the premises, and there being good cause to grant the relief requested,

**THE COURT ORDERS THAT:**

1. The Motion is granted.
2. Within five days of the entry of this Order, the Plaintiffs must dismiss, or cause to be dismissed, with prejudice the lawsuit captioned as Debra Metris-

---

<sup>1</sup> Capitalized terms used but not otherwise defined in this Order shall have the meanings given to them in the Motion.

Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris, Julia Metris, Plaintiffs (collectively, the “Plaintiffs”), vs. City of Detroit, and Stephen Geelhood, in his Individual Capacity; jointly and severally, filed in the United States District Court for the Eastern District of Michigan and assigned Case No. 18-13683 (“Lawsuit”).

3. The Plaintiffs are permanently barred, estopped and enjoined from asserting claims asserted in the Lawsuit or claims arising from or related to the Lawsuit against the City of Detroit or property of the City of Detroit.

4. The Plaintiffs are prohibited from sharing in any distribution in this bankruptcy case.

5. The Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**EXHIBIT 2 – NOTICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**NOTICE OF OPPORTUNITY TO OBJECT TO CITY OF  
DETROIT'S MOTION FOR THE ENTRY OF AN ORDER ENFORCING  
THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST  
DEBRA METRIS-SHAMOON, MUKHLIS SHAMOON, CARL VERES,  
PAUL METRIS AND JULIA METRIS**

The City of Detroit has filed papers with the Court requesting the Court to enforce the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney.**

If you do not want the Court to enter an Order granting the *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris*, within 14 days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:<sup>1</sup>

United States Bankruptcy Court  
211 W. Fort St., Suite 1900  
Detroit, Michigan 48226

If you mail your response to the court for filing, you must mail it early enough so that the court will **receive** it on or before the date stated above. You must also mail a copy to:

Miller, Canfield, Paddock & Stone, PLC  
Attn: Marc N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time, and location of that hearing.

**If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.**

---

<sup>1</sup> Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e).

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

Dated: April 6, 2022

**EXHIBIT 3 – NONE**

**EXHIBIT 4 – CERTIFICATE OF SERVICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |   |
|---|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. | Bankruptcy Case No. 13-53846<br>Judge Thomas J. Tucker<br>Chapter 9 |
|---|---|

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on April 6, 2022, he served a copy of the foregoing *Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris* upon counsel for Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris, in the manner described below:

Via first class mail and email:

Dennis A Dettmer  
Dettmer & Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
Email: ddetmeresq@yahoo.com

Michael R. Dezsi  
Law Office of Michael R. Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
Email: mdezsi@dezsilaw.com

DATED: April 6, 2022

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**EXHIBIT 5 – NONE**

**EXHIBIT 6-1 – DOCKET SHEET**

[Query](#) [Reports](#) [Utilities](#) [Help](#) [Log Out](#)

reassigned

**U.S. District Court  
Eastern District of Michigan (Port Huron)  
CIVIL DOCKET FOR CASE #: 3:18-cv-13683-RHC-EAS**

Metris-Shamoon et al v. City of Detroit et al  
Assigned to: District Judge Robert H. Cleland  
Referred to: Magistrate Judge Elizabeth A. Stafford  
Cause: 28:1983 Civil Rights

Date Filed: 11/26/2018  
Jury Demand: Both  
Nature of Suit: 440 Civil Rights: Other  
Jurisdiction: Federal Question

**Plaintiff****Debra Metris-Shamoon**

represented by **Dennis A Dettmer**  
Dettmer & Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
313-757-8112  
Fax: 313-887-0420  
Email: [ddettmeresq@yahoo.com](mailto:ddettmeresq@yahoo.com)  
**ATTORNEY TO BE NOTICED**

**Michael R. Dezsi**  
Law Office of Michael R. Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
313-757-8112  
Fax: 313-887-0420  
Email: [mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)  
**ATTORNEY TO BE NOTICED**

**Plaintiff****Mukhlis Shamoon**

represented by **Dennis A Dettmer**  
(See above for address)  
**ATTORNEY TO BE NOTICED**

**Michael R. Dezsi**  
(See above for address)  
**ATTORNEY TO BE NOTICED**

**Plaintiff****Carl Veres**

represented by **Dennis A Dettmer**  
(See above for address)  
**ATTORNEY TO BE NOTICED**

**Michael R. Dezsi**  
(See above for address)  
**ATTORNEY TO BE NOTICED**

**Plaintiff**

13-53846-tjt Doc 13812-10 Filed 04/09/23 Entered 04/09/23 05:50:05 Page 66 of 60

**Paul Metris**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Julia Metris**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

V.

**Defendant**

**City of Detroit**

represented by **Crystal B Olmstead**  
City of Detroit Law Department  
2 Woodward Ave Ste. 500  
Detroit, MI 48224  
313-237-5035  
Fax: 313-224-5505  
Email: olmsteadc@detroitmi.gov  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
Allen Brothers  
400 Monroe Street  
Suite 220  
Detroit, MI 48226  
313-962-7777  
Email: jamesallen@allenbrotherspllc.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
Allen Brothers, Attorneys and Counselors,  
PLLC  
400 Monroe  
Suite 620  
Detroit, MI 48226  
313-962-7777  
Email: jsurowiec@allenbrotherspllc.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
Schenk & Bruetsch, PLC

211 W. Fort Street, Suite 1410  
Detroit, MI 48226  
313-774-1000  
Email: Lindsey.Johnson@SBDetroit.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Patrick M. Cunningham**  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-5032  
Fax: 313-224-5505  
Email: cunninghamp@detroitmi.gov  
*ATTORNEY TO BE NOTICED*

**Defendant**

**John Doe**  
*TERMINATED: 03/21/2019*

represented by **John Doe**  
PRO SE

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Jane Doe**  
*TERMINATED: 03/21/2019*

represented by **Jane Doe**  
PRO SE

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Joe Tucker**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)

**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**Defendant**

**Sgt Candace Matschikowski**  
**TERMINATED: 06/25/2021**

represented by **Crystal B Olmstead**  
(See above for address)  
**LEAD ATTORNEY**  
**ATTORNEY TO BE NOTICED**

**James P. Allen**  
(See above for address)  
**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**James M. Surowiec**  
(See above for address)  
**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**Lindsey R. Johnson**  
(See above for address)  
**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**Defendant**

**Sgt Stephen Geelhood**

represented by **Crystal B Olmstead**  
(See above for address)  
**LEAD ATTORNEY**  
**ATTORNEY TO BE NOTICED**

**James P. Allen**  
(See above for address)  
**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**James M. Surowiec**  
(See above for address)  
**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**Lindsey R. Johnson**  
(See above for address)  
**TERMINATED: 12/07/2021**  
**ATTORNEY TO BE NOTICED**

**Defendant**

**Juan Davis**  
**TERMINATED: 06/25/2021**

represented by **Crystal B Olmstead**  
(See above for address)  
**LEAD ATTORNEY**  
**ATTORNEY TO BE NOTICED**

**James P. Allen**  
(See above for address)

*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Brian A Johnson**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
 (See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

| Date Filed | #                 | Docket Text   |
|------------|-------------------|---|
| 11/26/2018 | <a href="#">1</a> | COMPLAINT filed by All Plaintiffs against All Defendants with Jury Demand. <b>Plaintiff requests summons issued.</b> Receipt No: 0645-7002575 - Fee: \$ 400. <b>County of 1st Plaintiff: Macomb - County Where Action Arose: Macomb - County of 1st Defendant: Wayne.</b> [Previously dismissed case: No] [Possible companion case(s): USDC EDMICH, 15-cv-10547, Judge Borman] (Dezsi, Michael) (Entered: 11/26/2018) |
| 11/27/2018 | <a href="#">2</a> | SUMMONS Issued for *City of Detroit* (SKra) (Entered: 11/27/2018)   |
| 11/27/2018 |                   | A United States Magistrate Judge of this Court is available to conduct all proceedings in this civil action in accordance with 28 U.S.C. 636c and FRCP 73. The Notice, Consent, and Reference of a Civil Action to a Magistrate Judge form is available for download at <a href="http://www.mied.uscourts.gov">http://www.mied.uscourts.gov</a> (SKra) (Entered: 11/27/2018)  |
| 11/29/2018 | <a href="#">3</a> | NOTICE of Appearance by Dennis A Dettmer on behalf of All Plaintiffs. (Dettmer, Dennis) (Entered: 11/29/2018)   |
| 12/12/2018 | <a href="#">4</a> | CERTIFICATE of Service/Summons Returned Executed. City of Detroit served on 12/12/2018, answer due 1/2/2019. (Dezsi, Michael) (Entered: 12/12/2018)   |

|            |                    |  |
|------------|--------------------|--|
| 12/13/2018 | <a href="#">5</a>  | NOTICE of Appearance by James P. Allen on behalf of City of Detroit. (Allen, James) (Entered: 12/13/2018)  |
| 12/13/2018 | <a href="#">6</a>  | NOTICE of Appearance by Lindsey R. Johnson on behalf of City of Detroit. (Johnson, Lindsey) (Entered: 12/13/2018)  |
| 12/17/2018 | <a href="#">7</a>  | STIPULATED ORDER Extending Time for Response to <a href="#">1</a> Complaint. <b>Response due by 1/31/2019</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/17/2018)  |
| 01/31/2019 | <a href="#">8</a>  | ANSWER to Complaint with Affirmative Defenses with Jury Demand <i>Defendant City of Detroit's Answer to Complaint, Affirmative Defenses and Other Defenses and Reliance Upon Jury Demand and Certificate of Service</i> by City of Detroit. (Allen, James) (Entered: 01/31/2019)   |
| 02/15/2019 | <a href="#">9</a>  | NOTICE TO APPEAR: <b>Scheduling/Settlement Conference set for 3/7/2019 11:30 AM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 02/15/2019)   |
| 02/21/2019 |                    | TEXT-ONLY NOTICE: <b>Scheduling/Settlement Conference ADJOURNED TO 3/14/2019 11:00 AM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 02/21/2019)   |
| 03/13/2019 | <a href="#">10</a> | ATTORNEY APPEARANCE: James M. Surowiec appearing on behalf of City of Detroit (Surowiec, James) (Entered: 03/13/2019)  |
| 03/14/2019 |                    | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Scheduling Conference held on 3/14/2019. (MLan) (Entered: 03/14/2019)   |
| 03/14/2019 | <a href="#">11</a> | SCHEDULING ORDER: <b>Witnesses to be exchanged by 5/1/2019, Discovery Motions to be filed by 8/23/2019, Discovery due by 9/20/2019, Dispositive Motion Cut-off set for 10/28/2019, Joint Final Pretrial Order due 2/3/2020, Final Pretrial Conference set for 2/10/2020 02:30 PM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (Refer to image for additional dates) (MLan) (Entered: 03/14/2019) |
| 03/21/2019 | <a href="#">12</a> | STIPULATED ORDER Allowing Plaintiffs to File First Amended Complaint. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 03/21/2019)  |
| 03/21/2019 | <a href="#">13</a> | AMENDED COMPLAINT with Jury Demand filed by All Plaintiffs against All Defendants. <b>NEW PARTIES ADDED.</b> (Dezsi, Michael) (Entered: 03/21/2019)  |
| 03/21/2019 |                    | <b>REQUEST for SUMMONS for Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker.</b> (Dezsi, Michael) (Entered: 03/21/2019)  |
| 03/22/2019 | <a href="#">14</a> | SUMMONS Issued for *Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker* (DPer) (Entered: 03/22/2019)   |
| 04/03/2019 | <a href="#">15</a> | STIPULATED ORDER Extending Time for Response to <a href="#">13</a> Amended Complaint. <b>Response due by 4/29/2019</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 04/03/2019)   |
| 04/10/2019 | <a href="#">16</a> | CERTIFICATE of Service/Summons Returned Executed. Stephen Geelhood served on 4/5/2019, answer due 4/26/2019. (Dezsi, Michael) (Entered: 04/10/2019)  |
| 04/18/2019 | <a href="#">17</a> | CERTIFICATE of Service/Summons Returned Executed. Brian A Johnson served on 4/17/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)   |
| 04/18/2019 | <a href="#">18</a> | CERTIFICATE of Service/Summons Returned Executed. Juan Davis served on 4/17/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)  |
| 04/18/2019 | <a href="#">19</a> | CERTIFICATE of Service/Summons Returned Executed. Joe Tucker served on 4/18/2019, answer due 5/9/2019. (Dezsi, Michael) (Entered: 04/18/2019)  |

|            |                    |   |
|------------|--------------------|---|
| 04/29/2019 | <a href="#">20</a> | ATTORNEY APPEARANCE: James P. Allen appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Allen, James) (Entered: 04/29/2019)  |
| 04/29/2019 | <a href="#">21</a> | ATTORNEY APPEARANCE: James M. Surowiec appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Surowiec, James) (Entered: 04/29/2019)  |
| 04/29/2019 | <a href="#">22</a> | ATTORNEY APPEARANCE: Lindsey R. Johnson appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 04/29/2019)  |
| 04/29/2019 | <a href="#">23</a> | ANSWER to Amended Complaint with Affirmative Defenses <i>and Reliance Upon Jury Demand</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 04/29/2019)   |
| 05/01/2019 | <a href="#">24</a> | <i>Plaintiffs'</i> WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 05/01/2019)  |
| 05/01/2019 | <a href="#">25</a> | <i>Defendants' Preliminary Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 05/01/2019)  |
| 05/13/2019 | <a href="#">26</a> | AMENDED ANSWER to Complaint <a href="#">13</a> Amended Complaint with Affirmative Defenses <i>and Reliance Upon Jury Demand</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 05/13/2019)  |
| 08/08/2019 | <a href="#">27</a> | STIPULATED ORDER Allowing Defendants Leave to File Amended Affirmative Defenses. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/08/2019)  |
| 08/09/2019 | <a href="#">28</a> | AFFIRMATIVE DEFENSES by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 08/09/2019)  |
| 08/13/2019 | <a href="#">29</a> | ORDER REFERRING OTHER MATTERS to Magistrate Judge R. Steven Whalen: Discovery Conference. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/13/2019)   |
| 08/20/2019 | <a href="#">30</a> | NOTICE TO APPEAR: <b>Discovery Conference set for 9/10/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 08/20/2019)  |
| 08/22/2019 | <a href="#">31</a> | MOTION Extend Scheduling Order by 120 days by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A) (Johnson, Lindsey) (Entered: 08/22/2019)   |
| 08/22/2019 | <a href="#">32</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/22/2019)  |
| 08/26/2019 | <a href="#">33</a> | NOTICE OF HEARING on <a href="#">31</a> Defendants' MOTION to Amend Scheduling Order Dates by 120 Days . <b>Motion Hearing set for 9/10/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 08/26/2019)   |
| 09/04/2019 | <a href="#">34</a> | RESPONSE to <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Indictment, # <a href="#">3</a> Exhibit B Jury Trial Transcript, # <a href="#">4</a> Exhibit C Internal Affairs File, # <a href="#">5</a> Exhibit D Affidavit and Search Warrant, # <a href="#">6</a> Exhibit E Discovery Requests, # <a href="#">7</a> Exhibit F Notices of Deposition) (Dezsi, Michael) (Entered: 09/04/2019) |

|            |                    |  |
|------------|--------------------|--|
| 09/06/2019 | <a href="#">35</a> | REPLY to Response re <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6, # <a href="#">8</a> Exhibit 7) (Johnson, Lindsey) (Entered: 09/06/2019)  |
| 09/10/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Discovery Conference held on 9/10/2019 - (CCie) Modified on 9/10/2019 (CCie). (Entered: 09/10/2019)   |
| 09/10/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 9/10/2019 re <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood - Disposition: Motion granted. (Court Reporter: Digitally Recorded) (CCie) (Entered: 09/10/2019)   |
| 09/10/2019 | <a href="#">36</a> | ORDER GRANTING DEFENDANTS' <a href="#">31</a> Motion to Amend Scheduling Order- Signed by Magistrate Judge R. Steven Whalen. ***PLEASE SEE DOCUMENT FOR IMPORTANT DATES*** (CCie) (Entered: 09/10/2019)  |
| 09/14/2019 | <a href="#">37</a> | MOTION for Reconsideration re <a href="#">36</a> Order on Motion - Free by All Defendants. (Attachments: # <a href="#">1</a> Exhibit May v. City of Detroit) (Surowiec, James) (Entered: 09/14/2019)   |
| 09/17/2019 | <a href="#">38</a> | ORDER STAYING <a href="#">36</a> Order on Motion, Set Deadlines as to <a href="#">37</a> MOTION for Reconsideration re <a href="#">36</a> Order on Motion: ( <b>Plaintiff's Response due by 9/24/2019</b> ) - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 09/17/2019)  |
| 09/18/2019 | <a href="#">39</a> | RESPONSE to <a href="#">37</a> MOTION for Reconsideration re <a href="#">36</a> Order on Motion - Free filed by All Plaintiffs. (Dezsi, Michael) (Entered: 09/18/2019)   |
| 09/23/2019 | <a href="#">40</a> | ORDER DENYING DEFENDANTS <a href="#">37</a> Motion for Reconsideration - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 09/23/2019)   |
| 10/31/2019 | <a href="#">41</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 11/13/2019 02:00 PM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 10/31/2019)   |
| 11/08/2019 | <a href="#">42</a> | MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Declaration, # <a href="#">3</a> Exhibit B Redacted Declaration, # <a href="#">4</a> Exhibit C Deposition Transcript, # <a href="#">5</a> Exhibit D Affidavit & Warrant, # <a href="#">6</a> Exhibit E Sealed) (Dezsi, Michael) (Entered: 11/08/2019)   |
| 11/08/2019 | <a href="#">43</a> | <b>SEALED</b> EXHIBIT <i>E Deposition Transcript</i> re <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free by All Plaintiffs. (Dezsi, Michael) (Entered: 11/08/2019)  |
| 11/12/2019 | <a href="#">44</a> | MOTION to Compel <i>Deposition Testimony</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit Article, # <a href="#">3</a> Exhibit Notices of Depositions, # <a href="#">4</a> Exhibit email, # <a href="#">5</a> Exhibit Jackson trial testimony, # <a href="#">6</a> Exhibit Leavells Plea Agreement, # <a href="#">7</a> Exhibit Leavells trial testimony, # <a href="#">8</a> Exhibit Indictment, # <a href="#">9</a> Exhibit Memo Re Reorganization, # <a href="#">10</a> Exhibit Objections to Discovery, # <a href="#">11</a> Exhibit Sims Depo Trans excerpts) (Dezsi, Michael) (Entered: 11/12/2019) |
| 11/13/2019 |                    | TEXT-ONLY NOTICE: Telephone Status Conference on 11/13/2019 is Cancelled. Issues resolved. (MLan) (Entered: 11/13/2019)  |
| 11/13/2019 | <a href="#">45</a> | ORDER REFERRING MOTIONS to Magistrate Judge R. Steven Whalen: <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order re <a href="#">36</a> Order filed by Julia Metris, Doc 13832-10 Filed 04/09/23 Entered 04/09/23 09:56:05 Page 73 of 80  |

13-53846-tjt

|            |                    |   |
|------------|--------------------|---|
|            |                    | Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 11/13/2019)  |
| 11/19/2019 | <a href="#">46</a> | NOTICE OF HEARING on <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt 36] and <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> . <b>Resolved/Unresolved Issues due by 12/17/2019. Motion Hearings set for 12/19/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 11/19/2019)   |
| 11/22/2019 | <a href="#">47</a> | RESPONSE to <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free <i>with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Plaintiffs' Concurrence Email, # <a href="#">3</a> Exhibit 2- Plaintiffs' Emails agreeing to Protective Order, # <a href="#">4</a> Exhibit 3- Plaintiffs' Statement of Unresolved Discovery Issues, # <a href="#">5</a> Exhibit 4- Plaintiffs' Email Denying Concurrence, # <a href="#">6</a> Exhibit 5- Email from Case Manager, # <a href="#">7</a> Exhibit 6- Attorney's Eyes Only Discovery Production, # <a href="#">8</a> Exhibit 7-Attorney's Eyes Only Geelhood Dep Transcript, # <a href="#">9</a> Exhibit 8- Geelhood Transcript Pages Start-Finish Times) (Surowiec, James) (Entered: 11/22/2019) |
| 11/22/2019 | <a href="#">48</a> | <b>SEALED</b> EXHIBIT re <a href="#">47</a> Response to Motion,, by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Exhibit 6-Attorney's Eyes Only Court Ordered Discovery Production, # <a href="#">2</a> Exhibit 7- Attorney's Eyes Only Geelhood Deposition Transcript) (Surowiec, James) (Entered: 11/22/2019)   |
| 11/25/2019 | <a href="#">49</a> | REPLY to Response re <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/25/2019)  |
| 11/27/2019 | <a href="#">50</a> | RESPONSE to <a href="#">44</a> MOTION to Compel <i>Deposition Testimony with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1-Search Warrant, # <a href="#">3</a> Exhibit 2-Articles) (Surowiec, James) (Entered: 11/27/2019)  |
| 12/03/2019 | <a href="#">51</a> | REPLY to Response re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/03/2019)  |
| 12/09/2019 | <a href="#">52</a> | MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 12/09/2019)  |
| 12/10/2019 | <a href="#">53</a> | INDEX of Exhibits re <a href="#">52</a> MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Attachments: # <a href="#">1</a> Exhibit 1- Proposed Protective Order, # <a href="#">2</a> Exhibit 2- Search Warrant, # <a href="#">3</a> Exhibit 3- Deposition Excerpts Metris-Shamoon, # <a href="#">4</a> Exhibit 4- Chief Craig Declaration, # <a href="#">5</a> Exhibit 5-Chief Godbee Declaration) (Surowiec, James) (Entered: 12/10/2019)   |
| 12/10/2019 | <a href="#">54</a> | INDEX of Exhibits re <a href="#">52</a> MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker ( <b>CORRECTED VERSION</b> ) (Attachments: # <a href="#">1</a> Exhibit 1- Proposed Protective Order, # <a href="#">2</a> Exhibit 2- Search Warrant, # <a href="#">3</a> Exhibit 3- Deposition Excerpts Metris-Shamoon, # <a href="#">4</a> Exhibit 4- Chief Craig Declaration, # <a href="#">5</a> Exhibit 5-Chief Godbee Declaration) (Surowiec, James) (Entered: 12/10/2019)  |

|            |                    |  |
|------------|--------------------|--|
| 12/13/2019 | <a href="#">55</a> | EXHIBIT <i>Supplemental Exhibits</i> re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> by All Plaintiffs (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit news article, # <a href="#">3</a> Exhibit news article) (Dezsi, Michael) (Entered: 12/13/2019)  |
| 12/16/2019 | <a href="#">56</a> | <i>First Amended Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 12/16/2019)   |
| 12/19/2019 | <a href="#">57</a> | <i>Second Amended Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 12/19/2019)  |
| 12/19/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 12/19/2019 re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Disposition: Motion <a href="#">42</a> and <a href="#">44</a> granted. (Court Reporter: Digitally Recorded - DUTY) (CCie) (Entered: 12/20/2019) |
| 12/20/2019 | <a href="#">58</a> | ORDER GRANTING PLAINTIFF'S <a href="#">42</a> Motion for Relief from Magistrate Judge's Discovery Order - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 12/20/2019)  |
| 12/20/2019 | <a href="#">59</a> | ORDER GRANTING PLAINTIFF'S <a href="#">44</a> Motion to Compel- Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 12/20/2019)  |
| 12/23/2019 | <a href="#">60</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">52</a> MOTION for Protective Order filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/23/2019)  |
| 12/30/2019 | <a href="#">61</a> | MOTION to Compel <i>Production of Documents</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Detroit News Article, # <a href="#">3</a> Exhibit B Plaintiffs' 2nd RTP, # <a href="#">4</a> Exhibit C Defendants' Objections 2nd RTP, # <a href="#">5</a> Exhibit D Detroit News Article, # <a href="#">6</a> Exhibit E Detroit News Article, # <a href="#">7</a> Exhibit F Jury Trial Transcript Gary Jackson, # <a href="#">8</a> Exhibit G Jury Trial Transcript Arthur Leavells) (Dezsi, Michael) (Entered: 12/30/2019)   |
| 12/30/2019 | <a href="#">62</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/30/2019)   |
| 12/30/2019 | <a href="#">63</a> | MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A- Plaintiffs' Responses to Roggs, # <a href="#">3</a> Exhibit B- Plaintiffs' Doc Production, # <a href="#">4</a> Exhibit C-Plaintiffs' Responses to RPD, # <a href="#">5</a> Exhibit D-December 16th Email, # <a href="#">6</a> Exhibit E - Dec 29 to 30th Email Correspondence) (Johnson, Lindsey) (Entered: 12/30/2019)   |
| 01/03/2020 | <a href="#">64</a> | ORDER DENYING DEFENDANTS' <a href="#">52</a> Motion for Protective Order - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 01/03/2020)   |
| 01/03/2020 | <a href="#">65</a> | REQUEST for an Extension of Time in order to Object to Magistrate Judge's Opinion by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Declaration of Surowiec and Email, # <a href="#">3</a> Exhibit 2- Declaration of Holland, # <a href="#">4</a> Exhibit 3- Email to Court Reporter) (Surowiec, James) (Entered: 01/03/2020)  |

|            |                    |   |
|------------|--------------------|---|
| 01/03/2020 | <a href="#">66</a> | REQUEST ( <i>Corrected</i> ) for Extension of Time to File Objections to the Opinion and Order of the Magistrate Judge by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Declaration of Surowiec and Email, # <a href="#">3</a> Exhibit 2- Declaration of Holland, # <a href="#">4</a> Exhibit 3- Email to Court Reporter) (Surowiec, James) (Entered: 01/03/2020)  |
| 01/07/2020 | <a href="#">67</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 01/07/2020)  |
| 01/07/2020 | <a href="#">68</a> | NOTICE OF HEARING on <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> and <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> . <b>Resolved/Unresolved Issues due by 2/4/2020. Motion Hearing set for 2/6/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 01/07/2020)   |
| 01/07/2020 |                    | TEXT-ONLY ORDER GRANTING DEFENDANT'S <a href="#">66</a> Request for An Extension of Time, filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood - Entered by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 01/07/2020)   |
| 01/09/2020 | <a href="#">69</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 1/13/2020 03:00 PM before District Judge Arthur J. Tarnow.</b> Counsel are directed to forward their phone numbers by email to mike_lang@mied.uscourts.gov prior to the conference. (MLan) (Entered: 01/09/2020)  |
| 01/13/2020 |                    | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Telephonic Status Conference held on 1/13/2020. (MLan) (Entered: 01/13/2020)   |
| 01/13/2020 | <a href="#">70</a> | RESPONSE to <a href="#">61</a> MOTION to Compel <i>Production of Documents and Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Hearing Transcript, # <a href="#">3</a> Exhibit 2 - Search Warrant, # <a href="#">4</a> Exhibit 3- Defendants Discovery Responses) (Johnson, Lindsey) (Entered: 01/13/2020)   |
| 01/14/2020 | <a href="#">71</a> | RESPONSE to <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 01/14/2020)   |
| 01/17/2020 | <a href="#">72</a> | NOTICE by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker re <a href="#">64</a> Order on Motion for Protective Order, <a href="#">59</a> Order on Motion to Compel <i>of Objections to the Orders of the Magistrate Judge</i> (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Hearing Transcript, Dec 19, 2019, # <a href="#">3</a> Exhibit 2- Order Granting Plaintiffs' Motion to Compel Depositions, # <a href="#">4</a> Exhibit 3- Order Denying Defendants' Motion for Protective Order) (Surowiec, James) (Entered: 01/17/2020) |
| 01/20/2020 | <a href="#">73</a> | SUPPLEMENTAL BRIEF re <a href="#">72</a> Notice (Other),, <i>Response to Defendants Objections to Magistrate Judge's Orders</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit News Article 12/11/19, # <a href="#">3</a> Exhibit News Article 12/12/19) (Dezsi, Michael) (Entered: 01/20/2020)  |
| 01/21/2020 | <a href="#">74</a> | REPLY to Response re <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit E, # <a href="#">3</a> Exhibit F, # <a href="#">4</a> Exhibit G, # <a href="#">5</a> Exhibit H, # <a href="#">6</a> Exhibit I) (Johnson, Lindsey) (Entered: 01/21/2020)   |
| 01/21/2020 | <a href="#">75</a> | REPLY to Response re <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit H Transcript) (Dezsi,   |

|            |                    |   |
|------------|--------------------|---|
|            |                    | Michael) (Entered: 01/21/2020)  |
| 01/23/2020 | <a href="#">76</a> | SUPPLEMENTAL BRIEF re <a href="#">74</a> Reply to Response to Motion, filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 01/23/2020)  |
| 01/27/2020 | <a href="#">77</a> | MOTION TO EXTEND Discovery <i>30 Days</i> by All Plaintiffs. (Dezsi, Michael) (Entered: 01/27/2020)   |
| 01/29/2020 | <a href="#">78</a> | ORDER Sustaining in part and Overruling in part <a href="#">72</a> Objections by Defendants re <a href="#">64</a> Order on Motion for Protective Order, <a href="#">59</a> Order on Motion to Compel. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 01/29/2020)   |
| 01/29/2020 | <a href="#">79</a> | ORDER REFERRING MOTIONS to Magistrate Judge R. Steven Whalen: <a href="#">77</a> MOTION TO EXTEND Discovery 30 Days filed by Plaintiffs, <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Plaintiffs, <a href="#">52</a> MOTION for Protective Order filed by Defendants. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 01/29/2020)   |
| 01/29/2020 | <a href="#">80</a> | SUPPLEMENTAL BRIEF re <a href="#">78</a> Order, Order to Vacate filed by All Plaintiffs. (Dezsi, Michael) (Entered: 01/29/2020)   |
| 02/04/2020 | <a href="#">81</a> | NOTICE OF HEARING on <a href="#">77</a> MOTION TO EXTEND Discovery <i>30 Days</i> . <b>Motion Hearing set for 2/6/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen - (CCie)</b> (Entered: 02/04/2020)  |
| 02/04/2020 | <a href="#">82</a> | RESPONSE to <a href="#">77</a> MOTION TO EXTEND Discovery <i>30 Days Opposing Any Extension</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Plaintiffs' 2nd Notice of Deposition for Chiefs, # <a href="#">3</a> Exhibit 2- Email between Counsel, # <a href="#">4</a> Exhibit 3- Hearing Transcript Excerpts (12/19/2019), # <a href="#">5</a> Exhibit 4- Plaintiffs' 1st Notice of Deposition of Chiefs, # <a href="#">6</a> Exhibit 5- US Atty Sentencing Memo, # <a href="#">7</a> Exhibit 6- Police Report, # <a href="#">8</a> Exhibit 7- Mukhlis Shamoon Deposition Excerpts, # <a href="#">9</a> Exhibit 8- Preliminary Lab Tests, # <a href="#">10</a> Exhibit 9- Chain of Custody Reports, # <a href="#">11</a> Exhibit 10- Notice of Forfeiture, # <a href="#">12</a> Exhibit 11- January Notices of Deps & Subpoenas, # <a href="#">13</a> Exhibit 12- Plaintiffs' 5th RFP, # <a href="#">14</a> Exhibit 13- Notice of Status Conference, # <a href="#">15</a> Exhibit 14- Plaintiffs Email Insisting on Proceeding with Deps of Chiefs, # <a href="#">16</a> Exhibit 15- Defs' email seeking compromise) (Surowiec, James) (Entered: 02/04/2020) |
| 02/04/2020 |                    | TEXT-ONLY NOTICE: Final Pretrial Conference on 2/10/2020 is Cancelled. New date to be set following determination of pending motions. (MLan) (Entered: 02/04/2020)  |
| 02/06/2020 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 2/6/2020 re <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood, <a href="#">77</a> MOTION TO EXTEND Discovery <i>30 Days</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Disposition: <a href="#">61</a> Motion granted in part and denied in part; <a href="#">63</a> Motion granted in part and denied in part; <a href="#">77</a> Motion granted. (Court Reporter: Digitally Recorded) (CCie) (Entered: 02/06/2020)  |
| 02/07/2020 | <a href="#">83</a> | ORDER GRANTING PLAINTIFFS' <a href="#">61</a> Motion to Compel- Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/07/2020)   |
| 02/07/2020 | <a href="#">84</a> | ORDER GRANTING DEFENDANTS' <a href="#">63</a> Motion to Compel- Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/07/2020)   |
| 02/07/2020 | <a href="#">85</a> | ORDER GRANTING PLAINTIFFS' <a href="#">77</a> MOTION TO EXTEND Discovery - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/07/2020)  |

|            |                    |  |
|------------|--------------------|--|
| 02/07/2020 |                    | TEXT-ONLY ORDER AMENDING SCHEDULING ORDER: <b>Discovery due by 5/7/2020, Dispositive Motion Cut-off set for 6/8/2020, Joint Final Pretrial Order due 9/21/2020, Final Pretrial Conference set for 9/28/2020 02:30 PM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 02/07/2020)   |
| 02/10/2020 | <a href="#">86</a> | SUPPLEMENTAL ORDER re <a href="#">58</a> Order on Motion - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/10/2020)   |
| 02/10/2020 | <a href="#">87</a> | ORDER GRANTING PLAINTIFFS' <a href="#">44</a> Motion to Compel AND DENYING DEFENDANTS' <a href="#">52</a> Motion for Protective Order - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/10/2020)  |
| 03/09/2020 | <a href="#">88</a> | STIPULATED PROTECTIVE ORDER - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 03/09/2020)  |
| 04/03/2020 | <a href="#">89</a> | NOTICE by All Plaintiffs of <i>Motion to Consolidate Cases</i> (Dezsi, Michael) (Entered: 04/03/2020)  |
| 04/06/2020 | <a href="#">90</a> | MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Plaintiffs' Second Request to Produce, # <a href="#">3</a> Exhibit B Detroit News Article 12/11/2019, # <a href="#">4</a> Exhibit C Detroit News Article 12/12/2019, # <a href="#">5</a> Exhibit D Defendants' Answers to Second Request to Produce, # <a href="#">6</a> Exhibit E Article) (Dezsi, Michael) (Entered: 04/06/2020) |
| 04/06/2020 | <a href="#">91</a> | MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Jury Trial Transcript, # <a href="#">3</a> Exhibit B Detroit News Article 12/11/2019, # <a href="#">4</a> Exhibit C Detroit News Article 12/12/2019) (Dezsi, Michael) (Entered: 04/06/2020)   |
| 04/14/2020 | <a href="#">92</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 04/14/2020)   |
| 04/20/2020 | <a href="#">93</a> | RESPONSE to <a href="#">91</a> MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6) (Johnson, Lindsey) (Entered: 04/20/2020)  |
| 04/21/2020 | <a href="#">94</a> | RESPONSE to <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> in <i>opposition</i> filed by All Defendants. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A - Declaration of Graveline, # <a href="#">3</a> Exhibit B - Defendants doc production, # <a href="#">4</a> Exhibit C - Email exchange re LR 71) (Johnson, Lindsey) (Entered: 04/21/2020)   |
| 04/21/2020 | <a href="#">95</a> | NOTICE OF HEARING BY TELEPHONE on <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> . <b>Resolved/Unresolved Issues due by 5/15/2020. Motion Hearing set for 5/19/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> CALL IN INFORMATION WILL BE PROVIDED PRIOR TO HEARING. (THac) (Entered: 04/21/2020)  |
| 04/24/2020 | <a href="#">96</a> | REPLY to Response re <a href="#">91</a> MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker filed by All Plaintiffs. (Dezsi, Michael)   |

|            |                     |  |
|------------|---------------------|--|
|            |                     | (Entered: 04/24/2020)  |
| 04/27/2020 | <a href="#">97</a>  | REPLY to Response re <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 04/27/2020)  |
| 05/04/2020 | <a href="#">98</a>  | <i>Amended</i> WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 05/04/2020)   |
| 05/19/2020 |                     | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Telephonic Motion Hearing held on 5/19/2020 re <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Disposition: Motion taken under advisement (Court Reporter: Rene Twedt) (MarW) (Entered: 05/19/2020)   |
| 05/30/2020 | <a href="#">99</a>  | STIPULATED ORDER EXTENDING SCHEDULING ORDER: <b>Discovery due by 7/7/2020, Dispositive Motion Cut-off set for 8/8/2020, Final Pretrial Conference set for 11/23/2020 02:30 PM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (Refer to image for additional dates) (MLan) (Entered: 05/30/2020)  |
| 06/08/2020 | <a href="#">100</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 6/9/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen - ***PLEASE SEE NOTICE FOR ADDITIONAL IMPORTANT INFORMATION***</b> (CCie) (Entered: 06/08/2020)  |
| 06/09/2020 | <a href="#">101</a> | OPINION and ORDER GRANTING IN PART AND DENYING IN PART PLAINTIFFS' <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 06/09/2020)  |
| 06/09/2020 |                     | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Telephonic Status Conference held on 6/9/2020 - (CCie) (Entered: 06/09/2020)  |
| 06/15/2020 | <a href="#">102</a> | NOTICE of Appearance by Patrick M. Cunningham on behalf of City of Detroit. (Cunningham, Patrick) (Entered: 06/15/2020)  |
| 06/15/2020 | <a href="#">103</a> | MOTION to Stay re <a href="#">101</a> Memorandum Opinion & Order,, Terminate Motions, by City of Detroit. (Cunningham, Patrick) (Entered: 06/15/2020)  |
| 06/17/2020 | <a href="#">104</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">103</a> MOTION to Stay re <a href="#">101</a> Memorandum Opinion & Order filed by City of Detroit. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 06/17/2020)  |
| 06/19/2020 | <a href="#">105</a> | MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Appearance of Counsel Garcia, # <a href="#">3</a> Exhibit B Excerpt of Deposition Transcript of Arthur Leavells, # <a href="#">4</a> Exhibit C Leavells Plea Agreement, # <a href="#">5</a> Exhibit D Excerpt of Jury Trial Transcript: Arthur Leavells, # <a href="#">6</a> Exhibit E Correspondence from Garcia) (Dezsi, Michael) (Entered: 06/19/2020) |
| 06/26/2020 | <a href="#">106</a> | RESPONSE to <a href="#">103</a> MOTION to Stay re <a href="#">101</a> Memorandum Opinion & Order,, Terminate Motions, filed by All Plaintiffs. (Dezsi, Michael) (Entered: 06/26/2020)  |
| 07/01/2020 | <a href="#">107</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by Plaintiffs. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 07/01/2020)   |
| 07/01/2020 | <a href="#">108</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 7/2/2020 at 9:30 AM before Magistrate Judge R. Steven Whalen - ***PLAINTIFFS' COUNSEL,</b>   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | PLEASE EMAIL THE CASE MANAGER A CALL IN NUMBER FOR THE TELEPHONE CONFERENCE*** (CCie) (Entered: 07/01/2020)   |
| 07/01/2020 | <a href="#">109</a> | RESPONSE to <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by City of Detroit. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6, # <a href="#">8</a> Exhibit 7, # <a href="#">9</a> Exhibit 8) (Johnson, Lindsey) (Entered: 07/01/2020)  |
| 07/02/2020 |                     | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Telephonic Status Conference held on 7/2/2020 - (CCie) (Entered: 07/02/2020)   |
| 07/02/2020 | <a href="#">110</a> | ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS' <a href="#">103</a> Motion to Stay - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 07/02/2020)   |
| 07/07/2020 | <a href="#">111</a> | REPLY to Response re <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 07/07/2020)   |
| 07/16/2020 | <a href="#">112</a> | APPEAL OF MAGISTRATE JUDGE DECISION by City of Detroit re <a href="#">110</a> Order on Motion to Stay. (Cunningham, Patrick) (Entered: 07/16/2020)  |
| 07/20/2020 | <a href="#">113</a> | RESPONSE to <a href="#">112</a> Appeal of Magistrate Judge Decision <i>Denying Its Motion for Clarification or for a Sixty Day Stay of Enforcement</i> by All Plaintiffs. (Dezsi, Michael) (Entered: 07/20/2020)  |
| 07/23/2020 | <a href="#">114</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Objection to R&amp;R Hearing set for 8/5/2020 03:30 PM before District Judge Arthur J. Tarnow.</b>  Zoom Webinar Information: <a href="https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqVQyYVBXQT09">https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqVQyYVBXQT09</a> Passcode: 235954 Or join by phone: Dial(for higher quality, dial a number based on your current location): US: +1 301 715 8592 or +1 312 626 6799 or +1 602 753 0140 or +1 213 338 8477 or +1 253 215 8782  (MLan) (Entered: 07/23/2020)   |
| 07/27/2020 | <a href="#">115</a> | RE-NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Objection to R&amp;R Hearing set for 8/5/2020 03:30 PM before District Judge Arthur J. Tarnow.</b> THIS NOTICE CORRECTS THE ZOOM INVITATION INFORMATION.  Zoom Webinar Information: <a href="https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqVQyYVBXQT09">https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqVQyYVBXQT09</a> Passcode: 235954 Or iPhone one-tap : US: +13017158592,,99317086263#,,,,,0#,,235954# or +13126266799,,99317086263#,,,,,0#,,235954#  (MLan) (Entered: 07/27/2020)   |
| 08/05/2020 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: OBJECTION Hearing held on 8/5/2020. Disposition: Objection Resolved on the Record. (Court Reporter: Lawrence Przybysz) (MLan) (Entered: 08/06/2020)  |
| 08/11/2020 | <a href="#">116</a> | STIPULATED PROTECTIVE ORDER. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/11/2020)  |
| 08/11/2020 | <a href="#">117</a> | STIPULATED ORDER Extending Deadlines: <b>Discovery due by 9/10/2020, Dispositive Motion Cut-off set for 10/23/2020.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/11/2020)   |
| 08/18/2020 | <a href="#">118</a> | NOTICE by All Plaintiffs of withdrawal of <a href="#">91</a> MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker ; <i>Partial Withdrawal as to Defendant Tucker Only.</i> (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Internal Affairs documents, # <a href="#">3</a> Exhibit B Excerpt IA Case 00 213, # <a href="#">4</a> Exhibit C Defendants' Answers & Objections to Plaintiffs' Third Request for Production of Documents, # <a href="#">5</a> Exhibit D Correspondence, # <a href="#">6</a> Exhibit E Excerpt IA Case 14 149) (Dezsi, Michael) (Entered: 08/18/2020) |

|            |                     |   |
|------------|---------------------|---|
| 08/26/2020 | <a href="#">119</a> | DOCUMENT IS NOT A NOTICE DOCUMENT TITLED: DEFENDANTS RESPONSE TO PLAINTIFFS NOTICE OF PARTIAL WITHDRAWAL OF MOTION FOR VOLUNTARY DISMISSAL NOTICE by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker re <a href="#">118</a> Notice to Withdraw Motion,, (Surowiec, James) Modified on 8/28/2020 (L.Gra). (Entered: 08/26/2020)  |
| 08/27/2020 | <a href="#">120</a> | NOTICE by All Plaintiffs re <a href="#">116</a> Protective Order <i>Dated August 11, 2020</i> (Dezsi, Michael) (Entered: 08/27/2020)  |
| 10/23/2020 | <a href="#">121</a> | MOTION to Dismiss <i>Pursuant to Fed R Civ P 12(c) with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Davis Complaint, # <a href="#">3</a> Exhibit 2- Davis First Amended Complaint, # <a href="#">4</a> Exhibit 3- Davis Motion to Certify, # <a href="#">5</a> Exhibit 4- R&R Denying Class Cert, # <a href="#">6</a> Exhibit 5-Order Denying Class Cert, # <a href="#">7</a> Exhibit 6- Metris Shamoon Complaint, # <a href="#">8</a> Exhibit 7- Metris Shamoon First Amended Complaint) (Surowiec, James) (Entered: 10/23/2020)  |
| 10/23/2020 | <a href="#">122</a> | MOTION for Summary Judgment <i>With Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 10/23/2020)  |
| 10/24/2020 | <a href="#">123</a> | MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Geelhood Deposition, # <a href="#">3</a> Exhibit 2- Search Warrant, # <a href="#">4</a> Exhibit 3- Declaration of Tucker, # <a href="#">5</a> Exhibit 4- Declaration of Johnson, # <a href="#">6</a> Exhibit 5- Declaration of J Davis, # <a href="#">7</a> Exhibit 6- Declaration of Matschikowski, # <a href="#">8</a> Exhibit 7- DPD Report, # <a href="#">9</a> Exhibit 8-Prelim Lab Test, # <a href="#">10</a> Exhibit 9-Firearm Reports, # <a href="#">11</a> Exhibit 10- Notice of Forfeiture, # <a href="#">12</a> Exhibit 11- Dixon Declaration, # <a href="#">13</a> Exhibit 12-IBRSYS Property Reports, # <a href="#">14</a> Exhibit 13-Mrs. Shamoon Dep, # <a href="#">15</a> Exhibit 14- Mr. Shamoon Dep, # <a href="#">16</a> Exhibit 15- Photos of Grow Op, # <a href="#">17</a> Exhibit 16- Paul Metris Dep, # <a href="#">18</a> Exhibit 17- Julia Metris Dep, # <a href="#">19</a> Exhibit 18- Mr. Veres Dep) (Surowiec, James) (Entered: 10/24/2020)  |
| 11/10/2020 | <a href="#">124</a> | STIPULATED ORDER Extending Time for Responses as to <a href="#">121</a> MOTION to Dismiss Pursuant to Fed R Civ P 12(c) and <a href="#">123</a> CORRECTED MOTION for Summary Judgment: <b>Responses due by 11/23/2020</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 11/10/2020)   |
| 11/18/2020 |                     | TEXT-ONLY NOTICE: Final Pretrial Conference on 11/23/2020 is Cancelled. New date to be set following determination of pending motions. (MLan) (Entered: 11/18/2020)   |
| 11/20/2020 | <a href="#">125</a> | RESPONSE to <a href="#">123</a> MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/20/2020)  |
| 11/20/2020 | <a href="#">126</a> | APPENDIX re: <a href="#">125</a> Response to Motion filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. by All Plaintiffs <i>Combined Exhibits In Opposition to Defendants' Corrected Motion for Summary Judgment [Dkt#123] and Motion to Dismiss [Dkt #121]</i> (Attachments: # <a href="#">1</a> Exhibit A Search Warrant & Affidavit, # <a href="#">2</a> Exhibit B DPD Report (Shamoon), # <a href="#">3</a> Exhibit C Deposition Transcript of Debra Metris-Shamoon, # <a href="#">4</a> Exhibit D Order of Dismissal, # <a href="#">5</a> Exhibit E Motion Hearing Transcript, # <a href="#">6</a> Exhibit F Deposition Transcript of Matthew Bray, # <a href="#">7</a> Exhibit G Motion Hearing Transcript, # <a href="#">8</a> Exhibit H Defendants' Answers & Objections to Second Request to Admit, # <a href="#">9</a> Exhibit I Defendants' Answers & Objections to Plaintiffs' 1st Interrogatories and Requests for Production, # <a href="#">10</a> Exhibit I-2 Defendants' Answers & Objections to Plaintiffs' Fifth Request to Produce, # <a href="#">11</a> Exhibit I-3 Defendant City's Responses & Objections to Schedule A, # <a href="#">12</a> Exhibit J McGee Complaint, # <a href="#">13</a> Exhibit K Defendants Response to Court Order Production, # <a href="#">14</a> Exhibit K1 Audio Recording of |

|            |                     |  |
|------------|---------------------|--|
|            |                     | <p>Chuck Fitzgerald, # <a href="#">15</a> Exhibit L Search Warrant &amp; Affidavit (Matelic) McCallum, # <a href="#">16</a> Exhibit M Final Conference Transcript; McCallum, # <a href="#">17</a> Exhibit N WCPO Press Release, # <a href="#">18</a> Exhibit O Order of Dismissal; People v Chancellor, # <a href="#">19</a> Exhibit P Jury Trial Transcript Vol 14, # <a href="#">20</a> Exhibit Q Defendants' Answers &amp; Objections to Plaintiffs' 4th Interrogatories, # <a href="#">21</a> Exhibit R DPD Communications, # <a href="#">22</a> Exhibit S Detroit News Article 11-01-2014, # <a href="#">23</a> Exhibit T Indictment of Watson &amp; Hansberry, # <a href="#">24</a> Exhibit U Hansberry Judgment, # <a href="#">25</a> Exhibit V Watson Judgment, # <a href="#">26</a> Exhibit W Jury Trial Transcript Vol 15, # <a href="#">27</a> Exhibit X DPD Record, # <a href="#">28</a> Exhibit Y Detroit News 12-11-2019, # <a href="#">29</a> Exhibit Z Detroit News 12-12-2019, # <a href="#">30</a> Exhibit AA DPD Report (Davis), # <a href="#">31</a> Exhibit BB DPD Report (McShane), # <a href="#">32</a> Exhibit CC DPD Report (Lockard), # <a href="#">33</a> Exhibit DD DPD Report (Reid), # <a href="#">34</a> Exhibit EE Deposition Transcript of Chief Craig, # <a href="#">35</a> Exhibit FF Deposition Transcript of Stephen Geelhood 04-04-2016, # <a href="#">36</a> Exhibit GG IA File (Rayis), # <a href="#">37</a> Exhibit HH Chancellor Documents, # <a href="#">38</a> Exhibit II Search Warrant &amp; Affidavit (Geelhood); Chancellor, # <a href="#">39</a> Exhibit JJ Order of Dismissal; People v. McCallum, # <a href="#">40</a> Exhibit KK Search Warrant &amp; Affidavit (Bray); Lockard, # <a href="#">41</a> Exhibit LL Deposition Transcript of Matthew Bray 01-30-2020, # <a href="#">42</a> Exhibit MM Defendants' Answers &amp; Objections to Plaintiff's 4th Request to Produce; Frontczak, # <a href="#">43</a> Exhibit NN 2012 Operating Procedures, # <a href="#">44</a> Exhibit OO DPD Retention Policy, # <a href="#">45</a> Exhibit PP Correspondence, # <a href="#">46</a> Exhibit QQ Search Warrant &amp; Affidavit (Bray) McShane, # <a href="#">47</a> Exhibit RR Deposition Transcript of Stephen Geelhood 10-15-2019, # <a href="#">48</a> Exhibit SS Declaration of Stephen Geelhood, # <a href="#">49</a> Exhibit TT Declaration of Sgt. McCoy-O'Neill, # <a href="#">50</a> Exhibit UU Deposition Transcript (2) of Stephen Geelhood 10-15-2019, # <a href="#">51</a> Exhibit VV DPD Seizure, # <a href="#">52</a> Exhibit WW Warrendale Blog, # <a href="#">53</a> Exhibit XX Deposition Transcript of Chief Godbee, # <a href="#">54</a> Exhibit YY IA Case documents, # <a href="#">55</a> Exhibit ZZ Detroit News 01-22-2015, # <a href="#">56</a> Exhibit AAA IA Correspondence, # <a href="#">57</a> Exhibit BBB Notice of Discipline, # <a href="#">58</a> Exhibit CCC Leavells Plea Agreement, # <a href="#">59</a> Exhibit DDD Deposition Transcript of Mukhlis Shamoon, # <a href="#">60</a> Exhibit EEE SOI Documents, # <a href="#">61</a> Exhibit FFF Obituary, # <a href="#">62</a> Exhibit GGG Declaration of Justin Reid, # <a href="#">63</a> Exhibit HHH Search Warrant &amp; Affidavit (Leavells) Reid, # <a href="#">64</a> Exhibit III Search Warrant &amp; Affidavit (Leavells) Davis, # <a href="#">65</a> Exhibit JJJ Excerpt of Leavells Deposition Transcript, # <a href="#">66</a> Exhibit KKK Photographs) (Dezsi, Michael) (Entered: 11/20/2020)</p> |
| 11/20/2020 | <a href="#">127</a> | Ex Parte MOTION for Leave to File <i>Exhibits in the Traditional Manner</i> by All Plaintiffs. (Dezsi, Michael) (Entered: 11/20/2020)  |
| 11/20/2020 | <a href="#">128</a> | RESPONSE to <a href="#">121</a> MOTION to Dismiss <i>Pursuant to Fed R Civ P 12(c) with Brief in Support</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/20/2020)   |
| 11/30/2020 | <a href="#">129</a> | STIPULATION AND ORDER granting Plaintiffs' leave to file excess pages in plaintiffs' brief in opposition to Defendants' Motion for Summary Judgment <a href="#">123</a> . Signed by District Judge Arthur J. Tarnow. (McColley, N) (Entered: 11/30/2020)   |
| 12/04/2020 | <a href="#">130</a> | REPLY to Response re <a href="#">121</a> MOTION to Dismiss <i>Pursuant to Fed R Civ P 12(c) with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 8- McCallum Opinion (Excerpt), # <a href="#">3</a> Exhibit 9-WCP-CIU Memo_Redacted, # <a href="#">4</a> Exhibit 10- Deposition of APA Newman (Excerpt), # <a href="#">5</a> Exhibit 11- Cover Page CIU-Memo Under Seal) (Surowiec, James) (Entered: 12/04/2020)   |
| 12/07/2020 | <a href="#">131</a> | MOTION for Leave to File <i>Sealed Exhibit (Ex. 11) re: 130 Reply Brief</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 12/07/2020)  |
| 12/07/2020 | <a href="#">132</a> | REPLY to Response re <a href="#">123</a> MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit   |

|            |                     |  |
|------------|---------------------|--|
|            |                     | 19- Geelhood Dep Part II, # <a href="#">3</a> Exhibit 20- Police Reports, # <a href="#">4</a> Exhibit 21- CI Death Certificate, # <a href="#">5</a> Exhibit 22- Detective Rutledge Declaration, # <a href="#">6</a> Exhibit 23- CI Obituary, # <a href="#">7</a> Exhibit 24- Geelhood Declaration, # <a href="#">8</a> Exhibit 25- Verdict Form USA v. Hansberry, # <a href="#">9</a> Exhibit 26- Deposition of Chief Godbee, # <a href="#">10</a> Exhibit 27- Deposition of Chief Craig (Surowiec, James) (Entered: 12/07/2020)   |
| 12/08/2020 |                     | TEXT-ONLY ORDER granting <a href="#">127</a> Ex Parte MOTION for Leave to File <i>Exhibits in the Traditional Manner</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/08/2020)  |
| 12/10/2020 | <a href="#">136</a> | EXHIBIT K1 in support of <a href="#">126</a> Appendix filed by plaintiffs (filed in the traditional manner) (DPer) (Entered: 12/28/2020)   |
| 12/11/2020 | <a href="#">133</a> | RESPONSE to <a href="#">131</a> MOTION for Leave to File <i>Sealed Exhibit (Ex. 11) re: 130 Reply Brief</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/11/2020)  |
| 12/21/2020 | <a href="#">134</a> | STIPULATED ORDER Extending Time and Granting Excess Pages. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/21/2020)   |
| 12/22/2020 | <a href="#">135</a> | MOTION for Leave to File <i>Corrected (Signed) Declarations in Support of Defendants Motions for Summary Judgment</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits A- with corrected exhibits 3, 4, 5, 6, and 11 attached) (Surowiec, James) (Entered: 12/22/2020)  |
| 12/29/2020 | <a href="#">137</a> | RESPONSE to <a href="#">135</a> MOTION for Leave to File <i>Corrected (Signed) Declarations in Support of Defendants Motions for Summary Judgment</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/29/2020)  |
| 01/04/2021 | <a href="#">138</a> | REPLY to Response re <a href="#">135</a> MOTION for Leave to File <i>Corrected (Signed) Declarations in Support of Defendants Motions for Summary Judgment</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Exhibit A- Email of Defendants stipulating to Plaintiffs' requested relief) (Surowiec, James) (Entered: 01/04/2021)   |
| 01/22/2021 | <a href="#">139</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 2/18/2021 11:00 AM before District Judge Arthur J. Tarnow.</b> This conference is set to discuss recently filed motions (#131 and 135). Counsel will receive Zoom invitation by email. (MLan) (Entered: 01/22/2021)   |
| 02/18/2021 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Status Conference held on 2/18/2021. (MLan) (Entered: 02/18/2021)   |
| 02/23/2021 | <a href="#">140</a> | ORDER granting <a href="#">131</a> Motion for Leave to File Sealed Exhibit; granting <a href="#">135</a> Motion for Leave to File <i>Corrected (Signed) Declarations</i> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 02/23/2021)   |
| 03/01/2021 | <a href="#">141</a> | EXHIBIT /REPLACEMENT DECLARATIONS (SIGNED) re <a href="#">123</a> MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 3- Signed Declaration of Sgt. Tucker, # <a href="#">3</a> Exhibit 4- Signed Declaration of PO B. Johnson, # <a href="#">4</a> Exhibit 5- Signed Declaration of Juan Davis, # <a href="#">5</a> Exhibit 6- Signed Declaration of Sgt. Matschikowski, # <a href="#">6</a> Exhibit 11- Signed Declaration of Sgt. Dixon) (Surowiec, James) (Entered: 03/01/2021) |
| 03/02/2021 | <a href="#">142</a> | <b>SEALED</b> EXHIBIT // re <a href="#">130</a> Reply to Response to Motion, by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 03/02/2021)   |

|            |                     |   |
|------------|---------------------|---|
| 03/11/2021 | <a href="#">143</a> | NOTICE OF HEARING BY VIDEO CONFERENCE on <a href="#">121</a> MOTION to Dismiss Pursuant to Fed R Civ P 12(c), <a href="#">123</a> MOTION for Summary Judgment CORRECTED with Brief in Support. <b>Motion Hearing set for 4/28/2021 02:30 PM before District Judge Arthur J. Tarnow.</b> Zoom Webinar Information: <a href="https://www.zoomgov.com/j/1618355148?pwd=MnRqMm1lZCtDd0hVNU9WWTZzVVJqdz09">https://www.zoomgov.com/j/1618355148?</a> <a href="#">pwd=MnRqMm1lZCtDd0hVNU9WWTZzVVJqdz09</a> Passcode: 436861 Or iPhone one-tap : US: +16692545252,,1618355148# or +16468287666,,1618355148#. (MLan) (Entered: 03/11/2021)  |
| 03/16/2021 | <a href="#">144</a> | OPINION AND ORDER DENYING PLAINTIFFS' <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> , Motions terminated: <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 03/16/2021)   |
| 04/28/2021 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Motion Hearing held on 4/28/2021 re <a href="#">123</a> MOTION for Summary Judgment CORRECTED filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood, <a href="#">121</a> MOTION to Dismiss Pursuant to Fed R Civ P 12(c) filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood Disposition: Motions taken under advisement. (Court Reporter: Lawrence Przybysz) (MLan) (Entered: 04/29/2021)   |
| 06/25/2021 | <a href="#">145</a> | ORDER granting in part and denying in part <a href="#">121</a> Motion to Dismiss; denying <a href="#">123</a> Motion for Summary Judgment. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 06/25/2021)  |
| 07/08/2021 | <a href="#">146</a> | AMENDED COMPLAINT with Jury Demand filed by All Plaintiffs against City of Detroit, Stephen Geelhood. <b>NO NEW PARTIES ADDED.</b> (Dezsi, Michael) (Entered: 07/08/2021)   |
| 07/08/2021 | <a href="#">147</a> | NOTICE of Change of Address/Contact Information by Michael R. Dezsi on behalf of All Plaintiffs. (Dezsi, Michael) (Entered: 07/08/2021)   |
| 07/20/2021 | <a href="#">148</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 8/2/2021 03:30 PM before District Judge Arthur J. Tarnow.</b> Counsel will receive Zoom invitation by email. (MLan) (Entered: 07/20/2021)  |
| 07/22/2021 | <a href="#">149</a> | ANSWER to Amended Complaint with Affirmative Defenses by City of Detroit. (Surowiec, James) (Entered: 07/22/2021)   |
| 08/02/2021 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Status Conference held on 8/2/2021 <b>Joint Final Pretrial Order to be submitted by 1/18/2022, Final Pretrial Conference set for 1/25/2022 03:00 PM before District Judge Arthur J. Tarnow, Jury Trial set for 1/31/2022 09:30 AM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 08/02/2021)   |
| 09/27/2021 | <a href="#">150</a> | TRANSCRIPT of Motion Hearing held on April 28, 2021. (Court Reporter/Transcriber: Lawrence R. Przybysz) (Number of Pages: 40) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 10/18/2021. Redacted Transcript Deadline set for 10/28/2021. Release of Transcript Restriction set for 12/27/2021. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Przybysz, L) (Entered: 09/27/2021) |

|            |                     |   |
|------------|---------------------|---|
| 12/07/2021 | <a href="#">151</a> | STIPULATED ORDER of Substitution of Counsel - Attorney Crystal B Olmstead for City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski and Joe Tucker added. Attorney James M. Surowiec; James P. Allen and Lindsey R. Johnson terminated. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/07/2021)             |
| 12/07/2021 |                     | Text-Only Order of reassignment from Magistrate Judge R. Steven Whalen to Magistrate Judge Elizabeth A. Stafford pursuant to Administrative Order 21-AO-013. (SSch) (Entered: 12/07/2021)   |
| 12/10/2021 | <a href="#">152</a> | STIPULATED ORDER of Adjournment of Trial: <b>Joint Final Pretrial Order to be submitted by 5/9/2022, Final Pretrial Conference set for 5/16/2022 03:00 PM before District Judge Arthur J. Tarnow, Jury Trial set for 5/23/2022 09:30 AM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/10/2021) |
| 02/16/2022 |                     | Text-Only Order of reassignment from District Judge Arthur J. Tarnow to District Judge Victoria A. Roberts pursuant to Administrative Order 22-AO-007. (SSch) (Entered: 02/16/2022)   |
| 02/17/2022 | <a href="#">153</a> | ORDER of RECUSAL and REASSIGNING CASE from District Judge Victoria A. Roberts in Detroit to District Judge Robert H. Cleland in Port Huron. (SSch) (Entered: 02/17/2022)  |
| 03/03/2022 | <a href="#">154</a> | ORDER Referring ALL Pretrial Matters to Magistrate Judge Elizabeth A. Stafford. Signed by District Judge Robert H. Cleland. (LWag) (Entered: 03/03/2022)  |
| 03/16/2022 | <a href="#">155</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 4/7/2022 at 10:30 AM before Magistrate Judge Elizabeth A. Stafford.</b> ***Parties are to file a joint factual and procedural summary of the case by 3/30/22. Parties to receive Zoom invitation in a separate email prior to conference.*** (MarW) (Entered: 03/16/2022)                |
| 03/30/2022 | <a href="#">156</a> | STATEMENT of Joint Factual and Procedural Summary by Debra Metris-Shamoon (Dezsi, Michael) (Entered: 03/30/2022)  |

| <b>PACER Service Center</b> |               |                         |                       |
|-----------------------------|---------------|-------------------------|-----------------------|
| <b>Transaction Receipt</b>  |               |                         |                       |
| 04/04/2022 09:22:42         |               |                         |                       |
| <b>PACER Login:</b>         | mcp3037       | <b>Client Code:</b>     |                       |
| <b>Description:</b>         | Docket Report | <b>Search Criteria:</b> | 3:18-cv-13683-RHC-EAS |
| <b>Billable Pages:</b>      | 19            | <b>Cost:</b>            | 1.90                  |

[Query](#) [Reports](#) [Utilities](#) [Help](#) [Log Out](#)

reassigned

**U.S. District Court**  
**Eastern District of Michigan (Port Huron)**  
**CIVIL DOCKET FOR CASE #: 3:18-cv-13683-RHC-EAS**

Metris-Shamoon et al v. City of Detroit et al  
Assigned to: District Judge Robert H. Cleland  
Referred to: Magistrate Judge Elizabeth A. Stafford  
Cause: 28:1983 Civil Rights

Date Filed: 11/26/2018  
Jury Demand: Both  
Nature of Suit: 440 Civil Rights: Other  
Jurisdiction: Federal Question

**Plaintiff****Debra Metris-Shamoon**

represented by **Dennis A Dettmer**  
Dettmer & Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
313-757-8112  
Fax: 313-887-0420  
Email: ddetmeresq@yahoo.com  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
Law Office of Michael R. Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
313-757-8112  
Fax: 313-887-0420  
Email: mdezsi@dezsilaw.com  
*ATTORNEY TO BE NOTICED*

**Plaintiff****Mukhlis Shamoon**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff****Carl Veres**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

113-53846-tjt Doc 13532-10 Filed 04/08/22 Entered 04/08/22 16:56:13 Page 26 of

**Paul Metris**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezzi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Julia Metris**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezzi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

V.

**Defendant**

**City of Detroit**

represented by **Crystal B Olmstead**  
City of Detroit Law Department  
2 Woodward Ave Ste. 500  
Detroit, MI 48224  
313-237-5035  
Fax: 313-224-5505  
Email: olmsteadc@detroitmi.gov  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
Allen Brothers  
400 Monroe Street  
Suite 220  
Detroit, MI 48226  
313-962-7777  
Email: jamesallen@allenbrotherspllc.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
Allen Brothers, Attorneys and Counselors,  
PLLC  
400 Monroe  
Suite 620  
Detroit, MI 48226  
313-962-7777  
Email: jsurowiec@allenbrotherspllc.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
Schenk & Bruetsch, PLC

211 W. Fort Street, Suite 1410  
Detroit, MI 48226  
313-774-1000  
Email: Lindsey.Johnson@SBDetroit.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Patrick M. Cunningham**  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-5032  
Fax: 313-224-5505  
Email: cunninghamp@detroitmi.gov  
*ATTORNEY TO BE NOTICED*

**Defendant**

**John Doe**  
*TERMINATED: 03/21/2019*

represented by **John Doe**  
PRO SE

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Jane Doe**  
*TERMINATED: 03/21/2019*

represented by **Jane Doe**  
PRO SE

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Joe Tucker**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)

*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Candace Matschikowski**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY  
ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Stephen Geelhood**

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY  
ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED*

**Defendant**

**Juan Davis**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY  
ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)

*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Brian A Johnson**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
 (See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
 (See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

| Date Filed | #                 | Docket Text   |
|------------|-------------------|---|
| 11/26/2018 | <a href="#">1</a> | COMPLAINT filed by All Plaintiffs against All Defendants with Jury Demand. <a href="#">Plaintiff requests summons issued.</a> Receipt No: 0645-7002575 - Fee: \$ 400. <a href="#">County of 1st Plaintiff: Macomb - County Where Action Arose: Macomb - County of 1st Defendant: Wayne.</a> [Previously dismissed case: No] [Possible companion case(s): USDC EDMICH, 15-cv-10547, Judge Borman] (Dezsi, Michael) (Entered: 11/26/2018) |
| 11/27/2018 | <a href="#">2</a> | SUMMONS Issued for *City of Detroit* (SKra) (Entered: 11/27/2018)   |
| 11/27/2018 |                   | A United States Magistrate Judge of this Court is available to conduct all proceedings in this civil action in accordance with 28 U.S.C. 636c and FRCP 73. The Notice, Consent, and Reference of a Civil Action to a Magistrate Judge form is available for download at <a href="http://www.mied.uscourts.gov">http://www.mied.uscourts.gov</a> (SKra) (Entered: 11/27/2018)  |
| 11/29/2018 | <a href="#">3</a> | NOTICE of Appearance by Dennis A Dettmer on behalf of All Plaintiffs. (Dettmer, Dennis) (Entered: 11/29/2018)   |
| 12/12/2018 | <a href="#">4</a> | CERTIFICATE of Service/Summons Returned Executed. City of Detroit served on 12/12/2018, answer due 1/2/2019. (Dezsi, Michael) (Entered: 12/12/2018)   |

113-53846-tjt Doc 13532-10 Filed 04/09/22 Entered 04/09/22 16:56:13 Page 20 of 20

|            |                    |   |
|------------|--------------------|---|
| 12/13/2018 | <a href="#">5</a>  | NOTICE of Appearance by James P. Allen on behalf of City of Detroit. (Allen, James) (Entered: 12/13/2018)   |
| 12/13/2018 | <a href="#">6</a>  | NOTICE of Appearance by Lindsey R. Johnson on behalf of City of Detroit. (Johnson, Lindsey) (Entered: 12/13/2018)   |
| 12/17/2018 | <a href="#">7</a>  | STIPULATED ORDER Extending Time for Response to <a href="#">1</a> Complaint. <b>Response due by 1/31/2019</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/17/2018)   |
| 01/31/2019 | <a href="#">8</a>  | ANSWER to Complaint with Affirmative Defenses with Jury Demand <i>Defendant City of Detroit's Answer to Complaint, Affirmative Defenses and Other Defenses and Reliance Upon Jury Demand and Certificate of Service</i> by City of Detroit. (Allen, James) (Entered: 01/31/2019)  |
| 02/15/2019 | <a href="#">9</a>  | NOTICE TO APPEAR: <b>Scheduling/Settlement Conference set for 3/7/2019 11:30 AM before District Judge Arthur J. Tarnow</b> . (MLan) (Entered: 02/15/2019)   |
| 02/21/2019 |                    | TEXT-ONLY NOTICE: <b>Scheduling/Settlement Conference ADJOURNED TO 3/14/2019 11:00 AM before District Judge Arthur J. Tarnow</b> . (MLan) (Entered: 02/21/2019)   |
| 03/13/2019 | <a href="#">10</a> | ATTORNEY APPEARANCE: James M. Surowiec appearing on behalf of City of Detroit (Surowiec, James) (Entered: 03/13/2019)   |
| 03/14/2019 |                    | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Scheduling Conference held on 3/14/2019. (MLan) (Entered: 03/14/2019)  |
| 03/14/2019 | <a href="#">11</a> | SCHEDULING ORDER: <b>Witnesses to be exchanged by 5/1/2019, Discovery Motions to be filed by 8/23/2019, Discovery due by 9/20/2019, Dispositive Motion Cut-off set for 10/28/2019, Joint Final Pretrial Order due 2/3/2020, Final Pretrial Conference set for 2/10/2020 02:30 PM before District Judge Arthur J. Tarnow</b> . Signed by District Judge Arthur J. Tarnow. (Refer to image for additional dates) (MLan) (Entered: 03/14/2019) |
| 03/21/2019 | <a href="#">12</a> | STIPULATED ORDER Allowing Plaintiffs to File First Amended Complaint. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 03/21/2019)   |
| 03/21/2019 | <a href="#">13</a> | AMENDED COMPLAINT with Jury Demand filed by All Plaintiffs against All Defendants. <b>NEW PARTIES ADDED</b> . (Dezsi, Michael) (Entered: 03/21/2019)  |
| 03/21/2019 |                    | <b>REQUEST for SUMMONS for Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker</b> . (Dezsi, Michael) (Entered: 03/21/2019)  |
| 03/22/2019 | <a href="#">14</a> | SUMMONS Issued for *Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker* (DPer) (Entered: 03/22/2019)  |
| 04/03/2019 | <a href="#">15</a> | STIPULATED ORDER Extending Time for Response to <a href="#">13</a> Amended Complaint. <b>Response due by 4/29/2019</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 04/03/2019)  |
| 04/10/2019 | <a href="#">16</a> | CERTIFICATE of Service/Summons Returned Executed. Stephen Geelhood served on 4/5/2019, answer due 4/26/2019. (Dezsi, Michael) (Entered: 04/10/2019)   |
| 04/18/2019 | <a href="#">17</a> | CERTIFICATE of Service/Summons Returned Executed. Brian A Johnson served on 4/17/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)  |
| 04/18/2019 | <a href="#">18</a> | CERTIFICATE of Service/Summons Returned Executed. Juan Davis served on 4/17/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)   |
| 04/18/2019 | <a href="#">19</a> | CERTIFICATE of Service/Summons Returned Executed. Joe Tucker served on 4/18/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)   |

|            |                    |   |
|------------|--------------------|---|
| 04/29/2019 | <a href="#">20</a> | ATTORNEY APPEARANCE: James P. Allen appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Allen, James) (Entered: 04/29/2019)  |
| 04/29/2019 | <a href="#">21</a> | ATTORNEY APPEARANCE: James M. Surowiec appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Surowiec, James) (Entered: 04/29/2019)  |
| 04/29/2019 | <a href="#">22</a> | ATTORNEY APPEARANCE: Lindsey R. Johnson appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 04/29/2019)  |
| 04/29/2019 | <a href="#">23</a> | ANSWER to Amended Complaint with Affirmative Defenses <i>and Reliance Upon Jury Demand</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 04/29/2019)   |
| 05/01/2019 | <a href="#">24</a> | <i>Plaintiffs'</i> WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 05/01/2019)  |
| 05/01/2019 | <a href="#">25</a> | <i>Defendants' Preliminary Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 05/01/2019)  |
| 05/13/2019 | <a href="#">26</a> | AMENDED ANSWER to Complaint <a href="#">13</a> Amended Complaint with Affirmative Defenses <i>and Reliance Upon Jury Demand</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 05/13/2019)  |
| 08/08/2019 | <a href="#">27</a> | STIPULATED ORDER Allowing Defendants Leave to File Amended Affirmative Defenses. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/08/2019)  |
| 08/09/2019 | <a href="#">28</a> | AFFIRMATIVE DEFENSES by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 08/09/2019)  |
| 08/13/2019 | <a href="#">29</a> | ORDER REFERRING OTHER MATTERS to Magistrate Judge R. Steven Whalen: Discovery Conference. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/13/2019)   |
| 08/20/2019 | <a href="#">30</a> | NOTICE TO APPEAR: <b>Discovery Conference set for 9/10/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 08/20/2019)  |
| 08/22/2019 | <a href="#">31</a> | MOTION Extend Scheduling Order by 120 days by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A) (Johnson, Lindsey) (Entered: 08/22/2019)   |
| 08/22/2019 | <a href="#">32</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/22/2019)  |
| 08/26/2019 | <a href="#">33</a> | NOTICE OF HEARING on <a href="#">31</a> Defendants' MOTION to Amend Scheduling Order Dates by 120 Days . <b>Motion Hearing set for 9/10/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 08/26/2019)   |
| 09/04/2019 | <a href="#">34</a> | RESPONSE to <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Indictment, # <a href="#">3</a> Exhibit B Jury Trial Transcript, # <a href="#">4</a> Exhibit C Internal Affairs File, # <a href="#">5</a> Exhibit D Affidavit and Search Warrant, # <a href="#">6</a> Exhibit E Discovery Requests, # <a href="#">7</a> Exhibit F Notices of Deposition) (Dezsi, Michael) (Entered: 09/04/2019) |

|            |                    |  |
|------------|--------------------|--|
| 09/06/2019 | <a href="#">35</a> | REPLY to Response re <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6, # <a href="#">8</a> Exhibit 7) (Johnson, Lindsey) (Entered: 09/06/2019)  |
| 09/10/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Discovery Conference held on 9/10/2019 - (CCie) Modified on 9/10/2019 (CCie). (Entered: 09/10/2019)   |
| 09/10/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 9/10/2019 re <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood - Disposition: Motion granted. (Court Reporter: Digitally Recorded) (CCie) (Entered: 09/10/2019)   |
| 09/10/2019 | <a href="#">36</a> | ORDER GRANTING DEFENDANTS' <a href="#">31</a> Motion to Amend Scheduling Order- Signed by Magistrate Judge R. Steven Whalen. ***PLEASE SEE DOCUMENT FOR IMPORTANT DATES*** (CCie) (Entered: 09/10/2019)  |
| 09/14/2019 | <a href="#">37</a> | MOTION for Reconsideration re <a href="#">36</a> Order on Motion - Free by All Defendants. (Attachments: # <a href="#">1</a> Exhibit May v. City of Detroit) (Surowiec, James) (Entered: 09/14/2019)   |
| 09/17/2019 | <a href="#">38</a> | ORDER STAYING <a href="#">36</a> Order on Motion, Set Deadlines as to <a href="#">37</a> MOTION for Reconsideration re <a href="#">36</a> Order on Motion: ( <b>Plaintiff's Response due by 9/24/2019</b> ) - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 09/17/2019)  |
| 09/18/2019 | <a href="#">39</a> | RESPONSE to <a href="#">37</a> MOTION for Reconsideration re <a href="#">36</a> Order on Motion - Free filed by All Plaintiffs. (Dezsi, Michael) (Entered: 09/18/2019)   |
| 09/23/2019 | <a href="#">40</a> | ORDER DENYING DEFENDANTS <a href="#">37</a> Motion for Reconsideration - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 09/23/2019)   |
| 10/31/2019 | <a href="#">41</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 11/13/2019 02:00 PM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 10/31/2019)   |
| 11/08/2019 | <a href="#">42</a> | MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Declaration, # <a href="#">3</a> Exhibit B Redacted Declaration, # <a href="#">4</a> Exhibit C Deposition Transcript, # <a href="#">5</a> Exhibit D Affidavit & Warrant, # <a href="#">6</a> Exhibit E Sealed) (Dezsi, Michael) (Entered: 11/08/2019)   |
| 11/08/2019 | <a href="#">43</a> | <b>SEALED</b> EXHIBIT <i>E Deposition Transcript</i> re <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free by All Plaintiffs. (Dezsi, Michael) (Entered: 11/08/2019)  |
| 11/12/2019 | <a href="#">44</a> | MOTION to Compel <i>Deposition Testimony</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit Article, # <a href="#">3</a> Exhibit Notices of Depositions, # <a href="#">4</a> Exhibit email, # <a href="#">5</a> Exhibit Jackson trial testimony, # <a href="#">6</a> Exhibit Leavells Plea Agreement, # <a href="#">7</a> Exhibit Leavells trial testimony, # <a href="#">8</a> Exhibit Indictment, # <a href="#">9</a> Exhibit Memo Re Reorganization, # <a href="#">10</a> Exhibit Objections to Discovery, # <a href="#">11</a> Exhibit Sims Depo Trans excerpts) (Dezsi, Michael) (Entered: 11/12/2019) |
| 11/13/2019 |                    | TEXT-ONLY NOTICE: Telephone Status Conference on 11/13/2019 is Cancelled. Issues resolved. (MLan) (Entered: 11/13/2019)  |
| 11/13/2019 | <a href="#">45</a> | ORDER REFERRING MOTIONS to Magistrate Judge R. Steven Whalen: <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order re <a href="#">36</a> Order filed by Julia Metris,  |

|            |                    |   |
|------------|--------------------|---|
|            |                    | Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 11/13/2019)  |
| 11/19/2019 | <a href="#">46</a> | NOTICE OF HEARING on <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt 36] and <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> . <b>Resolved/Unresolved Issues due by 12/17/2019. Motion Hearings set for 12/19/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 11/19/2019)   |
| 11/22/2019 | <a href="#">47</a> | RESPONSE to <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free <i>with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Plaintiffs' Concurrence Email, # <a href="#">3</a> Exhibit 2- Plaintiffs' Emails agreeing to Protective Order, # <a href="#">4</a> Exhibit 3- Plaintiffs' Statement of Unresolved Discovery Issues, # <a href="#">5</a> Exhibit 4- Plaintiffs' Email Denying Concurrence, # <a href="#">6</a> Exhibit 5- Email from Case Manager, # <a href="#">7</a> Exhibit 6- Attorney's Eyes Only Discovery Production, # <a href="#">8</a> Exhibit 7-Attorney's Eyes Only Geelhood Dep Transcript, # <a href="#">9</a> Exhibit 8- Geelhood Transcript Pages Start-Finish Times) (Surowiec, James) (Entered: 11/22/2019) |
| 11/22/2019 | <a href="#">48</a> | <b>SEALED</b> EXHIBIT re <a href="#">47</a> Response to Motion,, by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Exhibit 6-Attorney's Eyes Only Court Ordered Discovery Production, # <a href="#">2</a> Exhibit 7- Attorney's Eyes Only Geelhood Deposition Transcript) (Surowiec, James) (Entered: 11/22/2019)   |
| 11/25/2019 | <a href="#">49</a> | REPLY to Response re <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/25/2019)  |
| 11/27/2019 | <a href="#">50</a> | RESPONSE to <a href="#">44</a> MOTION to Compel <i>Deposition Testimony with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1-Search Warrant, # <a href="#">3</a> Exhibit 2-Articles) (Surowiec, James) (Entered: 11/27/2019)  |
| 12/03/2019 | <a href="#">51</a> | REPLY to Response re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/03/2019)  |
| 12/09/2019 | <a href="#">52</a> | MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 12/09/2019)  |
| 12/10/2019 | <a href="#">53</a> | INDEX of Exhibits re <a href="#">52</a> MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Attachments: # <a href="#">1</a> Exhibit 1- Proposed Protective Order, # <a href="#">2</a> Exhibit 2- Search Warrant, # <a href="#">3</a> Exhibit 3- Deposition Excerpts Metris-Shamoon, # <a href="#">4</a> Exhibit 4- Chief Craig Declaration, # <a href="#">5</a> Exhibit 5-Chief Godbee Declaration) (Surowiec, James) (Entered: 12/10/2019)   |
| 12/10/2019 | <a href="#">54</a> | INDEX of Exhibits re <a href="#">52</a> MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker ( <i>CORRECTED VERSION</i> ) (Attachments: # <a href="#">1</a> Exhibit 1- Proposed Protective Order, # <a href="#">2</a> Exhibit 2- Search Warrant, # <a href="#">3</a> Exhibit 3- Deposition Excerpts Metris-Shamoon, # <a href="#">4</a> Exhibit 4- Chief Craig Declaration, # <a href="#">5</a> Exhibit 5-Chief Godbee Declaration) (Surowiec, James) (Entered: 12/10/2019)  |

**EXHIBIT 6-2 – OPINION**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

DEBRA METRIS-SHAMOON, ET AL.,

Plaintiff,

v.

CITY OF DETROIT, ET AL.,

Defendant.

Case No. 18-13683

SENIOR U.S. DISTRICT JUDGE  
ARTHUR J. TARNOW

U.S. MAGISTRATE JUDGE  
R. STEVEN WHALEN

---

**ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS’ MOTION FOR  
JUDGMENT ON THE PLEADINGS [121] AND DENYING DEFENDANTS’ MOTION FOR  
SUMMARY JUDGMENT [123]**

This case stems from the September 13, 2012, raid of Plaintiffs’ homegrown medical marijuana business by members of the now defunct Detroit Police Department (“DPD”) Narcotics Unit. (Am. Compl. ¶ 10). Plaintiffs initially brought claims under the Fourth and Fourteenth Amendments via 42 U.S.C. § 1983, alleging both individual and institutional liability. (*Id.* ¶¶ 29-48). Plaintiffs have since dropped their Fourteenth Amendment claim and have agreed to dismissal of several DPD Defendants. (ECF No. 123, PageID.2458; ECF No. 128, PageID.4037). What remain are Plaintiffs’ Fourth Amendment claim against Sgt. Stephen Geelhood and

Plaintiffs' municipal liability claim against the City of Detroit. (ECF No. 125, PageID.3014).

Defendants argue in their Motion for Judgment on the Pleadings [121] that Plaintiffs' action is barred by the applicable statute of limitations and that their Amended Complaint fails to put Defendants on notice as to what they allegedly did to violate the Constitution. (ECF No. 121, PageID.2287). Defendants argue in their Motion for Summary Judgment [123] that Sgt. Geelhood is entitled to qualified immunity and that Plaintiffs have failed to set forth genuine issues of material fact as to their Fourth Amendment and municipal liability claims. (ECF No. 123, PageID.2472, 2483). For the reasons articulated below, Defendants' Motion for Judgment on the Pleadings [121] will be **GRANTED in part and DENIED in part** and Defendants' Motion for Summary Judgment [123] will be **DENIED**. Plaintiffs will be permitted to proceed to trial only on their municipal liability claim.

### **FACTUAL BACKGROUND**

On September 13, 2012, Sgt. Stephen Geelhood of the DPD swore out an affidavit in support of a search warrant for two houses—one located on Kings Dr., the other located on Wiloray Ave.—in Shelby Township, Michigan. (ECF No. 126-1, PageID.3052). His asserted bases for probable cause, both of which Plaintiffs challenge as to veracity, were a tip from a confidential informant/cooperating

individual (“CI”) and his own surveillance. (*Id.* at 3053-54). The warrant issued and was executed later that day by Sgt. Geelhood, Sgt. Joe Tucker, Officer Juan Davis, and Officer Brian Johnson (the “Narcotics Crew” or “Crew Members”).<sup>1</sup> (ECF No. 126-2, PageID.3056-58).

After finding no evidence of criminal activity at the Kings Dr. address, the Narcotics Crew made their way to the Wiloray Ave. address, home to Plaintiffs Mukhlis (“Mark”) Shamoon and Debra Metris-Shamoon (“the Shamoons”), where Debra’s elderly parents, Plaintiffs Paul and Julia Metris (“the Metrises”), were visiting for lunch. (ECF No. 123-2, PageID.2565; ECF No. 126-3, PageID.3076; ECF No. 126-59, PageID.3966). It was early afternoon, around 12:00 or 12:30 PM. (ECF No.126-3, PageID.3076, 3080). Plaintiff Carl Veres, a family friend of the Shamoons, was outside. (ECF No. 126-3, PageID.3067-68). What happened next is subject to some dispute.

### **I. PLAINTIFFS’ VERSION**

Carl was the first to notice something unusual was happening. He was traveling to the Wiloray Ave. house to pick up some clothes for an upcoming trip with the Shamoon’s son, Adam, and observed a DPD vehicle following him. (ECF No. 123-19, PageID.2978-79, 2989). He thought little of it until he parked outside

---

<sup>1</sup> Other non-party law enforcement officials also appear to have been involved in the execution of the warrant.

the Shamoon's home and noticed several other law enforcement vehicles pulling up behind him. (*Id.* at 2980). He was on the phone with Adam at the time, and notified him of the vehicles. (*Id.* at 2981). Adam proceeded to call his mother. (ECF No. 126-3, PageID.3076).

Before Carl could get out of his truck, two Crew Members approached. (ECF No. 123-19, PageID.2981-82). The Crew Members did not identify themselves, though Carl later learned that one of them was Sgt. Tucker. (*Id.*). Sgt. Tucker pointed a shotgun at Carl's head through the passenger-side window; the other officer, armed with an assault rifle, "opened up the driver's side door, pulled [Carl] out by [his] shirt, slammed [him] to the ground, . . . cuffed [him,] and then picked [him] up and took [him] to the back of [his] truck." (*Id.* at 2982). Carl then observed several Crew Members break into the house through the front door without announcing their presence, while two others proceeded around the side of the house towards the back yard. (*Id.* at 2894).

Inside, Debra and her parents were having coffee. (ECF No. 126-3, PageID.3077; ECF No. 123-17, PageID.2890; ECF No. 123-18, PageID.2945, 2948). Debra had just started a phone call with Adam, who was attempting to pass along what Carl had told him, when Crew Members burst through the front door. (ECF No. 126-3, PageID.3076, 3080; ECF No. 123-17, PageID.2890-91; ECF No.

123-18, PageID.2945). One Crew member pointed a gun at Debra's face and "scream[ed] at [her] to shut [her] dogs up or he would shoot them." (ECF No. 126-3, PageID.3076). Julia, Debra's mother, immediately had her purse searched by a Crew Member; she believed they were looking for money. (ECF No. 123-18, PageID.2948, 2950). After three or four minutes of being held at gunpoint, Debra was permitted to remove her dogs to a bathroom. (ECF No. 126-3, PageID.3077). Paul, Debra's father, a former reserve sergeant with the Oakland County Sheriff's Department, was eventually relieved of a gun he lawfully carried. (ECF No. 123-17, PageID.2891-92). At no did time before entry did Crew Members announce who they were, provide a warning, or say, "police, search warrant." (ECF No. 126-3, PageID.3076). No Crew Member wore a badge or identified the police department to which they belonged. (*Id.* at 3076, 3078).

Outside, in the back yard, Mark was preparing to grill some steaks for lunch. (ECF No. 126-59, PageID.3982). Two Crew Members approached with guns aimed at his head and told him to drop what he was holding and put his hands up. (*Id.* at 3982, 3989). He was led to the front of the house, handcuffed behind his back, and directed to stand near Carl at the back of the Carl's truck. (*Id.* at 3982-83; ECF No. 123-19, PageID.2988). The two were instructed not to communicate with one another. (ECF No. 123-19, PageID.2984). Mark, who had a history of shoulder

surgeries, had asked not to be handcuffed from behind when he was first restrained. (ECF No. 126-59, PageID.3982). Nevertheless, it took Mark fifteen minutes of “almost begging” for his handcuffs to be repositioned, at which point he “was ready to cry from the pain,” before an officer finally heeded his request. (*Id.* at 3983). Mark was taken inside the house after about thirty minutes. (*Id.*).

Prior to Mark being taken inside, Crew Members searched Carl’s truck and questioned him about why he had come to the house. (ECF No. 123-19, PageID.2989). While conducting the search, which lasted about ten minutes, Crew Members punctured one of Carl’s seats and “completely ripped everything out” of his vehicle, destroying the sound system. (*Id.* at 2998). Carl remained outside after Mark was taken into the house. (*Id.* at 2995). Eventually, about forty-five minutes after he had first arrived, Carl’s handcuffs were removed, and he was instructed to leave. (*Id.*).

Back inside, Crew Members led Mark to the kitchen where Debra was being questioned and began to question him as well. (ECF No. 126-59, PageID.3984). They first asked Mark how much money was in his safe and instructed him to open it. (*Id.*). When he complied, Crew Members confiscated the \$200 they found in the safe as well as \$115 they found in Mark’s wallet. (*Id.*). Two other safes were also in the house. One, an antique for which Mark did not have the combination, was broken

open by Crew Members but was empty. (*Id.*). The other, in the Shamoon's bedroom, contained twenty-two freezer bags of dried marijuana leaves that Mark was storing away from his children until he could dispose of them.<sup>2</sup> (ECF No. 126-2, PageID.3057; ECF No. 126-59, PageID.3985, 3987).

In addition to taking \$315 from Mark, Crew Members confiscated all of the Shamoon's marijuana—just under seventy live plants—as well as their lawfully owned firearms. (ECF No. 123-15, PageID.2842; 2848). Both Mark and Debra were licensed medical marijuana caregivers and they cared for their plants jointly. (ECF No. 126-3, PageID.3069). Debra offered to let the Narcotics Crew see their paperwork and caregiver cards, but they were not interested. (*Id.* at 3071).

The Narcotics Crew left the Shamoon's home with as little notice as they provided upon entry. All in all, the raid lasted about an hour and a half or two hours and no warrant was displayed. (*Id.* at 3061, 3080). None of the Plaintiffs were charged with any crimes after the raid. (ECF No. 126-59, PageID.3980-81). Crew Members forgot to remove Mark's handcuffs before they left, and he remained cuffed for approximately ten hours. (ECF No. 126-59, PageID.3986; ECF No. 126-66, PageID.4029). Eventually, Mark's son, who worked in security and had his own handcuffs, was able to unlock Mark's cuffs. (ECF No. 123-15, PageID.2849, 2856).

---

<sup>2</sup> The part of the marijuana plant that is commonly smoked is the flower, which is where high levels of THC are found. (ECF No. 126-59, PageID.3959). The leaves have no value. (*Id.*).

## II. DEFENDANTS' VERSION

Before the Narcotics Crew broke through the front door of the Shamoons' home, they announced "police, search warrant" and received no response. (ECF No. 123-2, PageID.2620). Their warrant, which would have been left at the scene, had been lawfully procured by Sgt. Geelhood. (*Id.* at 2616-20). He based his affidavit on information from a CI, which he corroborated with his own surveillance. (*Id.* at 2510). The CI, whom Sgt. Geelhood knew only as "Harry," is now deceased. (ECF No. 132-2, PageID.4124-31). Sgt. Geelhood does not have any records documenting the information he received from the CI or his own surveillance because, "as a matter of practice, [he does] not keep records or notes when using [a CI] and [does] not keep records from previous investigations." (ECF No. 126-48, PageID.3740).

After the Narcotics Crew forced their way into the Shamoons' home, they observed that there were no medical marijuana cards on display and concluded that "[n]othing about the grow operation was legal." (ECF No. 123-2, PageID.2580). Accordingly, Sgt. Geelhood deemed it unnecessary to ask for proof of licensure or inquire about whether there was more than one licensed provider. (*Id.*). Despite the operation's apparent illegality, Sgt. Geelhood declined to charge the Shamoons with a crime because he thought it might hinder future investigations and hoped to obtain

a “bigger haul.” (ECF No. 123, PageID.2464). The Narcotics Crew ultimately confiscated 285 marijuana plants, not seventy. (*Id.* at 3056).

### PROCEDURAL BACKGROUND

Plaintiffs allege that they were asserted class members in the case of *Davis v. City of Detroit, et. al.*, No. 15-10547 (E.D. Mich.), filed February 11, 2015. (ECF No. 121-2, PageID.2311-15). The Davises claimed that they had been subject to illegal raids conducted by members of the DPD Narcotics Unit and sought institutional liability against the City of Detroit. (*Id.*). Once the Davises had an opportunity to conduct discovery, they were able to determine the specific officers involved, and filed an amended complaint on July 14, 2015, identifying those officers, who included Sgt. Geelhood. The Davises moved for class certification on July 14, 2016, but their motion was ultimately denied by Judge Borman on August 31, 2018. (ECF No. 121-4; ECF No. 121-6).

Upon denial of class certification, several putative class members filed individual lawsuits.<sup>3</sup> Plaintiffs here filed suit against the City of Detroit and several “Doe” DPD personnel on November 26, 2018. (Compl.). Through the discovery process, Plaintiffs identified Sgts. Joe Tucker, Candace Matschikowski, and Stephen

---

<sup>3</sup> In addition to the instant action, these lawsuits include: *Reid v. City of Detroit, et. al.*, No. 18-13681; *Frontczak v. City of Detroit, et al.*, No. 18-13781; *Lockard v. City of Detroit, et al.*, No. 18-13045; and *Gardella v. City of Detroit, et al.*, No. 18-13678.

Geelhood, as well as Officers Juan Davis and Brian Johnson, as the DPD members involved with the raid of their home. Plaintiffs amended their complaint to name those Defendants on March 21, 2019. (Am. Compl.). On October 23 and 24, 2020, Defendants moved for judgment on the pleadings and for summary judgment, respectively. (ECF No. 121; ECF No. 123). Plaintiffs responded on November 20, 2020. (ECF No. 128; ECF No. 125). Defendants replied in support of judgment on the pleadings on December 4, 2020, and in support of summary judgment on December 7, 2020. (ECF No. 130; ECF No. 132).

Plaintiffs have agreed to dismiss Defendants Johnson, Matschikowski, Davis, and Tucker, as well as their Fourteenth Amendment claim. (ECF No. 128, PageID.4037; ECF No. 123, PageID.2458). Remaining are Plaintiffs' Fourth Amendment claim against Sgt. Geelhood and Plaintiffs' municipal liability claim against the City of Detroit. (ECF No. 125, PageID.3014).

## STANDARD OF REVIEW

### I. FED. R. CIV. P. 12(C)

Courts review a FED. R. CIV. P. 12(c) motion for judgment on the pleadings under the same standard applicable to a FED. R. CIV. P. 12(b)(6) motion to dismiss. *Hayward v. Cleveland Clinic Found.*, 759 F.3d 601, 608 (6th Cir. 2014) (citing *Ziegler v. IBP Hog Mkt., Inc.*, 249 F.3d 509, 511-12 (6th Cir. 2001)). Judgment is

appropriate where the plaintiff fails to “allege ‘enough facts to state a claim to relief that is plausible on its face.’” *Traverse Bay Area Intermediate Sch. Dist. v. Mich. Dep’t of Educ.*, 615 F.3d 622, 627 (6th Cir. 2010) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). “A claim has facial plausibility when the pleaded factual content allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *Ashcroft v. Iqbal*, 556 U.S. 662, 663 (2009). “Detailed factual allegations” are not strictly necessary, “but the complaint must contain more than conclusions and an unsubstantiated recitation of the necessary elements of a claim.” *McCormick v. Miami Univ.*, 693 F.3d 654, 658 (6th Cir. 2012). The court “assume[s] the veracity of well-pleaded factual allegations and determine[s] whether the plaintiff is entitled to legal relief as a matter of law.” *Id.* (citing *Ashcroft*, 556 U.S. at 679). And although “the court primarily considers the allegations in the complaint, . . . matters of public record, orders, items appearing in the record of the case, and exhibits attached to the complaint, also may be taken into account.” *Amini v. Oberlin College*, 259 F.3d 493, 502 (6th Cir. 2001) (emphasis omitted) (quoting *Nieman v. NLO, Inc.*, 108 F.3d 1546, 1554 (6th Cir.1997)).

## II. FED. R. CIV. P. 56

Summary judgment is appropriate where “there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” FED. R.

Civ. P. 56(a). “A ‘material’ fact is one that ‘might affect the outcome of the suit under the governing law.’ And a genuine dispute of material fact exists if ‘the evidence is such that a reasonable jury could return a verdict for the [nonmoving] party.’” *Abu-Joudeh v. Schneider*, 954 F.3d 842, 849 (6th Cir. 2020) (citations omitted) (first quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986); then quoting *Jackson v. VHS Detroit Receiving Hosp., Inc.*, 814 F.3d 769, 775 (6th Cir. 2016)).

The moving party bears the burden of demonstrating an absence of material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986).

If the moving party meets this burden, the burden then shifts to the nonmoving party to establish a “genuine issue” for trial via “specific facts.” Additionally, the moving party is entitled to summary judgment when the nonmoving party “fails to make a showing sufficient to establish the existence of an element essential to that party’s case, and on which that party will bear the burden of proof at trial.

*Abu-Joudeh*, 954 F.3d at 840 (citations omitted) (quoting *Celotex Corp.*, 477 U.S. at 322, 324).

The court views all of the facts in the light most favorable to the nonmoving party and draws “all justifiable inferences” in the nonmoving party’s favor. *Anderson*, 477 U.S. at 255; *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986). “In other words, ‘at the summary judgment stage[,] the judge’s function is not . . . to weigh the evidence and determine the truth of the matter but to

determine whether there is a genuine issue for trial.” *Jackson*, 814 F.3d at 775 (alteration in original) (quoting *Anderson*, 477 U.S. at 249).

## ANALYSIS

### I. Defendants’ Motion for Judgment on the Pleadings [121]

#### a. Statute of Limitations

Defendants first argue they are entitled to judgment on the pleadings because the statute of limitations has run on Plaintiffs’ claims. (ECF No. 121, PageID.2287). In Michigan, the statute of limitations for § 1983 actions is three years and begins to run when a plaintiff becomes aware of the injury for which they are bringing an action. *Cooley v. Strickland*, 479 F.3d 412, 416 (6th Cir. 2007); *Carroll v. Wilkerson*, 782 F.2d 44, 45 (6th Cir. 1986). Pursuant to the tolling doctrine announced in *American Pipe*, however, “the commencement of a class action suspends the applicable statute of limitations as to all asserted members of the class who would have been parties had the suit been permitted to continue as a class action.” *American Pipe & Constr. Co. v. Utah*, 414 U.S. 538, 554 (1974). Here, although the parties agree that the statute of limitations began to run on September 13, 2012, the date Plaintiffs became aware of the alleged constitutional violations, they disagree as to if, and for how long, the statute of limitations tolled. (ECF No. 121, PageID.2296; ECF No. 128, PageID.4038).

*i. City of Detroit*

Plaintiffs will benefit from *American Pipe* tolling as to the City of Detroit if they are deemed asserted class members in *Davis v. City of Detroit, et. al.*, No. 15-10547 (E.D. Mich.). Defendants contend Plaintiffs are not asserted class members, while Plaintiffs argue they are. (ECF No. 121, PageID.2299-2303; ECF No. 128, PageID.4042-46). The Davises set forth six identifiers for their proposed class:

(a) individuals who were the owners and/or occupants of homes and/or businesses engaged in the licensed distribution of marijuana for medical purposes; (b) who were subjected to search and/or seizure by agents and/or members of the Detroit Police Department's Narcotics' Unit; [(c)] from the period of February 11, 2012 until the date of judgment or settlement of this case; [(d)] who were never convicted of any offense arising from the search and/or seizure; [(e)] whose search and seizure were executed without probable cause; and [(f)] where such searches and/or seizures were conducted pursuant to Defendant City of Detroit's policies, practices, and/or customs.

(ECF No. 121-6, PageID.2391) (alterations in original).

Defendants argue that Plaintiffs fail to meet the first identifier because they have not alleged specific facts showing "they were operating in compliance with the Michigan Medical Marijuana Act." (ECF No. 121, PageID.2300). But this asks the Court to read an additional identifier into the class definition that simply is not there. Moreover, even if the Court were to infer this additional identifier, Defendants' analysis would fail. Nothing in the record suggests that Plaintiffs engaged differently in the distribution of marijuana than the plaintiffs in the *Davis* action.

Accordingly, Plaintiffs plausibly plead that they were asserted members of the putative class in *Davis*. (Am. Compl. ¶¶ 9-10, 16, 19, 27, 30). The statute of limitations thus tolled with respect to the City of Detroit from February 11, 2015, the date the Davises filed their complaint, to August 31, 2018, the date class certification was denied. (ECF No. 121-2, PageID.2309; ECF No. 121-6, PageID.2389).

From the time the raid took place on September 13, 2012, until February 11, 2015, 881 days had run on the statute of limitations. Another eighty-seven days elapsed between August 31, 2018, when class certification was denied, and November 26, 2018, when Plaintiffs commenced this action. Because the total number of days (968) is fewer than 1,095 (three years), the statute of limitations does not bar Plaintiffs' claims against the City of Detroit.

*ii. Sgt. Geelhood*

According to Defendants, Sgt. Geelhood is subject to a separate tolling calculation because he was given a "John Doe" placeholder in the original *Davis* complaint and was not added by name until it was amended on July 14, 2015. (ECF No. 121, PageID.2297; ECF No. 121-2, PageID.230; ECF No. 121-3, PageID.2318).

In general, *American Pipe* tolling only applies to defendants named in the prior related class action. *Wyser-Pratte Mgmt. Co. v. Telxon Corp.*, 413 F.3d 553,

568 (6th Cir. 2005). Plaintiffs concede that Sgt. Geelhood was not named in the original *Davis* complaint but argue that the February 11, 2015, tolling date should apply because the July 14, 2015, amendment related back to the original complaint. (ECF No. 128, PageID.4039).

FED. R. CIV. P. 15(c) determines whether an amendment to a complaint relates back to the filing date of the original complaint. *See generally Asher v. Unarco Material Handling, Inc.*, 596 F.3d 313, 318 (6th Cir. 2010). In order for an amendment to relate back, “the party to be brought in by amendment . . . [must have] (i) received such notice of the action that it will not be prejudiced in defending on the merits; and (ii) [known] or should have known that the action would have been brought against it, but for a mistake concerning the proper party’s identity.” FED. R. CIV. P. 15(c)(1)(C). Although Plaintiffs may satisfy the notice requirement, *see Berndt v. Tennessee*, 796 F.2d 879, 883 (6th Cir. 1986) (permitting amendment under Rule 15(c) based on constructive, rather than actual, notice), they cannot satisfy the “but for a mistake” requirement. *See Cox v. Treadway*, 75 F.3d 230 (6th Cir. 1996) (explaining that although the imputed knowledge doctrine is still recognized, “[s]ubstituting a named defendant for a ‘John Doe’ defendant is considered a change in parties, not a mere substitution of parties,” and “such amendments do not satisfy the ‘mistaken identity’ requirement”); *see also Brown v.*

*Cuyahoga Cty.*, 517 F. App'x 431, 433-34 (6th Cir. 2013) (affirming “the continued vitality of *Cox*” and holding that “an absence of knowledge is not a mistake, as required by Rule 15(c)(1)(C)(ii)”). Accordingly, even though Geelhood may have had constructive notice under *Berndt*, his addition by the Davises did not relate back under Rule 15(c), and Plaintiffs’ individual claims against him are barred by the statute of limitations.

b. Adequate Pleading

Defendants next argue that “the Amended Complaint fails . . . to specify which of the named defendants were personally involved in or responsible for each alleged constitutional violation.” (ECF No. 121, PageID.2303). Because all that remains is Plaintiffs’ municipal liability claim, this argument is moot.

**II. DEFENDANTS’ MOTION FOR SUMMARY JUDGMENT**

a. An Underlying Constitutional Violation

Defendants next argue that there has not been an underlying constitutional violation, and that without such a violation, there cannot be municipal liability under *Monell v. Dep’t of Soc. Servs.*, 436 U.S. 658 (1978). (ECF No. 123, PageID.2483). Defendants are correct that “[a] municipality or county cannot be liable under § 1983 absent an underlying constitutional violation by its officers.” *Blackmore v. Kalamazoo County*, 390 F.3d 890, 900 (6th Cir. 2004) (citing *City of Los Angeles v.*

*Heller*, 475 U.S. 796, 799 (1986)). Nevertheless, as long as a plaintiff can prove that they have suffered an underlying injury, they need not prevail on a claim against a specific actor in order to pursue municipal liability. *See, e.g., Barnett v. Macarthur*, 956 F.3d 1291, 1301 (11th Cir. 2020) (“*Monell* . . . and its progeny do not require that a jury must first find an individual defendant liable before imposing liability on local government.” (quoting *Anderson v. City of Atlanta*, 778 F.2d 678, 686 (11th Cir. 1985))); *Fairley v. Luman*, 281 F.3d 913, 917 (9th Cir. 2002) (“If a plaintiff establishes he suffered a constitutional injury by the City, the fact that individual officers are exonerated is immaterial to [municipal] liability under § 1983.”). Accordingly, although Plaintiffs’ Fourth Amendment claims against the individual officers are now out of the picture, proceeding to the *Monell* analysis is proper as long as there is a question of fact as to whether Plaintiffs’ Fourth Amendment rights were violated. As set forth below, there is.

It is axiomatic that “an officer [or investigator] cannot rely on a judicial determination of probable cause if that officer knowingly makes false statements and omissions to the judge such that but for these falsities the judge would not have issued the warrant.” *Vakilian v. Shaw*, 335 F.3d 509, 517 (6th Cir. 2003) (quoting *Yancey v. Carroll County*, 876 F.2d 1238, 1243 (6th Cir.1989)) (alteration in original). “Such reliance is unreasonable, and [search or seizure] . . . pursuant to such

deceptive practices violates the Fourth Amendment.” *McCallum v. Geelhood*, 742 F. App’x 985, 991 (6th Cir. 2018) (quoting *Gregory v. City of Louisville*, 444 F.3d 725, 758 (6th Cir. 2006)). *See generally Franks v. Delaware*, 438 U.S. 154, 155-56 (1978) (establishing procedure for challenging warrant veracity).

Here, Plaintiffs allege that the material portions of Sgt. Geelhood’s warrant affidavit—his claims of being tipped off by a CI called Harry and conducting independent surveillance—were untruthful, and that the resulting raid on the Shamoons’ home was invalid. (ECF No. 125, PageID.3019). As an initial matter, the Court agrees that without the alleged tip and surveillance, the only evidence in support of the warrant would have been excessive electricity use, which could not have supported a finding of probable cause. (ECF No. 126-1, PageID.3053-54); *see United States v. Thomas*, 605 F.3d 300, 315 (6th Cir. 2010). Accordingly, the question is whether Plaintiffs’ evidence creates a reasonable dispute of material fact as to whether Sgt. Geelhood received and corroborated a tip from a CI. The Court finds that it does.

First, although Defendants have produced a death certificate for an individual whom Sgt. Geelhood apparently knew as “Harry,” nothing in the record apart from Sgt. Geelhood’s word connects Harry to the Shamoons, narcotics trafficking, or anything in this case. (ECF No. 132-3, ECF No. 132-4, ECF No. 132-5, ECF No.

132-6). Indeed, the DPD detective overseeing the investigation on Harry's death "[did] not recall [Sgt. Geelhood] telling [him] that [Harry] was working as an informant," and believed "that [Harry] was [likely] killed in connection with . . . auto theft," not narcotics trafficking. (ECF No. 125-5, PageID.4151-52). In addition, Sgt. Geelhood had no record of meeting or speaking with Harry in relation to the Shamoon warrant and could not recall any other cases in which Harry provided information. (ECF No. 132-7, PageID.4157). In an interview with DPD Internal Affairs regarding misconduct in the department, DPD Deputy Chief Charles Fitzgerald opined that 1) even "nine years later," an officer "should have knowledge of who [their] CI is," and that 2) an officer's alleged reliance upon a CI whose true name is unknown, even "for anonymity purposes," raises the question of whether there is "truly a CI." (ECF No. 126-14) (audio recording 34:43-37:20).<sup>4</sup> Although Defendants offer a plausible explanation for why Sgt. Geelhood had no written records of his dealings with Harry,<sup>5</sup> his inability to recall even one other instance in

---

<sup>4</sup> Defendants contend that Fitzgerald's interview is inadmissible hearsay. (ECF No. 132, PageID.4113). But Plaintiffs' "evidence need not be in admissible *form*," so long as "its *content* [is] . . . admissible." *Bailey v. Floyd Cty. Bd. of Educ.*, 106 F.3d 135, 145 (6th Cir. 1997) (citing *Celotex Corp.*, 477 U.S. at 324; *Winskunas v. Birnbaum*, 23 F.3d 1264, 1268 (7th Cir. 1994)). Here, because the only portion of the interview the Court relies upon would be admissible at trial if Deputy Chief Fitzgerald were to testify, it is appropriate for consideration at summary judgment.

<sup>5</sup> Unlike Sources of Information ("SOIs"), CIs are not registered with the DPD and are not paid for their information. (ECF No. 126-6, PageID.3135-36). According to Sgt. Geelhood, it was the practice of the Narcotics Unit "not [to] keep files on [CIs]." (ECF No. 132-7, PageID.4157).

which Harry provided information is concerning, particularly since he claims that “[t]he information [Harry] was giving [him had] proved to be reliable.” (ECF No. 132-7, PageID.4157). Likewise, the fact that Sgt. Geelhood was apparently helping Harry “[get] in touch with the right people” at U.S. Immigration and Customs Enforcement further undercuts the credibility of the warrant affidavit, which alleged that the CI was providing information against their own interest. (ECF No. 126-1, PageID.3053; ECF No. 132-2, PageID.4125). In sum, while Defendants may have established the existence of a man Sgt. Geelhood knew as “Harry,” Defendants have not established beyond a reasonable dispute of material fact that Harry was the CI referenced in Sgt. Geelhood’s affidavit or that such a CI even existed.<sup>6</sup>

Second, while Sgt. Geelhood claims to have surveilled the Shamoons’ address on approximately five occasions prior to seeking a warrant, Defendants have produced no documentary evidence in support of this claim. (ECF No. 126-50, PageID.3768; ECF No. 132-7, PageID.4158). According to Deputy Chief Fitzgerald, DPD officers are required to document their surveillance, even if it is just jotting a

---

<sup>6</sup> Because of the ease with which an officer could allege reliance upon a non-existent CI, courts in the Eastern District have sometimes held that where a CI cannot be produced for an in-camera deposition, “[the defendants] must be precluded from presenting any evidence at trial based on, or flowing from, the alleged existence of the CI.” *Smith v. City of Detroit*, 212 F.R.D. 507, 511 (E.D. Mich. 2003). Though an order to this effect may ultimately be necessary if this case goes to trial, the Court will not make a final decision at this juncture. Plaintiffs are free to raise their request again later via a motion in limine.

note on the back of a receipt. (ECF No. 126-14) (audio recording 10:45-12:05). Although it is reasonable that some of Sgt. Geelhood's documentation might have been discarded after nearly nine years, Sgt. Geelhood claims his investigation was ongoing, and the City's record retention policies require that case reports for felony investigations, including case logs, be retained for at least twenty years. (ECF No. 126-44, PageID.3709-10; ECF No. 126-50, PageID.3771). Against this backdrop, the absence of any documentation is, at least, peculiar. Accordingly, there also remains a question of fact about whether, and to what extent, Sgt. Geelhood surveilled the Shamoons' home.

Based on the foregoing, the Court finds that Plaintiffs have demonstrated a genuine dispute of material fact as to whether Sgt. Geelhood included knowingly false statements in his warrant affidavit with the intent to mislead the issuing judge.<sup>7</sup> Defendants' argument that Plaintiffs must make a "strong preliminary showing" (*i.e.* go beyond merely establishing a question of fact) is unpersuasive. (ECF No. 123, PageID.2474). In § 1983 cases, this heightened standard from *Franks* applies only

---

<sup>7</sup> Plaintiffs also proffer considerable evidence of a culture of corruption in the Narcotics Unit pursuant to which it would have been easy for a sergeant to falsify a warrant affidavit. Some of this evidence may be inadmissible propensity evidence, but certainly not all of it. For example, Plaintiffs offer deposition testimony from DPD Chief James Craig that "there were [previously uninvestigated] criminal and administrative violations occurring" in the Narcotics Unit, and that "sergeants may have been . . . directly involved." (ECF No. 126-34, PageID.3522, 3524). In any case, this evidence, though persuasive, is not vital to the Court's finding.

when qualified immunity is at issue or where there are no “factual questions *underlying* the probable-cause determination.” *Harmon v. Hamilton Cty.*, 675 F. App’x 532, 543 (6th Cir. 2017); *see Vakilian*, 335 F.3d at 517l. Neither of those circumstances are present here. Moreover, even assuming for the sake of argument that the heightened *Franks* standard did apply, the Court would find it satisfied on the evidence above. Accordingly, the question of probable cause is one for the jury, and the Court will proceed to Plaintiffs’ *Monell* claim.<sup>8</sup> *See Hill v. McIntyre*, 884 F.2d 271, 275 (6th Cir. 1989) (“[I]n a § 1983 action[,] fact-finding under the *Franks* standard is the province of the jury.” (citing *Hindman v. City of Paris*, 746 F.2d 1063, 1067 (5th Cir. 1984))); *see also Hale v. Kart*, 396 F.3d 721, 728 (6th Cir. 2005) (“[A] jury trial is appropriate where reasonable disputes of material fact exist on facts underlying a probable cause determination.”).

b. Monell Liability

It is well established that “[a] municipality may not be held liable under § 1983 on a *respondeat superior* theory—in other words, ‘solely because it employs a tortfeasor.’” *D’Ambrosio v. Marino*, 747 F.3d 378, 388-89 (6th Cir. 2014) (quoting *Monell*, 436 U.S. at 691). Rather, to prevail on a municipal liability claim, a plaintiff

---

<sup>8</sup> Because a question of fact exists as to probable cause, the Court need not reach the question of whether Plaintiffs’ other alleged Fourth Amendment violations, each of which stem from Sgt. Geelhood’s allegedly fraudulent warrant affidavit, also present a question of fact.

must “show[] that the municipality had a ‘policy or custom’ that caused the violation of [the plaintiff’s] rights.” *Griffith v. Franklin Cty.*, 975 F.3d 554, 581 (6th Cir. 2020) (quoting *Monell*, 436 U.S. at 694); see *Polk Cty. v. Dodson*, 454 U.S. 312, 326 (1981) (noting that the policy or custom “must be ‘the moving force of the constitutional violation’” (quoting *Monell*, 436 U.S. at 694)).

A plaintiff can make a showing of an illegal policy or custom by demonstrating one of the following: (1) the existence of an illegal official policy or legislative enactment; (2) that an official with final decision making authority ratified illegal actions; (3) the existence of a policy of inadequate training or supervision; or (4) the existence of a custom of tolerance or acquiescence of federal rights violations.

*Burgess v. Fischer*, 735 F.3d 462, 478 (6th Cir. 2013) (citing *Thomas v. City of Chattanooga*, 398 F.3d 426, 429 (6th Cir. 2005)). Here, Plaintiffs allege liability under the second, third, and fourth theories. (ECF No. 125, PageID.3029).

*i. Actions Taken By Officials with Final Decision-Making Authority (i.e. Ratification Theory)*

Where an “authorized policymaker[] approve[s] a subordinate’s decision and the basis for it, their ratification [is] chargeable to the municipality.” *St. Louis v. Praprotnik*, 485 U.S. 112, 127 (1988) (plurality opinion). Here, Plaintiffs argue that “the numerosity of [allegedly] illegal raids” by the Narcotics Unit makes “the City . . . liable for the unconstitutional conduct of its sergeants who were the highest-ranking officers in charge of th[ose] raids.” (ECF No. 125, PageID.3035-36).

The first question the Court must answer is whether the sergeants to which Plaintiffs refer can be considered authorized policymakers. *See Feliciano v. City of Cleveland*, 988 F.2d 649, 655 (6th Cir. 1993) (explaining that “the municipality is liable for an official’s unconstitutional action only when the official is the one who has the ‘final authority to establish municipal policy with respect to the action ordered.’” (quoting *Pembaur v. City of Cincinnati*, 475 U.S. 469, 481 (1986))). “Authority to make municipal policy may be granted directly by a legislative enactment or may be delegated by an official who possesses such authority, and . . . whether an official had final policymaking authority is a question of state law.” *Pembaur*, 475 U.S. at 483 (plurality opinion).

Sgt. Tucker was the highest-ranking officer in charge of the raid on Plaintiffs’ home, however, he apparently was not required to review Sgt. Geelhood’s affidavit until the warrant had already issued. (ECF No. 126-50, PageID.3777, 3793-94). Accordingly, it is unclear who, in Plaintiffs’ view, should be considered the final policymaker for the purpose of this analysis. Regardless, because Plaintiffs cite no authority in support of *either* sergeant being a municipal policymaker, this detail matters little. According to former DPD Chief James Craig, sergeants can only “[c]arry out policy,” not make it. (ECF No. 132-10, PageID.4318). Chief Craig’s position is backed up by the 2012 Narcotics Standard Operating Procedures, which

make “sergeant[s] . . . directly accountable to the lieutenants in charge of the[ir] units,” and the 2012 Charter of the City of Detroit, which states that the Board of Police Commissioners shall, “[i]n consultation with the Chief of Police, and with the approval of the Mayor[,] establish policies, rules and regulations.” (ECF No. 126-43, PageID.3634); DETROIT, MICH. CHARTER § 7-803 (2012), [https://detroitmi.gov/sites/detroitmi.localhost/files/2018-05/2\\_29\\_2012\\_CharterDocument\\_2\\_1\\_WITHOUT\\_COMMENTARY\\_1.pdf](https://detroitmi.gov/sites/detroitmi.localhost/files/2018-05/2_29_2012_CharterDocument_2_1_WITHOUT_COMMENTARY_1.pdf) [https://perma.cc/3WDJ-RAH8]. Against this backdrop, it is clear that sergeants were not final policymakers in a statutory sense.

Moreover, while it is true that policymaking authority can also be delegated, *see Pembaur*, 475 U.S. at 483, merely being given the “authority to exercise discretion while performing particular functions does not [by itself] make a municipal employee a final policymaker.” *Feliciano*, 988 F.2d at 655 (citing *Praprotnik*, 485 U.S. at 127). In other words, even where an official is delegated final *decisionmaking* authority by a superior, they will not necessarily be a final policymaker with respect to those decisions. *See Cristini v. City of Warren*, No. 07-11141, 2012 U.S. Dist. LEXIS 162325, at \*40 (E.D. Mich. Nov. 14, 2012). Rather, a municipal employee can be said to have final policymaking authority only when

their “decisions are final and unreviewable *and are not constrained by the official policies of superior officials.*” *Id.* (emphasis added).

In *Miller v. Calhoun Cty.*, the Sixth Circuit considered whether a shift commander at a county jail had been delegated policymaking authority with respect to overnight medical treatment for pretrial detainees. 408 F.3d 803, 814 (6th Cir. 2005). The plaintiff argued that despite state law giving the sheriff final policymaking authority over the jail, liability should be imputed to the municipality because “[the sergeant] was, by county policy, the *de facto* decision-maker as to emergency care for inmates on the midnight shift.” *Id.* But the Sixth Circuit disagreed. *Id.* It explained that the plaintiff was “conflate[ing] decisionmaking with policymaking,” and noted that there was “no evidence that [the sergeant’s] decisions were not subject to review, or that [the sergeant] possessed any authority to ‘formulate[] plans for the implementation of broad goals.’” *Id.* (quoting *Hager v. Pike Cty. Bd. of Educ.*, 286 F.3d 366, 376 (6th Cir. 2002)).

Here, like in *Miller*, Plaintiffs have failed to demonstrate how the actions of Narcotics Unit sergeants, even those who supervised raids, were anything more than discretionary decisions subject to the review of superior officials. Accordingly, Plaintiffs may not proceed on their *Monell* claim under a ratification theory.

*ii. A Custom of Tolerance or Acquiescence of Federal Rights Violations (i.e. Inaction Theory)*

A municipal liability claim premised upon a “custom of tolerance or acquiescence of federal rights violations” is sometimes referred to as an “inaction theory.” *See D’Ambrosio*, 747 F.3d at 387. To prevail under this theory, a plaintiff must demonstrate:

(1) the existence of a clear and persistent pattern of violating federal rights . . . ; (2) notice or constructive notice on the part of defendants; (3) the defendants’ tacit approval of the unconstitutional conduct, such that their deliberate indifference in failing to act can be said to amount to an official policy of inaction; and (4) that the defendants’ custom was the ‘moving force,’ or direct causal link for the constitutional deprivation.

*Powers v. Hamilton County Pub. Def. Comm’n*, 501 F.3d 592, 607 (6th Cir. 2007) (quoting *Doe v. Claiborne Cty.*, 103 F.3d 495, 508 (6th Cir. 1996)).

Plaintiffs argue that “the City knew, in the summer of 2010, about the corruption of DPD’s Narcotics Unit” but “waited until July 2014 . . . to address [it].” (ECF No. 125, PageID.3031). In support, Plaintiffs cite several allegedly unlawful raids by the Narcotics Unit, as well as examples they argue show the City’s notice of allegedly illegal conduct. (ECF No. 125, PageID.3031-33). But the majority of Plaintiffs’ examples are from 2013 to 2017, and “contemporaneous or subsequent conduct” cannot be relied upon to prove an inaction theory. *Connick v. Thompson*, 563 U.S. 51, 63 n.7 (2011). Accordingly, the Court will only consider Plaintiffs’

evidence to the extent that it relates to events before the raid on Plaintiffs' home. Several pieces of evidence fall within these parameters.

First, documents from the Wayne County Prosecutor's Office ("WCPO") regarding the exoneration of Darell Chancellor, who was arrested in 2011 following the execution of a search warrant by Sgt. Geelhood. The evidence within these records, which include a WCPO press release<sup>9</sup> and a memo by the WCPO's Conviction Integrity Unit ("CIU"), would enable a jury to find that there had been illegal conduct in the Narcotics Unit by Sgt. Geelhood well before the raid on Plaintiffs' home. Defendants have objected to Plaintiffs' reliance upon the CIU memo, but the Court need not address the merits of this objection here. The press release by itself makes clear that Chancellor was released from prison because the WCPO determined that the evidence against him "ha[d] been credibly refuted" and "was based upon a fraudulent search warrant" by Sgt. Geelhood. (ECF No. 126-8, PageID.3253-54; ECF No. 126-17, PageID.3314).

Second, a letter from DPD Lt. Kelly Fitzgerald to the City's Office of the Inspector General ("OIG"), chronicling how, in late 2011, officials in the Narcotics

---

<sup>9</sup> Because the press release sets forth the conclusions of the WCPO based on its own investigation, it falls within the public records exception to hearsay under FED. R. EVID. 803(8)(A). *See Patterson v. Cent. Mills, Inc.*, 64 F. App'x 457, 462 (6th Cir. 2003) ("The Supreme Court has interpreted this 'public records' exception to the hearsay rule broadly to include both conclusions and opinions of public offices and agencies." (citing *Beech Aircraft Corp. v. Rainey*, 488 U.S. 153, 162 (1988))).

Unit and Internal Affairs swept evidence of allegedly falsified surveillance and overtime “under the rug.” (ECF No. 126-56, PageID.3886-91). This letter, which Defendants do not address in their Reply [132], provides specific, detailed examples of fabricated surveillance and overtime by Sgt. Tucker, who was in charge of the raid on Plaintiffs’ home. (*Id.* at 3887). For example, it notes how “[o]n October 22, 2011, Tucker tagged himself [on Facebook] at J. Alexanders restaurant (suburb) at 4:03 PM, yet . . . was paid [overtime] to be on narcotics surveillance from [1:00 PM to 8:00 PM].” (*Id.*). In addition, Lt. Fitzgerald explains that even though she alerted Internal Affairs to Sgt. Tucker’s conduct, the case was administratively closed without a full investigation after Lt. Kevin Robinson, the Commanding Officer of Narcotics, explained to investigators that what Sgt. Tucker did “is done all the time at Narcotics.” (*Id.* at 3890). In short, Lt. Fitzgerald’s letter not only documents a second pre-2012 example of misconduct in the Narcotics Unit, but also evidences a culture of indifference to such misconduct by the Unit’s highest-ranking officials. (*Id.* at 3887, 3889-90).

Third, the trial testimony of Gary Jackson and related supporting evidence, which go to when the City first became aware of alleged corruption in the Narcotics Unit. Jackson was a drug dealer turned DPD informant who served as a cooperating witness in the 2015 prosecution of David Hansberry, Bryan Watson, and Arthur

Leavells, three of Sgt. Geelhood's former colleagues in the Narcotics Unit. *See United States v. Hansberry, et. al.*, No. 15-20217 (E.D. Mich.). Along with two civilian associates, Hansberry, Watson, and Leavells were charged with multiple crimes arising out of a conspiracy to steal drugs and money from drug dealers.<sup>10</sup> (ECF No. 126-23, PageID.3401; ECF No. 126-26, PageID.3444). Leavells and Calvin Turner, one of the civilian associates, pleaded guilty, while Hansberry, Watson, and Kevlin Omar Brown, the other civilian associate, went to trial. (ECF No. 126-26, PageID.3444; ECF No. 126-58).

At trial, Jackson testified as follows: In the summer of 2010, he had learned of a \$3 million cocaine deal in Detroit, including how and when the profits would be moved out of the city. (ECF No. 126-26, PageID.3441-43). To make the most of this knowledge, he made an agreement with Leavells and Watson to exchange his information for a formal reward from the City of Detroit and an off the books cut of the seized money. (*Id.* at 3446-47). The bust was successful, but afterwards, Leavells told Jackson that there had been no opportunity to skim money off the top of the

---

<sup>10</sup> *See generally United States v. Watson*, 778 F. App'x 340, 343 (6th Cir. 2019) ("The basic con went as follows: Defendants would raid a house or stop a car (generally with the help of an informant) knowing that drugs and money would be there. These pretextual raids would . . . scare [drug-dealing victims] 'to death' about getting arrested or hurt. So the victims would hand over their drugs and money to Defendants. And once Defendants got what they wanted, they would leave without making arrests or filing charges. Instead, Defendants would keep the money and sell the drugs (generally with the help of the same informant), splitting the profits. And if Defendants did report the bust, they would first take some money or drugs 'off the top.'").

seizure before other officers arrived. (*Id.* at 3451). Jackson was furious, and even more so when the publicly reported total of the seizure was several hundred thousand dollars less than he expected. (*Id.* at 3451-52). Jackson thought he had been duped, and that Watson and Leavells had pocketed the missing money for themselves and lied to him. (*Id.* at 3452). Jackson began to worry he was not going to get any money at all and decided to take matters into his own hands. (*Id.* at 3452, 3455). Thanks to a coincidental mutual acquaintance, Jackson was able to arrange a dinner meeting with the then-DPD Chief, Ralph Godbee. (*Id.* at 3456; ECF No. 126-53, PageID.3834). At the meeting, Jackson told Chief Godbee that there had actually been \$3 million in play, significantly more than the amount reported, and Chief Godbee responded, “I knew it.”<sup>11</sup> (ECF No. 126-26, PageID.3456).

Chief Godbee agrees that he met with Jackson very soon after the bust, but disputes Jackson’s version of their meeting. (ECF. No. 126-53, PageID.3836-37, 3840). He claims that Jackson did not mention a shortfall in the seized money and

---

<sup>11</sup> Defendants contend that all of Jackson’s trial testimony “is inadmissible hearsay that cannot be considered.” (ECF No. 132, PageID.4116). But Jackson is currently under the supervision of the U.S. Probation Department for the Eastern District of Michigan and is subject to this Court’s subpoena power. *See United States v. Jackson*, No. 15-20507, 2020 U.S. Dist. LEXIS 132228 (E.D. Mich. July 27, 2020) (granting Jackson compassionate release and imposing a sixty-month period of supervise release); *see also* FED. R. CIV. P. 45(c)(1). And Defendants have not argued that Jackson would be unavailable to testify at trial. Accordingly, to the extent the substance of Jackson’s trial testimony is otherwise admissible, it is competent evidence for the purpose of opposing summary judgment. *See Bailey*, 106 F.3d at 145. Here, because Plaintiffs rely upon Jackson only to show the City’s knowledge of alleged misconduct in the Narcotics Unit and not to prove the truth of the underlying misconduct, it is admissible.

that the primary topic of discussion was the danger to Jackson and his family in light of the information he had given about the drug bust. (*Id.* at 3854). Regardless of who is telling the truth, there is plainly a dispute of material fact about whether Chief Godbee knew, in the summer of 2010, of allegations that members of the Narcotics Unit had stolen or attempted to steal a large sum of money from a drug bust.

Also supporting a finding of constructive notice is the fact that there were several discrepancies in the amount of currency reportedly seized as the cash moved through the chain of custody. (ECF No. 125, PageID.3039-41). The initial police report references a “tally sheet” that was discovered with the cash, which listed the amount of currency as \$2,370,000. (ECF No. 126-51, PageID.3807-08; ECF No. 126-53, PageID.3846, 3857). This is the number that Chief Godbee first reported to the media. (ECF No. 126-53, PageID.3841). But by the time the money was logged into the property room, only \$2,100,190 was accounted for. (ECF No. 126-51, PageID.3815; ECF No. 126-53, PageID.3846). And an additional shortfall of approximately \$15,000 was discovered when the money was deposited at Comerica Bank. (ECF No. 126-51, PageID.3810; ECF No. 126-53, PageID.3846). This final shortfall triggered an Internal Affairs investigation, which concluded that it was attributable to a faulty counting machine, but the first shortfall was never investigated. (ECF No. 126-34, PageID.3547; ECF No. 126-54). In other words,

regardless of whether the initial \$2.37 million figure was accurate, there are sufficient facts for a jury to conclude that DPD officials knew of a several hundred-thousand-dollar discrepancy and did not investigate. (ECF No. 126-34, PageID.3547).

Defendants argue that these questions regarding missing money were already resolved by the jury when it found Hansberry and Watson not guilty on all counts except conspiracy and fully acquitted Brown. (ECF No. 132, PageID.4116; ECF No. 132-8, PageID.4160). But this argument fails to account for the differing burdens of proof in civil and criminal cases. And, in any event, the issue here is not whether Plaintiffs can prove that members of the Narcotics Unit stole currency from a drug bust, but whether the City had notice that they might have done so, and failed to look into it.

Taken together, these three examples—the Chancellor investigation and exoneration, the Fitzgerald OIG complaint, and the City’s knowledge of a possible shortfall in the Hansberry seizure—are sufficient to create a reasonable dispute of material fact as to whether there was a pattern of illegal conduct in the Narcotics Unit about which the City had notice. In addition, a reasonable jury could find, based on Plaintiffs’ evidence that Sgts. Geelhood and Tucker had previously falsified DPD records, that a raid premised upon a fraudulent warrant affidavit could have been

prevented if the City had opened an investigation into the Narcotics Unit sooner. In other words, there is also a reasonable dispute of material fact as to whether the City's inaction was the moving force behind Plaintiffs' injury. *See Powers*, 501 F.3d at 607. Finally, because Plaintiffs have "advance[d] sufficient evidence to create a genuine issue of material fact[,] . . . the question of 'deliberate indifference' is one for the jury." *Doe*, 103 F.3d at 509 (citing *Hicks v. Frey*, 992 F.2d 1450, 1456-57 (6th Cir. 1993)). Accordingly, Plaintiffs' inaction theory of *Monell* liability may proceed to trial.

iii. *A Policy of Inadequate Training or Supervision*

In deposition, Chief Craig opined that there was a lack of supervision in the Narcotics Unit going back "even before [2010]." (ECF No. 126-34, PageID.3546). It is unsurprising, therefore, that several of the evidentiary items that support Plaintiffs' inaction theory also support a claim for failure to supervise. *See Ellis v. Cleveland Mun. Sch. Dist.*, 455 F.3d 690, 700 (6th Cir. 2006) ("To succeed on a failure to train or supervise claim, the plaintiff must prove the following: (1) the training or supervision was inadequate for the tasks performed; (2) the inadequacy was the result of the municipality's deliberate indifference; and (3) the inadequacy was closely related to or actually caused the injury." (citing *Russo v. City of Cincinnati*, 953 F.2d 1036, 1046 (6th Cir. 1992))).

For example, as described in Lt. Fitzgerald's complaint to OIG: The Commanding Officer of Narcotics, Lt. Robinson, believed that Unit members would report being on the clock, doing things like conducting surveillance, when they were actually engaging in recreational activities. (ECF No. 126-56, PageID.3887-90). Lt. Robinson even told Internal Affairs investigators as much. (*Id.*). But no action was taken, and Unit members continued to submit warrant affidavits that relied upon alleged surveillance without any requirement that they seek approval from a superior officer before presenting their affidavit to a judge. (ECF No. 126-50, PageID.3794). In short, regardless of whether this practice was as widespread as Lt. Robinson intimated to Internal Affairs, a reasonable jury considering Plaintiffs' evidence could find both that there was inadequate supervision in the Narcotics Unit, and that the absence of a warrant review process was closely related to the allegedly fraudulent affidavit in Plaintiffs' case. Accordingly, Plaintiffs' failure to supervise theory of *Monell* liability may also proceed to trial.

## CONCLUSION

**IT IS ORDERED** that Defendants' Motion for Judgment on the Pleadings [121] is **GRANTED in part and DENIED in part**. The Motion [121] is **GRANTED** as to Plaintiffs' claims against the individual officers. It is **DENIED** as to Plaintiffs' *Monell* claim against the City of Detroit.

**IT IS FURTHER ORDERED** that Defendants' Motion for Summary Judgment [123] is **DENIED**.

**IT IS FURTHER ORDERED** that, within thirty days, Plaintiffs may file a Second Amended Complaint consistent with the conclusions set forth above.

**SO ORDERED.**

s/Arthur J. Tarnow

Arthur J. Tarnow

Senior United States District Judge

Dated: June 25, 2021

**EXHIBIT 6-3 – SECOND AMENDED COMPLAINT**

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

DEBRA METRIS-SHAMOON,  
MUKHLIS SHAMOON, CARL VERES,  
PAUL METRIS, JULIA METRIS,

Plaintiffs,  
vs.

Case No.: 18-cv-13683  
Hon. Arthur J. Tarnow

CITY OF DETROIT, and  
STEPHEN GEELHOOD,  
in his Individual Capacity; jointly and severally,

Defendants.

---

**SECOND AMENDED COMPLAINT AND JURY DEMAND**

NOW COME Plaintiffs, DEBRA METRIS-SHAMOON, MUKHLIS SHAMOON, CARL VERES, PAUL METRIS, JULIA METRIS, by and through their counsel, DETTMER & DEZSI, PLLC, and for their SECOND Amended Complaint and Jury Demand state as follows:

**PARTIES**

1. Plaintiffs are citizens of the State of Michigan.
2. Upon information and belief, Defendant GEELHOOD is a citizen of the State of Michigan.<sup>1</sup>

---

<sup>1</sup> Plaintiffs recognize that Defendant Geelhood was previously dismissed by the Court, however, he is listed herein for purposes of Plaintiffs' preserving their claims against him.

3. Defendant City of Detroit (“City”) is a governmental entity in the State of Michigan.
4. At all times relevant to this lawsuit, Defendant GEELHOOD was acting under color of law with respect to the events set forth in the Complaint.
5. At all material times, Defendant City of Detroit employed the Individual Defendant and is liable for his acts. City of Detroit is also liable for the unconstitutional policies, practices, and customs of its Police Department.
6. Defendants are jointly and severally liable to Plaintiff for the claims asserted herein.

### **JURISDICTION AND VENUE**

7. The Court has jurisdiction over this lawsuit pursuant to 28 U.S.C. § 1331, § 1343(a)(1)-(4) and 1343(b).
8. Venue is proper under 28 U.S.C. § 1391(b).

### **COMMON ALLEGATIONS**

9. In September 2012, Plaintiffs Deborah Metris-Shamoon and Mukhlis Shamoon were the lawful and licensed operator of a marijuana grow facility located at their residence in Shelby Township, Michigan.
10. On or about September 13, 2012, Defendants, acting under color of law and as officers of Defendant City of Detroit’s Narcotics Unit, conducted an unlawful raid of Plaintiffs’ home in Shelby Township, Michigan. The raid

was supervised by, among others, Sgt. Joe Tucker of the Detroit Police Department.

11. Officers gained entry into Plaintiffs' residence via forced entry with at least one of the officers' weapons drawn.
12. The Officers purposefully concealed their identities during the raid and neither knocked or announced their presence before making a forced entry into Plaintiffs' home.
13. At no time during the raid did any of the officers show or present to Plaintiffs a lawfully issued search warrant.
14. During the raid, the officers destroyed Plaintiffs' home. Plaintiffs were unlawfully searched and seized within the meaning of the fourth amendment during the raid.
15. For an unknown duration of time, the officers extensively tore apart Plaintiffs' property and removed, without lawful authority, marijuana plants and other related legitimate and lawful by-products of Plaintiffs' business.
16. The officers had no probable cause to seize and/or arrest Plaintiffs nor were Plaintiffs ever shown a search or arrest warrant.
17. The officers also confiscated, without lawful authority, an Armsport 12-gauge shotgun, a BSA 9mm handgun, a Winchester Wildcat .22 Rifle, a BSR .45 Caliber Colt handgun, and money totaling \$315.00 from Plaintiffs'

residence.

18. At no time were Plaintiffs ever given a copy of any search warrant or a list of items that were unlawfully seized from their property.
19. Plaintiffs were eventually released by Defendants and never charged with any violations of law.
20. During the raid, Plaintiff Mukhlis Shamoan was placed in handcuffs which the officers left on him after leaving the property such that Mukhlis was forced to wear the handcuffs for approximately ten hours.
21. Following the raid, Defendants produced a search warrant and affidavit sworn out by Defendant Geelhood in which Defendant falsely swore to facts in an attempt to manufacture probable cause.
22. In particular, Defendant Geelhood falsely swore to having conducted surveillance of the Plaintiffs' home and having witnessed illegal drug transactions at Plaintiffs' residence.
23. Defendant Geelhood also falsely swore to having relied on a confidential informant to establish probable cause.
24. Upon information and belief, members of the Detroit Police Department's Narcotics Unit, including officers who participated in raid upon Plaintiffs' residence, have engaged in similar unlawful searches and seizures of other legitimate marijuana grow facilities in and around the City of Detroit.

25. Defendant City of Detroit has allowed an unconstitutional policy, custom and practice to flourish within its police department under which its police officers, including Defendant Geelhood, have unlawfully seized, confiscated, destroyed, or otherwise disposed of legitimate products of marijuana grow facilities.
26. Prior to the unlawful raid of Plaintiffs' home, Defendant City of Detroit had knowledge and notice that members of its Narcotics Unit were falsifying reports of narcotics surveillance, and despite such knowledge and notice Defendant City of Detroit ignored such misconduct.
27. Prior to the unlawful search and seizure of Plaintiffs' home, Defendant City of Detroit had knowledge and notice that officers of its Narcotics Unit were unlawfully seizing money and controlled substances for the officers' own pecuniary gain, and despite such knowledge and notice Defendant City of Detroit ignored such misconduct.
28. During these unconstitutional searches and seizures, Plaintiffs and dozens of other similar business owners would be threatened, intimidated, detained, and falsely arrested without probable cause.
29. Upon information and belief, Defendant City of Detroit's officers, including its supervisory personnel like Sgt. Tucker and Sgt. Geelhood routinely conducted, participated, and/or allowed the types of illegal searches and

seizures described herein.

30. As a result of Defendants' actions, Plaintiffs were degraded, humiliated, and subjected to an unlawful search, seizure, and false arrest in violation of their constitutional rights.
31. Plaintiffs suffered extreme emotional distress, humiliation, embarrassment, and damage as a result of Defendants' unlawful actions.
32. Plaintiffs were putative class members in the case of *Timothy and Hatema Davis v. City of Detroit, et. al.*, Case No.: 15-cv-10547 (E.D. Mich)(J. Borman) that sought to challenge as unconstitutional the acts, policies, and/or customs of Defendants as alleged herein.
33. Recently, the Court denied class certification in the *Davis* matter such that the instant Plaintiffs now seek to pursue their identical claims herein.

**COUNT I; UNLAWFUL SEARCH AND SEISURE IN VIOLATION OF  
THE FOURTH AMENDMENT**

34. Plaintiffs hereby incorporate by reference herein the allegations contained in the above Paragraphs of the Complaint.
35. The acts of Defendants as ratified, endorsed, and cultivated by the City of Detroit and its Police Department as described herein violated Plaintiffs' rights against unlawful and unreasonable search and seizure as guaranteed by the Fourth Amendment to the United States Constitution.

36. Plaintiffs' arrest and detention as described herein were undertaken by Defendants without probable cause and without regard to any legitimate law enforcement interest.
37. The raid of Plaintiffs' home was based on a false affidavit sworn out by Defendant Geelhood who manufactured the bases of probable cause as described herein.
38. Defendants failed to knock and announce their presence before making forced entry into Plaintiffs' residence.
39. Plaintiffs' were unlawfully seized when the officers displayed and pointed their weapons at Plaintiffs without provocation or justification.
40. Defendant's actions were not taken spontaneously in response to an emergency, but rather in conformity with the City's deliberate policies, customs, and practices as carried out through the Detroit Police Department.
41. The constitutional rights that Defendant violated were clearly established at all times when Defendant violated such rights and a reasonable person in Defendant's position would have understood that his conduct was in violation of those rights.
42. Defendant Geelhood is thus not entitled to qualified immunity.
43. By virtue of Defendants' actions, Plaintiff is entitled to compensatory and punitive damages.

**COUNT II; MONELL CLAIM AGAINST CITY OF DETROIT FOR UNCONSTITUTIONAL POLICIES, PRACTICES, AND/OR CUSTOMS**

44. Plaintiffs hereby incorporate by reference herein the allegations contained in the above paragraphs of this Complaint.
45. Defendant City of Detroit maintained an unconstitutional policy, custom, and/or practice of tolerating the misconduct and unlawful activity of officers within its Narcotics Unit.
46. Defendant City of Detroit's unconstitutional policy, custom, and/or practice of tolerating misconduct and the unlawful activity of its Narcotics Unit continued from, at least, 2010 through 2015 during which time Plaintiffs and several other individuals were subjected to unlawful searches and seizures by members of Defendant City of Detroit's Narcotics Unit.
47. Defendant City of Detroit knew about, or should have known about, the misconduct and unlawful activities of its officers within the Narcotics Unit before the raid of Plaintiffs' residence, and despite having such knowledge Defendant City of Detroit failed to remedy the misconduct and unlawful activity.
48. By failing to stop the misconduct and unlawful activity of its Narcotics Unit despite having knowledge of same, Defendant City of Detroit tacitly approved and condoned such unlawful activity which continued for several

years.

49. For these reasons, Defendant City of Detroit is liable for the violation of Plaintiffs' constitutional rights which occurred as a direct result of Defendant City of Detroit's unconstitutional policy, custom, and/or practice as set forth herein.

**COUNT III; MONELL CLAIM AGAINST CITY OF DETROIT FOR  
INADEQUATE TRAINING AND/OR SUPERVISION  
OF ITS AGENTS AND EMPLOYEES REGARDING  
THE CONSTITUTIONAL RIGHTS OF CITIZENS**

50. Plaintiffs hereby incorporate by reference herein the allegations contained in the above paragraphs of this Complaint.
51. Defendants City of Detroit had an obligation to train its employees, police officers, and/or agents regarding the constitutional rights of citizens under the Fourth Amendment.
52. Defendant City of Detroit had an obligation to supervise its agents and employees, including the individual Defendant named herein, to insure that the constitutional rights of Plaintiffs and similarly situated business owners were not violated.
53. Defendant City of Detroit failed to comply with its duty to train and/or supervise its employees, officers, and/or agents and had a custom or policy of acting with deliberate indifference to the types of egregious violations of

the constitutional rights of Plaintiffs and other similarly situated business owners.

54. In this instance, the specific acts complained of herein were directed and encouraged by Sgt. Joe Tucker who were exercising supervisory authority over the individual officers and members of the narcotics unit.
55. Prior to the unlawful search and seizure of Plaintiffs' home, Defendant City of Detroit had knowledge that its narcotic officers, including Sgt. Joe Tucker, were falsifying time cards that purported to show narcotics surveillance that never occurred.
56. Despite having such knowledge, Defendant City of Detroit and its highest-ranking supervisory offices ignored such misconduct which Defendant "swept under the rug."
57. By failing to supervise its employees and officers, Defendant City of Detroit allowed a culture of corruption to flourish within certain ranks of its Police Department including the Narcotics Unit.
58. By inadequately training and/or supervising its employees, officers, and agents and having a custom or policy of deliberate indifference to the constitutional rights of Plaintiffs, Defendant City of Detroit encouraged and cultivated the conduct that resulted in the violation of Plaintiffs' constitutional rights.

59. Defendant City of Detroit had notice that its employees and officers were engaging in the types of actions described herein and failed to implement any preventative or corrective measures to ensure the safety of citizens including Plaintiffs.
60. Defendant City of Detroit's policies, practices, and customs were the moving force in causing Plaintiffs their injuries as described herein.
61. By virtue of the actions of Defendant City of Detroit, Plaintiffs are entitled to compensatory and punitive damages.

### **DAMAGES AND RELIEF REQUESTED**

62. Plaintiffs hereby incorporate by reference herein the allegations contained in the above paragraphs of this Complaint.
63. As a direct and proximate result of Defendants' conduct, each and every one of them, as set forth herein, Plaintiffs' constitutional rights under the Fourth Amendment were violated.
64. As a direct and proximate result of Defendants' conduct, each and every one of them, as set forth herein, Plaintiffs suffered extreme injury including emotional distress, humiliation, anguish, embarrassment, and loss of their valuable property.
65. Plaintiffs are entitled to any and all damages or losses compensable under federal and state law including, but not limited to, those damages authorized

under 42 U.S.C. §§ 1983, 1988, and/or Michigan law.

66. Plaintiffs are also entitled to declaratory and injunctive relief to prevent the further degradation, humiliation, embarrassment, injury, and emotional distress caused by Defendants' actions and unconstitutional policies, practices, and customs.

**WHEREFORE**, Plaintiffs respectfully request that this Honorable Court, by and through its trier of fact enter Judgment in favor of Plaintiffs and against Defendants, together with interest, costs and attorney fees or as otherwise determined by the court or trier of fact.

Respectfully submitted,

DETTMER & DEZSI, PLLC,

Dated: July 8, 2021

*/s/ Michael R. Dezsi*  
MICHAEL R. DEZSI  
Counsel for Plaintiffs  
1523 N. Main St.  
Royal Oak, MI 48067  
(313) 757-8112  
[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)  
P64530

**DEMAND FOR JURY TRIAL**

By and through their counsel, DETTMER & DEZSI, PLLC, Plaintiffs hereby demand a trial by jury in the above captioned matter.

Respectfully submitted,

DETTMER & DEZSI, PLLC,

Dated: July 8, 2021

*/s/ Michael R. Dezsi*  
MICHAEL R. DEZSI (P64530)  
Counsel for Plaintiffs  
1523 N. Main St.  
Royal Oak, MI 48067  
(313) 757-8112  
[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)

**CERTIFICATE OF SERVICE**

I hereby certify that on 07/08/2021, I electronically filed the Second Amended Complaint and Demand for Jury Trial with the Clerk of the Court using the ECF system which will send notification of such filing to the attorneys of record.

*/s/Michael R. Dezsi*  
MICHAEL R. DEZSI (P64530)  
DETTMER & DEZSI, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
(313) 757-8112  
[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)  
P64530

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

*In re:*

CITY OF DETROIT, MICHIGAN,

Case No. 13-53846

Hon. Thomas J. Tucker

Chapter 9

*Debtor.*

---

**DEBRA METRIS-SHAMOON, MUKHLIS SHAMOON,  
CARL VERES, PAUL METRIS AND JULIA METRIS  
RESPONSE IN OPPOSITION TO DEBTOR CITY OF DETROIT'S  
MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR  
DATE ORDER AND CONFIRMATION ORDER (DKT #13532)**

By and through their counsel, Dettmer & Dezsi, PLLC, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris (“Shamoons”) hereby file their Response in Opposition to the City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date and Confirmation Order (Dkt #13532).

In its motion, the City of Detroit asserts that the Shamoons are pursuing a pre-petition claim that has been discharged pursuant to the City’s Confirmed plan. The City’s motion should be denied for the following reasons:

1. The Shamoons were known creditors whose claims and/or identities were “readily ascertainable” by the City such that they were entitled to actual

notice, and having failed to give the Shamoons such notice their claims are not subject to discharge;

2. The Shamoons did not fairly contemplate their claims against the City until after the effective date of the City's Confirmed plan such that they are not subject to discharge; and,
3. The City's right to discharge the Shamoons' claims are barred by the equitable doctrines of estoppel and laches.

Respectfully submitted,

DETTMER & DEZSI, PLLC

Dated: May 17, 2022

/s/Michael R. Dezsi

MICHAEL R. DEZSI

Counsel for Interested Parties

Debra Metris-Shamoon, Mukhlis Shamoon,

Carl Veres, Paul & Julia Metris

1523 N. Main St.

Royal Oak, MI 48067

(313) 757-8112

[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)

P64530

**BRIEF IN OPPOSITION TO DEBTOR CITY OF DETROIT'S MOTION  
FOR THE ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER  
AND CONFIRMATION ORDER (DKT #13532)**

**I. Background Facts**

A discussion of the facts relevant to the Shamoons' instant response require both a recitation of the facts underlying the Shamoons' case as well as the predecessor case of *Timothy and Hatema Davis v. City of Detroit*. The *Davis* case was filed as a putative class action alleging claims similar to the Shamoons.

Plaintiffs Debra Metris-Shamoon ("Debra") and her husband Mukhlis Shamoon ("Mukhlis") allege that they were subjected to an unlawful raid of their home in Shelby Township, Michigan by members of Detroit Police Department's Narcotics Unit. The raid took place on September 13, 2012, under the command of Sgt. Joe Tucker who supervised the raid crew which included, among others, Sgt. Stephen Geelhood. Both of Debra's octogenarian parents, Paul and Julia Metris, were visiting for lunch at the time of the raid, and so was a family friend, Carl Veres, who was picking up some clothes.

The raid lasted about an hour and a half during which she was never shown a warrant. The officers took all of her marijuana plants and product, about \$315 cash, and some legally owned handguns that belonged to her son Adam. Debra testified that she was a licensed caregiver to provide marijuana though none of the officers ever asked to see any of her caregiver cards despite her offer to produce them.

Mukhlis was also a licensed caregiver. None of the Shamoons were ever charged with any crimes arising from the raid.

At the conclusion of the raid, Sgt. Joe Tucker left a Notice of Seizure and Intent to Forfeit form (**Ex. O**). Within a few days of the raid, both Debra Shamoon and her son Adam, had contacted the City of Detroit via telephone. Adam contacted Sgt. Tucker to inquire about why his parents' house was raided and inquired of the handguns taken from the home (**Ex. G**). According to Adam, he spoke to Sgt. Tucker and demanded answers about what had happened at his parents' home and about the status of their handguns. *Id.* Sgt. Tucker told Adam that he would have to wait before getting the guns and to call back a couple weeks later.

Debra, on the other hand, also contacted the Detroit Police department on two separate occasions in the couple weeks following the raid and before the 1<sup>st</sup> of October (**Ex. H**). During each of her calls, Debra also demanded answers about why her house had been raided and asked for a search warrant. Both times, Debra was told by some unknown lady from the department that she couldn't find any information on any of the Shamoons or a warrant in the department's computer system. *Id.*

After a couple weeks, Adam called Sgt. Tucker back and again demanded answers about what happened at his parents' home and the status of the handguns. Adam also advised Sgt. Tucker that he would get an attorney if necessary. *Id.*

Eventually, Sgt. Tucker told Adam to contact someone else at the department who told Adam he could come pick up his handguns though no one at the department explained to him what had happened at his parents' house. No one had shown him a warrant or other legal documentation regarding the search and seizure of the Shamoons' house.

On February 11, 2015, plaintiffs Timothy and Hatema Davis filed in the Eastern District of Michigan a putative class action under § 1983 against both the City of Detroit and several members of the Narcotics Unit claiming that they, along with several other individuals in and around Detroit, were subjected to unlawful raid of their home in Warren, Michigan. The Davis raid occurred in December 2013. See Case No. 15-cv-10547 (E.D. Mich.)(J. Borman)(**Ex. A**). The Davises allegations closely mirrored the allegations later made by the Shamoons insofar as the manner in which officers conducted the raid.

There was much media attention about the *Davis* case given the allegations of misconduct against the City of Detroit and its narcotics officers (**Ex. B**). Along with others, the Shamoons saw these media articles and contacted the undersigned counsel regarding the September 2012 raid of their home (**Ex. H**). According to Debra, these news reports were the first time that she or her family had any idea that her rights may have been violated by the actions of the officers.

On April 8, 2015, the U.S. Attorney indicted several members of the City of Detroit's Narcotics Unit, including narcotics officer Arthur Leavells (**Ex. C**).

On April 23, 2015, the undersigned counsel served on the City of Detroit the Davis plaintiffs' First Request to Produce Documents seeking documents related to the City's raids on several homes including the Shamoons' home (**Ex. D**, Plaintiffs' First Request to Produce, Nos. 1 and 2, pgs. 1-2).

Ultimately, after conducting some class-related discovery, the Davis plaintiffs moved to certify a class action consisting of individuals, including the Shamoons, who had been subjected to unlawful raids by members of the City of Detroit's now-defunct narcotics unit. See Motion to Certify Class, Case No. 15-cv-10547 ECF No. 88 (E.D. Mich.). Ultimately, the district court denied the Davises' Motion to Certify Class, see Case No. 15-cv-10547 ECF No. 168 (J. Borman Opinion and Order Denying Motion for Class). Not long after the district court denied the Davises' Motion to Certify Class, the Davises and the City of Detroit settled the Davises' claims for \$350,000 (**Ex. E**). The release makes clear that the City of Detroit was a released party under the settlement.

On November 26, 2018, the Shamoons filed their own individual action naming as defendants both the City of Detroit and several individual officers who supervised and/or participated in the raid on the Shamoons' home including Sgt. Stephen Geelhood and Sgt. Joe Tucker. Since the filing of the Shamoons' case, the

parties conducted extensive discovery that resulted in numerous discovery motions, motions for show cause, and dispositive motions (**Ex. S** Shamoon Docket).

On October 23, 2020, the individual Defendants filed a Motion to Dismiss pursuant to Fed. R. Civ. P. 12(c) (Case No. 3:18-cv-13683 ECF No. 121), and the City of Detroit filed a Motion for Summary Judgment pursuant to Fed. R. Civ. P. 56 (ECF No. 122). On November 20, 2020, Plaintiffs filed their response to Defendants' dispositive motions (ECF No. 125 and ECF No. 126).

On June 25, 2021, Judge Tarnow issued his Opinion and Order Granting in part and denying in part Defendants' Motion to Dismiss and/or for Summary Judgment (Case No. 3:18-cv-13683 ECF No. 145). In his Opinion and Order, Judge Tarnow denied Defendant City of Detroit's Motion for Summary Judgment finding that there were questions of as to (1) whether Plaintiffs' Fourth Amendment rights were violated by the search and seizure of their home; and, (2) whether the City of Detroit is liable under *Monell* based on both an "inaction theory" and a policy of inadequate supervision. Opinion and Order, Case No. 3:18-cv-13683, ECF No. 145, PageID.4466-4474 (E.D. Mich.).

In reaching his conclusion, Judge Tarnow relied on the extensive summary judgment record that included evidence that the City of Detroit was aware, as early as 2010, that members of its Narcotics Unit, including specifically Sgt. Stephen Geelhood, were conducting unlawful raids in and around the City of Detroit.

For instance, there was sworn testimony from Arthur Leavells,<sup>1</sup> the affiant of the purported search warrant for the Davises' home, that he routinely lied on affidavits in support of search warrants and would simply make up phony affidavits with "all kinds of lies" and that "it's not hard to do." (Ex. I, Trans. Pg. 72-73). Leavells admitted that he got bogus search warrants on "countless occasions" (Ex. I, Tr. 77), and there was "a lot of crookery going on in Detroit Police Narcotics" including "money seizures[.]" (*Id.* at Tr. 80:16 - 81:5). Leavells also testified that Sgt. Geelhood, the affiant of alleged search warrant affidavit for the Shamoons, had full knowledge of the misconduct, (*id.* at Tr. 81:11, 82:24—83:3), and that the narcotics officers were "ripping off marijuana when [they'd] go for raids[.]" *Id.* at Tr. 83. Leavells testified the officers would divide up the seized money (*Id.* at 82), and take "personal property like jewelry, cash, drugs, and guns." (Ex. I, Tr. 84-85).

In another instance, several officers of the narcotics crew were caught (on camera) stealing from another narcotics raid in February 2014 (Ex. N). That raid was also supervised and carried out at the direction of Sgt. Geelhood. The property owner had hidden cameras on the premises which recorded the narcotics officers stealing items. The owner of the property indicated that his Chase debit card was

---

<sup>1</sup> Leavells pled guilty to federal charges similar to the allegation alleged herein.

also taken and he subsequently discovered an unauthorized charge for \$1,000 (Ex. N, pg 1-2).

Further evidence of Sgt. Geelhood's misconduct came from Wayne County Prosecutor Kym Worthy who recently moved to vacate a 2012 drug conviction of a defendant who was convicted upon the testimony and search warrant affidavit of Sgt. Geelhood. In an official press release, Worthy remarked "[t]hese are the first cases that deal directly with fraudulent search warrant affidavits and other activities by highly unethical and compromised narcotics police officers." Ex. M.<sup>2</sup>

Former Chief of Police James Craig also testified in his deposition that he believed that the narcotics unit's sergeants were "directly involved in the alleged misconduct" or "complicit and not taking appropriate supervisory action when necessary (Ex. J, Craig Depo. 24:14-22). Chief Craig's testimony is entirely consistent with the testimony of Leavells that Sgt. Geelhood was an active participant in the scheme.

In sum, Judge Tarnow concluded based on the voluminous summary judgment record that there was sufficient evidence that the City of Detroit knew

---

<sup>2</sup> Judge Tarnow concluded that Worthy's press release was competent evidence for purposes of opposing the City of Detroit's motion for summary judgment. See Case No. 18-cv-13683 ECF No. 145, Opinion and Order on Summary Judgment, pg. 29 n.9)(citing to FRE 803(8)(A)(i)-(iii); *Patterson v. Central Mills, Inc.*, 64 Fed. Appx. 457, 462 (6th Cir. 2003)

about, but failed to stop, the rampant corruption and misconduct of the Narcotics Unit during the time of the Shamoons raid. Accordingly, Judge Tarnow denied the City of Detroit's Motion for Summary Judgment.

The Shamoons' case was recently referred to Magistrate Judge Stafford for all final pre-trial matters, including motions in limine, jury instructions, verdict form, etc. See Case No. 18-cv-13863 ECF No. 154, Order Referring All Pretrial Matters. On March 16, 2022, Magistrate Judge Stafford issued a Notice to Appear which directed the parties to file a joint factual and procedural summary of the case before March 30, 2022. ECF No. 155.

In response to Magistrate Judge Stafford's Order, the City of Detroit asserted, for the first time ever, its defense that the Shamoons' claims were subject to discharge under the City's Confirmed Plan. The City of Detroit has now filed with this Court its Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order against the Shamoons.

For the reasons that follow, the Court should deny the City's motion and allow the matter to proceed to trial.

## II. Discussion and Analysis

**A. The Shamoons were known creditors whose claims and/or identities were "readily ascertainable" by the City such that they were entitled to actual notice, and having failed to give the Shamoons such actual notice their claims are not subject to discharge.**

To the extent that the City asserts that the Shamoons' pre-petition claims are subject to discharge, the Court should reject the City's assertion and find that the Shamoons were known creditors who should have received actual notice of the City's bankruptcy. Without such notice, a discharge of their claims would violate the Shamoons' right to due process.

The Bankruptcy Code provides that notice shall be given of the commencement of a Chapter 9 case. 11 U.S.C. § 923. The Code also provides that "The debtor shall file a list of creditors." 11 U.S.C. § 924. Under the Code, a creditor is defined as an entity, which includes a person, that has a claim against the debtor that arose at the time of or before the order for relief concerning the debtor. 11 U.S.C. § 101(10). Known creditors are entitled to actual notice. 11 U.S.C. § 944(c)(2); *Paging Network, Inc. v. Nationwide Paging, Inc.*, 534 F.3d 76, 80-81 (1st Cir. 2008).

A known creditor is one whose claims or identities are "readily ascertainable" by the debtor. *See Paging Network*, 534 F.3d at 81 (citing *Tulsa Prof'l Collection Servs, Inc. v. Pope*, 485 U.S. 478, 490 (1988)). Readily ascertainable means a debtor can discover a creditor's claims through "reasonably diligent efforts." *Paging Network*, 534 F.3d at 81. Reasonably diligent efforts require a debtor to examine its "own books and records." *In re U.S. Home Corp.*, 223 B.R. 654, 659 (Bankr. S.D. N.Y. 1998). A claim is also discoverable to a debtor if the debtor has something in

its possession like a demand or payment or “some communication with a debtor concerning the existence of the creditor’s claim.” *In re Talon Auto Group*, 284 B.R. 622, 626 (Bankr. E.D. Mich. 2002)(quoting *In re Drexel Burnham Lambert Group, Inc.*, 151 B.R. 674, 681 (Bankr. S.D. N.Y. 1993)).

The Shamoons assert that their potential claim was known to the City such that they were entitled to receive actual notice. The Shamoons’ house was raided by several members of the Narcotics Unit including, specifically, Sgt. Stephen Geelhood who was the affiant of the purported search warrant for the Shamoons’ home. According to the sworn testimony of former narcotics officer Arthur Leavells, Sgt. Geelhood participated in a scheme to conduct unlawful raids by falsifying search warrants (Ex. I, Trans. pg. 81:11, 82:24-83:3 and Trans. pg. 84-85).

On this point, Judge Tarnow found that there were questions of fact as to whether Sgt. Geelhood’s affidavit was knowingly falsified. Case No. 3:18-cv-13683 ECF No. 145, PageID.4457-4460, Opinion and Order (finding ample record evidence creating a question of fact as to whether Geelhood falsified his affidavit in support of search warrant). In light of this evidence, the Court should conclude that the debtor knew of the Shamoons’ claims given that claims relate directly to the willful misconduct of a supervisory agent (i.e., Sgt. Geelhood) and for which the debtor’s own records would have reflected that the Shamoons were subject to this bogus raid.

Additionally, the Shamoons' son, Adam Shagoon, contacted Sgt. Tucker and spoke to him no less than twice about the status of his firearms that were confiscated during the raid and inquired of Sgt. Tucker as to City's legal basis for raiding the Shamoons' house (Ex. 7). These facts satisfy the "some communication with a debtor concerning the existence of the [Shamoons'] claim." Despite having knowledge of such a claim, the City failed to list the Shamoons as creditors on their Schedule H.

It should also be pointed out that, if the City would have listed the Shamoons as known creditors in its Schedule H, their claims would not have been subject to discharge under the terms of the confirmed plan. Specifically, the plan exempts from discharge claims by known creditors to the extent that such claims "result from any act or omission to the extent that the act or omission subsequently is determined by a Final Order to have constituted . . . willful misconduct[.]" Ex. L, Excerpt of Confirmed Plan, Art III, Sec D, sub. (7)(a), pg. 52 (entitled "Releases").

Based on the allegations of their Complaint, and the findings by Judge Tarnow in his Opinion and Order on summary judgment, there is more than an adequate basis from which to conclude that the Shamoons' claims were based on willful misconduct. The crux of their *Monell* claims against the City is premised on the theory that the City had knowledge of the misconduct within the narcotics unit and despite such knowledge the City failed to stop the misconduct. Such facts constitute

“omissions” by the City to stop the rampant and widespread willful misconduct within the Narcotics Unit.

On this point, it should be noted that both Sgt. Tucker and Sgt. Geelhood have demonstrated histories for dishonest and willful misconduct. While now former convicted felon Arthur Leavells implicated Sgt. Geelhood in the ongoing misconduct, Sgt. Tucker also has a similar history of falsifying affidavit in support of narcotics-related search warrants and Sgt. Tucker had been the subject of several Internal Affairs investigations regarding perjury, misconduct, and fraud (**Ex. P**, DPD # 2255, 2257, 2259).

In one such investigation by Internal Affairs (IAU Case # 00-213), Sgt. Tucker was accused of perjury (i.e., falsifying a narcotics-related search warrant affidavit and swearing to have observed an individual selling narcotics whereas such individual was incarcerated at the time of Tucker’s alleged observation) (**Ex. Q**, DPD 2350-2353)(finding that Sgt. Tucker neglected his duty “by swearing to and signing a Search Warrant and Affidavit that contained false information[.]”).

Sgt. Tucker was accused or engaging in criminal fraud by falsifying time records and daily activity logs which included false entries purporting to reflect narcotics surveillance (**Ex. R**, DPD 2734-2741); (DPD 2736, “Tucker was falsifying OT requests and activity logs saying he worked OT that he did not work.”). The complainant in that instance, Sgt-turned-Lt. Kelly Fitzgerald, described the City’s

response to credible allegations of Tucker’s misconduct as being “swept . . . under the rug” by the Lieutenant, Commander, Deputy Chief of the Narcotics Unit, and Internal Affairs (**Ex. R**, DPD 2740). Lt. Fitzgerald was sufficiently concerned about the Department’s deliberate indifference to the matter that she sought an investigation by Office of Inspector General asking that it investigate why the “initial complaint of criminal conduct” on the part of Tucker was “Administratively” closed by Internal Affairs, and further requesting that the OIG investigate “both criminal and department charges” related to Tucker’s misconduct and those who swept the matter “under the rug.” Judge Tarnow relied on, and specifically pointed to some of this record evidence in reaching his conclusion that the City had knowledge, and ignored, the willful misconduct that was pervasive in the former narcotics unit.

In sum, there is record evidence that Sgt. Tucker was aware that the Shamoons were challenging the manner in which the raid of their home was carried out, and as a sergeant of the narcotics department, Sgt. Tucker’s knowledge of the Shamoons’ claims should be imputed to the City. There is also evidence that the City knew about the misconduct within the narcotics department (specifically about Sgt. Tucker), and that despite such knowledge the City turned a blind eye to such misconduct. Collectively, this record evidence compels the conclusion that the City should have discovered the Shamoons’ claims through the exercise of reasonably diligent efforts.

Even without reaching the merits of whether the Shamoons' claims fall within the exemption from discharge as set forth above, the City's motion should nevertheless be denied based on the violation of the Shamoons' due process rights because the City's failed to provide them with actual notice. In this context, the due process clause requires a reasonable search for contingent or unmatured claims so that ascertainable creditors, like the Shamoons, would have received adequate notice of the proceedings and deadlines.

What is reasonable depends on the particular facts of each case. However, a known claim arises from facts that would alert the reasonable debtor of the possibility that a claim might reasonably be filed against it. *In re Drexel Burnham Lambert Grp. Inc.*, 151 B.R. 674, 680-81 (Bankr. S.D.N.Y.), *aff'd sub nom. In re Drexel Burnham Lambert Grp., Inc.*, 157 B.R. 532 (S.D.N.Y. 1993). In this instance, the Debtor was aware of facts sufficient to alert it to the possibility that the Shamoons might have claims against the City.

In addition to the facts stated above, former Chief of Police James Craig's testimony supports the conclusion that the City should have known that the Shamoons were creditors based on the unlawful raid carried out by its narcotics officers and supervisors. Chief Craig confirmed, publicly and under oath during his deposition, that the City's Internal Affairs uncovered "false affidavits" that Craig described as "fabricated" and further acknowledged that "surveillance that was

supposedly conducted to get the warrants wasn't done; information (officers) said they got from confidential informants was erroneous[.]” Craig also testified that these “patterns” of false affidavits and bogus claims of surveillance suggest the misconduct of the Narcotics Unit was more widespread than he previously thought (Ex. J, Craig Depo. pg. 52:10-53:5).

Importantly, former Chief Craig disbanded the City's Narcotics Unit effective July 22, 2014 (Ex. F) which occurred before the debtor's Eighth Amended Plan of the Adjustment of Debts of the City of Detroit was confirmed by this Court on November 12, 2014. From these facts, it is clear that: (1) the debtor's supervisory agents (i.e., Sgt. Geelhood and Sgt. Tucker) knew about the Shamoons' constitutional claims against the City; (2) the City's Internal Affairs department had knowledge of the misconduct within the narcotics unit well before July 2014; and, (3) former Chief of Police James Craig knew about the misconduct within the Narcotics Unit including, specifically, that narcotics officers were falsifying affidavits in support of narcotics-related search warrants.

In light of the foregoing, the Debtor could have discovered the Shamoons' constitutional claims through reasonably diligent efforts. In particular, a review of the debtor's “own books and records” of the Narcotics Unit would have uncovered the Shamoons' claims. As Judge Tarnow pointed out, the City was unable to produce in discovery any records that confirmed the existence of the Confidential

Informant allegedly relied upon by Sgt. Geelhood. Nor could the City produce any records that confirmed the alleged surveillance of the Shamoons' home conducted by Sgt. Geelhood. See Case No. 3:18-cv-13683 ECF No. 145, PageID.4457-4458 (noting the absence of any records produced by the City to substantiate Geelhood's alleged reliance on a confidential informant); *Id.* at pg. 21-22 (Judge Tarnow noting that "while Geelhood claims to have surveilled the Shamoons' address on approximately five occasions prior to seeking a warrant, Defendants have produced no documentary evidence in support of this claim."); *id.* at 22 (Judge Tarnow further noting that according to Deputy Chief Fitzgerald, DPD officers are required to document their surveillance, even if it is just jotting a note on the back of a receipt" and that "the City's record retention policies require that case reports for felony investigations, including case logs, be retained for at least twenty years.").

In light of former Chief Craig's statements coupled with the lack of any documentation whatsoever to substantiate Geelhood's affidavit and search warrant to raid the Shamoons' home, this Court should conclude that the City's "own books and records" would have put the City on notice of the Shamoons' constitutional claims relating to the bogus raid conducted upon their home by Sgt. Geelhood. And having such knowledge and failing to give the Shamoons' actual notice, the City's untimely attempt to discharge their claims should fail.

Discharge under the Bankruptcy Code presumes that all creditors bound

by the plan have been given notice sufficient to satisfy due process. *See In re First Am. Health Care of Georgia*, 220 B.R. 720, 723 (Bankr.S.D.Ga.1998). Both the Bankruptcy Code, 11 U.S.C. 944(c)(2), and the City's Confirmed Plan (Article III D.4.b.) provide that the debtor *is not discharged* from any debt owed to an entity that, before confirmation of the plan, had neither notice nor actual knowledge of the Chapter 9 case.

Here, the Shamoons should have been a scheduled creditor and should have received the statutory notice required under the Code. The purpose of statutorily requiring a debtor to list its creditors with their mailing addresses is to provide them with basic due process notice. *In re Glenwood Medical Group, Ltd.*, 211 B.R. 282, 285 (Bankr.N.D.111.1997). It is the debtor's burden to establish that the creditor received adequate notice. *See In re O'Sullivan*, 488 B.R. 510, 513 (Bankr. D. Mass. 2013)(citing *In re Massa*, 187 F.3d 292, 296 (2d Cir.1999)).

The totality of the circumstances should have alerted the City to the possibility that the Shamoons might reasonably have a claim for damages arising from the bogus raid upon their home in September 2012. Despite having knowledge of their claims, the Shamoons are not listed as creditors in the Debtor's Schedule H attached to its Second Amended List of Creditors and Claims (Doc No. 1059, Notice of Filing of Second Amended List of Creditors and Claims). The City had an obligation to mail the Shamoons notice of the bankruptcy. And the

Shamoons had neither notice, nor actual knowledge of the City's Chapter 9 bankruptcy case. (Ex. H). Since the Shamoons were known claimants who did not receive the required notice their claims were not discharged in bankruptcy.

**B. The Shamoons did not fairly contemplate their claims against the City of Detroit until after the effective date of the City's Confirmed plan such that they are not subject to discharge.**

Alternatively, the Court should conclude that the Shamoons' did not fairly contemplate their claims against the City until after the City's confirmation plan was approved by the Court in 2014. For purposes of bankruptcy law, whether a party has a claim against a debtor is determined under the "fair contemplation" test. "[A] claim cannot fall within the purview of section 101(5) – and thus cannot be discharged as a pre-petition claim – unless that claim could have been contemplated by the parties prior to the bankruptcy proceedings." *In re City of Detroit, Michigan*, 548 B.R. at 761.

Here, while the raid on the Shamoons' house took place in September 2012, the Shamoons had no reason to suspect that the raid was carried out pursuant to a scheme by corrupt narcotics officers. At best, the Shamoons were concerned about the potential of criminal liability, but never thinking that the raid of their home was carried out by corrupt narcotics officers and sergeants who were falsifying affidavits with the intent to raid medical marijuana providers and reap the rewards of their misconduct.

The Shamoons had no reason to know, until the early part of 2015, that there was rampant corruption within the narcotics unit and that these corrupt officers were deliberating targeting medical marijuana providers in and around the City of Detroit for their own pecuniary gain. The first time that the Shamoons had any reason to believe they may have had a claim to assert against the City of Detroit was after hearing news reports about the *Davis* case in or around February 2015, followed by the federal indictments of several City of Detroit narcotics officers in April 2015 (Ex. H and B). By this point in time, the City's confirmed plan had already been approved by the Court in November 12, 2014.

Given the willful misconduct by the officers involved, the Shamoons did not fairly contemplate their constitutional claims against the City until after it was too late. For this reason, the Court should conclude that their claims are not barred.

**C. The City's right to discharge the Shamoons' claims are barred by the equitable doctrines of estoppel and laches.**

Assuming, *arguendo*, that the Court finds rejects the Shamoons' arguments above, the City's motion should also be denied under the equitable doctrines of estoppel and laches. It is well established that this Court retains equitable powers as codified in 11 U.S.C. § 105. Based on the facts presented here, the Court should decide, as a matter of equity, that the City's motion should be denied based on equitable estoppel and laches.

“The defense of laches ‘requires proof of (1) lack of diligence by the party against whom the defense is asserted; and, (2) prejudice to the party asserting the defense.’” *In re Rechis*, 339 B.R. 643, 645 (Bankr. E.D. Mich. 2006)(J. Rhodes). The Shamoons satisfy each of these requirements relative to the City’s untimely motion.

First, it should be noted that the instant case was filed more than three-and-a-half years ago on November 18, 2018. During the lengthy pendency of this matter, the parties have extensively litigated numerous discovery disputes at great expense to the Shamoons. At no time during any of the last 3.5 years of this protracted litigation did the City seek to assert its rights, whatever they may be, to discharge and/or enjoin the Shamoons’ constitutional claims based on its confirmed plan.<sup>3</sup>

To the contrary, the City first raised its purported discharge defense only after the City had filed lengthy motions for summary judgment and after the Shamoons responded in opposition to such motions with a nearly 1,000 page summary judgment record of exhibits. See Case No. 3:18-cv-13683 ECF Nos. 121, 122, 123 (Motion(s) to Dismiss and for Summary Judgment, and ECF Nos. 125, 126, 128 (Shamoons’ Responses to Motion(s) to dismiss and for Summary Judgment along with Appendix of Exhibits. Only now after more than 3.5 years of litigation, and

---

<sup>3</sup> In fact, the City knew about the Shamoons’ claims during the pendency of the predecessor Davis case. In Davis, the undersigned counsel sought discovery relating to the Shamoons raid. Additionally, the parties had discussed the possibility of settling not just the Davis case, but all of the other individually filed actions including the Shamoons case. As such, the City has known about the Shamoons’ claims as long ago as 2015.

having not prevailed on summary judgment and facing an imminent trial, has the City raised, for the first time, its purported discharge defense. The City had a duty to raise its purported discharge defense without prejudicial delay, and the City failed to do so here.

As to the prejudice prong, the Court should consider that the Shamoons have incurred expenses totaling nearly \$12,500 during this litigation. Such expenses include fifteen depositions and expert witness fees. Forcing the Shamoons to incur such costs while sitting idle for more than 3.5 years on its purported discharge defense constitutes prejudice to the Shamoons and should be considered under this Court's equitable powers. *See, e.g., In re Dixon*, 295 B.R. 226, 234 (Bankr. E.D. Mich. 2003)(J. Shefferly)(highlighting that “the equitable doctrine of laches, which has as its goal the prevention of prejudicial delay in the bringing of a proceeding, is a relevant and necessary doctrine in the bankruptcy context.”). Clearly the City knew about its purported discharge defense long before now. In fact, the City has known of their potential discharge defense since 2015 during the litigation (and settlement) of the *Davis* case. Based on the City's egregious 3.5 year delay in raising such a defense, it appears just as likely that the City's instant motion is simply a litigation strategy to derail a trial on the merits.

These same facts should also compel the Court to conclude that the City is equitably estopped from seeking the relief raised in its instant motion. The doctrine

of equitable estoppel may apply based on (1) conduct or language amounting to a representation of material facts; (2) the party to be estopped must be aware of the true facts; (3) the party to be estopped must intend that the representation be acted on or must act in such manner that the party asserting the estoppel has a right to believe it so intended; (4) the party asserting the estoppel must be unaware of the true facts; and, (5) the party asserting the estoppel must detrimentally and justifiably rely on the representation. *In re H.R.P. Auto Center, Inc.*, 130 B.R. 247, 254 (Bankr. N.D. Ohio 1991)(citing *Apponi v. Sunshine Biscuits, Inc.*, 809 F.2d 1210 (6th Cir. 1987), *cert. denied* 484 U.S. 820 (1987)).

Here, the Shamoons had no reason to believe their claims were subject to discharge. This is especially so given that the City settled the predecessor *Davis* case which was filed as a putative class action and in which the City was made aware, specifically, of the identity of the Shamoons as putative class members. At no time during the *Davis* litigation did the City ever assert that the Shamoons' claims (or any of the other putative class member's claims) were barred or subject to discharge under the City's confirmed plan. Instead, the City proceeded to discuss settlement of all the putative class cases, including the Shamoons, but ultimately the parties settled only the *Davis* case after which the Shamoons' instant case was filed in November 2018. Based on these actions, the Shamoons reasonably relied, to their detriment, in filing their instant claims without any knowledge of the City's

purported discharge defense. During the more than 3.5 years litigating this matter, the Shamoons expended considerable time, money, and effort in prosecuting these claims.

Based on the sequence and timing of these facts, the Court should conclude that the City is now equitably estopped from the relief it now seeks.

### **CONCLUSION AND RELIEF REQUESTED**

Based on the foregoing, the Court should deny the City's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order as to the Shamoons.

Respectfully submitted,

DETTMER & DEZSI, PLLC,

Dated: May 17, 2022

*/s/Michael R. Dezsi*

MICHAEL R. DEZSI

Counsel for Interested Parties

Debra Metris-Shamoon, Mukhlis Shamoon,

Carl Veres, Paul & Julia Metris

1523 N. Main St.

Royal Oak, MI 48067

(313) 757-8112

[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)

P64530

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

*In re:*

CITY OF DETROIT, MICHIGAN,

Case No. 13-53846

Hon. Thomas J. Tucker

Chapter 9

*Debtor.*

---

**EXHIBIT LIST**

Exhibit 1 – None

Exhibit 2 – None

Exhibit 3 – None

Exhibit 4 – Proof of Service

Exhibit 5 – None

Exhibit 6 – Documentary Exhibits:

- A. *Davis v. City of Detroit, et al.*; Case No. 15-cv-10547  
(J. Borman); Civil docket
- B. Media articles regarding *Davis* civil Case No. 15-10547
- C. *USA v Hansberry, et al.*, Case No. 15-cr-20217  
(J. Murphy, III); Criminal docket
- D. *Davis v. City of Detroit, et al.*; Case No. 15-cv-10547  
First Request to Produce 4/23/2015
- E. General Release, Waiver and Settlement Agreement  
*Davis v. City of Detroit, et al.*; Case No. 15-10547 02/06/2019

- F. Detroit Police Department Communications Operations 06/27/2014
- G. Declaration of Adam Shamoon
- H. Declaration of Debra Metris-Shamoon
- I. Jury Trial Transcript: Vol 14 (Including Testimony of Arthur Leavells); *USA v Hansberry, et al.*; Case No. 15-20217 (J. Murphy, III) 06/28/2016
- J. Excerpts of Deposition Transcript of Chief James Craig 05/21/2020
- K. The Detroit News article: Detroit police probe yields allegations of widespread corruption in drug unit; 12/11/2019
- The Detroit News article: Detroit police chief: Longstanding culture of drug unit corruption 12/12/2019
- L. Excerpts of Dkt #8045 Eighth Amended Plan for the Adjustment of Debts of The City of Detroit 10/22/2014
- M. Kym Worthy/WCPO Press Release 03/24/2020
- N. IA Inter-Office memorandum (Rayis) 07/18/2014
- O. Notice of Seizure and Intent to Forfeit, witnessed by "Sgt Joe Tucker" 09/13/2012
- P. Internal Affair Database Report, Disciplinary History; (DPD Bates 2255, 2257, 2259)
- Q. Excerpt of Internal Affairs Case 00 213 (DPD 2350-54) 05/28/2001
- R. Correspondence (DPD 2734-2741) 11/25/2011
- S. *Metris-Shamoon, et al., vs. City of Detroit*; Case No. 18-cv-13683 (J. Cleland); Civil Docket

**EXHIBIT 1**  
**None**

**EXHIBIT 2**  
**None**

**EXHIBIT 3**  
**None**

**EXHIBIT 4**  
**Proof of Service**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

*In re:*

City of Detroit, Michigan

Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

*Debtor.*

---

**CERTIFICATE OF SERVICE**

I hereby certify that on the 17th day of May, 2022, I electronically filed and served a copy of the Response to City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order, Exhibit List and Documentary Exhibits A-S with the Clerk of the Court using the ECF system which will send notification to all interested parties and attorneys of record including:

MILLER, CANFIELD, PADDOCK & STONE, PLC  
ATTN: Mark N. Swanson  
150 West Jefferson, Suite 2500  
Detroit, MI 48226  
[swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

May 17, 2022

*/s/ Michael R. Dezsi*  
MICHAEL R. DEZSI  
DETTMER & DEZSI, PLLC,  
1523 N. Main St.  
Royal Oak, MI 48067  
(313) 757-8112  
[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)  
P64530

1

**EXHIBIT 5**  
**None**

**EXHIBIT 6**  
**Documentary Exhibits**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

*In re:*

CITY OF DETROIT, MICHIGAN,

Case No. 13-53846

Hon. Thomas J. Tucker

Chapter 9

*Debtor.*

---

**INDEX OF EXHIBITS TO DEBRA METRIS-SHAMOON,  
MUKHLIS SHAMOON, CARL VERES, PAUL METRIS AND JULIA  
METRIS RESPONSE TO CITY OF DETROIT'S  
MOTION FOR THE ENTRY OF AN ORDER [DKT #13532]**

| <b><u>Exhibit</u></b> | <b><u>Description</u></b>  | <b><u>Date</u></b> |
|-----------------------|--|--------------------|
| A.                    | <i>Davis v. City of Detroit, et al.</i> ; Case No. 15-cv-10547<br>(J. Borman); Civil docket  |                    |
| B.                    | Media articles regarding <i>Davis</i> civil Case No. 15-cv-10547   |                    |
| C.                    | <i>USA v Hansberry, et al.</i> , Case No. 15-cr-20217<br>(J. Murphy, III); Criminal docket   |                    |
| D.                    | <i>Davis v. City of Detroit, et al.</i> ; Case No. 15-cv-10547<br>First Request to Produce   | 4/23/2015          |
| E.                    | General Release, Waiver and Settlement Agreement<br><i>Davis v. City of Detroit, et al.</i> ; Case No. 15-cv-10547                                   | 02/06/2019         |
| F.                    | Detroit Police Department Communications Operations  | 06/27/2014         |
| G.                    | Declaration of Adam Shamoan  |                    |
| H.                    | Declaration of Debra Metris-Shamoan  |                    |
| I.                    | Jury Trial Transcript: Vol 14 (Including Testimony of<br>Arthur Leavells); <i>USA v Hansberry, et al.</i> ; Case No.<br>15-cr-20217 (J. Murphy, III) | 06/28/2016         |

- J. Excerpts of Deposition Transcript of Chief James Craig 05/21/2020
- K. The Detroit News article: Detroit police probe yields  
allegations of widespread corruption in drug unit; 12/11/2019
- The Detroit News article: Detroit police chief:  
Longstanding culture of drug unit corruption 12/12/2019
- L. Excerpts of Dkt #8045 Eighth Amended Plan for  
the Adjustment of Debts of The City of Detroit 10/22/2014
- M. Kym Worthy/WCPO Press Release 03/24/2020
- N. IA Inter-Office memorandum (Rayis) 07/18/2014
- O. Notice of Seizure and Intent to Forfeit,  
witnessed by "Sgt Joe Tucker" 09/13/2012
- P. Internal Affair Database Report, Disciplinary History;  
(DPD Bates 2255, 2257, 2259)
- Q. Excerpt of Internal Affairs Case 00 213 (DPD 2350-54) 05/28/2001
- R. Correspondence (DPD 2734-2741) 11/25/2011
- S. *Metris-Shamoon, et al., vs. City of Detroit*; Case No.  
18-cv-13683 (J. Cleland); Civil Docket

# EXHIBIT A

CLOSED

**U.S. District Court  
Eastern District of Michigan (Detroit)  
CIVIL DOCKET FOR CASE #: 2:15-cv-10547-PDB-DRG**

Davis et al v. Detroit, City of et al  
Assigned to: District Judge Paul D. Borman  
Referred to: Magistrate Judge David R. Grand  
Cause: 28:1331 Fed. Question

Date Filed: 02/11/2015  
Date Terminated: 03/28/2019  
Jury Demand: Plaintiff  
Nature of Suit: 440 Civil Rights: Other  
Jurisdiction: Federal Question

**Plaintiff**

**Timothy Davis**

represented by **Dennis A Dettmer**  
Dettmer and Dezsi, PLLC  
615 Griswold Street  
Suite 1410  
Detroit, MI 48226  
313-281-8090  
Fax: 313-887-0420  
Email: ddetmeresq@yahoo.com  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
Law Office of Michael R. Dezsi, PLLC  
615 Griswold Street  
Suite 1410  
Detroit, MI 48226  
313 879 1206  
Fax: 313 887 0420  
Email: mdezsi@dezsilaw.com  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Hatema Davis**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

V.

**Defendant**

**Detroit, City of**

represented by

**Calvert A. Bailey**  
 Detroit City Law Department  
 1650 First National Building  
 Detroit, MI 48226  
 313-224-4550  
 Fax: 313-224-5505  
 Email: bailc@detroitmi.gov  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
 Cummings, McClorey, Davis & Acho  
 PLC  
 17436 College Parkway  
 Livonia, MI 48152  
 Email: jacho@cmda-law.com  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
 Allen Brothers  
 400 Monroe Street  
 Suite 220  
 Detroit, MI 48226  
 313-962-7777  
 Email:  
 jamesallen@allenbrotherspllc.com  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
 Allen Brothers, Attorneys and  
 Counselors, PLLC  
 400 Monroe, St.  
 Suite 620  
 Detroit, MI 48226  
 (313) 962-7777  
 Fax: (313) 962-0581  
 Email: ljohnson@allenbrotherspllc.com  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
 Cummings, McClorey,  
 17436 College Parkway  
 Livonia, MI 48152  
 734-261-2400  
 Email: racho@cmda-law.com  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Charles Flanagan**

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Novak**

**Defendant**

**James Napier**  
*TERMINATED: 08/02/2017*

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**John Doe**

*TERMINATED: 07/14/2015*

**Defendant**

**John Doe 2**

*TERMINATED: 07/14/2015*

**Defendant**

**Vatasha K Napier**

*TERMINATED: 08/24/2017*

represented by **James P. Allen**

(See above for address)

*LEAD ATTORNEY*

*ATTORNEY TO BE NOTICED*

**Calvert A. Bailey**

(See above for address)

*ATTORNEY TO BE NOTICED*

**James R. Acho**

(See above for address)

*TERMINATED: 12/12/2017*

*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**

(See above for address)

*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**

(See above for address)

*TERMINATED: 12/12/2017*

*ATTORNEY TO BE NOTICED*

**Defendant**

**Arthur Leavells**

represented by **Lawrence T. Garcia**

Garcia Law Group, PLLC

The Fisher Building

3011 West Grand Boulevard

Suite 2500

Detroit, MI 48202

877-643-6255

Fax: 313-486-3017

Email:

lgarcia@garcialawgrouppllc.com

*TERMINATED: 12/01/2017*

*ATTORNEY TO BE NOTICED*

**Stephani J. LaBelle**

LaBelle Law PLLC

18720 Mack Avenue

Suite 240

Grosse Pointe Farms, MI 48236  
3133009939  
Email: slabelle@labellelawpllc.com  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Amy Matellic**

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Larry Barnett**

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)

*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Steven Riley**

represented by **James P. Allen**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Matthew Bray**

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Brian Johnson**

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Officer Reginald Beasley**

represented by **Calvert A. Bailey**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
(See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt. Stephen Geelhood**

represented by

**Calvert A. Bailey**  
 (See above for address)  
*ATTORNEY TO BE NOTICED*

**James R. Acho**  
 (See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
 (See above for address)  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
 (See above for address)  
*ATTORNEY TO BE NOTICED*

**Ronald G. Acho**  
 (See above for address)  
*TERMINATED: 12/12/2017*  
*ATTORNEY TO BE NOTICED*

| Date Filed | #                 | Docket Text   |
|------------|-------------------|---|
| 02/11/2015 | <a href="#">1</a> | COMPLAINT filed by All Plaintiffs against All Defendants with Jury Demand. <b>Plaintiff requests summons issued.</b> Receipt No: 0645-5022837 - Fee: \$ 400. <b>County of 1st Plaintiff: St Clair County - County Where Action Arose: Oakland - County of 1st Defendant: Wayne.</b> [Previously dismissed case: No] [Possible companion case(s): None] (Dezsi, Michael) (Entered: 02/11/2015) |
| 02/12/2015 | <a href="#">2</a> | SUMMONS Issued for *Detroit, City of, Charles Flanagan, James Napier, Officer Novak* (TMcg) (Entered: 02/12/2015)   |
| 03/02/2015 | <a href="#">3</a> | CERTIFICATE of Service/Summons Returned Executed. Detroit, City of served on 3/2/2015, answer due 3/23/2015. (Dezsi, Michael) (Entered: 03/02/2015)   |
| 03/02/2015 | <a href="#">4</a> | CERTIFICATE of Service/Summons Returned Executed. Charles Flanagan served on 3/2/2015, answer due 3/23/2015. (Dezsi, Michael) (Entered: 03/02/2015)   |
| 03/23/2015 | <a href="#">5</a> | ANSWER to Complaint with Affirmative Defenses by Detroit, City of. (Bailey, Calvert) (Entered: 03/23/2015)  |
| 03/23/2015 | <a href="#">6</a> | MOTION to Quash Service by Charles Flanagan. (Attachments: # <a href="#">1</a> Exhibit Affidavit of Charles Flanagan, # <a href="#">2</a> Exhibit Return of Service) (Bailey, Calvert) Modified on 3/24/2015 (LHos). (Entered: 03/23/2015)  |
| 03/30/2015 | <a href="#">7</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">6</a> MOTION to Quash filed by Charles Flanagan. Signed by District Judge Paul D. Borman. (DTof) (Entered: 03/30/2015)   |

|            |                    |  |
|------------|--------------------|--|
| 03/31/2015 | <a href="#">8</a>  | NOTICE OF HEARING BY TELEPHONE on <a href="#">6</a> MOTION to Quash . <b>Motion Hearing set for 4/1/2015 03:00 PM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 03/31/2015)  |
| 04/01/2015 | <a href="#">9</a>  | NOTICE TO APPEAR: <b>Scheduling Conference set for 5/11/2015 04:15 PM before District Judge Paul D. Borman</b> *SEE NOTICE FOR FURTHER INFORMATION* (DTof) (Entered: 04/01/2015)   |
| 04/01/2015 | <a href="#">10</a> | NOTICE of Appearance by Dennis A Dettmer on behalf of Hatema Davis, Timothy Davis. (Dettmer, Dennis) (Entered: 04/01/2015)   |
| 04/09/2015 | <a href="#">11</a> | CERTIFICATE of Service/Summons Returned Executed. Charles Flanagan served on 4/9/2015, answer due 4/30/2015. (Dezsi, Michael) (Entered: 04/09/2015)  |
| 04/14/2015 | <a href="#">12</a> | CERTIFICATE of Service/Summons Returned Executed.. (Dezsi, Michael) (Entered: 04/14/2015)  |
| 04/23/2015 |                    | TEXT-ONLY NOTICE: Scheduling conference set for 5/11/2015 is Cancelled. (DTof) (Entered: 04/23/2015)   |
| 04/27/2015 | <a href="#">13</a> | ORDER denying as moot <a href="#">6</a> Motion to Quash. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 04/27/2015)   |
| 04/29/2015 | <a href="#">14</a> | ANSWER to Complaint with Affirmative Defenses by Charles Flanagan. (Bailey, Calvert) (Entered: 04/29/2015)   |
| 05/01/2015 | <a href="#">15</a> | NOTICE TO APPEAR: <b>Scheduling Conference set for 5/18/2015 04:00 PM before District Judge Paul D. Borman</b> *Refer to Docket #9 for further information; once the parties file a Rule 26(f) plan, the Court will cancel the conference and issue a scheduling order* (DTof) (Entered: 05/01/2015) |
| 05/13/2015 | <a href="#">16</a> | DISCOVERY plan jointly filed pursuant to Federal Rules of Civil Procedure 26(f) (Dezsi, Michael) (Entered: 05/13/2015)   |
| 05/14/2015 |                    | TEXT-ONLY NOTICE: Scheduling conference set for 5/18/2015 is Cancelled. (DTof) (Entered: 05/14/2015)   |
| 05/15/2015 | <a href="#">17</a> | SCHEDULING ORDER: <b>Fact Discovery due by 11/1/2015; Dispositive Motion Cut-off set for 2/15/2016</b> - Signed by District Judge Paul D. Borman. (Refer to image for additional dates) (DTof) (Entered: 05/15/2015)   |
| 06/30/2015 | <a href="#">18</a> | MOTION for Protective Order by Detroit, City of. (Attachments: # <a href="#">1</a> Exhibit Plaintiffs First Request To Produce) (Bailey, Calvert) (Entered: 06/30/2015)  |
| 07/14/2015 | <a href="#">19</a> | MOTION for Leave to File <i>Amended Complaint</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit First Amended Complaint) (Dezsi, Michael) (Entered: 07/14/2015)   |
| 07/14/2015 | <a href="#">20</a> | STIPULATED ORDER Allowing Plaintiff to File First Amended Complaint. Signed by District Judge Paul D. Borman. (DTof) (Entered: 07/14/2015)   |
| 07/14/2015 | <a href="#">21</a> | AMENDED COMPLAINT with Jury Demand filed by All Plaintiffs against All Defendants. <b>NEW PARTIES ADDED.</b> (Dezsi, Michael) (Entered: 07/14/2015)  |

|            |                    |   |
|------------|--------------------|---|
| 07/14/2015 |                    | REQUEST for SUMMONS for Stephen Geelhood, Brian Johnson, Arthur Leavells, Amy Matellic. (Dezsi, Michael) (Entered: 07/14/2015)  |
| 07/14/2015 |                    | REQUEST for SUMMONS for Larry Barnett, Reginald Beasley, Matthew Bray. (Dezsi, Michael) (Entered: 07/14/2015)   |
| 07/14/2015 |                    | REQUEST for SUMMONS for Vatasha K Napier. (Dezsi, Michael) (Entered: 07/14/2015)  |
| 07/14/2015 |                    | REQUEST for SUMMONS for Steven Riley. (Dezsi, Michael) (Entered: 07/14/2015)  |
| 07/14/2015 | <a href="#">22</a> | NOTICE by All Plaintiffs of withdrawal of <a href="#">19</a> MOTION for Leave to File Amended Complaint . (Dezsi, Michael) (Entered: 07/14/2015)  |
| 07/14/2015 | <a href="#">23</a> | SUMMONS Issued for *Larry Barnett, Reginald Beasley, Matthew Bray, Stephen Geelhood, Brian Johnson, Arthur Leavells, Amy Matellic, Vatasha K Napier, Steven Riley* (SOso) (Entered: 07/14/2015)               |
| 07/15/2015 | <a href="#">24</a> | RESPONSE to <a href="#">18</a> MOTION for Protective Order filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit Pf's First Request to Produce Documents) (Dezsi, Michael) (Entered: 07/15/2015) |
| 07/15/2015 | <a href="#">25</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">18</a> MOTION for Protective Order filed by Detroit, City of. Signed by District Judge Paul D. Borman. (DTof) (Entered: 07/15/2015)    |
| 08/05/2015 | <a href="#">26</a> | NOTICE OF HEARING on <a href="#">18</a> MOTION for Protective Order . <b>Motion Hearing set for 9/15/2015 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 08/05/2015)                    |
| 08/12/2015 | <a href="#">27</a> | ANSWER to Amended Complaint with Affirmative Defenses by Detroit, City of. (Bailey, Calvert) (Entered: 08/12/2015)  |
| 08/12/2015 | <a href="#">28</a> | ANSWER to Amended Complaint with Affirmative Defenses by Charles Flanagan. (Bailey, Calvert) (Entered: 08/12/2015)  |
| 08/12/2015 | <a href="#">29</a> | ANSWER to Amended Complaint with Affirmative Defenses by Vatasha K Napier. (Bailey, Calvert) (Entered: 08/12/2015)  |
| 09/01/2015 | <a href="#">30</a> | PLAINTIFFS' WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 09/01/2015)   |
| 09/02/2015 | <a href="#">31</a> | WITNESS LIST by Detroit, City of, Charles Flanagan, Vatasha K Napier (Bailey, Calvert) (Entered: 09/02/2015)  |
| 09/08/2015 | <a href="#">32</a> | CERTIFICATE of Service/Summons Returned Executed. Stephen Geelhood served on 9/8/2015, answer due 9/29/2015. (Dettmer, Dennis) (Entered: 09/08/2015)  |
| 09/08/2015 | <a href="#">33</a> | CERTIFICATE of Service/Summons Returned Executed. Reginald Beasley served on 9/8/2015, answer due 9/29/2015. (Dettmer, Dennis) (Entered: 09/08/2015)  |
| 09/08/2015 | <a href="#">34</a> |   |

|            |                    |  |
|------------|--------------------|--|
|            |                    | CERTIFICATE of Service/Summons Returned Executed. Brian Johnson served on 9/8/2015, answer due 9/29/2015. (Dettmer, Dennis) (Entered: 09/08/2015)  |
| 09/08/2015 | <a href="#">35</a> | CERTIFICATE of Service/Summons Returned Executed. Matthew Bray served on 9/8/2015, answer due 9/29/2015. (Dettmer, Dennis) (Entered: 09/08/2015)   |
| 09/15/2015 | <a href="#">36</a> | ORDER granting in part and denying in part <a href="#">18</a> Motion for Protective Order. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 09/15/2015)   |
| 09/15/2015 |                    | Minute Entry for proceedings before Magistrate Judge David R. Grand: Motion Hearing held on 9/15/2015 re <a href="#">18</a> MOTION for Protective Order filed by Detroit, City of Disposition: #18 granted in part, denied in part(Court Reporter Digitally Recorded) (EBut) (Entered: 09/15/2015) |
| 09/22/2015 | <a href="#">37</a> | STIPULATED ORDER Extending Expert Disclosure Deadline. Signed by District Judge Paul D. Borman. (DTof) (Entered: 09/22/2015)   |
| 09/29/2015 | <a href="#">38</a> | ANSWER to Amended Complaint with Affirmative Defenses by Reginald Beasley. (Bailey, Calvert) (Entered: 09/29/2015)   |
| 09/29/2015 | <a href="#">39</a> | ANSWER to Amended Complaint with Affirmative Defenses by Matthew Bray. (Bailey, Calvert) (Entered: 09/29/2015)   |
| 09/29/2015 | <a href="#">40</a> | ANSWER to Amended Complaint with Affirmative Defenses by Stephen Geelhood. (Bailey, Calvert) (Entered: 09/29/2015)   |
| 09/29/2015 | <a href="#">41</a> | ANSWER to Amended Complaint with Affirmative Defenses by Brian Johnson. (Bailey, Calvert) (Entered: 09/29/2015)  |
| 10/05/2015 | <a href="#">42</a> | CERTIFICATE of Service/Summons Returned Executed. Larry Barnett served on 10/5/2015, answer due 10/26/2015. (Dezsi, Michael) (Entered: 10/05/2015)   |
| 10/06/2015 | <a href="#">43</a> | CERTIFICATE of Service/Summons Returned Executed. Arthur Leavells served on 10/6/2015, answer due 10/27/2015. (Dezsi, Michael) (Entered: 10/06/2015)   |
| 10/08/2015 | <a href="#">44</a> | STIPULATED PROTECTIVE ORDER - Signed by District Judge Paul D. Borman. (DTof) (Entered: 10/08/2015)  |
| 10/19/2015 | <a href="#">45</a> | CERTIFICATE of Service/Summons Returned Executed. Amy Matellic served on 10/19/2015, answer due 11/9/2015. (Dezsi, Michael) (Entered: 10/19/2015)  |
| 10/26/2015 | <a href="#">46</a> | ANSWER to Amended Complaint with Affirmative Defenses by Larry Barnett. (Bailey, Calvert) (Entered: 10/26/2015)  |
| 11/05/2015 | <a href="#">47</a> | ANSWER to Amended Complaint with Affirmative Defenses by Amy Matellic. (Bailey, Calvert) (Entered: 11/05/2015)   |
| 11/10/2015 | <a href="#">48</a> | CERTIFICATE of Service/Summons Returned Executed. Steven Riley served on 11/10/2015, answer due 12/1/2015. (Dezsi, Michael) (Entered: 11/10/2015)  |
| 12/04/2015 | <a href="#">49</a> | ANSWER to Amended Complaint with Affirmative Defenses by Steven Riley. (Bailey, Calvert) (Entered: 12/04/2015)   |
|            |                    |  |

|            |                    |   |
|------------|--------------------|---|
| 12/28/2015 | <a href="#">50</a> | STIPULATED ORDER Amending dates ( <b>Fact Discovery due by 6/20/2016, Dispositive Motion Cut-off set for 12/1/2016</b> )*See order for other deadlines* Signed by District Judge Paul D. Borman. (DTof) (Entered: 12/28/2015)   |
| 01/25/2016 | <a href="#">51</a> | NOTICE of Appearance by Lawrence T. Garcia on behalf of Arthur Leavells. (Garcia, Lawrence) (Entered: 01/25/2016)   |
| 01/25/2016 | <a href="#">52</a> | ANSWER to Amended Complaint with Affirmative Defenses by Arthur Leavells. (Garcia, Lawrence) (Entered: 01/25/2016)  |
| 01/26/2016 | <a href="#">53</a> | MOTION for Order to Show Cause <i>and/or Default Judgment</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit, # <a href="#">3</a> Exhibit, # <a href="#">4</a> Exhibit, # <a href="#">5</a> Exhibit, # <a href="#">6</a> Exhibit, # <a href="#">7</a> Exhibit) (Dezsi, Michael) (Entered: 01/26/2016)  |
| 01/26/2016 | <a href="#">54</a> | Amended MOTION for Order to Show Cause <i>and/or Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Orders</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E, # <a href="#">7</a> Exhibit F) (Dezsi, Michael) (Entered: 01/26/2016) |
| 01/26/2016 | <a href="#">55</a> | MOTION to Compel <i>the Deposition to Detroit Police Chief James Craig</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit A) (Dezsi, Michael) (Entered: 01/26/2016)   |
| 02/02/2016 | <a href="#">56</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">55</a> MOTION to Compel <i>the Deposition to Detroit Police Chief James Craig</i> filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 02/02/2016)  |
| 02/10/2016 | <a href="#">57</a> | ORDER denying without prejudice <a href="#">55</a> Motion to Compel. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 02/10/2016)  |
| 03/03/2016 | <a href="#">58</a> | ORDER granting in part and denying in part <a href="#">54</a> Motion for Order to Show Cause. Signed by District Judge Paul D. Borman. (DTof) (Entered: 03/03/2016)   |
| 03/16/2016 | <a href="#">59</a> | STIPULATED ORDER to Extend Witness List Filing. Signed by District Judge Paul D. Borman. (DTof) (Entered: 03/16/2016)   |
| 03/28/2016 | <a href="#">60</a> | MOTION for Default Judgment as to Arthur Leavells by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E) (Dezsi, Michael) (Entered: 03/28/2016)   |
| 03/30/2016 | <a href="#">61</a> | MOTION to Stay <i>Proceedings</i> by Arthur Leavells. (LaBelle, Stephani) (Entered: 03/30/2016)   |
| 04/04/2016 | <a href="#">62</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">60</a> MOTION for Default Judgment as to Arthur Leavells filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 04/04/2016)   |
| 04/04/2016 | <a href="#">63</a> | RESPONSE to <a href="#">61</a> MOTION to Stay <i>Proceedings</i> filed by Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Amy Matellic, James Napier, Vatasha K Napier, Steven Riley. (Bailey, Calvert) (Entered: 04/04/2016)   |

|            |                    |  |
|------------|--------------------|--|
| 04/06/2016 | <a href="#">64</a> | RESPONSE to <a href="#">61</a> MOTION to Stay <i>Proceedings</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B) (Dezsi, Michael) (Entered: 04/06/2016)  |
| 04/07/2016 | <a href="#">65</a> | Renewed MOTION for Default Judgment as to Detroit, City of by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E, # <a href="#">7</a> Exhibit F, # <a href="#">8</a> Exhibit G, # <a href="#">9</a> Exhibit H, # <a href="#">10</a> Exhibit I) (Dezsi, Michael) (Entered: 04/07/2016)                          |
| 04/07/2016 | <a href="#">66</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">61</a> MOTION to Stay <i>Proceedings</i> filed by Arthur Leavells. Signed by District Judge Paul D. Borman. (DTof) (Entered: 04/07/2016)  |
| 04/07/2016 | <a href="#">67</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 04/07/2016)   |
| 04/07/2016 | <a href="#">68</a> | <b>SEALED</b> EXHIBIT <i>G and H</i> re <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit G Internal Affairs Documents, # <a href="#">2</a> Exhibit H Internal Affairs Documents) (Dezsi, Michael) (Entered: 04/07/2016)  |
| 04/11/2016 | <a href="#">69</a> | NOTICE OF HEARING on <a href="#">60</a> MOTION for Default Judgment as to Arthur Leavells , <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of , <a href="#">61</a> MOTION to Stay <i>Proceedings</i> . <b>Motion Hearing set for 6/7/2016 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 04/11/2016)   |
| 04/11/2016 | <a href="#">70</a> | RESPONSE to <a href="#">60</a> MOTION for Default Judgment as to Arthur Leavells filed by Arthur Leavells. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A) (Garcia, Lawrence) (Entered: 04/11/2016)  |
| 04/29/2016 | <a href="#">71</a> | WITNESS LIST by Arthur Leavells (LaBelle, Stephani) (Entered: 04/29/2016)  |
| 05/02/2016 | <a href="#">72</a> | <i>Amended</i> WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 05/02/2016)   |
| 05/12/2016 | <a href="#">73</a> | MOTION to Compel by Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Arthur Leavells, Amy Matellic, James Napier, Vatasha K Napier, Steven Riley. (Attachments: # <a href="#">1</a> Exhibit Deposition Notice and Certificate of Service, # <a href="#">2</a> Email from plaintiff counsel) (Bailey, Calvert) Modified on 6/1/2016 (DTof) - Defendant Arthur Leavells not a filer of this motion. (Entered: 05/12/2016) |
| 05/13/2016 | <a href="#">74</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">73</a> MOTION to Compel filed by Matthew Bray, Brian Johnson, Larry Barnett, James Napier, Stephen Geelhood, Reginald Beasley, Arthur Leavells, Charles Flanagan, Detroit, City of, Steven Riley, Vatasha K Napier, Amy Matellic. Signed by District Judge Paul D. Borman. (DTof) Modified on 6/1/2016 (DTof) - Defendant Arthur Leavells not a filer of this motion. (Entered: 05/13/2016)                         |
| 05/16/2016 | <a href="#">75</a> |  |

|            |                    |  |
|------------|--------------------|--|
|            |                    | ORDER denying <a href="#">73</a> Motion to Compel. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 05/16/2016)   |
| 05/20/2016 | <a href="#">76</a> | MOTION to Compel <i>Depositions of Plaintiffs</i> by Arthur Leavells. (Attachments: # <a href="#">1</a> Index of Exhibits Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D) (LaBelle, Stephani) (Entered: 05/20/2016)   |
| 05/31/2016 | <a href="#">77</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">76</a> MOTION to Compel <i>Depositions of Plaintiffs</i> filed by Arthur Leavells. Signed by District Judge Paul D. Borman. (DTof) (Entered: 05/31/2016)  |
| 05/31/2016 | <a href="#">78</a> | APPEAL OF MAGISTRATE JUDGE DECISION by Charles Flanagan, Stephen Geelhood, Brian Johnson, Arthur Leavells, Amy Matellic, James Napier, Vataasha K Napier, Steven Riley re <a href="#">75</a> Order on Motion to Compel. (Bailey, Calvert) Modified on 6/1/2016 (DWor). [ALSO FILED BY LARRY BARNETT, MATTHEW BRAY, REGINALD BEASLEY] (Entered: 05/31/2016)   |
| 06/01/2016 | <a href="#">79</a> | RESPONSE to <a href="#">76</a> MOTION to Compel <i>Depositions of Plaintiffs</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 06/01/2016)   |
| 06/02/2016 | <a href="#">80</a> | NOTICE OF HEARING on <a href="#">76</a> MOTION to Compel <i>Depositions of Plaintiffs</i> . <b>Motion Hearing set for 6/7/2016 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 06/02/2016)  |
| 06/05/2016 | <a href="#">81</a> | RESPONSE to <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of filed by Detroit, City of. (Bailey, Calvert) (Entered: 06/05/2016)   |
| 06/06/2016 | <a href="#">82</a> | REPLY to Response re <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of filed by Hatema Davis, Timothy Davis. (Dezsi, Michael) (Entered: 06/06/2016)  |
| 06/07/2016 | <a href="#">83</a> | ORDER REGARDING EVIDENTIARY HEARING. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 06/07/2016)   |
| 06/07/2016 |                    | Minute Entry for proceedings before Magistrate Judge David R. Grand: Motion Hearing held on 6/7/2016 re <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of filed by Hatema Davis, Timothy Davis, <a href="#">61</a> MOTION to Stay <i>Proceedings</i> filed by Arthur Leavells, <a href="#">60</a> MOTION for Default Judgment as to Arthur Leavells filed by Hatema Davis, Timothy Davis, <a href="#">76</a> MOTION to Compel <i>Depositions of Plaintiffs</i> filed by Arthur Leavells. Disposition: MotionS taken under advisement (Court Reporter: Digitally Recorded) (EBut) (Entered: 06/07/2016) |
| 06/14/2016 | <a href="#">84</a> | SUPPLEMENTAL BRIEF re <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of filed by All Plaintiffs. (Dezsi, Michael) (Entered: 06/14/2016)  |
| 06/14/2016 | <a href="#">85</a> | <b>SEALED</b> EXHIBIT re <a href="#">84</a> Supplemental Brief by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit J, # <a href="#">2</a> Exhibit K) (Dezsi, Michael) (Entered: 06/14/2016)   |
| 06/21/2016 | <a href="#">86</a> | SUPPLEMENTAL BRIEF re <a href="#">84</a> Supplemental Brief filed by Detroit, City of. (Bailey, Calvert) (Entered: 06/21/2016)   |

|            |                    |  |
|------------|--------------------|--|
| 06/28/2016 | <a href="#">87</a> | RENOTICE TO APPEAR: <b>Evidentiary Hearing set for 8/1/2016 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 06/28/2016)   |
| 07/14/2016 | <a href="#">88</a> | MOTION to Certify Class by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A1-A4: Affidavits and Search Warrants, # <a href="#">3</a> Exhibit B: First Superseding Indictment) (Dezsi, Michael) (Entered: 07/14/2016)   |
| 07/14/2016 | <a href="#">89</a> | OPINION AND ORDER Denying Objections contained in <a href="#">78</a> Appeal of Magistrate Judge Decision, filed by Brian Johnson, James Napier, Stephen Geelhood, Charles Flanagan, Arthur Leavells, Steven Riley, Vataasha K Napier, Amy Matellic. Signed by District Judge Paul D. Borman. (DTof) (Entered: 07/14/2016)                                      |
| 07/14/2016 | <a href="#">90</a> | MOTION for Partial Summary Judgment by Arthur Leavells. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D) (Garcia, Lawrence) (Entered: 07/14/2016)  |
| 07/25/2016 | <a href="#">91</a> | RESPONSE to <a href="#">88</a> MOTION to Certify Class filed by Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Arthur Leavells, Amy Matellic, James Napier, Vataasha K Napier, Steven Riley. (Bailey, Calvert) (Entered: 07/25/2016)  |
| 07/29/2016 | <a href="#">92</a> | RESPONSE to <a href="#">88</a> MOTION to Certify Class filed by Arthur Leavells. (Garcia, Lawrence) (Entered: 07/29/2016)  |
| 08/01/2016 |                    | Minute Entry for proceedings before Magistrate Judge David R. Grand: Evidentiary Hearing held on 8/1/2016. (Court Reporter: Jeseca Eddington) (EBut) (Entered: 08/02/2016)   |
| 08/03/2016 | <a href="#">93</a> | REPLY to Response re <a href="#">88</a> MOTION to Certify Class filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit C, # <a href="#">3</a> Exhibit D) (Dezsi, Michael) (Entered: 08/03/2016)   |
| 08/04/2016 | <a href="#">94</a> | RESPONSE to <a href="#">90</a> MOTION for Partial Summary Judgment filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C) (Dezsi, Michael) (Entered: 08/04/2016)   |
| 08/17/2016 | <a href="#">95</a> | REPLY to Response re <a href="#">90</a> MOTION for Partial Summary Judgment filed by Arthur Leavells. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E) (Garcia, Lawrence) (Entered: 08/17/2016) |
| 09/29/2016 | <a href="#">96</a> | ORDER granting in part and denying in part <a href="#">76</a> Motion to Compel. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 09/29/2016)  |
| 09/29/2016 | <a href="#">97</a> | ORDER denying <a href="#">61</a> Motion to Stay. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 09/29/2016)   |
| 09/29/2016 | <a href="#">98</a> | REPORT AND RECOMMENDATION re <a href="#">60</a> MOTION for Default Judgment as to Arthur Leavells filed by Hatema Davis, Timothy Davis Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 09/29/2016)   |
| 09/29/2016 | <a href="#">99</a> | REPORT AND RECOMMENDATION re <a href="#">65</a> Renewed MOTION for Default Judgment as to Detroit, City of filed by Hatema Davis, Timothy Davis Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 09/29/2016)  |

|            |                     |  |
|------------|---------------------|--|
| 10/19/2016 | <a href="#">100</a> | OPINION AND ORDER Adopting <a href="#">98</a> Report and Recommendation Denying <a href="#">60</a> Motion for Default Judgment filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 10/19/2016)   |
| 10/19/2016 | <a href="#">101</a> | OPINION AND ORDER Adopting <a href="#">99</a> Report and Recommendation Granting in Part and Denying in Part <a href="#">65</a> Motion for Default Judgment, filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 10/19/2016)   |
| 10/19/2016 | <a href="#">102</a> | NOTICE OF HEARING on <a href="#">90</a> MOTION for Partial Summary Judgment , <a href="#">88</a> MOTION to Certify Class <b>Motion Hearing set for 1/19/2017 02:30 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 10/19/2016)  |
| 11/22/2016 | <a href="#">103</a> | ORDER REFERRING OTHER MATTERS to Magistrate Judge Grand: Status conference regarding discovery issues. Signed by District Judge Paul D. Borman. (DTof) (Entered: 11/22/2016)   |
| 11/30/2016 | <a href="#">104</a> | ORDER REGARDING OUTSTANDING DISCOVERY ISSUES. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 11/30/2016)  |
| 12/13/2016 |                     | Set/Reset Deadlines as to <a href="#">90</a> MOTION for Partial Summary Judgment , <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing RESET for 1/20/2017 02:30 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 12/13/2016)   |
| 12/29/2016 | <a href="#">105</a> | MOTION for Extension of Time to File Response/Reply by Detroit, City of. (Bailey, Calvert) (Entered: 12/29/2016)   |
| 12/30/2016 | <a href="#">106</a> | RESPONSE to <a href="#">105</a> MOTION for Extension of Time to File Response/Reply filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Exhibit Plaintiffs' 3rd Requests to Produce Documents, # <a href="#">2</a> Exhibit City of Detroit's Objections to Discovery Requests) (Dezsi, Michael) (Entered: 12/30/2016)   |
| 01/11/2017 | <a href="#">107</a> | OPINION AND ORDER Reluctantly Granting <a href="#">105</a> MOTION for Extension of Time to File Response/Reply filed by Detroit, City of AND SETTING STATUS CONFERENCE. ( <b>Status Conference set for 1/20/2017 02:30 PM before District Judge Paul D. Borman</b> ), MOTIONS WILL NOT BE HEARD ON THAT DATE, ALL COUNSEL MUST APPEAR. Signed by District Judge Paul D. Borman. (DTof) (Entered: 01/11/2017) |
| 01/17/2017 | <a href="#">108</a> | NOTICE TO APPEAR: <b>Status Conference RESET(TIME ONLY) for 1/20/2017 11:00 AM before District Judge Paul D. Borman</b> *ALL COUNSEL MUST APPEAR* (DTof) (Entered: 01/17/2017)   |
| 01/20/2017 |                     | Minute Entry for proceedings before District Judge Paul D. Borman: Status Conference held on 1/20/2017. (Court Reporter: Leann Lizza) (DTof) (Entered: 01/20/2017)   |
| 01/20/2017 | <a href="#">109</a> | ORDER Referring Pretrial Matters Excluding Dispositive Motions to Magistrate Judge David R. Grand. Signed by District Judge Paul D. Borman. (DTof) (Entered: 01/20/2017)   |
| 01/24/2017 | <a href="#">110</a> | OPINION AND ORDER denying as moot <a href="#">90</a> Motion for Partial Summary Judgment. Signed by District Judge Paul D. Borman. (DTof) (Entered: 01/24/2017)  |

|            |                     |   |
|------------|---------------------|---|
| 02/28/2017 | <a href="#">111</a> | TRANSCRIPT of Status Conference held on 01/20/2017. (Court Reporter: Leann S. Lizza) (Number of Pages: 28) The parties have 21 days to file with the court and Court Reporter a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 3/21/2017. Redacted Transcript Deadline set for 3/31/2017. Release of Transcript Restriction set for 5/30/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Lizza, L.) (Entered: 02/28/2017) |
| 03/02/2017 | <a href="#">112</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 3/6/2017 03:30 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 03/02/2017)   |
| 03/06/2017 |                     | Minute Entry for proceedings before District Judge Paul D. Borman: Telephonic Status Conference held on 3/6/2017, Set Deadlines/Hearings: ( <b>TELEPHONIC Status Conference set for 4/17/2017 03:30 PM before District Judge Paul D. Borman</b> ) (Court Reporter: Leann Lizza) (DTof) (Entered: 03/06/2017)  |
| 04/17/2017 |                     | Minute Entry for proceedings before District Judge Paul D. Borman: Telephonic Status Conference held on 4/17/2017. (Court Reporter: Leann Lizza) (DTof) (Entered: 04/17/2017)   |
| 05/03/2017 | <a href="#">113</a> | NOTICE OF HEARING on <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing set for 7/14/2017 02:00 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 05/03/2017)  |
| 05/24/2017 | <a href="#">114</a> | Notice of E-mail Delivery Failure as to attorney Stephani J. LaBelle. Bounced NEF for <a href="#">113</a> Notice of Hearing on Motion. (SSch) (Entered: 05/24/2017)   |
| 05/31/2017 | <a href="#">115</a> | MOTION for Default Judgment as to All Defendants by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E, # <a href="#">7</a> Exhibit F, # <a href="#">8</a> Exhibit G) (Dezsi, Michael) (Entered: 05/31/2017)  |
| 05/31/2017 | <a href="#">116</a> | EXHIBIT G - Amended re <a href="#">115</a> MOTION for Default Judgment as to All Defendants by All Plaintiffs (Attachments: # <a href="#">1</a> Exhibit G - Deposition of Arthur Leavells) (Dezsi, Michael) (Entered: 05/31/2017)   |
| 06/02/2017 | <a href="#">117</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">115</a> MOTION for Default Judgment as to All Defendants filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 06/02/2017)   |
| 06/02/2017 |                     | TEXT-ONLY NOTICE: Motion Hearing set for 07/14/2017 is Cancelled re <a href="#">88</a> MOTION to Certify Class (DTof) (Entered: 06/02/2017)   |
| 06/06/2017 | <a href="#">118</a> | RESPONSE to <a href="#">115</a> MOTION for Default Judgment as to All Defendants filed by Detroit, City of. (Attachments: # <a href="#">1</a> Exhibit A - Timothy Davis Deposition Transcript, # <a href="#">2</a> Exhibit B - Concurrence E-Mail) (Bailey, Calvert) (Entered: 06/06/2017)  |

|            |                     |   |
|------------|---------------------|---|
| 06/14/2017 | <a href="#">119</a> | RESPONSE to <a href="#">115</a> MOTION for Default Judgment as to All Defendants filed by Arthur Leavells. (Attachments: # <a href="#">1</a> Exhibit A) (Garcia, Lawrence) (Entered: 06/14/2017)  |
| 06/15/2017 | <a href="#">120</a> | NOTICE of Appearance by Ronald G. Acho on behalf of All Defendants. (Acho, Ronald) (Entered: 06/15/2017)  |
| 06/15/2017 | <a href="#">121</a> | NOTICE of Appearance by James R. Acho on behalf of All Defendants. (Acho, James) (Entered: 06/15/2017)  |
| 06/20/2017 | <a href="#">122</a> | REPLY to Response re <a href="#">115</a> MOTION for Default Judgment as to All Defendants filed by All Plaintiffs. (Dezsi, Michael) (Entered: 06/20/2017)   |
| 07/17/2017 | <a href="#">123</a> | NOTICE OF HEARING on <a href="#">115</a> MOTION for Default Judgment as to All Defendants . <b>Motion Hearing set for 8/22/2017 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 07/17/2017)  |
| 07/21/2017 | <a href="#">124</a> | MOTION to Compel <i>Independent Medical Examinations of Plaintiffs</i> by Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Amy Matellic, James Napier, Vatasha K Napier, Steven Riley. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A: Criminal History, # <a href="#">3</a> Exhibit B: Statement, # <a href="#">4</a> Exhibit C: Status Report, # <a href="#">5</a> Exhibit D: 6/9/2017 corresp., # <a href="#">6</a> Exhibit E: 6/20/2017 corresp., # <a href="#">7</a> Exhibit F: 7/5/2017 corresp., # <a href="#">8</a> Exhibit G: 7/19/2017 corresp., # <a href="#">9</a> Exhibit H: Intake form, # <a href="#">10</a> Exhibit I: H. Davis Dep, # <a href="#">11</a> Exhibit J: T. Davis dep., # <a href="#">12</a> Exhibit K: Lahar v. Oakland County, # <a href="#">13</a> Exhibit L: Medical records) (Acho, Ronald) (Entered: 07/21/2017) |
| 07/25/2017 | <a href="#">125</a> | MOTION for Summary Judgment by James Napier, Vatasha K Napier. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A: Letters of Authority, # <a href="#">3</a> Exhibit B: Geelhood Dep., # <a href="#">4</a> Exhibit C: Activity Log, # <a href="#">5</a> Exhibit D: Napier time cards, # <a href="#">6</a> Exhibit E: NED Daily Detail, # <a href="#">7</a> Exhibit F: Narc Unit Daily Detail, # <a href="#">8</a> Exhibit G: Bennett v. Schroeder) (Acho, Ronald) (Entered: 07/25/2017)   |
| 07/26/2017 | <a href="#">126</a> | ORDER granting in part and denying in part <a href="#">124</a> Motion to Compel. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 07/26/2017)  |
| 08/02/2017 | <a href="#">127</a> | STIPULATED ORDER Dismissing Defendant James Napier. Signed by District Judge Paul D. Borman. (DTof) (Entered: 08/02/2017)   |
| 08/03/2017 |                     | Minute Entry for proceedings before Magistrate Judge David R. Grand: Telephonic Conference held on 8/3/2017. Disposition: The Court held a telephonic conference to discuss the parties' respective proposed protective orders. The Court provided guidance which should easily enable counsel to draft a protective order that addresses each side's concerns without burdening either side's rights. The Court declined counsel's request to draft the protective order for the parties. Counsel should forthwith meet and confer in good faith and then submit a joint proposed protective order for entry by close of business on Friday, August 4, 2017. If they are unable to agree on a protective order, Plaintiff shall file a motion for protective order by close of business on Monday, August 7, 2017. Defendant shall file a response to any such motion  |

|            |                     |   |
|------------|---------------------|---|
|            |                     | by close of business on Wednesday, August 10, 2017. (EBut) (Entered: 08/03/2017)  |
| 08/04/2017 | <a href="#">128</a> | Notice of E-mail Delivery Failure as to attorney Stephani J. LaBelle. Bounced NEF for <a href="#">125</a> MOTION for Summary Judgment , <a href="#">127</a> Order, Add and Terminate Parties, Text-Only Notice of Hearing Cancelled, <a href="#">115</a> MOTION for Default Judgment as to All Defendants , <a href="#">120</a> Notice of Appearance, <a href="#">116</a> Exhibit, <a href="#">123</a> Notice of Hearing on Motion, <a href="#">124</a> MOTION to Compel <i>Independent Medical Examinations of Plaintiffs</i> , <a href="#">117</a> Order Referring Motion to Magistrate Judge, Status Conference,, <a href="#">126</a> Order on Motion to Compel, <a href="#">121</a> Notice of Appearance, <a href="#">118</a> Response to Motion, <a href="#">122</a> Reply to Response to Motion, <a href="#">119</a> Response to Motion. (SSch) (Entered: 08/04/2017) |
| 08/07/2017 | <a href="#">129</a> | MOTION for Protective Order <i>Regarding Independant Medical Examinations</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Proposed Stipulated Protective Order, # <a href="#">3</a> Exhibit B Email from Lawrence Garcia, # <a href="#">4</a> Exhibit C Selected Emails between Counsel) (Dezsi, Michael) (Entered: 08/07/2017)   |
| 08/09/2017 | <a href="#">130</a> | RESPONSE to <a href="#">129</a> MOTION for Protective Order <i>Regarding Independant Medical Examinations</i> filed by Detroit, City of. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D) (Acho, Ronald) (Entered: 08/09/2017)  |
| 08/14/2017 | <a href="#">131</a> | [STRICKEN] RESPONSE <i>and Objection to Plaintiffs' Subpoena for Documents</i> by Detroit, City of. (Attachments: # <a href="#">1</a> Exhibit A) (Acho, Ronald) Modified on 8/15/2017 (DTyl). (Entered: 08/14/2017)   |
| 08/15/2017 |                     | NOTICE of Error directed to: Ronald G. Acho re <a href="#">131</a> Response (Free). Document is prohibited discovery, disclosure or a certificate of service thereof. <a href="#">Document was stricken</a> . [No Image Associated with this docket entry] (DTyl) (Entered: 08/15/2017)   |
| 08/15/2017 | <a href="#">132</a> | OBJECTION to <i>Subpoena for Documents</i> by Arthur Leavells. (Garcia, Lawrence) (Entered: 08/15/2017)   |
| 08/16/2017 | <a href="#">133</a> | NOTICE by Detroit, City of <i>Objections to Plaintiffs' Subpoena for Documents for August 22, 2017 Hearing for Plaintiff's Motion for Entry of Default</i> (Attachments: # <a href="#">1</a> Exhibit A) (Acho, Ronald) (Entered: 08/16/2017)  |
| 08/18/2017 | <a href="#">134</a> | MOTION to Compel <i>Production at August 22, 2017 Hearing</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Subpoenas, # <a href="#">3</a> Exhibit B Subpoenas, # <a href="#">4</a> Exhibit C City's Objections, # <a href="#">5</a> Exhibit D Leavells Objections, # <a href="#">6</a> Exhibit E Deposition of Hatema Davis, # <a href="#">7</a> Exhibit F Deposition of Timothy Davis, # <a href="#">8</a> Exhibit Leavells' Judgment) (Dettmer, Dennis) (Entered: 08/18/2017)  |
| 08/21/2017 | <a href="#">135</a> | NOTICE by Detroit, City of <i>to the Court of Objections to Plaintiffs' August 16, 2017 Subpoena for Documents for August 22, 2017 Hearing on Plaintiffs' Motion for Entry of Default</i> (Attachments: # <a href="#">1</a> Exhibit A: Subpoena) (Acho, Ronald) (Entered: 08/21/2017)   |
| 08/22/2017 | <a href="#">136</a> |   |

|            |                     |  |
|------------|---------------------|--|
|            |                     | ORDER granting in part and denying in part <a href="#">129</a> Motion for Protective Order. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 08/22/2017)  |
| 08/22/2017 | <a href="#">137</a> | PROTECTIVE ORDER REGARDING INDEPENDENTMEDICAL EXAMINATIONS OF THE PLAINTIFFSTIMOTHY DAVIS AND HATEMA DAVIS. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 08/22/2017)  |
| 08/22/2017 |                     | Minute Entry for proceedings before Magistrate Judge David R. Grand: Motion Hearing held on 8/22/2017 re <a href="#">115</a> MOTION for Default Judgment as to All Defendants filed by Hatema Davis, Timothy Davis Disposition: Motion taken under advisement (Court Reporter: Digitally Recorded) (EBut) (Entered: 08/22/2017)  |
| 08/24/2017 | <a href="#">138</a> | NOTICE by James Napier re <a href="#">125</a> MOTION for Summary Judgment <i>Withdrawal</i> (Acho, Ronald) (Entered: 08/24/2017)   |
| 09/20/2017 | <a href="#">139</a> | REPORT AND RECOMMENDATION re <a href="#">115</a> MOTION for Default Judgment as to All Defendants filed by Hatema Davis, Timothy Davis Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 09/20/2017)   |
| 10/13/2017 | <a href="#">140</a> | NOTICE OF HEARING on <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing set for 1/10/2018 03:00 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 10/13/2017)   |
| 10/18/2017 | <a href="#">141</a> | ORDER Adopting <a href="#">139</a> Report and Recommendation Denying <a href="#">115</a> Motion for Default Judgment, filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 10/18/2017)  |
| 10/20/2017 | <a href="#">142</a> | MOTION for Withdrawal of Attorney Lawrence T. Garcia by Arthur Leavells. (Garcia, Lawrence) (Entered: 10/20/2017)  |
| 10/23/2017 | <a href="#">143</a> | RE-NOTICE OF HEARING on <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing RESET for 12/20/2017 03:00 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 10/23/2017)   |
| 11/01/2017 |                     | Set/Reset Deadlines as to <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing RESET(TIME ONLY) for 12/20/2017 03:30 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 11/01/2017)  |
| 11/06/2017 | <a href="#">144</a> | MOTION for Leave to File <i>Supplemental Brief in Response to Plaintiffs' Motion to Certify Class Action</i> by Detroit, City of. (Acho, Ronald) (Entered: 11/06/2017)   |
| 11/06/2017 | <a href="#">145</a> | SUPPLEMENTAL BRIEF re <a href="#">91</a> Response to Motion, <i>to Certify Class Action</i> filed by Detroit, City of. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E, # <a href="#">7</a> Exhibit F, # <a href="#">8</a> Exhibit G, # <a href="#">9</a> Exhibit H, # <a href="#">10</a> Exhibit I, # <a href="#">11</a> Exhibit J, # <a href="#">12</a> Exhibit K, # <a href="#">13</a> Exhibit L, # <a href="#">14</a> Exhibit M, # <a href="#">15</a> Exhibit N, # <a href="#">16</a> Exhibit O) (Acho, Ronald) (Entered: 11/06/2017) |
| 11/08/2017 | <a href="#">146</a> | RESPONSE to <a href="#">144</a> MOTION for Leave to File <i>Supplemental Brief in Response to Plaintiffs' Motion to Certify Class Action</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/08/2017)   |

|            |                     |   |
|------------|---------------------|---|
| 11/17/2017 | <a href="#">147</a> | MOTION to Strike <i>Plaintiffs' Claims for Damages</i> by Detroit, City of. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A, # <a href="#">3</a> Exhibit B, # <a href="#">4</a> Exhibit C, # <a href="#">5</a> Exhibit D, # <a href="#">6</a> Exhibit E, # <a href="#">7</a> Exhibit F, # <a href="#">8</a> Exhibit G, # <a href="#">9</a> Exhibit H, # <a href="#">10</a> Exhibit I, # <a href="#">11</a> Exhibit J, # <a href="#">12</a> Exhibit K, # <a href="#">13</a> Exhibit L, # <a href="#">14</a> Exhibit M, # <a href="#">15</a> Exhibit N, # <a href="#">16</a> Exhibit O, # <a href="#">17</a> Exhibit P, # <a href="#">18</a> Exhibit Q, # <a href="#">19</a> Exhibit R, # <a href="#">20</a> Exhibit S, # <a href="#">21</a> Exhibit T, # <a href="#">22</a> Exhibit U, # <a href="#">23</a> Exhibit V, # <a href="#">24</a> Exhibit W, # <a href="#">25</a> Exhibit X, # <a href="#">26</a> Exhibit Y, # <a href="#">27</a> Exhibit Z) (Acho, Ronald) (Entered: 11/17/2017) |
| 11/28/2017 | <a href="#">148</a> | ORDER Granting <a href="#">144</a> MOTION for Leave to File <i>Supplemental Brief in Response to Plaintiffs' Motion to Certify Class Action</i> filed by Detroit, City of., RESET Motion and R&R Deadlines/Hearings as to <a href="#">88</a> MOTION to Certify Class : ( <b>Motion Hearing RESET for 1/2/2018 03:00 PM before District Judge Paul D. Borman</b> ) Signed by District Judge Paul D. Borman. (DTof) (Entered: 11/28/2017)   |
| 11/30/2017 | <a href="#">149</a> | STIPULATION <i>Allowing Withdrawal</i> by Arthur Leavells (Garcia, Lawrence) (Entered: 11/30/2017)  |
| 12/01/2017 | <a href="#">150</a> | ORDER granting <a href="#">142</a> Motion to Withdraw as Attorney.. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 12/01/2017)   |
| 12/04/2017 | <a href="#">151</a> | SUPPLEMENTAL BRIEF re <a href="#">91</a> Response to Motion, <i>to Certify Class Action</i> filed by Detroit, City of. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A: ICHAT report, # <a href="#">3</a> Exhibit B: T Davis Dep, # <a href="#">4</a> Exhibit C: Arrest Rpt, # <a href="#">5</a> Exhibit D: 1st Stmt, # <a href="#">6</a> Exhibit E: OTIS Profile, # <a href="#">7</a> Exhibit F: 2nd Stmt, # <a href="#">8</a> Exhibit G: Aff & Search Warrant, # <a href="#">9</a> Exhibit H: Incident Rpt, # <a href="#">10</a> Exhibit I: Warren PD Rpt, # <a href="#">11</a> Exhibit J: Geelhood Dep, # <a href="#">12</a> Exhibit K: Wheeler v Detroit) (Acho, Ronald) (Entered: 12/04/2017)   |
| 12/08/2017 | <a href="#">152</a> | NOTICE of Appearance by James P. Allen on behalf of Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Amy Matellic, James Napier. (Allen, James) (Entered: 12/08/2017)  |
| 12/11/2017 | <a href="#">153</a> | RESPONSE to <a href="#">147</a> MOTION to Strike <i>Plaintiffs' Claims for Damages</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Affidavit and Search Warrant, # <a href="#">3</a> Exhibit B First Superseding Indictment, # <a href="#">4</a> Exhibit C Testimony of Arthur Leavells, # <a href="#">5</a> Exhibit D Deposition of Stephen Geelhood, # <a href="#">6</a> Exhibit E Deposition of Timothy Davis, # <a href="#">7</a> Exhibit F Deposition of Hatema Davis, # <a href="#">8</a> Exhibit G Deposition of Timothy Davis) (Dezsi, Michael) (Entered: 12/11/2017)   |
| 12/12/2017 | <a href="#">154</a> | ORDER of Attorney Substitution with stipulation. Attorney James P. Allen for Vatasha K Napier,James P. Allen for Steven Riley added. Signed by District Judge Paul D. Borman. (DTof) (Entered: 12/12/2017)  |
| 12/14/2017 | <a href="#">155</a> | SUPPLEMENTAL BRIEF re <a href="#">88</a> MOTION to Certify Class filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/14/2017)  |
| 12/14/2017 |                     | TEXT-ONLY NOTICE: Motion Hearing set for 01/02/2018 is Cancelled re <a href="#">88</a> MOTION to Certify Class (DTof) (Entered: 12/14/2017)   |
|            |                     |   |

|            |                     |  |
|------------|---------------------|--|
| 12/18/2017 | <a href="#">156</a> | ORDER REFERRING MOTION to Magistrate Judge David R. Grand: <a href="#">88</a> MOTION to Certify Class filed by Hatema Davis, Timothy Davis. Signed by District Judge Paul D. Borman. (DTof) (Entered: 12/18/2017)  |
| 12/18/2017 | <a href="#">157</a> | NOTICE OF HEARING on <a href="#">147</a> MOTION to Strike <i>Plaintiffs' Claims for Damages</i> , <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing set for 1/23/2018 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 12/18/2017)  |
| 01/10/2018 | <a href="#">158</a> | SUPPLEMENTAL BRIEF re <a href="#">147</a> MOTION to Strike <i>Plaintiffs' Claims for Damages</i> , <a href="#">91</a> Response to Motion, filed by All Defendants. (Allen, James) (Entered: 01/10/2018)  |
| 01/23/2018 | <a href="#">159</a> | ORDER AND NOTICE OF HEARING. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 01/23/2018)   |
| 01/23/2018 |                     | Minute Entry for proceedings before Magistrate Judge David R. Grand: Motion Hearing not held on 1/23/2018 re <a href="#">88</a> MOTION to Certify Class filed by Hatema Davis, Timothy Davis, <a href="#">147</a> MOTION to Strike <i>Plaintiffs' Claims for Damages</i> filed by Detroit, City of (EBut) (Entered: 01/24/2018)  |
| 02/22/2018 | <a href="#">160</a> | RENOUNCE OF HEARING on <a href="#">147</a> MOTION to Strike <i>Plaintiffs' Claims for Damages</i> , <a href="#">88</a> MOTION to Certify Class . <b>Motion Hearing set for 4/3/2018 10:00 AM before Magistrate Judge David R. Grand</b> (EBut) (Entered: 02/22/2018)   |
| 03/07/2018 | <a href="#">161</a> | STIPULATED ORDER TO PERPETUATE TESTIMONY. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 03/07/2018)  |
| 03/28/2018 | <a href="#">162</a> | SUPPLEMENTAL BRIEF re <a href="#">88</a> MOTION to Certify Class filed by All Plaintiffs. (Dezsi, Michael) (Entered: 03/28/2018)   |
| 04/03/2018 | <a href="#">163</a> | ORDER denying <a href="#">147</a> Motion to Strike. Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 04/03/2018)  |
| 04/03/2018 |                     | Minute Entry for proceedings before Magistrate Judge David R. Grand: Motion Hearing held on 4/3/2018 re <a href="#">88</a> MOTION to Certify Class filed by Hatema Davis, Timothy Davis, <a href="#">147</a> MOTION to Strike <i>Plaintiffs' Claims for Damages</i> filed by Detroit, City of Disposition: #88 taken under advisement, #147 denied (Court Reporter: Digitally Recorded) (EBut) (Entered: 04/03/2018) |
| 05/03/2018 | <a href="#">164</a> | NOTICE of Appearance by Lindsey R. Johnson on behalf of Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Amy Matellic, James Napier, Vataasha K Napier, Steven Riley. (Johnson, Lindsey) (Entered: 05/03/2018)  |
| 05/11/2018 | <a href="#">165</a> | REPORT AND RECOMMENDATION re <a href="#">88</a> MOTION to Certify Class filed by Hatema Davis, Timothy Davis Signed by Magistrate Judge David R. Grand. (EBut) (Entered: 05/11/2018)   |
| 05/25/2018 | <a href="#">166</a> | OBJECTION to <a href="#">165</a> Report and Recommendation by All Plaintiffs. (Dezsi, Michael) (Entered: 05/25/2018)   |
| 06/08/2018 | <a href="#">167</a> | RESPONSE to <a href="#">166</a> Objection to Report and Recommendation <i>Defendants' Response to Plaintiffs' Objections to Magistrate Judge's Report and</i>  |

|            |                     |   |
|------------|---------------------|---|
|            |                     | <i>Recommendation to Deny Plaintiffs' Motion for Class Certification and Certificate of Service</i> by Larry Barnett, Reginald Beasley, Matthew Bray, Detroit, City of, Charles Flanagan, Stephen Geelhood, Brian Johnson, Amy Matellic, James Napier, Steven Riley. (Johnson, Lindsey) (Entered: 06/08/2018) |
| 08/31/2018 | <a href="#">168</a> | OPINION AND ORDER overruling plaintiff's objections, adopting <a href="#">165</a> Report and Recommendation and denying <a href="#">88</a> Motion for class certification.Signed by District Judge Paul D. Borman. (DPer) (Entered: 08/31/2018)   |
| 11/14/2018 | <a href="#">169</a> | MOTION for Judgment by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Email, # <a href="#">3</a> Exhibit B Email, Release) (Dezsi, Michael) (Entered: 11/14/2018)   |
| 11/28/2018 | <a href="#">170</a> | RESPONSE to <a href="#">169</a> MOTION for Judgment filed by Larry Barnett, Reginald Beasley, Matthew Bray, Charles Flanagan, Stephen Geelhood, Brian Johnson, Amy Matellic, James Napier, Vatasha K Napier, Steven Riley. (Allen, James) (Entered: 11/28/2018)   |
| 12/28/2018 | <a href="#">171</a> | NOTICE TO APPEAR: <b>Status Conference set for 1/14/2019 03:30 PM before District Judge Paul D. Borman</b> (DTof) (Entered: 12/28/2018)   |
| 01/14/2019 |                     | Minute Entry for proceedings before District Judge Paul D. Borman: Telephonic Status Conference held on 1/14/2019 (Court Reporter: Leann Lizza) (DTof) (Entered: 02/21/2019)  |
| 03/28/2019 | <a href="#">172</a> | STIPULATED ORDER DISMISSING CASE - Signed by District Judge Paul D. Borman. (DTof) (Entered: 03/28/2019)  |

# EXHIBIT B

MACOMB COUNTY

## Warren couple says Detroit police raid violated rights

**Tom Greenwood and George Hunter** The Detroit News

Published 11:45 a.m. ET Feb. 12, 2015 | Updated 11:24 p.m. ET Feb. 12, 2015

A Warren couple whose medical marijuana operation was raided by the Detroit Police Department's narcotics unit have filed a civil lawsuit against the officers, including one who killed himself after being investigated for corruption by the FBI and Internal Affairs.

The complaint was filed Wednesday in federal court by Timothy and Hatema Davis and names the city of Detroit as well as Lt. Charles Flanagan, former head of the DPD's narcotics unit, Detective James Napier and officers "Novak" and "John Doe."

Napier, who according to sources was being investigated for narcotics corruption, shot himself Jan. 22 while sitting in his car outside his parents' home in Sterling Heights.

The lawsuit alleges that on Dec. 28, 2013, the officers illegally raided the Davis home in Warren, which was the site of a legal marijuana growing facility.

The complaint alleges officers broke down a door and pointed weapons at Davis and his wife while failing to produce a search warrant.

Over the next few hours, the officers allegedly tore the house apart, seized 50 marijuana plants and related items and then transported the couple to a location in Detroit where they were questioned for another five hours, according to the lawsuit.

The couple were eventually released and never faced any charges, according to the complaint.

Detroit police spokeswoman June West said Thursday the department had just become aware of the Warren couple's lawsuit.

"We don't comment on litigation ... but there is no indication that this is connected to the federal investigation, which is isolated to a single team in the now disbanded narcotics unit."

# The Detroit News

He added Napier had left the narcotics squad by the time Flanagan assumed command of the unit.

Flanagan — who reportedly was not the subject of any corruption investigation — declined to expand his comments because of the pending lawsuit.

The lawsuit alleges the defendants “have engaged in similar unlawful searches and seizures of other legitimate marijuana grow facilities in and around the city of Detroit” and that the city “has allowed an unconstitutional policy, custom and practice to flourish within its police department.”

The lawsuit also accused the city of failing to properly train its employees and officers, which allows a “culture of corruption to flourish within certain ranks of its police department including the narcotics unit.”

The complaint asks for compensation for the Davises plus attorney fees.

In July, Detroit Police Chief James Craig dismantled the narcotics unit in light of the investigation and replaced it with the major violators section.

Meanwhile, Flanagan, along with Craig and Assistant Chief Steve Dolunt, are accused of racism and harassment in a lawsuit filed in October by a former Detroit police officer.

The lawsuit was filed by Sgt. Myron Weathers, a 19-year veteran, in Wayne County Circuit Court. The lawsuit alleges Flanagan appointed an “unqualified white female officer” to a Drug Enforcement Administration Task Force.

Weathers said he was seeking damages of more than \$25,000 because of retaliation for “questioning the assignment of an unqualified white, female officer to (Flanagan’s) crew.”

In response, Flanagan said Weathers took big screen TVs, a tablet and a video game system for his personal use after they were seized from drug dealers.

Flanagan also said rocks of crack cocaine that hadn’t been logged as evidence were found inside the desks of officers. Flanagan’s allegations initiated an internal investigation in May.

In his lawsuit, Weathers denied Flanagan’s accusations, saying he hadn’t improperly used the confiscated equipment and he had “repurposed” the TVs “for training purposes.”

In an earlier interview, Flanagan called Weathers’ suit a case of “sour grapes.”

Flanagan filed his own EEOC complaint in May claiming he was the victim of racial discrimination by black supervisors.

He also alleged he was exposed to a hostile work environment because he blew the whistle on alleged wrongdoings in the narcotics unit that happened before he took over the squad.

tgreenwood@detroitnews.com

(313) 222-2023

NEWS HITS

Thursday, March 12, 2015

# Lawsuit: Officers in Detroit police department's now-defunct narcotics unit executed illegal search based on false affidavit

Posted By Ryan Felton on Thu, Mar 12, 2015 at 11:14 am



Wikipedia

Detroit police officers in the city's now-defunct narcotics unit wrongly detained a Detroit resident after illegally searching his home with a warrant based on false statements, according to a lawsuit filed in Wayne County Circuit Court.

Anthony and Elaine McCallum say two officers executed a search warrant in 2013 on their home that was based on false statements given by a Detroit law enforcement official in a sworn affidavit, according to the complaint. The officers physically assaulted Anthony and threatened Elaine "for no reason," the complaint, filed in November, stated.

As a result of the April 2013 search, Anthony McCallum was charged with intent to deliver and manufacture marijuana, intent to deliver and manufacture less than 50 grams of cocaine, firearms possession by a felon, and felony firearms, court records show — but all charges were eventually dismissed. McCallum was convicted in 1997 of assault with intent to commit sexual penetration, according to the Michigan State Police sex offender registry.

The McCallums filed their seven-page complaint against two officers who conducted the search of their home, Sgt. Stephen Geelhood and "Officer Blue," who have been with the Detroit Police Department since 1994 and 1997, respectively, according to court records. In briefs filed by the McCallums attorney, Geelhood and Blue are identified as "undercover" officers in the city's "now disbanded narcotics unit." (The city later identified Blue in an email to *MT* as Officer Abraham Blue.)

Upon entering the couple's home, the officers assaulted Anthony McCallum, handcuffed and arrested the 47-year-old "without probable cause," and wrongfully pursued prosecution, according to the complaint. It's unclear if more officers were involved in the search.

"Defendants wrongfully pursued prosecution of Plaintiff based on their own wrongful conduct," the complaint alleges.

Thomas Kuhn, co-counsel representing the McCallums, declined comment. Detroit police said Geelhood and Blue remain employed with the department, but declined to comment on the pending litigation.

How Detroit police officers went about getting the search warrant was apparently the chief

reason Anthony McCallum's charges were dropped almost instantaneously, court records show.

Here's what happened: Police obtained the warrant based on an affidavit signed by Officer Amy Matelic, according to a court transcript from an Aug. 8, 2013 hearing on the charges brought against Anthony McCallum, who initially plead not guilty on each count. In the sworn affidavit, Matelic stated she received a tip from a confidential informant that cocaine was being sold and stored within McCallum's home. The informant provided tips in the past that led to arrests and generated cases in 3rd Circuit Court and 36th District Court, according to the transcript.

The problem? According to the transcript, Matelic had no direct conversation with the informant or personal knowledge of the tip; another officer, Gil Hood, actually received it. But, for unclear reasons, Hood didn't sign the affidavit.

"So the affidavit I mean really just cannot be described as anything other than false in that respect," said Wayne County Circuit Court Judge Michael Hathaway, during the 2013 hearing.

The only thing "honestly averred in the affidavit," Hathaway said, is that Matelic and Hood conducted surveillance of McCallum's property. "That in and of itself does not provide probable cause for the warrant," Hathaway said.

In his parting words, Hathaway offered this to Anthony McCallum: "You have dodged a bullet. It is highly unlikely that this will ever happen again. And I strongly urge you to clean up your act."

The case and charges against McCallum were dismissed following the hearing in Hathaway's courtroom.

Peter Henning, a Wayne State University law professor and former federal prosecutor, said the key to affidavits is the veracity of the informant.

"You have to establish the credibility of the tipster and or corroborate what was provided," Henning told *MT* on Wednesday. "So I expect the affidavit wasn't just, 'Hey, I got a tip' — but it was, 'Hey, I got a tip from someone I know and here's what I know.'"

Officer Matelic's decision to sign the affidavit, when she had no personal knowledge of the tip, was "either sloppy practices or it shows the path of least resistance figuring no one would ever notice," Henning said.

"Get your affidavit blown — that would blow the warrant," he said. "It's not like they said, 'Oh, let's let a bad guy go' ... it did not meet the valid, constitutional requirements for a warrant."

The McCallums lawsuit, which also names the city of Detroit as a defendant, seeks compensatory damages in excess of \$25,000 and attorney fees. A motion hearing is scheduled March 20 before Judge Annette Berry in Wayne County Circuit Court.

Detroit's narcotics unit was disbanded last summer by Detroit Police Chief James Craig. Since August, it has **reportedly** been the focus of an FBI probe. (David Porter, special agent in the FBI's Detroit bureau declined comment Thursday.)

Last month, it was also at the center of a separate lawsuit filed by a Warren couple. The couple, Timothy and Hatema Davis, allege officers **forcibly entered their home in December 2013** with assault rifles drawn, demanded to know if they had any money, and seized nearly fifty marijuana plants, according to the complaint.

Timothy Davis — who said he was then taken to a seemingly abandoned building and questioned for five hours — was legally licensed to operate a marijuana grow facility, the complaint says.

The Davises say in the complaint the Detroit officers who conducted the raid never presented a search warrant.

The couple was handcuffed while officers "extensively tore apart Plaintiffs' property and removed ... nearly fifty marijuana plants and other related legitimate and lawful by-products of Plaintiffs' business," the complaint says.

The Davises were eventually released and never charged with any violations. The case remains pending.

Tags: detroit, police, narcotics, lawsuit, Image

# Ex-drug squad member helped feds snare indicted

Robert Snell and George Hunter, The Detroit News 9:41 a.m. EDT April 17, 2015

A former member of a scandal-plagued Detroit police drug unit wore a secret recording device to help FBI agents catch and extorting drug dealers, The Detroit News has learned.

Officer Arthur Leavells was involved in an alleged conspiracy headed by two suspended members of the Detroit Police Department, federal agents secretly record conversations via a wiretap, according to court records and two sources familiar with the investigation.

The officer's involvement helps flesh out what led to a criminal case that Chief James Craig said undermined the public's cooperation also is a rare instance of a law enforcement member crossing the "thin blue line" to help prosecute colleagues.

The FBI and U.S. Attorney's Office refused to comment Thursday about the investigation and Leavells.

"The challenge for prosecutors is piercing the thin blue line, but there comes a point where self-interest takes over," said University law professor and former federal prosecutor. "Anytime someone wears a wire, they're playing on other people. There is a special bond but once prosecutors breach it, wiretaps end up helping build a much stronger case."

Leavells, 44, was charged in connection with his role in the conspiracy, according to federal court records filed Thursday. "information," which means a guilty plea is expected.

Lt. David "Hater" Hansberry and Officer Bryan "Bullet" Watson were charged April 8 in a bare-bones indictment. Court records indicate prosecutors are armed with bank and cellphone records, text messages, tax documents, photos and a wiretap. Sources familiar with the investigation told The News.

He allegedly conspired to distribute cocaine between June 2010 and August 2014, according to federal court records. He was charged Thursday.

That is the roughly the same period covered in the indictment against Hansberry and Watson, who are accused of arranging for money, narcotics and property.

Leavells worked in the drug unit under Hansberry, a source told The News, but quit several months ago after being suspended from the drug unit. They were suspended after a surveillance video captured them taking away a box that they never logged from a suspected drug house.

Hansberry, 34, of Warren and Watson, 46, of Novi, meanwhile, were suspended without pay following the indictment.

They "would also identify themselves as law enforcement officers performing official law enforcement duties in order to gain trust with their demands and to encourage their victims to flee, leaving behind their controlled substances, money or personal property," the indictment says.

Instead of turning over the money, drugs and property to the Detroit Police Department, Hansberry and Watson sold the information to informants — and split the money, the Justice Department alleged.

In a court filing, prosecutors gave a peek at the types of evidence gathered during the current investigation.

That evidence includes phone records, social media records, receipts and other records of retail purchases.

A lawyer for Watson, a 22-year veteran of the department, declined comment Thursday.

Hansberry is a 16-year veteran — his lawyer called him a "superstar" — who rose through the ranks and was promoted

Hansberry's lawyer, Michael Harrison, could not be reached for comment Thursday but earlier told The News he worried

"My fear is that this case could be about drug dealers and dirty cops looking to get themselves out of trouble by burning Harrison said. "Could there be a much bigger fish than a young rising star of the police department?"

Craig declined comment Thursday, as did a spokeswoman for the U.S. Attorney's Office.

Two others have been charged in the case. Kevlin Brown, allegedly a Hansberry associate, is accused of robbing and e. According to court records filed Thursday, a man named Calvin Turner is expected to plead guilty after being accused of in April 2013, according to court records.

Craig disbanded the drug unit in July because of what he said were systemic problems uncovered during an Internal Aff May. The problems included handling drugs and evidence.

An officer helping prosecute colleagues is rare, and no guarantee of a conviction.

In 2004, three Detroit police officers cooperated in a federal case against eight officers from Detroit's 4th Precinct. The e charges they violated the constitutional rights of suspected criminals by planting evidence and writing phony reports.

rsnell@detroitnews.com

(313) 222-2028

Read or Share this story: <http://detne.ws/1FZGxnm>

# EXHIBIT C

APPEAL

**U.S. District Court  
Eastern District of Michigan (Detroit)  
CRIMINAL DOCKET FOR CASE #: 2:15-cr-20217-SJM-APP All Defendants**

Case title: United States of America v. Hansberry et al

Date Filed: 04/08/2015

Date Terminated: 05/25/2017

Assigned to: District Judge Stephen J.  
Murphy, III  
Referred to: Magistrate Judge Anthony  
P. Patti

Appeals court case number: 17-  
1383/17-1221 U.S. Court of Appeals -  
Sixth Circuit

**Defendant (1)****David Hansberry***TERMINATED: 02/24/2017**also known as*

Sarge

*TERMINATED: 02/24/2017**also known as*

Hater

*TERMINATED: 02/24/2017*represented by **Michael J. Harrison**

Harrison Law

40950 Woodward

Bloomfield Hills, MI 48304

248-220-3324

Fax: 248-220-3326

Email: michael@harrisonlawplc.com

**LEAD ATTORNEY****ATTORNEY TO BE NOTICED***Designation: Retained***Elizabeth L. Jacobs**

615 Griswold

Suite 1125

Detroit, MI 48226

313-962-4090

Email: elzjacobs@aol.com

*TERMINATED: 10/10/2017***ATTORNEY TO BE NOTICED***Designation: Retained***James J. Hunter**

Collins Einhorn Farrell PC

4000 Town Center

9th Floor

Southfield, MI 48075

248-355-4141

Fax: 248-355-2277  
 Email: james.hunter@ceflawyers.com  
*TERMINATED: 04/20/2017*  
*ATTORNEY TO BE NOTICED*  
*Designation: Retained*

**Philip A. Ragan , Jr.**  
 1274 Library Street  
 Suite 304  
 Detroit, MI 48226  
 313-790-9776  
 Email: Paralawfirm@aol.com  
*ATTORNEY TO BE NOTICED*

**Robert S. Harrison**  
 Robert Harrison Assoc.  
 40950 Woodward Avenue  
 Suite 100  
 Bloomfield Hills, MI 48304  
 248-283-1600  
 Email: rsh@harrisonplc.com  
*TERMINATED: 04/20/2017*  
*ATTORNEY TO BE NOTICED*  
*Designation: Retained*

**Thomas W. Jakuc**  
 Thomas Legal Centers  
 22811 Greater Mack  
 Suite 204  
 St. Clair Shores, MI 48080  
 586-573-2694  
 Fax: 586-573-2697  
 Email: Thomasjakuc@sbcglobal.net  
*TERMINATED: 04/28/2017*  
*ATTORNEY TO BE NOTICED*  
*Designation: Retained*

**Pending Counts**

CONSPIRACY TO DISTRIBUTE  
 CONTROLLED SUBSTANCE  
 (1)  
 CONSPIRACY TO OBTAIN  
 PROPERTY BY EXTORTION  
 UNDER COLOR OF OFFICIAL  
 RIGHT  
 (1s)  
 INTERFERENCE WITH  
 COMMERCE BY THREAT OR

**Disposition**

DISPOSED  
 IMPRISONMENT: 151 MONTHS,  
 SUPERVISED RELEASE: 24  
 MONTHS; SPECIAL ASSESSMENT:  
 \$100.00  
 DISPOSED

|   |           |
|---|-----------|
| VIOLENCE<br>(2-4)   |           |
| CONSPIRACY TO POSSESS WITH<br>INTENT TO DISTRIBUTE<br>CONTROLLED SUBSTANCES<br>(2s)                   | DISMISSED |
| OBTAINING PROPERTY BY<br>EXTORTION UNDER COLOR OF<br>OFFICIAL RIGHT<br>(3s-8s)                        | DISMISSED |
| VIOLENT<br>CRIME/DRUGS/MACHINE GUN<br>(5)   | DISPOSED  |
| INTERFERENCE WITH<br>COMMERCE BY THREAT OR<br>VIOLENCE<br>(6)   | DISPOSED  |
| CONTROLLED SUBSTANCE -<br>SELL, DISTRIBUTE, OR DISPENSE<br>(7)  | DISPOSED  |
| VIOLENT<br>CRIME/DRUGS/MACHINE GUN<br>(8)   | DISPOSED  |
| DISTRIBUTION AND POSSESSION<br>WITH INTENT TO DISTRIBUTE 5<br>KILOGRAMS OR MORE OF<br>COCAINE<br>(9s) | DISMISSED |
| CARRYING A FIREARM DURING<br>AND IN RELATION TO A DRUG<br>TRAFFICKING CRIME<br>(10s)                  | DISMISSED |

**Highest Offense Level (Opening)**

Felony

**Terminated Counts**

None

**Disposition**

**Highest Offense Level (Terminated)**

None

**Complaints**

**Disposition**

None

Assigned to: District Judge Stephen J. Murphy, III  
 Referred to: Magistrate Judge Anthony P. Patti

Appeals court case numbers: 17-1205  
 U.S. Court of Appeals - Sixth Circuit,  
 17-1205/17-1221 U.S. Court of Appeals  
 - Sixth Circuit

**Defendant (2)**

**Bryan Watson**

*TERMINATED: 02/28/2017*  
*also known as*  
 Bullet  
*TERMINATED: 02/28/2017*

represented by **Steven F. Fishman**

615 Griswold  
 Suite 1125  
 Detroit, MI 48226  
 313-962-4090  
 Email: sfish6666@gmail.com  
**LEAD ATTORNEY**  
**ATTORNEY TO BE NOTICED**  
*Designation: Retained*

**Pending Counts**

CONSPIRACY TO DISTRIBUTE  
 CONTROLLED SUBSTANCE  
 (1)

CONSPIRACY TO OBTAIN  
 PROPERTY BY EXTORTION  
 UNDER COLOR OF OFFICIAL  
 RIGHT  
 (1s)

INTERFERENCE WITH  
 COMMERCE BY THREAT OR  
 VIOLENCE  
 (2)

CONSPIRACY TO POSSESS WITH  
 INTENT TO DISTRIBUTE  
 CONTROLLED SUBSTANCES  
 (2s)

OBTAINING PROPERTY BY  
 EXTORTION UNDER COLOR OF  
 OFFICIAL RIGHT  
 (3s-5s)

**Disposition**

DISMISSED

IMPRISONMENT: 108 Months;  
 SUPERVISED RELEASE: 2 Years;  
 ASSESSMENT: \$100; FINE: \$2000  
 [AMENDED JUDGMENT]  
 IMPRISONMENT: 108 Months;  
 SUPERVISED RELEASE: 2 Years;  
 ASSESSMENT: \$100; FINE: \$2000

DISMISSED

NOT GUILTY

NOT GUILTY

|   |            |
|---|------------|
| INTERFERENCE WITH<br>COMMERCE BY THREAT OR<br>VIOLENCE<br>(4)   | DISMISSED  |
| VIOLENT<br>CRIME/DRUGS/MACHINE GUN<br>(5)   | DISMISSED  |
| INTERFERENCE WITH<br>COMMERCE BY THREAT OR<br>VIOLENCE<br>(6)   | DISMISSED  |
| CONTROLLED SUBSTANCE -<br>SELL, DISTRIBUTE, OR DISPENSE<br>(7)  | DISMISSED  |
| OBTAINING PROPERTY BY<br>EXTORTION UNDER COLOR OF<br>OFFICIAL RIGHT<br>(7s-8s)                        | NOT GUILTY |
| VIOLENT<br>CRIME/DRUGS/MACHINE GUN<br>(8)   | DISMISSED  |
| DISTRIBUTION AND POSSESSION<br>WITH INTENT TO DISTRIBUTE 5<br>KILOGRAMS OR MORE OF<br>COCAINE<br>(9s) | NOT GUILTY |
| CARRYING A FIREARM DURING<br>AND IN RELATION TO A DRUG<br>TRAFFICKING CRIME<br>(10s)                  | NOT GUILTY |

**Highest Offense Level (Opening)**

Felony

**Terminated Counts**

None

**Disposition**

**Highest Offense Level (Terminated)**

None

**Complaints**

None

**Disposition**

Assigned to: District Judge Stephen J. Murphy, III  
Referred to: Magistrate Judge Anthony P. Patti

**Defendant (3)**

**Kevlin Omar Brown**  
*TERMINATED: 09/27/2016*

represented by **Federal Community Defender**  
Federal Defender Office  
613 Abbott  
5th Floor  
Detroit, MI 48226  
313-967-5542  
*TERMINATED: 04/10/2015*  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*  
*Designation: Public Defender or*  
*Community Defender Appointment*

**Kenneth Sasse**  
27 E Flint Street  
2nd Floor  
Lake Orion, MI 48362  
248-821-7325  
Email: ksasse11@gmail.com  
*ATTORNEY TO BE NOTICED*  
*Designation: CJA Appointment*

**Pending Counts**

INTERFERENCE WITH  
COMMERCE BY THREAT OR  
VIOLENCE  
(3)

**Disposition**

NOT GUILTY

**Highest Offense Level (Opening)**

Felony

**Terminated Counts**

OBTAINING PROPERTY BY  
EXTORTION UNDER COLOR OF  
OFFICIAL RIGHT  
(6s)

**Disposition**

NOT GUILTY

**Highest Offense Level (Terminated)**

Felony

**Complaints**

None

**Disposition**

Assigned to: District Judge Stephen J. Murphy, III  
 Referred to: Magistrate Judge Anthony P. Patti

**Defendant (4)****Arthur Leavells***TERMINATED: 05/25/2017*represented by **Federal Community Defender**

(See above for address)

*LEAD ATTORNEY**ATTORNEY TO BE NOTICED**Designation: Public Defender or**Community Defender Appointment***Andrew N. Wise**

Federal Community Defender Eastern

District of Michigan

613 Abbott

5th Floor

Detroit, MI 48226

313-967-5830

Email: andrew\_wise@fd.org

*ATTORNEY TO BE NOTICED**Designation: Public Defender or**Community Defender Appointment***Miriam L. Siefer**

Federal Defender Office

613 Abbott

5th Floor

Detroit, MI 48226

313-967-5868

Email: miriam\_siefer@fd.org

*ATTORNEY TO BE NOTICED**Designation: Public Defender or**Community Defender Appointment***Pending Counts**

CONSPIRACY TO DISTRIBUTE  
 CONTROLLED SUBSTANCE

(1)

**Disposition**

IMPRISONMENT: 1 DAY WITH

CREDIT FOR TIME SERVED;

SUPERVISED RELEASE: 24

MONTHS; SPECIAL ASSESSMENT:

\$100.00 [AMENDED 08/17/17 TO

CORRECT CLERICAL MISTAKE]

IMPRISONMENT: 1 DAY WITH  
CREDIT FOR TIME SERVED;  
SUPERVISED RELEASE: 24  
MONTHS; SPECIAL ASSESSMENT:  
\$100.00 [AMENDED 08/17/17 TO  
CORRECT CLERICAL MISTAKE]

**Highest Offense Level (Opening)**

Felony

**Terminated Counts**

None

**Disposition**

**Highest Offense Level (Terminated)**

None

**Complaints**

None

**Disposition**

Assigned to: District Judge Stephen J.  
Murphy, III  
Referred to: Magistrate Judge Anthony  
P. Patti

**Defendant (5)**

**Calvin Turner**

*TERMINATED: 03/15/2017*

represented by **James L. Feinberg**  
James L. Feinberg & Associates  
28411 Northwestern Highway  
Suite 875  
Southfield, MI 48034  
248-353-0600  
Fax: 248-353-0605  
Email: jlfdefense@mindspring.com  
**LEAD ATTORNEY**  
**ATTORNEY TO BE NOTICED**  
*Designation: Retained*

**Pending Counts**

CONSPIRACY TO DISTRIBUTE  
CONTROLLED SUBSTANCE  
(1)

**Disposition**

IMPRISONMENT: 10 MONTHS;  
SUPERVISED RELEASE: 12  
MONTHS; SPECIAL ASSESSMENT:  
\$100.00; IMPRISONMENT: 5 Months;  
SUPERVISED RELEASE: One (1)  
Year; SPECIAL ASSESSMENT: \$100

**Highest Offense Level (Opening)**

Felony

**Terminated Counts**

None

**Disposition****Highest Offense Level (Terminated)**

None

**Complaints**

None

**Disposition****Plaintiff****United States of America**

represented by **Sheldon N. Light**  
 U.S. Attorney's Office  
 211 W. Fort Street  
 Suite 2001  
 Detroit, MI 48226  
 313-226-9732  
 Fax: 313-226-3413  
 Email: sheldon.light@usdoj.gov  
*TERMINATED: 10/03/2016*  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*  
*Designation: U.S. Attorney*

**J. Michael Buckley**  
 U.S. Attorney's Office  
 211 W. Fort Street  
 Suite 2001  
 Detroit, MI 48226  
 313-226-9581  
 Fax: 313-226-3413  
 Email: michael.buckley@usdoj.gov  
*ATTORNEY TO BE NOTICED*  
*Designation: U.S. Attorney*

**Louis P. Gabel**  
 U.S. Attorney's Office (E.D. Mich.)  
 211 W. Fort Street  
 Suite 2001  
 Detroit, MI 48226  
 313-226-9756

Fax: 313-226-2873  
 Email: USAMIE.ECFCSU@usdoj.gov  
 TERMINATED: 12/10/2015  
 ATTORNEY TO BE NOTICED  
 Designation: U.S. Attorney

**Shane Cralle**  
 U.S. Attorney's Office  
 211 W. Fort Street Suite 2001  
 Detroit, MI 48226  
 313-226-9551  
 Fax: 313-226-5892  
 Email: shane.cralle@usdoj.gov  
 ATTORNEY TO BE NOTICED

| Date Filed | #                 | Docket Text  |
|------------|-------------------|--|
| 04/08/2015 | <a href="#">1</a> | INDICTMENT as to David Hansberry (1) count(s) 1, 2-4, 5, 6, 7, 8, Bryan Watson (2) count(s) 1, 2, 4, 5, 6, 7, 8, Kevlin Omar Brown (3) count(s) 3. (DPer) (Entered: 04/09/2015)  |
| 04/08/2015 | <a href="#">5</a> | ORDER WITH MOTION to Seal <a href="#">1</a> Indictment, 2 Arrest Warrant Issued, 3 Arrest Warrant Issued, 4 Arrest Warrant Issued as to David Hansberry, Bryan Watson, Kevlin Omar Brown. Signed by Magistrate Judge Mona K. Majzoub. (DPer) (Entered: 04/09/2015)   |
| 04/09/2015 | <a href="#">6</a> | ORDER WITH MOTION to Unseal <a href="#">5</a> Order to Seal, <a href="#">1</a> Indictment, 2 Arrest Warrant Issued, 3 Arrest Warrant Issued, 4 Arrest Warrant Issued as to David Hansberry, Bryan Watson, Kevlin Omar Brown. Signed by Magistrate Judge Mona K. Majzoub. (DPer) (Entered: 04/09/2015)                              |
| 04/09/2015 | <a href="#">7</a> | NOTICE of Change of Assistant U.S. Attorney: Louis P. Gabel added. (Gabel, Louis) (Entered: 04/09/2015)  |
| 04/09/2015 |                   | Minute Entry for proceedings before Magistrate Judge Mona K. Majzoub: Initial Appearance as to David Hansberry held on 4/9/2015. Bond Info: David Hansberry (1) \$10,000.00 - Unsecured. Disposition: Bond Issued (Tape #: MKM 04/09/2015) (Defendant Attorney: Michael Harrison) (AUSA: Louis Gabel) (LBar) (Entered: 04/09/2015) |
| 04/09/2015 |                   | Minute Entry for proceedings before Magistrate Judge Mona K. Majzoub: Arraignment as to David Hansberry (1) Counts 1,2-4,5,6,7,8 held on 4/9/2015. Bond Continued. Disposition: Plea of Not Guilty Entered (Tape #: MKM 04/09/2015) (Defendant Attorney: Michael Harrison) (AUSA: Louis Gabel) (LBar) (Entered: 04/09/2015)        |
| 04/09/2015 |                   | Minute Entry for proceedings before Magistrate Judge Mona K. Majzoub: Initial Appearance as to Bryan Watson held on 4/9/2015. Bond Info: Bryan Watson (2) \$10,000.00 - Unsecured. Disposition: Bond Issued (Tape #: MKM 04/09/2015) (Defendant Attorney: Steven Fishman) (AUSA: Louis Gabel) (LBar) (Entered: 04/09/2015)         |

|            |                    |   |
|------------|--------------------|---|
| 04/09/2015 |                    | Minute Entry for proceedings before Magistrate Judge Mona K. Majzoub: Arraignment as to Bryan Watson (2) Counts 1,2,4,5,6,7,8 held on 4/9/2015. Bond Continued. Disposition: Plea of Not Guilty Entered (Tape #: MKM 04/09/2015) (Defendant Attorney: Steven Fishman) (AUSA: Louis Gabel) (LBar) (Entered: 04/09/2015)  |
| 04/09/2015 |                    | Minute Entry for proceedings before Magistrate Judge Mona K. Majzoub: Initial Appearance as to Kevlin Omar Brown held on 4/9/2015. Bond Info: Kevlin Omar Brown (3) \$10,000.00 - Unsecured. <b>Arraignment set for 4/10/2015 01:00 PM before Magistrate Judge Unassigned</b> Disposition: Bond Issued (Tape #: MKM 04/09/2015) (Defendant Attorney: Stacey Studnicki) (AUSA: Louis Gabel) (LBar) (Entered: 04/09/2015) |
| 04/09/2015 | <a href="#">8</a>  | 🔊 Audio File of Arraignment on Indictment as to David Hansberry held on 04/09/2015 before Magistrate Judge Mona K. Majzoub. AUDIO FILE SIZE (2.2 MB) (SOso) (Entered: 04/10/2015)   |
| 04/09/2015 | <a href="#">9</a>  | 🔊 Audio File of Arraignment on Indictment as to Bryan Watson held on 04/09/2015 before Magistrate Judge Mona K. Majzoub. AUDIO FILE SIZE (2.3 MB) (SOso) (Entered: 04/10/2015)  |
| 04/09/2015 | <a href="#">10</a> | 🔊 Audio File of Initial Appearance on Indictment as to Kevlin Omar Brown held on 04/09/2015 before Magistrate Judge Mona K. Majzoub. AUDIO FILE SIZE (2.9 MB) (SOso) (Entered: 04/10/2015)  |
| 04/09/2015 | <a href="#">11</a> | ORDER APPOINTING FEDERAL DEFENDER as to Kevlin Omar Brown. Signed by Magistrate Judge Mona K. Majzoub. (SOso) (Entered: 04/10/2015)   |
| 04/09/2015 | <a href="#">12</a> | ORDER Setting Conditions of Release as to Kevlin Omar Brown. Signed by Magistrate Judge Mona K. Majzoub. (SOso) (Entered: 04/10/2015)   |
| 04/09/2015 | <a href="#">13</a> | BOND as to Kevlin Omar Brown in the amount of \$10,000.00 unsecured entered. (SOso) (Entered: 04/10/2015)   |
| 04/09/2015 | <a href="#">14</a> | ATTORNEY APPEARANCE: Steven F. Fishman appearing for Bryan Watson. (SOso) (Entered: 04/10/2015)   |
| 04/09/2015 | <a href="#">16</a> | ACKNOWLEDGMENT of Indictment by Bryan Watson. (SOso) (Entered: 04/10/2015)  |
| 04/09/2015 | <a href="#">17</a> | ORDER Setting Conditions of Release as to Bryan Watson. Signed by Magistrate Judge Mona K. Majzoub. (SOso) (Entered: 04/10/2015)  |
| 04/09/2015 | <a href="#">18</a> | BOND as to Bryan Watson in the amount of \$10,000.00 unsecured entered. (SOso) (Entered: 04/10/2015)  |
| 04/09/2015 | <a href="#">19</a> | ATTORNEY APPEARANCE: Michael J. Harrison appearing for David Hansberry. (SOso) (Entered: 04/10/2015)  |
| 04/09/2015 | <a href="#">20</a> | ACKNOWLEDGMENT of Indictment by David Hansberry. (SOso) (Entered: 04/10/2015)   |
| 04/09/2015 | <a href="#">21</a> | ORDER Setting Conditions of Release as to David Hansberry. Signed by Magistrate Judge Mona K. Majzoub. (SOso) (Entered: 04/10/2015)   |
|            |                    |   |

|            |                    |  |
|------------|--------------------|--|
| 04/09/2015 | <a href="#">22</a> | BOND as to David Hansberry in the amount of \$10,000.00 unsecured entered. (SOso) (Entered: 04/10/2015)  |
| 04/10/2015 | <a href="#">15</a> | NOTICE OF ATTORNEY APPEARANCE: Kenneth Sasse appearing for Kevlin Omar Brown (Sasse, Kenneth) (Entered: 04/10/2015)  |
| 04/10/2015 |                    | Minute Entry for proceedings before Magistrate Judge Mona K. Majzoub: Arraignment as to Kevlin Omar Brown (3) Count 3 held on 4/10/2015 Bond Continued Disposition: not guilty plea entered (Tape #: MKM 4/10/15) (Defendant Attorney: Kenneth Sasse) (AUSA: Louis Gabel) (EBut) (Entered: 04/10/2015) |
| 04/10/2015 | <a href="#">23</a> | 🔊 Audio File of Completion of Arraignment as to Kevlin Omar Brown held on 04/10/2015 before Magistrate Judge Mona K. Majzoub. AUDIO FILE SIZE (0.8 MB) (SOso) (Entered: 04/13/2015)  |
| 04/10/2015 | <a href="#">24</a> | CJA 20 as to Kevlin Omar Brown: Appointment of Attorney Kenneth R. Sasse, in place of Federal Defender. Signed by Magistrate Judge Mona K. Majzoub. (SOso) (Entered: 04/13/2015)   |
| 04/10/2015 | <a href="#">25</a> | ACKNOWLEDGMENT of Indictment by Kevlin Omar Brown. (SOso) (Entered: 04/13/2015)  |
| 04/15/2015 | <a href="#">26</a> | MOTION for Bond by Kevlin Omar Brown. (Sasse, Kenneth) (Entered: 04/15/2015)   |
| 04/15/2015 | <a href="#">28</a> | SUPERSEDING INFORMATION as to Arthur Leavells (4) count(s) 1. (DPer) (Entered: 04/16/2015)   |
| 04/15/2015 | <a href="#">29</a> | SECOND SUPERSEDING INFORMATION as to Calvin Turner (5) count(s) 1. (DPer) (Entered: 04/16/2015)  |
| 04/16/2015 | <a href="#">27</a> | DISCOVERY NOTICE by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown (Gabel, Louis) (Entered: 04/16/2015)   |
| 04/16/2015 | <a href="#">30</a> | Warrant for Arrest Returned Executed on 02/09/15 as to David Hansberry. (DPer) (Entered: 04/20/2015)   |
| 04/16/2015 | <a href="#">31</a> | Warrant for Arrest Returned Executed on 04/09/15 as to Kevlin Omar Brown. (DPer) (Entered: 04/20/2015)   |
| 04/16/2015 | <a href="#">32</a> | Warrant for Arrest Returned Executed on 04/09/15 as to Bryan Watson. (DPer) (Entered: 04/20/2015)  |
| 04/17/2015 |                    | Minute Entry for proceedings before Magistrate Judge Anthony P. Patti: Initial Appearance as to Arthur Leavells held on 4/17/2015. Disposition: \$10,000 Unsecured Bond Issued. (Tape #: APP 4/17/2015) (Defendant Attorney: Miraim Seifer) (AUSA: Louis P. Gabel) (MWil) (Entered: 04/17/2015)        |
| 04/17/2015 |                    | Minute Entry for proceedings before Magistrate Judge Anthony P. Patti: Arraignment as to Arthur Leavells (4) Count 1 held on 4/17/2015. Disposition: Plea of Not Guilty Entered. (Tape #: APP 4/17/2015) (Defendant Attorney: Miriam Seifer) (AUSA: Louis Gable) (MWil) (Entered: 04/17/2015)          |
| 04/17/2015 | <a href="#">34</a> |  |

|            |                    |  |
|------------|--------------------|--|
|            |                    | 🔊 Audio File of Arraignment as to Arthur Leavells held on 04/17/2015 before Magistrate Judge Anthony P. Patti. AUDIO FILE SIZE (4.1 MB) (LHos) (Entered: 04/20/2015)   |
| 04/17/2015 | <a href="#">35</a> | ORDER APPOINTING FEDERAL DEFENDER as to Arthur Leavells. Signed by Magistrate Judge Anthony P. Patti. (DPer) (Entered: 04/20/2015)   |
| 04/17/2015 | <a href="#">36</a> | ACKNOWLEDGMENT of first superseding information by Arthur Leavells. (DPer) (Entered: 04/20/2015)   |
| 04/17/2015 | <a href="#">37</a> | WAIVER OF INDICTMENT by Arthur Leavells. (DPer) (Entered: 04/20/2015)  |
| 04/17/2015 | <a href="#">38</a> | ORDER Setting Conditions of Release as to Arthur Leavells. Signed by Magistrate Judge Anthony P. Patti. (DPer) (Entered: 04/20/2015)   |
| 04/17/2015 | <a href="#">39</a> | BOND as to Arthur Leavells in the amount of \$10,000.00 unsecured entered. (DPer) (Entered: 04/20/2015)  |
| 04/20/2015 | <a href="#">33</a> | DISCOVERY NOTICE as to Kevlin Omar Brown (Sasse, Kenneth) (Entered: 04/20/2015)  |
| 04/21/2015 | <a href="#">40</a> | NOTICE OF ATTORNEY APPEARANCE: Andrew N. Wise appearing for Arthur Leavells (Wise, Andrew) (Entered: 04/21/2015)   |
| 04/21/2015 | <a href="#">41</a> | NOTICE OF ATTORNEY APPEARANCE: Miriam L. Siefer appearing for Arthur Leavells (Siefer, Miriam) (Entered: 04/21/2015)   |
| 04/21/2015 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Initial Appearance as to Calvin Turner held on 4/21/2015. Bond Info: Calvin Turner (5) Released on a \$10,000 Unsecured Bond. Disposition: Held. (Tape #: RSW 04/21/2015 SOSO) (Defendant Attorney: James Feinberg) (AUSA: Sheldon Light) (Ciesla, C) (Entered: 04/21/2015) |
| 04/21/2015 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Arraignment as to Calvin Turner (5) Count 1 held on 4/21/2015 - Bond Continued. Disposition: Plea of Not Guilty Entered. (Tape #: RSW 04/21/2015 SOSO) (Defendant Attorney: James Feinberg) (AUSA: Sheldon Light) (Ciesla, C) (Entered: 04/21/2015)                         |
| 04/21/2015 | <a href="#">42</a> | 🔊 Audio File of Initial Appearance/Arraignment as to Calvin Turner held on 04/21/2015 before Magistrate Judge R. Steven Whalen. AUDIO FILE SIZE (1.5 MB) (SOso) (Entered: 04/21/2015)  |
| 04/21/2015 | <a href="#">43</a> | ATTORNEY APPEARANCE: James L. Feinberg appearing for Calvin Turner. (SOso) (Entered: 04/21/2015)   |
| 04/21/2015 | <a href="#">44</a> | WAIVER OF INDICTMENT by Calvin Turner (SOso) (Entered: 04/21/2015)   |
| 04/21/2015 | <a href="#">45</a> | ACKNOWLEDGMENT of Second Superseding Information by Calvin Turner. (SOso) (Entered: 04/21/2015)  |
| 04/21/2015 | <a href="#">46</a> | ORDER Setting Conditions of Release as to Calvin Turner. Signed by Magistrate Judge R. Steven Whalen. (SOso) (Entered: 04/21/2015)   |
| 04/21/2015 | <a href="#">47</a> |  |

|            |                    |  |
|------------|--------------------|--|
|            |                    | BOND as to Calvin Turner in the amount of \$10,000.00 unsecured entered. (SOso) (Entered: 04/21/2015)  |
| 05/04/2015 | <a href="#">48</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Plea Hearing set for 5/21/2015 02:00 PM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 05/04/2015)  |
| 05/06/2015 | <a href="#">49</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Plea Hearing rescheduled to 5/19/2015 11:30 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 05/06/2015)   |
| 05/07/2015 | <a href="#">50</a> | SCHEDULING ORDER as to David Hansberry, Bryan Watson, Kevlin Omar Brown, and Arthur Leavells <b>Final Pretrial Conference set for 5/21/2015 02:00 PM before District Judge Stephen J. Murphy III; Plea cut-off: 5/21/2015; Jury Trial set for 6/16/2015 09:00 AM before District Judge Stephen J. Murphy III</b> Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 05/07/2015) |
| 05/08/2015 | <a href="#">51</a> | NOTICE of hearing re: <a href="#">26</a> MOTION for Bond as to Kevlin Omar Brown. <b>Motion Hearing set for 5/20/2015 11:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 05/08/2015)  |
| 05/08/2015 | <a href="#">52</a> | NOTICE TO APPEAR as to Arthur Leavells, <b>Plea Hearing set for 6/3/2015 02:00 PM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 05/08/2015)   |
| 05/08/2015 | <a href="#">53</a> | ORDER on Petition for Action on Conditions of Pretrial Release - bond conditions modified to include the condition to attend mental health treatment as directed by Pretrial Services, as to Kevlin Omar Brown. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 05/08/2015)  |
| 05/19/2015 | <a href="#">54</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Plea Hearing rescheduled to 5/27/2015 11:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 05/19/2015)   |
| 05/20/2015 | <a href="#">55</a> | STIPULATED PROTECTIVE ORDER as to David Hansberry, Bryan Watson, Kevlin Omar Brown Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 05/20/2015)   |
| 05/20/2015 |                    | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Motion Hearing as to Kevlin Omar Brown held on 5/20/2015 re <a href="#">26</a> MOTION for Bond filed by Kevlin Omar Brown Disposition: TAKEN UNDER ADVISEMENT(Court Reporter: Linda Cavanagh) (Defendant Attorney: Kenneth Sasse) (AUSA: Louis Gabel/Sheldon Light) (CCoh) (Entered: 05/22/2015)                    |
| 05/22/2015 | <a href="#">56</a> | ORDER Denying <a href="#">26</a> Motion for Review of Bond Conditions as to Kevlin Omar Brown (3). Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 05/22/2015)   |
| 05/27/2015 | <a href="#">57</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing set for 9/25/2015 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 05/27/2015)  |
|            |                    |  |

|            |                    |   |
|------------|--------------------|---|
| 05/27/2015 |                    | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Plea Hearing, Plea Entered by Calvin Turner (5) Guilty Count 1(Court Reporter: Rob Smith) (Defendant Attorney: James Feinberg) (AUSA: Louis Gabel/Sheldon Light) (CCoh) (Entered: 05/27/2015)  |
| 05/27/2015 | <a href="#">58</a> | PLEA AGREEMENT as to Calvin Turner. (DPer) (Entered: 05/28/2015)  |
| 06/03/2015 | <a href="#">59</a> | STIPULATION AND ORDER for Continuance as to David Hansberry, Bryan Watson, and Kevlin Omar Brown, ( <b>Final Pretrial Conference set for 7/22/2015 02:00 PM before District Judge Stephen J. Murphy III; Plea cut-off: 7/22/2015; Jury Trial set for 8/18/2015 09:00 AM before District Judge Stephen J. Murphy III</b> ), ORDER TO CONTINUE - Ends of Justice as to David Hansberry, Bryan Watson, Kevlin Omar Brown Time excluded from 6/16/2015 until 8/18/2015. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 06/03/2015) |
| 06/03/2015 | <a href="#">60</a> | NOTICE TO APPEAR as to Arthur Leavells, <b>Plea Hearing rescheduled to 6/12/2015 09:30 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 06/03/2015)  |
| 06/12/2015 |                    | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Plea Hearing, Plea Entered by Arthur Leavells (4) Guilty Count 1(Court Reporter: Rene Twedt) (Defendant Attorney: Miriam L. Siefer/Andrew Wise) (AUSA: Louis Gabel/Sheldon Light) (CCoh) (Entered: 06/12/2015)   |
| 06/12/2015 | <a href="#">61</a> | NOTICE TO APPEAR as to Arthur Leavells, <b>Sentencing set for 10/9/2015 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 06/12/2015)   |
| 06/12/2015 | <a href="#">62</a> | PLEA AGREEMENT as to Arthur Leavells. (DPer) (Entered: 06/16/2015)  |
| 06/18/2015 | <a href="#">63</a> | ORDER on Petition for Action on Conditions of Pretrial Release - removal of weapon from the defendant's residence as to Arthur Leavells. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 06/18/2015)  |
| 07/22/2015 |                    | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Pretrial Conference as to David Hansberry, Bryan Watson, Kevlin Omar Brown NOT HELD on 7/22/2015 Disposition: counsel will submit stipulation and order to extend the dates. (CCoh) (Entered: 07/22/2015)  |
| 08/12/2015 | <a href="#">64</a> | STIPULATION AND ORDER for Continuance as to David Hansberry, Bryan Watson, and Kevlin Omar Brown: ( <b>Final Pretrial Conference set for 9/24/2015 02:00 PM before District Judge Stephen J. Murphy III; Plea cut-off: 9/24/2015; and, Jury Trial set for 10/13/2015 09:00 AM before District Judge Stephen J. Murphy III</b> ) Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 08/12/2015)   |
| 09/21/2015 | <a href="#">65</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing rescheduled to 1/22/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 09/21/2015)  |
| 10/07/2015 | <a href="#">66</a> | NOTICE TO APPEAR as to Arthur Leavells, <b>Sentencing rescheduled to 3/18/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 10/07/2015)  |

|            |                    |   |
|------------|--------------------|---|
| 10/13/2015 | <a href="#">67</a> | STIPULATION AND ORDER for Continuance and Finding of Excludable Delay as to David Hansberry, Bryan Watson, Kevlin Omar Brown: ( <b>Final Pretrial Conference set for 11/9/2015 10:00 AM before District Judge Stephen J. Murphy III; Plea cut-off: 11/9/2015; Jury Trial set for 12/1/2015 09:00 AM before District Judge Stephen J. Murphy III</b> ), ORDER TO CONTINUE - Ends of Justice as to David Hansberry, Bryan Watson, Kevlin Omar Brown Time excluded from 10/13/2015 until 12/1/2015 Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 10/13/2015)   |
| 10/14/2015 | <a href="#">68</a> | STIPULATION AND ORDER as to Kevlin Omar Brown Amending Defendant's Bond Conditions. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 10/14/2015)   |
| 10/19/2015 | <a href="#">69</a> | STIPULATION <i>and Agreement Regarding Admissibility of Business Records</i> by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Gabel, Louis) (Entered: 10/19/2015)   |
| 11/09/2015 |                    | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Final Pretrial Conference as to David Hansberry, Bryan Watson, Kevlin Omar Brown held on 11/9/2015 - counsel to get back to court as to a new trial date. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Steven Fishman/Kenneth Sasse) (AUSA: Louis Gabel/Sheldon Light) (CCoh) (Entered: 11/09/2015)  |
| 11/19/2015 | <a href="#">72</a> | STIPULATION AND ORDER for Continuance and Finding of Excludable Delay as to David Hansberry, Bryan Watson, and Kevlin Omar Brown: ( <b>Final Pretrial Conference set for 5/4/2016 02:00 PM before District Judge Stephen J. Murphy III; Plea cut-off: 5/4/2016; Jury Trial set for 6/7/2016 09:00 AM before District Judge Stephen J. Murphy III</b> ), ORDER TO CONTINUE - Ends of Justice as to David Hansberry, Bryan Watson, Kevlin Omar Brown Time excluded from 12/2/2015 until 6/7/2016. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 11/19/2015)   |
| 11/24/2015 | <a href="#">73</a> | STIPULATION AND ORDER Amending Defendant's Bond Conditions as to Kevlin Omar Brown. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 11/24/2015)   |
| 12/10/2015 | <a href="#">76</a> | NOTICE of Change of Assistant U.S. Attorney: J. Michael Buckley added. Attorney Louis P. Gabel terminated. (Buckley, J.) (Entered: 12/10/2015)  |
| 01/05/2016 | <a href="#">77</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing rescheduled to 7/15/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 01/05/2016)  |
| 02/02/2016 | <a href="#">78</a> | TRANSCRIPT of Final Pretrial Conference held on 11/09/2015 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 24) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 2/23/2016. Redacted Transcript Deadline set for 3/4/2016. Release of Transcript Restriction set for 5/2/2016. Transcript may be viewed at the |

|            |                    |  |
|------------|--------------------|--|
|            |                    | court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 02/02/2016)  |
| 02/10/2016 | <a href="#">79</a> | FIRST SUPERSEDING INDICTMENT as to David Hansberry (1) count(s) 1s, 2s, 3s-8s, 9s, 10s, Bryan Watson (2) count(s) 1s, 2s, 3s-5s, 7s-8s, 9s, 10s, Kevlin Omar Brown (3) count(s) 6s. (ATee) (Entered: 02/10/2016)   |
| 02/12/2016 | <a href="#">80</a> | STIPULATED ORDER to Redact Transcript as to Bryan Watson. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 02/12/2016)  |
| 02/12/2016 | <a href="#">81</a> | Redacted Version of <a href="#">78</a> TRANSCRIPT of Final Pretrial Conference held on 11/09/2015 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. Release of Transcript Restriction set for 5/2/2016. (Cavanagh, Linda) (Entered: 02/12/2016)  |
| 02/29/2016 |                    | Minute Entry for proceedings before Magistrate Judge Anthony P. Patti: Arraignment as to David Hansberry (1) Count 1s,2s,3s-8s,9s,10s held on 2/29/2016. Disposition: Not Guilty plea entered. Bond Continued.(Court Reporter: Digitally Recorded) (Defendant Attorney: Michael J. Harrison) (AUSA: Steve Hiyama) (MWil) (Entered: 02/29/2016) |
| 02/29/2016 |                    | Minute Entry for proceedings before Magistrate Judge Anthony P. Patti: Arraignment as to Bryan Watson (2) Count 1s,2s,3s-5s,7s-8s,9s,10s held on 2/29/2016 Disposition: Not Guilty plea entered. Bond Continued.(Court Reporter: Digitally Recorded) (Defendant Attorney: Steven Fishman) (AUSA: Steve Hiyama) (MWil) (Entered: 02/29/2016)    |
| 02/29/2016 |                    | Minute Entry for proceedings before Magistrate Judge Anthony P. Patti: Arraignment as to Kevlin Omar Brown (3) Count 6s held on 2/29/2016. Disposition: Not Guilty plea entered. Bond Continued. (Court Reporter: Digitally Recorded) (Defendant Attorney: Kenneth Sasse) (AUSA: Steve Hiyama) (MWil) (Entered: 02/29/2016)                    |
| 02/29/2016 | <a href="#">82</a> | 🔊 Audio File of Arraignment on First Superseding Indictment as to David Hansberry held on 02/29/2016 before Magistrate Judge Anthony P. Patti. AUDIO FILE SIZE (1.3 MB) (SOso) (Entered: 02/29/2016)   |
| 02/29/2016 | <a href="#">83</a> | 🔊 Audio File of Arraignment on First Superseding Indictment as to Bryan Watson held on 02/29/2016 before Magistrate Judge Anthony P. Patti. AUDIO FILE SIZE (1.2 MB) (SOso) (Entered: 02/29/2016)  |
| 02/29/2016 | <a href="#">84</a> | 🔊 Audio File of Arraignment on First Superseding Indictment as to Kevlin Omar Brown held on 02/29/2016 before Magistrate Judge Anthony P. Patti. AUDIO FILE SIZE (1.7 MB) (SOso) (Entered: 02/29/2016)   |
| 02/29/2016 | <a href="#">85</a> | ACKNOWLEDGMENT of First Superseding Indictment by David Hansberry. (SOso) (Entered: 03/01/2016)  |
| 02/29/2016 | <a href="#">86</a> | ACKNOWLEDGMENT of First Superseding Indictment by Bryan Watson. (SOso) (Entered: 03/01/2016)   |
| 02/29/2016 | <a href="#">87</a> | ACKNOWLEDGMENT of First Superseding Indictment by Kevlin Omar Brown. (SOso) (Entered: 03/01/2016)  |

|            |                     |  |
|------------|---------------------|--|
| 03/08/2016 | <a href="#">88</a>  | NOTICE TO APPEAR as to Arthur Leavells, <b>Sentencing rescheduled to 7/29/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 03/08/2016)   |
| 04/15/2016 | <a href="#">89</a>  | STIPULATION AND ORDER Granting Permission to Travel out of state as to Calvin Turner Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 04/15/2016)   |
| 04/27/2016 | <a href="#">90</a>  | MOTION rescind or modify protective order by Kevlin Omar Brown. (Sasse, Kenneth) (Entered: 04/27/2016)   |
| 04/28/2016 | <a href="#">91</a>  | Ex Parte MOTION for Order <i>Permitting Certain Firearms to be Brought Into Courthouse for Use as Trial Exhibits and Brief</i> by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Buckley, J.) (Entered: 04/28/2016)   |
| 05/03/2016 | <a href="#">92</a>  | NOTICE OF ATTORNEY APPEARANCE: Robert S. Harrison appearing for David Hansberry (Harrison, Robert) (Entered: 05/03/2016)   |
| 05/03/2016 | <a href="#">93</a>  | NOTICE OF ATTORNEY APPEARANCE: James J. Hunter appearing for David Hansberry (Hunter, James) (Entered: 05/03/2016)   |
| 05/04/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Final Pretrial Conference as to David Hansberry, Bryan Watson, Kevlin Omar Brown held on 5/4/2016(Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Steven Fishman/Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 05/05/2016) |
| 05/06/2016 | <a href="#">94</a>  | MOTION <i>for Limited Attorney Voir Dire</i> by Bryan Watson. (Fishman, Steven) (Entered: 05/06/2016)  |
| 05/10/2016 | <a href="#">95</a>  | RESPONSE by United States of America as to Bryan Watson re <a href="#">94</a> MOTION <i>for Limited Attorney Voir Dire</i> (Buckley, J.) (Entered: 05/10/2016)   |
| 05/27/2016 | <a href="#">103</a> | Proposed Voir Dire by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown (Light, Sheldon) (Entered: 05/27/2016)   |
| 05/27/2016 | <a href="#">104</a> | TRIAL BRIEF by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown (Light, Sheldon) (Entered: 05/27/2016)  |
| 05/27/2016 | <a href="#">105</a> | MOTION Preliminary Jury Instructions on Elements and Definitions by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Light, Sheldon) (Entered: 05/27/2016)  |
| 05/28/2016 | <a href="#">106</a> | Proposed Voir Dire by Kevlin Omar Brown (Sasse, Kenneth) (Entered: 05/28/2016)   |
| 05/29/2016 | <a href="#">107</a> | Proposed Voir Dire by Bryan Watson (Fishman, Steven) (Entered: 05/29/2016)   |
| 05/29/2016 | <a href="#">108</a> | TRIAL BRIEF by Bryan Watson (Fishman, Steven) (Entered: 05/29/2016)  |
| 05/31/2016 | <a href="#">109</a> | Proposed Voir Dire by David Hansberry (Harrison, Michael) (Entered: 05/31/2016)  |
| 05/31/2016 | <a href="#">110</a> | TRIAL BRIEF by David Hansberry (Harrison, Michael) (Entered: 05/31/2016)   |
|            |                     |  |

|            |                     |   |
|------------|---------------------|---|
| 06/07/2016 | <a href="#">112</a> | STIPULATION <i>Regarding Preliminary Jury Instructions</i> by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Light, Sheldon) (Entered: 06/07/2016)   |
| 06/07/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Voir Dire Held and Concluded and Jury Impaneled on 6/7/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown <b>Jury Trial set for 6/8/2016 09:00 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 06/08/2016) |
| 06/08/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/8/2016. <b>Jury Trial set for 6/9/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison/Steve Fishman/Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 06/09/2016)                    |
| 06/09/2016 |                     | Set/Reset Deadlines/Hearings as to David Hansberry, Bryan Watson, Kevlin Omar Brown: <b>Jury Trial set for 6/9/2016 08:30 AM before District Judge Stephen J. Murphy III Jury Trial set for 6/10/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 06/09/2016)   |
| 06/09/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/9/2016. <b>Jury Trial set for 6/10/2016 08:30 AM before District Judge Stephen J. Murphy III.</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison/Steve Fishman/Kenneth Sasse) (AUSA: Michael Buckley/Sheldon Light) (SBur) (Entered: 11/02/2016)                     |
| 06/10/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/10/2016. <b>Jury Trial set for 6/13/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison/Steve Fishman/Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 06/10/2016)                  |
| 06/10/2016 |                     | Set/Reset Deadlines as to David Hansberry, Bryan Watson, Kevlin Omar Brown: <b>Jury Trial set for 6/13/2016 08:30 AM - 6/17/2016 8:30 a.m. before District Judge Stephen J. Murphy III</b> <b (CCoh) (Entered: 06/10/2016)  |
| 06/13/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/13/2016. <b>Jury Trial set for 6/14/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Michael Buckley/Sheldon Light) (CCoh) (Entered: 07/01/2016)                   |

|            |                     |   |
|------------|---------------------|---|
| 06/14/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/14/2016. <b>Jury Trial set for 6/15/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/15/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/15/2016. <b>Jury Trial set for 6/16/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/16/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/16/2016. <b>Jury Trial set for 6/20/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/20/2016 | <a href="#">113</a> | TRANSCRIPT of Jury Trial: Volume 2 (Excerpt - opening statements) held on 06/08/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 73) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 7/11/2016. Redacted Transcript Deadline set for 7/21/2016. Release of Transcript Restriction set for 9/19/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 06/20/2016) |
| 06/20/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/20/2016. <b>Jury Trial set for 6/21/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/21/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/21/2016. <b>Jury Trial set for 6/22/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman,   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/22/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/22/2016. <b>Jury Trial set for 6/23/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/23/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/23/2016. <b>Jury Trial set for 6/27/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/27/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/27/2016. <b>Jury Trial set for 6/28/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/28/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/28/2016. <b>Jury Trial set for 6/29/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) Modified on 11/2/2016 [CORRECTED DATE OF TRIAL](SBur). (Entered: 07/01/2016) |
| 06/29/2016 | <a href="#">114</a> | MOTION for <i>Mistrial</i> by Bryan Watson. (Fishman, Steven) (Entered: 06/29/2016)   |
| 06/29/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/29/2016. <b>Jury Trial set for 6/30/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 06/30/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Motion Hearing as to Bryan Watson held on 6/30/2016 re <a href="#">114</a> MOTION for <i>Mistrial</i> Disposition: Motion denied. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |

|            |                     |  |
|------------|---------------------|--|
| 06/30/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 6/30/2016. <b>Jury Trial set for 7/1/2016 09:00 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016)  |
| 07/01/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 7/1/2016. All defts. moved for judgment of acquittal under FRCRP 29. The Government opposed the oral motions. Taken under advisement at a later date. <b>Jury Trial set for 7/5/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/01/2016) |
| 07/04/2016 | <a href="#">115</a> | MOTION in Limine <i>to Restrict Defense Character Testimony</i> by United States of America as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Light, Sheldon) (Entered: 07/04/2016)   |
| 07/04/2016 | <a href="#">116</a> | RESPONSE by Bryan Watson as to David Hansberry, Bryan Watson re <a href="#">115</a> MOTION in Limine <i>to Restrict Defense Character Testimony</i> (Fishman, Steven) (Entered: 07/04/2016)  |
| 07/05/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 7/5/2016. <b>Jury Trial set for 7/6/2016 09:00 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steve Fishman, Kenneth Sasse) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 07/05/2016)   |
| 07/06/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Continued as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 7/6/2016. <b>Jury Trial set for 7/7/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison/Steven Fishman/Kenneth Sasse) (AUSA: Michael Buckley/Sheldon Light) (CCoh) (Entered: 07/07/2016)   |
| 07/07/2016 | <a href="#">117</a> | ORDER for Jurors Luncheon, entered. Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 07/07/2016)  |
| 07/07/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 7/7/2016. Jury Deliberation also held. <b>Deliberations to continue on 7/8/2016 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison/Steve Fishman/Kenneth Sasse) (AUSA: Michael Buckley/Sheldon Light) (CCoh) (Entered: 07/08/2016)   |

|            |                     |  |
|------------|---------------------|--|
| 07/08/2016 | <a href="#">118</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing rescheduled to 9/30/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 07/08/2016)   |
| 07/08/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Deliberation Held All Day as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 7/8/2016. <b>Jury Deliberations to continue on 7/11/2016 at 08:30 AM before District Judge Stephen J. Murphy III</b> (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steven Fishman/Kenneth Sasse) (AUSA: Michael Buckley/Sheldon Light) (CCoh) (Entered: 07/15/2016)  |
| 07/11/2016 | <a href="#">121</a> | Jury Verdict Form as to David Hansberry, Bryan Watson, Kevlin Omar Brown (DPer) (Entered: 07/12/2016)  |
| 07/11/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Jury Trial Held and Completed as to David Hansberry, Bryan Watson, Kevlin Omar Brown on 7/11/2016. Jury Deliberation also held. JURY VERDICT as to David Hansberry (1) Guilty on Count 1s and Bryan Watson (2) Guilty on Count 1s David Hansberry (1) Not Guilty on Count 2s,3s-8s,9s,10s and Bryan Watson (2) Not Guilty on Count 2s,7s-8s,9s,10s and Kevlin Omar Brown (3) Not Guilty on Count 6s. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison/Robert Harrison, Steven Fishman, Kenneth Sasse) (AUSA: Michael Buckley/Sheldon Light) (CCoh) (Entered: 07/15/2016)  |
| 07/12/2016 | <a href="#">119</a> | NOTICE TO APPEAR as to David Hansberry, <b>Sentencing set for 11/18/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 07/12/2016)   |
| 07/12/2016 | <a href="#">120</a> | NOTICE TO APPEAR as to Bryan Watson, <b>Sentencing set for 11/18/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 07/12/2016)  |
| 07/12/2016 | <a href="#">122</a> | TRANSCRIPT of Jury Trial: Volume 11 (Excerpt - testimony of Peter Belcastro) held on 06/22/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 31) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/2/2016. Redacted Transcript Deadline set for 8/12/2016. Release of Transcript Restriction set for 10/11/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/12/2016) |
| 07/12/2016 | <a href="#">123</a> | TRANSCRIPT of Jury Trial: Volume 18 (Excerpt - testimony of Ahmed Haidar) held on 07/05/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 53) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | without redaction after 90 days. Redaction Request due 8/2/2016. Redacted Transcript Deadline set for 8/12/2016. Release of Transcript Restriction set for 10/11/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/12/2016)  |
| 07/14/2016 | <a href="#">124</a> | ORDER Scheduling Rule 29 Briefing as to David Hansberry, Bryan Watson, Kevlin Omar Brown Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 07/14/2016)  |
| 07/19/2016 | <a href="#">125</a> | NOTICE TO APPEAR as to Arthur Leavells, <b>Sentencing rescheduled to 12/9/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 07/19/2016)  |
| 07/20/2016 | <a href="#">126</a> | MOTION for Judgment of Acquittal by Bryan Watson. (Fishman, Steven) (Entered: 07/20/2016)   |
| 07/20/2016 | <a href="#">127</a> | TRANSCRIPT of Jury Trial: Volume 11 (Excerpt - Testimony of Kelven Pulley) held on 06/22/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 52) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/10/2016. Redacted Transcript Deadline set for 8/22/2016. Release of Transcript Restriction set for 10/18/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/20/2016)   |
| 07/20/2016 | <a href="#">128</a> | TRANSCRIPT of Jury Trial: Volume 12 (Excerpt - Testimony of Lamont Calhoun) held on 06/23/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 144) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/10/2016. Redacted Transcript Deadline set for 8/22/2016. Release of Transcript Restriction set for 10/18/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/20/2016) |
| 07/20/2016 | <a href="#">129</a> | TRANSCRIPT of Jury Trial: Volume 15 held on 06/29/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 206) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/10/2016. Redacted Transcript Deadline set for 8/22/2016. Release of Transcript Restriction set for 10/18/2016. Transcript may be viewed  |

|            |                     |   |
|------------|---------------------|---|
|            |                     | at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/20/2016)  |
| 07/21/2016 | <a href="#">131</a> | MOTION <i>for Judgment of Acquittal</i> by David Hansberry. (Harrison, Michael) (Entered: 07/21/2016)   |
| 07/22/2016 | <a href="#">132</a> | TRANSCRIPT of Jury Trial: Volume 13 held on 06/27/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 130) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/12/2016. Redacted Transcript Deadline set for 8/22/2016. Release of Transcript Restriction set for 10/20/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/22/2016) |
| 07/22/2016 | <a href="#">133</a> | TRANSCRIPT of Jury Trial: Volume 14 held on 06/28/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 156) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/12/2016. Redacted Transcript Deadline set for 8/22/2016. Release of Transcript Restriction set for 10/20/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/22/2016) |
| 07/22/2016 | <a href="#">134</a> | TRANSCRIPT of Jury Trial: Volume 21 held on 07/08/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 9) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/12/2016. Redacted Transcript Deadline set for 8/22/2016. Release of Transcript Restriction set for 10/20/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 07/22/2016)   |
| 07/28/2016 | <a href="#">135</a> | RESPONSE by United States of America as to David Hansberry, Bryan Watson re <a href="#">131</a> MOTION <i>for Judgment of Acquittal</i> , 126 MOTION <i>for Judgment of Acquittal with Incorporated Brief</i> (Buckley, J.) (Entered: 07/28/2016)   |

|            |                     |   |
|------------|---------------------|---|
| 07/29/2016 | <a href="#">136</a> | NOTICE of hearing re: <a href="#">131</a> MOTION <i>for Judgment of Acquittal</i> , 126 MOTION for Judgment of Acquittal as to David Hansberry, Bryan Watson. <b>Motion Hearing set for 8/9/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 07/29/2016)  |
| 08/02/2016 | <a href="#">137</a> | Re-NOTICE of hearing re <a href="#">131</a> MOTION <i>for Judgment of Acquittal</i> , 126 MOTION for Judgment of Acquittal as to David Hansberry, Bryan Watson. <b>Motion Hearing rescheduled to 8/11/2016 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 08/02/2016)  |
| 08/03/2016 | <a href="#">138</a> | TRANSCRIPT of Jury Trial: Volume 18 (Excerpt - Testimony of Stephanie Stager and Matthew Bray) held on 07/05/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 63) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 8/24/2016. Redacted Transcript Deadline set for 9/6/2016. Release of Transcript Restriction set for 11/1/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 08/03/2016) |
| 08/11/2016 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Motion Hearing as to David Hansberry, Bryan Watson held on 8/11/2016 re <a href="#">131</a> MOTION <i>for Judgment of Acquittal</i> , and 126 MOTION for Judgment of Acquittal Disposition: Motions taken under advisement. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison and Steven Fishman) (AUSA: Sheldon Light/J. Michael Buckley) (CCoh) (Entered: 08/11/2016)   |
| 08/16/2016 | <a href="#">139</a> | ORDER Denying <a href="#">131</a> Motion for Acquittal as to David Hansberry (1); and Denying 126 Motion for Acquittal as to Bryan Watson (2). Signed by District Judge Stephen J. Murphy, III. (CCoh) (Entered: 08/16/2016)  |
| 08/18/2016 | <a href="#">140</a> | TRANSCRIPT of Jury Trial: Volume 16 Excerpt - Jury Instruction re: Testimony of Gary Jackson held on 06/30/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 6) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 9/8/2016. Redacted Transcript Deadline set for 9/19/2016. Release of Transcript Restriction set for 11/16/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 08/18/2016)                     |
| 08/25/2016 | <a href="#">141</a> | TRANSCRIPT of Jury Trial: Volume 16 (Excerpt - Motion for Mistrial/Curative Jury Instruction re: Testimony of Gary Jackson) held on 06/30/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 24) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction   |

|            |                     |  |
|------------|---------------------|--|
|            |                     | Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 9/15/2016. Redacted Transcript Deadline set for 9/26/2016. Release of Transcript Restriction set for 11/23/2016. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 08/25/2016) |
| 09/23/2016 | <a href="#">142</a> | MOTION to Reduce Sentence by United States of America as to Calvin Turner. (Buckley, J.) (Entered: 09/23/2016)   |
| 09/26/2016 | <a href="#">143</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing rescheduled to 11/14/2016 02:30 PM before District Judge Stephen J. Murphy III</b> [ON WRONG DOCKET] (CCoh) Modified on 9/26/2016 (CCoh). (Entered: 09/26/2016)  |
| 09/27/2016 | <a href="#">145</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing rescheduled to 10/25/2016 02:00 PM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 09/27/2016)  |
| 09/27/2016 | <a href="#">146</a> | JUDGMENT of Acquittal as to Kevlin Omar Brown. Signed by District Judge Stephen J. Murphy, III. (DPer) (Entered: 09/27/2016)   |
| 10/03/2016 |                     | Attorney Sheldon N. Light is discontinued from receiving Notices of Electronic Filing. (Light, Sheldon) (Entered: 10/03/2016)  |
| 10/19/2016 | <a href="#">147</a> | NOTICE TO APPEAR as to Calvin Turner, <b>Sentencing rescheduled to 2/24/2017 10:00 AM before District Judge Stephen J. Murphy III</b> (CCoh) (Entered: 10/19/2016)   |
| 10/28/2016 |                     | TEXT-ONLY NOTICE: Sentencing on 11/18/2016 is Cancelled re <a href="#">119</a> Notice to Appear; 120 Notice to Appear as to David Hansberry, Bryan Watson. (DPar) (Entered: 10/28/2016)  |
| 10/28/2016 | <a href="#">148</a> | NOTICE TO APPEAR as to David Hansberry, Bryan Watson, <b>Sentencing Reset for 12/8/2016 02:00 PM before District Judge Stephen J. Murphy III</b> (DPar) (Entered: 10/28/2016)  |
| 11/04/2016 |                     | Set/Reset Deadlines/Hearings as to Arthur Leavells: <b>Sentencing Reset for 12/12/2016 10:00 AM before District Judge Stephen J. Murphy III.</b> (DPar) (Entered: 11/04/2016)  |
| 11/04/2016 | <a href="#">149</a> | [DOCKETING ERROR - ENTRY MADE ON WRONG CASE] STIPULATION AND ORDER TO ADJOURN TRIAL as to David Hansberry, Bryan Watson, Kevlin Omar Brown, Arthur Leavells, Calvin Turner Time excluded from 11/10/2016 until 2/21/2017. <b>Final Pretrial Conference Reset for 1/17/2017 10:00 AM before District Judge Stephen J. Murphy III, Plea due by 1/17/2017, Jury Trial Reset for 2/21/2017 09:00 AM before District Judge Stephen J. Murphy III.</b> Signed by District Judge Stephen J. Murphy, III. (Main Document 149 replaced on 11/4/2016) (DPar) (Entered: 11/04/2016)   |
| 11/04/2016 | <a href="#">150</a> |  |

|            |                     |   |
|------------|---------------------|---|
|            |                     | NOTICE of Correction re <a href="#">149</a> Stipulation and Order as to David Hansberry, Bryan Watson, Kevlin Omar Brown, Arthur Leavells, Calvin Turner. (DPar) (Entered: 11/04/2016)  |
| 11/09/2016 | <a href="#">151</a> | MOTION to Adjourn <i>Sentencing</i> by David Hansberry. (Harrison, Michael) (Entered: 11/09/2016)   |
| 11/10/2016 |                     | TEXT-ONLY ORDER Granting <a href="#">151</a> Motion to Adjourn <i>Sentencing</i> as to David Hansberry, ( <b>Sentencing Reset for 1/27/2017 02:00 PM before District Judge Stephen J. Murphy III</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 11/10/2016)   |
| 11/10/2016 |                     | Set/Reset Deadlines/Hearings as to Bryan Watson: <b>Sentencing Reset for 1/27/2017 02:00 PM before District Judge Stephen J. Murphy III</b> . (DPar) (Entered: 11/10/2016)  |
| 11/18/2016 | <a href="#">152</a> | STIPULATED ORDER as to Arthur Leavells, ( <b>Sentencing Reset for 2/27/2017 10:00 AM before District Judge Stephen J. Murphy III</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 11/18/2016)   |
| 01/03/2017 | <a href="#">153</a> | TRANSCRIPT of Jury Trial: Volume 18 (Excerpt - testimony of Ralph Godbee) held on 07/05/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 39) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 1/24/2017. Redacted Transcript Deadline set for 2/3/2017. Release of Transcript Restriction set for 4/3/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 01/03/2017) |
| 01/17/2017 | <a href="#">154</a> | MOTION to Adjourn <i>Sentencing</i> by David Hansberry. (Harrison, Michael) (Entered: 01/17/2017)   |
| 01/17/2017 | <a href="#">155</a> | NOTICE of Joinder/Concurrence in <a href="#">154</a> MOTION to Adjourn <i>Sentencing</i> filed by David Hansberry by Bryan Watson as to David Hansberry (Fishman, Steven) (Entered: 01/17/2017)   |
| 01/18/2017 | <a href="#">156</a> | RESPONSE by United States of America as to David Hansberry, Bryan Watson re <a href="#">154</a> MOTION to Adjourn <i>Sentencing with Incorporated Brief</i> (Buckley, J.) (Entered: 01/18/2017)   |
| 01/18/2017 | <a href="#">157</a> | RESPONSE by United States of America as to David Hansberry, Bryan Watson re <a href="#">154</a> MOTION to Adjourn <i>Sentencing (Amended) with Incorporated Brief</i> (Buckley, J.) (Entered: 01/18/2017)   |
| 01/18/2017 | <a href="#">158</a> | ORDER to Submit Briefing as to David Hansberry, Bryan Watson re <a href="#">154</a> MOTION to Adjourn <i>Sentencing</i> , <a href="#">155</a> Notice of Joinder/Concurrence, ( <b>Response due by 1/20/2017</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 01/18/2017)  |
| 01/18/2017 | <a href="#">159</a> |   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | REPLY TO RESPONSE by Bryan Watson as to David Hansberry, Bryan Watson re <a href="#">154</a> MOTION to Adjourn <i>Sentencing</i> (Fishman, Steven) (Entered: 01/18/2017)  |
| 01/19/2017 | <a href="#">160</a> | ORDER Granting Defendant's <a href="#">154</a> MOTION to Adjourn Sentencing as to David Hansberry, Bryan Watson ( <b>Sentencing Reset for 2/22/2017 10:00 AM before District Judge Stephen J. Murphy III</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 01/19/2017)   |
| 01/19/2017 |                     | Set/Reset Deadlines/Hearings as to Bryan Watson: <b>Sentencing Reset for 2/22/2017 10:00 AM before District Judge Stephen J. Murphy III</b> . (DPar) (Entered: 01/19/2017)  |
| 01/24/2017 | <a href="#">161</a> | STIPULATED ORDER to Adjourn Sentencing as to Arthur Leavells, ( <b>Sentencing Reset for 3/22/2017 10:00 AM before District Judge Stephen J. Murphy III</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 01/24/2017)   |
| 02/09/2017 | <a href="#">162</a> | STIPULATED ORDER to Adjourn Sentencing as to Calvin Turner, ( <b>Sentencing Reset for 3/15/2017 02:00 PM before District Judge Stephen J. Murphy III</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 02/09/2017)   |
| 02/10/2017 |                     | Set/Reset Deadlines/Hearings as to Calvin Turner: <b>Sentencing Reset **TIME CHANGE ONLY** for 3/15/2017 09:30 AM before District Judge Stephen J. Murphy III</b> . (DPar) (Entered: 02/10/2017)  |
| 02/13/2017 | <a href="#">163</a> | SENTENCING MEMORANDUM by Bryan Watson (Attachments: # <a href="#">1</a> Exhibit 1 - Internal Affairs report) (Fishman, Steven) (Entered: 02/13/2017)  |
| 02/14/2017 | <a href="#">164</a> | SENTENCING MEMORANDUM by David Hansberry (Harrison, Michael) (Entered: 02/14/2017)  |
| 02/15/2017 | <a href="#">165</a> | SENTENCING MEMORANDUM by United States of America as to David Hansberry, Bryan Watson (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exh. A: Transcript of August 14, 2010 meeting involving David Hansberry, Bryan Watson, Arthur Leavells, Gary Jackson, Lavondria Herbert and Jackson's cousin, Sue LNU (recorded by Gary Jackson), # <a href="#">3</a> Exh. B: Transcript of September 7, 2014 meeting involving David Hansberry and Arthur Leavells (recorded by Arthur Leavells), # <a href="#">4</a> Exh. C: Transcript of September 11, 2014 meeting involving Bryan Watson and Arthur Leavells (recorded by Arthur Leavells), # <a href="#">5</a> Exh. D: FBI report of Special Agent Michael FitzGerald, with transcript of May 6, 2014 recording of a telephone conversation between Gary Jackson and Fred Tucker) (Buckley, J.) (Entered: 02/15/2017) |
| 02/17/2017 | <a href="#">166</a> | MEMORANDUM <i>Supplemental Sentencing Memorandum</i> by Bryan Watson. (Fishman, Steven) (Entered: 02/17/2017)   |
| 02/20/2017 | <a href="#">167</a> | RESPONSE to <i>Government's Sentencing Memorandum</i> by David Hansberry (Harrison, Michael) (Entered: 02/20/2017)  |
| 02/20/2017 | <a href="#">168</a> | MOTION for New Trial by David Hansberry. (Harrison, Michael) (Entered: 02/20/2017)  |
|            |                     |   |

|            |                     |   |
|------------|---------------------|---|
| 02/20/2017 | <a href="#">169</a> | NOTICE of Joinder by Bryan Watson (Fishman, Steven) (Entered: 02/20/2017)   |
| 02/22/2017 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Sentencing held as to David Hansberry. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Michael Harrison) (AUSA: J. Michael Buckley) (DPar) (Entered: 02/22/2017)   |
| 02/22/2017 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Sentencing held as to Bryan Watson. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Steven F. Fishman) (AUSA: J. Michael Buckley) (DPar) (Entered: 02/22/2017)   |
| 02/23/2017 | <a href="#">170</a> | NOTICE OF ATTORNEY APPEARANCE: Elizabeth L. Jacobs appearing for David Hansberry (Jacobs, Elizabeth) (Entered: 02/23/2017)  |
| 02/23/2017 | <a href="#">171</a> | NOTICE OF APPEAL by Bryan Watson. Fee Status: No Fee Paid. (Fishman, Steven) (Entered: 02/23/2017)  |
| 02/24/2017 | <a href="#">172</a> | Certificate of Service re <a href="#">171</a> Notice of Appeal as to Bryan Watson. (SOso) (Entered: 02/24/2017)   |
| 02/24/2017 | <a href="#">173</a> | EXHIBIT A re <a href="#">168</a> MOTION for New Trial by David Hansberry (Harrison, Michael) (Entered: 02/24/2017)  |
| 02/24/2017 | <a href="#">174</a> | CERTIFICATE OF SERVICE as to David Hansberry . (Harrison, Michael) (Entered: 02/24/2017)  |
| 02/24/2017 | <a href="#">176</a> | JUDGMENT as to David Hansberry. Signed by District Judge Stephen J. Murphy, III. (DPer) (Entered: 02/27/2017)   |
| 02/26/2017 | <a href="#">175</a> | MOTION for Withdrawal of Attorney Michael J. Harrison by David Hansberry. (Harrison, Michael) (Entered: 02/26/2017)   |
| 02/27/2017 | <a href="#">177</a> | MOTION for Withdrawal of Attorney Robert Harrison and James Hunter by David Hansberry. (Harrison, Robert) (Entered: 02/27/2017)   |
| 02/27/2017 | <a href="#">178</a> | TRANSCRIPT of Sentencing held on 02/22/2017 as to David Hansberry. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 84) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 3/20/2017. Redacted Transcript Deadline set for 3/30/2017. Release of Transcript Restriction set for 5/30/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 02/27/2017) |
| 02/27/2017 | <a href="#">179</a> | TRANSCRIPT of Sentencing held on 02/22/2017 as to Bryan Watson. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 71) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days.  |

|            |                     |  |
|------------|---------------------|--|
|            |                     | Redaction Request due 3/20/2017. Redacted Transcript Deadline set for 3/30/2017. Release of Transcript Restriction set for 5/30/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 02/27/2017)  |
| 02/27/2017 |                     | Set/Reset Deadlines for Motion Hearing <a href="#">168</a> MOTION for New Trial as to David Hansberry, ( <b>Motion Hearing set for 4/11/2017 10:00 AM before District Judge Stephen J. Murphy III</b> ). (DPar) (Entered: 02/27/2017)  |
| 02/28/2017 |                     | Set/Reset Deadlines Motion Hearing as to David Hansberry <a href="#">168</a> MOTION for New Trial, <b>Motion Hearing Reset **TIME CHANGE ONLY** for 4/11/2017 02:00 PM before District Judge Stephen J. Murphy III</b> . (DPar) (Entered: 02/28/2017)  |
| 02/28/2017 | <a href="#">180</a> | RESPONSE by United States of America as to David Hansberry, Bryan Watson re <a href="#">168</a> MOTION for New Trial (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exh. 1: Pertinent Gary Jackson trial testimony on June 29, 2016, # <a href="#">3</a> Exh. 2: Rough transcript of May 6, 2014 recording of a telephone conversation between Gary Jackson and Fred Tucker, prepared by DEA agents) (Buckley, J.) (Entered: 02/28/2017) |
| 02/28/2017 | <a href="#">181</a> | JUDGMENT as to Bryan Watson. Signed by District Judge Stephen J. Murphy, III. (SSch) (Entered: 03/01/2017)   |
| 03/01/2017 | <a href="#">182</a> | NOTICE OF APPEAL by David Hansberry re <a href="#">176</a> Judgment. Fee Status: No Fee Paid. (Jacobs, Elizabeth) (Entered: 03/01/2017)  |
| 03/01/2017 | <a href="#">183</a> | Certificate of Service re <a href="#">182</a> Notice of Appeal as to David Hansberry. (LHos) (Entered: 03/01/2017)   |
| 03/01/2017 | <a href="#">184</a> | AMENDED JUDGMENT as to Bryan Watson. Signed by District Judge Stephen J. Murphy, III. (SSch) (Entered: 03/01/2017)   |
| 03/04/2017 | <a href="#">185</a> | MOTION for Withdrawal of Attorney Steven Fishman by Bryan Watson. (Attachments: # <a href="#">1</a> Exhibit 1 - financial affidavit) (Fishman, Steven) (Entered: 03/04/2017)   |
| 03/07/2017 |                     | Appeal Fee received for <a href="#">182</a> Notice of Appeal filed by David Hansberry in the amount of \$ 505.00 - Receipt No. DET101650. (Huff, W.) (Entered: 03/07/2017)   |
| 03/08/2017 | <a href="#">186</a> | REPLY TO RESPONSE by David Hansberry re <a href="#">168</a> MOTION for New Trial (Jacobs, Elizabeth) (Entered: 03/08/2017)   |
| 03/08/2017 | <a href="#">187</a> | NOTICE of Withdrawal of Motion to Withdraw as Counsel by Bryan Watson (Fishman, Steven) (Entered: 03/08/2017)  |
| 03/08/2017 | <a href="#">188</a> | SENTENCING MEMORANDUM by Calvin Turner (Feinberg, James) (Entered: 03/08/2017)   |
| 03/13/2017 | <a href="#">189</a> | MOTION to Reduce Sentence by United States of America as to Arthur Leavells. (Buckley, J.) Modified on 5/25/2017 (LHos). (Entered: 03/13/2017)   |
|            |                     |  |

|            |                     |   |
|------------|---------------------|---|
| 03/13/2017 | <a href="#">190</a> | TRANSCRIPT of Jury Trial: Volume 2 (Excerpt - Testimony of Michael Saraino Part 1) held on 06/08/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 44) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 4/3/2017. Redacted Transcript Deadline set for 4/13/2017. Release of Transcript Restriction set for 6/12/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 03/13/2017) |
| 03/13/2017 | <a href="#">191</a> | TRANSCRIPT of Jury Trial: Volume 3 (Excerpt - Testimony of Michael Saraino Part 2) held on 06/09/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 38) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 4/3/2017. Redacted Transcript Deadline set for 4/13/2017. Release of Transcript Restriction set for 6/12/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 03/13/2017) |
| 03/13/2017 | <a href="#">192</a> | TRANSCRIPT of Jury Trial: Volume 11 (Excerpt - Testimony of Steven Walton) held on 06/22/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 54) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 4/3/2017. Redacted Transcript Deadline set for 4/13/2017. Release of Transcript Restriction set for 6/12/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 03/13/2017)         |
| 03/15/2017 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Sentencing held as to Calvin Turner. Disposition: Rule 11 Plea Agreement accepted by the Court. (Court Reporter: Linda Cavanagh) (Defendant Attorney: James L. Feinberg) (AUSA: J. Michael Buckley) (DPar) (Entered: 03/15/2017)   |
| 03/15/2017 | <a href="#">194</a> | STIPULATED ORDER Adjourning Sentencing as to Arthur Leavells, ( <b>Sentencing Reset for 5/24/2017 10:00 AM before District Judge Stephen J. Murphy III</b> ). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 03/15/2017)   |
| 03/15/2017 | <a href="#">195</a> | JUDGMENT as to Calvin Turner. Signed by District Judge Stephen J. Murphy, III. (LHos) (Entered: 03/15/2017)   |

|            |                     |  |
|------------|---------------------|--|
| 03/20/2017 | <a href="#">196</a> | TRANSCRIPT of Jury Trial: Volume 19 (Excerpt - closing statements) held on 07/06/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 176) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 4/10/2017. Redacted Transcript Deadline set for 4/20/2017. Release of Transcript Restriction set for 6/19/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 03/20/2017)                |
| 03/20/2017 | <a href="#">197</a> | STIPULATED ORDER Extending Report Date as to Bryan Watson. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 03/20/2017)   |
| 03/20/2017 | <a href="#">198</a> | STIPULATED ORDER Extending Report Date as to David Hansberry. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 03/20/2017)  |
| 03/20/2017 | <a href="#">199</a> | TRANSCRIPT of Jury Trial: Volume 9 (Excerpt - Testimony of Calvin Turner, Part 1) held on 06/20/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 102) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 4/10/2017. Redacted Transcript Deadline set for 4/20/2017. Release of Transcript Restriction set for 6/19/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 03/20/2017) |
| 03/20/2017 | <a href="#">200</a> | TRANSCRIPT of Jury Trial: Volume 10 (Excerpt - Testimony of Calvin Turner, Part 2) held on 06/21/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 32) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 4/10/2017. Redacted Transcript Deadline set for 4/20/2017. Release of Transcript Restriction set for 6/19/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 03/20/2017) |
| 03/24/2017 |                     | Appeal Fee received for <a href="#">171</a> Notice of Appeal filed by Bryan Watson in the amount of \$ 505.00 - Receipt No. DET102223. (Huff, W.) (Entered: 03/24/2017)  |
| 03/24/2017 | <a href="#">201</a> | OPINION and ORDER Denying Defendant's <a href="#">168</a> Motion for New Trial as to David Hansberry (1). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 03/24/2017)  |

|            |                     |   |
|------------|---------------------|---|
| 03/28/2017 | <a href="#">202</a> | STIPULATION <i>Allowing Calvin Turner to Travel to Alabama</i> by Calvin Turner. (Feinberg, James) (Entered: 03/28/2017)  |
| 03/28/2017 | <a href="#">203</a> | ORDER Allowing Defendant to Travel to Alabama as to Calvin Turner re <a href="#">202</a> Stipulation. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 03/28/2017)   |
| 03/28/2017 |                     | TEXT-ONLY NOTICE: Motion Hearing on 4/11/2017 is Cancelled re <a href="#">168</a> MOTION for New Trial as to David Hansberry. (DPar) (Entered: 03/28/2017)  |
| 03/28/2017 |                     | TEXT-ONLY NOTICE: Motion Hearing on 4/11/2017 is Cancelled re <a href="#">169</a> Notice (Other) as to Bryan Watson. (DPar) (Entered: 03/28/2017)   |
| 03/31/2017 | <a href="#">204</a> | NOTICE OF APPEAL by David Hansberry re <a href="#">201</a> Order on Motion for New Trial. Fee Status: No Fee Paid. (Jacobs, Elizabeth) (Entered: 03/31/2017)  |
| 03/31/2017 | <a href="#">205</a> | Certificate of Service re <a href="#">204</a> Notice of Appeal as to David Hansberry. (DWor) (Entered: 03/31/2017)  |
| 04/05/2017 |                     | Appeal Fee received for <a href="#">204</a> Notice of Appeal filed by David Hansberry in the amount of \$ 505.00 - Receipt No. DET102654. (Huff, W.) (Entered: 04/05/2017)  |
| 04/06/2017 | <a href="#">206</a> | NOTICE OF APPEAL by Bryan Watson. Fee Status: No Fee Paid. (Fishman, Steven) (Entered: 04/06/2017)  |
| 04/06/2017 | <a href="#">207</a> | Certificate of Service re <a href="#">206</a> Notice of Appeal as to Bryan Watson. (SOso) (Entered: 04/06/2017)   |
| 04/12/2017 | <a href="#">208</a> | STIPULATION <i>Extending Calvin Turner's Voluntary Surrender Date</i> by Calvin Turner. (Feinberg, James) (Entered: 04/12/2017)   |
| 04/12/2017 | <a href="#">209</a> | ORDER Extending Defendant's Voluntary Surrender Date as to Calvin Turner re <a href="#">208</a> Stipulation. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 04/12/2017)  |
| 04/13/2017 | <a href="#">210</a> | NOTICE by David Hansberry of withdrawal of <a href="#">177</a> MOTION for Withdrawal of Attorney Robert Harrison and James Hunter . (Harrison, Robert) (Entered: 04/13/2017)  |
| 04/20/2017 | <a href="#">212</a> | ORDER Granting Defendant's <a href="#">175</a> MOTION for Withdrawal of Attorney as to David Hansberry; and Granting Defendant's 185 MOTION for Withdrawal of Attorney as to Bryan Watson. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 04/20/2017)  |
| 04/20/2017 | <a href="#">213</a> | STIPULATION and ORDER Directing the Withdrawal of Robert S. Harrison and James J. Hunter as Counsel as to David Hansberry. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 04/20/2017)  |
| 04/20/2017 | <a href="#">214</a> | TRANSCRIPT of Sentencing held on 03/15/2017 as to Calvin Turner. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 20) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/11/2017. Redacted Transcript Deadline set for |

|            |                     |  |
|------------|---------------------|--|
|            |                     | 5/22/2017. Release of Transcript Restriction set for 7/19/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 04/20/2017)  |
| 04/26/2017 | <a href="#">215</a> | ORDER from U.S. Court of Appeals - Sixth Circuit as to Bryan Watson re <a href="#">206</a> Notice of Appeal, <a href="#">171</a> Notice of Appeal [Appeal Case Number 17-1391] (Ahmed, N) (Entered: 04/27/2017)  |
| 04/28/2017 |                     | Attorney Thomas W. Jakuc is discontinued from receiving Notices of Electronic Filing. (Jakuc, Thomas) (Entered: 04/28/2017)  |
| 05/02/2017 | <a href="#">216</a> | SEALED VOIR DIRE TRANSCRIPT held on 06/07/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 197) (Appeal Purposes) Attorneys of record may purchase a copy of the transcript from the Court Reporter/Transcriber. (Cavanagh, Linda) (Entered: 05/02/2017)   |
| 05/02/2017 | <a href="#">217</a> | TRANSCRIPT of Jury Trial: Volume 2 held on 06/08/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 161) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">218</a> | TRANSCRIPT of Jury Trial: Volume 3 held on 06/09/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 238) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">219</a> | TRANSCRIPT of Jury Trial: Volume 4 held on 06/10/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 250) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for  |

|            |                     |  |
|------------|---------------------|--|
|            |                     | 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)   |
| 05/02/2017 | <a href="#">220</a> | TRANSCRIPT of Jury Trial: Volume 5 held on 06/13/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 201) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">221</a> | TRANSCRIPT of Jury Trial: Volume 6 held on 06/14/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 251) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">222</a> | TRANSCRIPT of Jury Trial: Volume 7 held on 06/15/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 249) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">223</a> | TRANSCRIPT of Jury Trial: Volume 8 held on 06/16/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 217) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days.  |

|            |                     |   |
|------------|---------------------|---|
|            |                     | Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)  |
| 05/02/2017 | <a href="#">224</a> | TRANSCRIPT of Jury Trial: Volume 9 held on 06/20/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 225) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)  |
| 05/02/2017 | <a href="#">225</a> | TRANSCRIPT of Jury Trial: Volume 10 held on 06/21/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 244) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">226</a> | TRANSCRIPT of Jury Trial: Volume 11 held on 06/22/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 232) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">227</a> | TRANSCRIPT of Jury Trial: Volume 12 held on 06/23/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 204) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)   |
| 05/02/2017 | <a href="#">228</a> | TRANSCRIPT of Jury Trial: Volume 13 held on 06/27/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 130) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">229</a> | TRANSCRIPT of Jury Trial: Volume 14 held on 06/28/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 156) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">230</a> | TRANSCRIPT of Jury Trial: Volume 15 held on 06/29/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 206) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">231</a> | TRANSCRIPT of Jury Trial: Volume 16 held on 06/30/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 199) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction  |

|            |                     |   |
|------------|---------------------|---|
|            |                     | Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)  |
| 05/02/2017 | <a href="#">232</a> | TRANSCRIPT of Jury Trial: Volume 17 held on 07/01/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 105) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">233</a> | TRANSCRIPT of Jury Trial: Volume 18 held on 07/05/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 198) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">234</a> | TRANSCRIPT of Jury Trial: Volume 19 held on 07/06/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 205) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">235</a> | TRANSCRIPT of Jury Trial: Volume 20 held on 07/07/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 51) (Appeal Purposes) The parties  |

|            |                     |  |
|------------|---------------------|--|
|            |                     | have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)  |
| 05/02/2017 | <a href="#">236</a> | TRANSCRIPT of Jury Trial: Volume 21 held on 07/08/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 9) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)      |
| 05/02/2017 | <a href="#">237</a> | TRANSCRIPT of Jury Trial: Volume 22 held on 07/11/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 18) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017)     |
| 05/02/2017 | <a href="#">238</a> | TRANSCRIPT of Final Pretrial Conference held on 05/04/2016 as to David Hansberry, Bryan Watson, Kevlin Omar Brown. (Court Reporter/Transcriber: Linda M. Cavanagh) (Number of Pages: 30) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/02/2017 | <a href="#">239</a> | TRANSCRIPT of Motion for Judgment of Acquittal held on 08/11/2016 as to David Hansberry, Bryan Watson. (Court Reporter/Transcriber: Linda M.   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | Cavanagh) (Number of Pages: 35) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 5/23/2017. Redacted Transcript Deadline set for 6/2/2017. Release of Transcript Restriction set for 7/31/2017. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Cavanagh, Linda) (Entered: 05/02/2017) |
| 05/09/2017 | <a href="#">240</a> | MOTION Motion to Amend Sentence by Calvin Turner. (Feinberg, James) (Entered: 05/09/2017)   |
| 05/09/2017 | <a href="#">241</a> | [STRICKEN] STIPULATION <i>Allowing Calvin Turner to Travel to Indiana</i> by Calvin Turner. (Feinberg, James) Modified on 5/10/2017 (DWor). (Entered: 05/09/2017)   |
| 05/10/2017 | <a href="#">242</a> | ORDER to Strike <a href="#">241</a> Stipulation filed by Calvin Turner as to Calvin Turner. Signed by District Judge Stephen J. Murphy, III. (DWor) (Entered: 05/10/2017)   |
| 05/10/2017 | <a href="#">243</a> | [STRICKEN] STIPULATION <i>Allowing Calvin Turner to Travel to Indiana</i> by Calvin Turner. (Feinberg, James) Modified on 5/11/2017 (DWor). (Entered: 05/10/2017)   |
| 05/11/2017 | <a href="#">244</a> | ORDER to Strike <a href="#">243</a> Stipulation filed by Calvin Turner as to Calvin Turner. Signed by District Judge Stephen J. Murphy, III. (DWor) (Entered: 05/11/2017)   |
| 05/11/2017 | <a href="#">245</a> | STIPULATION and ORDER Allowing Defendant to Travel to Purdue University in the State of Indiana as to Calvin Turner. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 05/11/2017)  |
| 05/24/2017 |                     | Minute Entry for proceedings before District Judge Stephen J. Murphy, III: Sentencing held as to Arthur Leavells. Disposition: Rule 11 Plea Agreement accepted by the Court. (Court Reporter: Linda Cavanagh) (Defendant Attorney: Miriam L. Siefer, Andrew N. Wise) (AUSA: J. Michael Buckley) (DPar) (Entered: 05/24/2017)  |
| 05/25/2017 | <a href="#">246</a> | JUDGMENT as to Arthur Leavells. Signed by District Judge Stephen J. Murphy, III. (DPer) (Entered: 05/25/2017)   |
| 05/30/2017 | <a href="#">247</a> | ORDER Granting Defendant's <a href="#">189</a> Motion to Reduce Sentence as to Arthur Leavells (4). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 05/30/2017)   |
| 06/02/2017 | <a href="#">248</a> | ORDER Granting Defendant's <a href="#">240</a> MOTION to Amend Sentence as to Calvin Turner (5). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 06/02/2017)  |
| 06/07/2017 | <a href="#">249</a> | AMENDED JUDGMENT as to Calvin Turner. Signed by District Judge Stephen J. Murphy, III. (DWor) (Entered: 06/07/2017)   |
| 08/17/2017 | <a href="#">250</a> |   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | AMENDED JUDGMENT as to Arthur Leavells. Signed by District Judge Stephen J. Murphy, III. (DPer) (Entered: 08/17/2017)   |
| 10/05/2017 | <a href="#">251</a> | ORDER from U.S. Court of Appeals - Sixth Circuit as to David Hansberry re <a href="#">204</a> Notice of Appeal, <a href="#">182</a> Notice of Appeal [Appeal Case Number 17-1221/17-1383] (DWor) (Entered: 10/05/2017)  |
| 10/10/2017 |                     | Attorney Elizabeth L. Jacobs is discontinued from receiving Notices of Electronic Filing. Reason: new counsel substituted. (Fishman, Steven) (Entered: 10/10/2017)  |
| 12/06/2017 | <a href="#">252</a> | ORDER Instructing Probation Department to Correct Presentence Report as to Bryan Watson re <a href="#">184</a> Amended Judgment. Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 12/06/2017)  |
| 12/17/2017 | <a href="#">253</a> | MOTION for Release from Custody <i>for Appeal Bond</i> by David Hansberry as to David Hansberry, Bryan Watson, Kevlin Omar Brown, Arthur Leavells, Calvin Turner. (Ragan, Philip)[AS TO DEFENDANT DAVID HANSBERRY ONLY; DOCUMENT NOT SIGNED] Modified on 12/18/2017 (DPer). (Entered: 12/17/2017)   |
| 12/21/2017 | <a href="#">254</a> | RESPONSE by United States of America as to David Hansberry re <a href="#">253</a> MOTION for Release from Custody <i>for Appeal Bond</i> (Attachments: # <a href="#">1</a> Exh. A: Pertinent provision of Government Trial Exhibit 807A, transcript of undercover recording of David Hansberry on September 7, 2014 in which he threatens to shoot and kill an informant and witness against him) (Buckley, J.) (Entered: 12/21/2017) |
| 01/05/2018 | <a href="#">255</a> | [STRICKEN] REPLY TO RESPONSE by David Hansberry re <a href="#">253</a> MOTION for Release from Custody <i>for Appeal Bond</i> (Ragan, Philip) Modified on 1/8/2018 (DWor). (Entered: 01/05/2018)  |
| 01/08/2018 |                     | NOTICE of Error directed to: Philip A. Ragan, Jr re <a href="#">255</a> Reply to Response to Motion. Wrong or incomplete PDF image was uploaded. <b>Document was stricken and must be refiled correctly.</b> [No Image Associated with this docket entry] (DWor) (Entered: 01/08/2018)  |
| 01/08/2018 | <a href="#">256</a> | [STRICKEN] Second MOTION for Release from Custody by David Hansberry. (Ragan, Philip) Modified on 1/9/2018 (DWor). [DOCUMENT IS ENTITLED "RESPONSE TO MOTION IN OPPOSITION TO THE DEFENDANT'S MOTION FOR RELEASE PENDING APPEAL" - DOCUMENT IS INCOMPLETE] Modified on 1/9/2018 (DWor). (Entered: 01/08/2018)   |
| 01/09/2018 |                     | NOTICE of Error directed to: Philip A. Ragan, Jr re <a href="#">256</a> Second MOTION for Release from Custody . Wrong or incomplete PDF image was uploaded. THE PDF IS INCOMPLETE. <b>Document was stricken and must be refiled correctly.</b> [No Image Associated with this docket entry] (DWor) (Entered: 01/09/2018)   |
| 01/12/2018 | <a href="#">257</a> | ORDER from U.S. Court of Appeals - Sixth Circuit as to Bryan Watson re <a href="#">171</a> Notice of Appeal [Appeal Case Number 17-1205] (SKra) (Entered: 01/12/2018)   |
| 02/02/2018 | <a href="#">258</a> |   |

|            |                     |   |
|------------|---------------------|---|
|            |                     | [STRICKEN] Renewed MOTION for Bond by David Hansberry. (Ragan, Philip) Modified on 2/5/2018 (DWor). [DOCUMENT ENTITLED "RESPONSE TO GOVERNMENT'S MOTION IN OPPOSITION TO THE DEFENDANT'S MOTION FOR RELEASE PENDING APPEAL"] Modified on 2/5/2018 (DWor). (Entered: 02/02/2018)   |
| 02/05/2018 |                     | NOTICE of Error directed to: Philip A. Ragan, Jr re <a href="#">258</a> Renewed MOTION for Bond . Wrong or incomplete PDF image was uploaded. Document presented is a Response to Motion. <b>Document was stricken and must be refiled correctly.</b> [No Image Associated with this docket entry] (DWor) (Entered: 02/05/2018)   |
| 04/18/2018 | <a href="#">259</a> | MOTION for Release from Custody by David Hansberry. (Ragan, Philip) Modified on 4/18/2018 (DWor). [DOCUMENT ENTITLED "RESPONSE TO GOVERNMENT'S OPPOSITION BRIEF TO THE DEFENDANT'S MOTION FOR RELEASE PENDING APPEAL"] (Entered: 04/18/2018)  |
| 05/09/2018 | <a href="#">260</a> | ORDER Denying <a href="#">253</a> Motion for Release from Custody as to David Hansberry (1). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 05/09/2018)  |
| 10/01/2018 | <a href="#">261</a> | ORDER from U.S. Court of Appeals - Sixth Circuit as to David Hansberry re <a href="#">204</a> Notice of Appeal, <a href="#">182</a> Notice of Appeal [Appeal Case Number 17-1221/17-1383] (DWor) (Entered: 10/02/2018)  |
| 10/07/2018 | <a href="#">262</a> | NOTICE of Filing Exhibits for Purposes of Appeal by United States of America as to David Hansberry, Bryan Watson (Attachments: # <a href="#">1</a> Exhibit 100-B - Search Warrant for 16500 North Park Drive, # <a href="#">2</a> Exhibit 100-D - 24 Hour Information Sheet (Feb. 27, 2011), # <a href="#">3</a> Exhibit 200-D - 24 Hour Information Sheet (April 19, 2011), # <a href="#">4</a> Exhibit 200-G - Notice of Seizure and Intent to Forfeit, # <a href="#">5</a> Exhibit 300-B - Detroit Police Department Report 1111150400.1 (Nov. 15, 2011), # <a href="#">6</a> Exhibit 300-C - 24 Hour Information Sheet (Nov. 15, 2011), # <a href="#">7</a> Exhibit 300-D - List of Evidence Seized (Nov. 15, 2011), # <a href="#">8</a> Exhibit 401 - Picture of Search Warrant for 20426 Klinger, Detroit, Michigan (Jan. 3, 2012), # <a href="#">9</a> Exhibit 500-A - Narcotics Activity Form (Sept. 6, 2012), # <a href="#">10</a> Exhibit 500-B - Detroit Police Department Report 1209060388.1 (Sept. 6, 2012), # <a href="#">11</a> Exhibit 500-C - 24 Hour Information Sheet (Sept. 6, 2012), # <a href="#">12</a> Exhibit 500-D - List of Evidence Seized (Sept. 6, 2012), # <a href="#">13</a> Exhibit 500-E - Request for Laboratory Service (Sept. 6, 2012), # <a href="#">14</a> Exhibit 700-C - Detroit Police Department Report 1303020252.1 (March 2, 2013), # <a href="#">15</a> Exhibit 700-D - 24 Hour Information Sheet (March 2, 2013), # <a href="#">16</a> Exhibit 700-E - List of Evidence Seized (March 2, 2013), # <a href="#">17</a> Exhibit 700-F - Request for Laboratory Service (March 2, 2013), # <a href="#">18</a> Exhibit 711-B - Fake Search Warrant for 15747 Snowden, Detroit, Michigan (Dec. 21, 2012), # <a href="#">19</a> Exhibit 722-A - Transcript of Meeting Between Gary Jackson, David Hansberry, Bryan Watson, Arthur Leavells, and others (Aug. 14, 2010), # <a href="#">20</a> Exhibit 724-A - Picture of Money in Duffle Bags, # <a href="#">21</a> Exhibit 724-B - Picture #2 of Money in Duffle Bags, # <a href="#">22</a> Exhibit 724-C - Picture of Wrapped Money on Back of Car, # <a href="#">23</a> Exhibit 724-D - Picture #2 of Wrapped Money on Back of Car, # <a href="#">24</a> Exhibit 724-E - Picture #3 of Wrapped Money on Back of Car, # <a href="#">25</a> Exhibit 724-F - Picture #4 of Wrapped Money on Back of Car, # <a href="#">26</a> Exhibit 724-G - |

|            |                     |  |
|------------|---------------------|--|
|            |                     | Picture #5 of Wrapped Money on Back of Car, # <a href="#">27</a> Exhibit 724-H - Picture #6 of Wrapped Money on Back of Car, # <a href="#">28</a> Exhibit 724-I - Picture #7 of Wrapped Money on Back of Car, # <a href="#">29</a> Exhibit 806-A - Transcript of Meeting Between Arthur Leavells and Bryan Watson (Sept. 4, 2014), # <a href="#">30</a> Exhibit 807-A - Transcript of Meeting Between Arthur Leavells and David Hansberry (Sept. 7, 2014), # <a href="#">31</a> Exhibit 1000 - Financial Summary for David Hansberry 2010 2014, # <a href="#">32</a> Exhibit 1002-A - Total Funds Deposited in David Hansberry Accounts 2010 2014, # <a href="#">33</a> Exhibit 1002-B - Payroll Summary for David Hansberry 2010 2014, # <a href="#">34</a> Exhibit 1002-C - Cash Deposits for David Hansberry 2010 2014, # <a href="#">35</a> Exhibit 1005 - Vehicle Payments by David Hansberry 2010 2014, # <a href="#">36</a> Exhibit 1007 - Total Expenditures by David Hansberry 2010 2014, # <a href="#">37</a> Exhibit 1010 - Financial Summary for Bryan Watson 2010 2014, # <a href="#">38</a> Exhibit 1012-B - Payroll Summary for Bryan Watson 2010 2014, # <a href="#">39</a> Exhibit 1012-C - Cash Deposits for Bryan Watson 2010 2014, # <a href="#">40</a> Exhibit 1017 - Total Expenditures by Bryan Watson 2010 2014) (Cralle, Shane) (Entered: 10/07/2018) |
| 10/07/2018 | <a href="#">263</a> | NOTICE of Filing Exhibits for Purposes of Appeal by United States of America as to David Hansberry, Bryan Watson (Attachments: # <a href="#">1</a> Exhibit 808-A - Transcript of Meeting Between Arthur Leavells and Bryan Watson (Sept. 11, 2014)) (Cralle, Shane) (Entered: 10/07/2018)  |
| 03/29/2019 | <a href="#">264</a> | MOTION/Letter by Bryan Watson. (NAhm) (Entered: 03/29/2019)  |
| 06/13/2019 | <a href="#">265</a> | OPINION from U.S. Court of Appeals - Sixth Circuit as to Bryan Watson re <a href="#">206</a> Notice of Appeal, <a href="#">171</a> Notice of Appeal [Appeal Case Number 17-1205/17-1221] (SKra) (Entered: 06/13/2019)  |
| 07/09/2019 | <a href="#">266</a> | MANDATE from U.S. Court of Appeals - Sixth Circuit as to Bryan Watson re <a href="#">171</a> Notice of Appeal filed by Bryan Watson [Appeal Case Number 17-1205] (DWor) (Entered: 07/11/2019)  |
| 07/22/2019 | <a href="#">267</a> | ORDER Denying Defendant's <a href="#">264</a> MOTION to Transfer to a Federal Prison Camp as to Bryan Watson (2). Signed by District Judge Stephen J. Murphy, III. (DPar) (Entered: 07/22/2019)  |
| 08/01/2019 | <a href="#">268</a> | MANDATE from U.S. Court of Appeals - Sixth Circuit as to David Hansberry re <a href="#">204</a> Notice of Appeal filed by David Hansberry, <a href="#">182</a> Notice of Appeal filed by David Hansberry [Appeal Case Number 17-1383/17-1221] (DWor) (Entered: 08/01/2019)   |

# EXHIBIT D



**LAW OFFICE OF MICHAEL R. DEZSI, PLLC**

615 GRISWOLD STREET, SUITE 1600  
DETROIT, MICHIGAN 48226  
313-879-1206 • FAX 313-887-0420  
WWW.DEZSILAW.COM

**MICHAEL R. DEZSI**

MDEZSI@DEZSILAW.COM  
ADMITTED TO MICHIGAN  
NEW MEXICO\*  
CALIFORNIA\*  
\*INACTIVE

April 23, 2015

**Via First Class Mail**

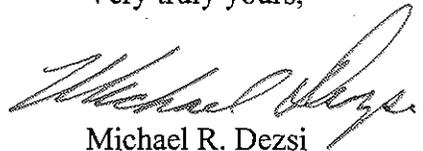
Mr. Calvert Bailey, Esq.  
City of Detroit Law Department  
2 Woodward Ave. Ste 500  
Detroit, MI 48226

**RE: Davis v. City of Detroit; Case No. 15-10547 (E.D. Mich.)**

Dear Mr. Bailey;

I hope this letter finds you well. In follow up with our recent conversation, I have enclosed Plaintiffs' First Request to Produce Documents directed to Defendants. When we met, you raised the issue of whether Plaintiffs would engage in discussions to possibly resolve their claims. As I indicated to you, I now represent several individuals who allege they were subject to unlawful search and seizure by members of the Detroit Narcotics Unit. As such, I would kindly request that you produce the investigative reports, search warrants, etc. (as contained in Plaintiffs' Request to Produce Nos 1-3) as soon as practicable and/or as part of your initial disclosures. Review of these documents would allow both of us the opportunity to evaluate our claims and defenses for possible early resolution of the claims. Please let me know if you have any questions, and thank you kindly for your attention to this matter.

Very truly yours,



Michael R. Dezsi

/enclosures (Plaintiffs' First Request to Produce)

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

Timothy Davis and Hatema Davis,  
Individually and on behalf of all other  
similarly situated individuals,

Plaintiffs,

vs.

Case No.: 15-cv-10547  
Hon.: Paul D. Borman

CITY OF DETROIT, et. al.,

Defendants.

---

**PLAINTIFFS' FIRST REQUEST TO PRODUCE DOCUMENTS**

NOW COMES the Plaintiffs, by and through her counsel, DETTMER & DEZSI, and hereby submit the following Requests for Production of Documents.

Pursuant to the federal court rules, Defendants' should produce information that the party can secure from its employees, agents, and/or legal counsel. The documents requested in the should be served on counsel for Plaintiffs within (30) days of service of this pleading to whom it is directed.

1. Produce any and all documents in the possession of, or available to Defendants, including search warrants, affidavits in support of search warrants, returns of search warrants, evidence tags, "SOI" interview reports, investigative reports, internal affairs files, and any and all other documents including e-mails, correspondences, memoranda, and similar documents relating, in any way, to the following addresses dated from January 1, 2012 to the present:

- a. 25354 Rubin Rd., Warren, Michigan 48079;
  - b. 1556 West Troy Street, Ferndale, Michigan;
  - c. 17744 Northrop Street, Detroit, Michigan 48219;
  - d. 8929 Wilow Ray Avenue, Shelby Township, Michigan 48317;
2. Produce any and all documents in the possession of, or available to Defendants, including search warrants, affidavits in support of search warrants, returns of search warrants, evidence tags, "SOI" interview reports, investigative reports, internal affairs files, and any and all other documents including e-mails, correspondences, memoranda, and similar documents relating, in any way, to the following individuals:
- a. Timothy Davis;
  - b. Debra Metris-Shamoon;
  - c. Howard Guardella;
  - d. Michael McShane;
  - e. Michael Valentino;
3. Produce any and all recorded video (including audio), in whatever format including digital, from dash-cams, law enforcement body cams (i.e., records) taken of the following addresses dated from January 1, 2012 to the present:
- e. 25354 Rubin Rd., Warren, Michigan 48079;
  - f. 1556 West Troy Street, Ferndale, Michigan;
  - g. 17744 Northrop Street, Detroit, Michigan 48219;
  - h. 8929 Wilow Ray Avenue, Shelby Township, Michigan 48317;

4. Produce any and all of Defendants' policies, memoranda, manuals, directives, or other similar documents relating in any way to Defendants' policies, customs, and/or practices of obtaining and/or executing search warrants by Defendants' agents, police officers, and/or employees.
5. Produce any and all of Defendants' policies, memoranda, manuals, directives, or other similar documents relating in any way to Defendants' policies, customs, and/or practices of collecting, tagging, logging, and preserving evidence gathered from the execution of search warrants by Defendants' agents, police officers, and/or employees.
6. Produce the complete City of Detroit Police Department file for Case No. 13-2878, relating to the execution of a search warrant at 25354 Rubin, Warren, Michigan, including any and all search warrants, affidavits in support of search warrants, returns of search warrants, evidence tags, "SOI" interview reports (unredacted), investigative reports, internal affairs files, and any and all other documents including e-mails, correspondences, memoranda, and similar documents.
7. Produce Defendant' complete internal affairs investigative file dated from May 2013 through the present and relating, in any way, to complaints of any kind, including, but not limited to, obtaining and/or execution of search warrants, unlawful searches and/or seizures, the collection and/or seizure of evidence by members of the Detroit Narcotics Unit including, but not limited to the following individuals:
  - a. David Hansberry;
  - b. Bryan Watson;
  - c. James Napier;

- d. James Flanigan;
- e. Arthur Leavells;
- f. Officer Geelhood

Respectfully submitted,



Michael R. Dezsi (P64530)  
Attorney for Plaintiff  
615 Griswold, Suite 1600  
Detroit, MI 48226  
313-281-8090

**CERTIFICATE OF SERVICE**

I hereby certify that on the 23rd day of April, 2015, I served, via first class mail, the foregoing papers on Defendants via their counsel of record at his office address as it appears on the court docket.

/s/ Michael R. Dezsi

# EXHIBIT E

**WHEREAS**, Plaintiffs, Timothy and Hatema Davis (“Plaintiffs”) filed suit against City of Detroit (“City”), Charles Flanagan (“Flanagan”), \_\_\_\_\_ Novak (“Novak”), Vatasha Napier as personal representative of the Estate of Defendant James Napier (“Napier”), Stephen Geelhood (“Geelhood”), Arthur Leavells (“Leavells”), Steven Riley (“Riley”), Larry Barnett (“Barnett”) Reginald Beasley (“Beasley”), Matthew Bray (“Bray”), Amy Metallic (“Metallic”), and Brian Johnson (“Johnson”) (collectively City, Flanagan, Novak, Napier, Geelhood, Leavells, Riley, Barney, Beasley, Bray, Metallic, and Johnson shall be referred to as “Released Defendants”);

**WHEREAS**, Plaintiffs’ lawsuit was filed in the United States District Court Eastern District of Michigan (“the Court”) and assigned case number 2:15-cv-10547 (“the Litigation”);

**WHEREAS**, Plaintiffs sought appointment as lead plaintiffs on behalf of a putative class of other individuals including, but not limited to, Bernard Davis (“Davis”), Jacob Zeigler (“J. Zeigler”), Alex Zeigler (“A. Zeigler”), and Michael Chorazyczewski (“Chorazyczewski”) (Davis, J. Zeigler, A. Zeigler, and Chorazyczewski shall be referred to as “Releasing Occupants”);

**WHEREAS** the Court denied Plaintiffs’ motion to certify class and appoint them lead Plaintiffs;

**WHEREAS** Released Defendants, Releasing Occupants, and Plaintiffs shall hereinafter be collectively referred to as “the Parties”;

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN

TIMOTHY DAVIS and HATEMA DAVIS,

Plaintiffs,

v.

CITY OF DETROIT, et al.,

Defendants.

Case No. 15-10547

Hon. Paul D. Borman

Magistrate Judge David R. Grand

---

DENNIS A. DETMER (P12708)  
MICHAEL R. DEZSI (P64530)  
Dettmer & Dezsi, PLLC  
Attorneys for Plaintiffs  
615 Griswold, Ste. 1600  
Detroit, MI 48226  
(313) 281-8090  
ddettmeresq@yahoo.com  
[mdezsi@dezsilaw.com](mailto:mdezsi@dezsilaw.com)

---

JAMES P. ALLEN, SR. (P52885)  
LINDSEY R. JOHNSON (P67081)  
Allen Brothers, Attorneys &  
Counselors, PLLC  
Attorneys for Defendants, City of Detroit,  
Flanagan, Napier, Geelhood, Matellic,  
Barnett, Riley, Bray, Johnson and Beasley  
400 Monroe, Ste. 620  
Detroit, MI 48226  
(313) 962-7777  
[jamesallen@allenbrotherspllc.com](mailto:jamesallen@allenbrotherspllc.com)  
[ljohnson@allenbrotherspllc.com](mailto:ljohnson@allenbrotherspllc.com)

CALVERT BAILEY (P42409)  
JERRY L. ASHFORD (P47402)  
Attorneys for Defendants, City of Detroit,  
Flanagan, Napier, Geelhood, Matellic,  
Barnett, Riley, Bray, Johnson, and Beasley  
2 Woodward Ave., Ste. 500  
Detroit, MI 48226  
(313) 237-3004  
[bailc@detroitmi.gov](mailto:bailc@detroitmi.gov)  
[ashfj@detroitmi.gov](mailto:ashfj@detroitmi.gov)

---

**GENERAL RELEASE, WAIVER AND  
SETTLEMENT AGREEMENT**

**WHEREAS**, the Released Defendants deny any liability to Plaintiffs;

**WHEREAS**, the Parties, but no other members of the putative class, have agreed to resolve all open issues between them raised or which could have been raised in the Litigation;

**WHEREAS**, the Plaintiffs have agreed to provide the general release and waiver of claims contained in this general release, waiver and settlement agreement (“Agreement”) which sets forth the Parties’ entire understanding of the terms of settlement for the Litigation;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES, the Parties agree as follows:

1. City shall pay to Plaintiffs, Releasing Occupants and their attorneys Michael Dezsi and Dennis Dettmer, Dettmer & Dezsi, PLLC (“the Firm”) (hereinafter collectively known as the “Payees,”) the aggregate amount of Three Hundred and Fifty Thousand U.S. Dollars (\$350,000.00) (“Settlement Consideration”) as full and final consideration for the General Release and Waiver set forth in Paragraph 2 below. The Settlement Consideration shall be paid as follows: Check for the full amount of the Settlement Consideration made payable to: Dettmer & Dezsi, PLLC. Each of the Payees agree to provide an IRS W-9 form upon request. In addition, the Payees, indemnify and hold payor, City, harmless from any and all actions between the Firm, Plaintiffs and Releasing Occupants, regarding the Firm’s distribution of the of the Settlement Consideration to Plaintiffs and/or Releasing Occupants.

2. The Plaintiffs and Releasing Occupants knowingly and voluntarily without threat or coercion, for themselves, their personal representatives, trustees, beneficiaries, attorneys, heirs, successors, predecessors, shareholders, owners, subsidiaries and assigns (“Releasing Parties”) fully and forever release and discharge Released Defendants, their personal representatives, trustees, attorneys, heirs, successors, predecessors, indemnitees, insurers, employees, employers, officers, directors, elected and appointed officials, and assigns (“Released Parties”) which shall include

individuals that currently or formerly held positions for which this release applies (e.g. retired/terminated employees not otherwise specifically released herein) from any and all claims, demands, actions, lawsuits, and causes of action of every kind, nature or description, whether known or unknown, which Releasing Parties may have had, may now have, or may hereafter arise before the date of this Agreement by reason of any matter, cause, act, or omission arising out of or in connection with their past dealings and contacts, including but not limited to all attorneys' fees of any kind or nature, charges and claims asserted, or which could have been asserted, in any Litigation that could have been filed from the beginning of time to the date of execution of this Agreement ("Released Claims"). **This Waiver and Release specifically requires, *inter alia*, the release by Releasing Parties of the City of Detroit, its current and former employees, agents, principles, attorneys, officers, indemnitees and elected/appointed officials, all in their individual and official capacities.**

3. The Released Defendants shall, upon payment of the Settlement Consideration, be dismissed with prejudice from the Litigation and the Releasing Parties shall be forever barred from asserting Released Claims. The Parties authorize their attorneys to execute a Stipulation for the dismissal of the Litigation as it relates to Plaintiffs and Releasing Occupants only. Said dismissal shall be with prejudice which Plaintiffs' counsel shall file upon receipt of the Settlement Consideration.

4. The Parties understand and agree that the terms of this Release cannot be confidential and that they are subject to disclosure under the Freedom of Information Act.

5. Releasing Parties agree that they will not file a lawsuit or claim of any type in any forum against Released Parties (whether in their individual or official capacities or whether current and/or former employees of City of Detroit) that arises out of the Litigation or relates, in any way, to the Released Claims. Releasing Parties warrant that, if they do file such a waived lawsuit or claim, the lawsuit or claim will be immediately dismissed; and, they will pay to the non-breaching party all of the costs, expenses, and attorney fees incurred by the non-breaching party in defending against such a lawsuit or claim.

6. The above commitments of the Parties are undertaken to avoid the inconvenience and costs of Litigation. The Parties accordingly acknowledge and agree that the Settlement Consideration stated above is made and accepted

in settlement and compromise of disputed claims and shall not be, and shall not be construed to be, an admission of liability by any party to the other.

7. The Parties further understand and acknowledge that the terms of this Agreement are contractual and not a mere recital and that there are no agreements, understandings, or representations made by the Parties except as expressly stated herein.

8. The Parties acknowledge that before signing this Agreement they have read it, fully understood its terms, content, and effect, have had the benefit of advice from an attorney of their own choosing, and have relied fully and completely on their own judgment and the advice of their respective attorneys in executing this Release.

9. It is understood and agreed by the Parties that all understandings and agreements heretofore had by the Parties with respect to matters covered by this Agreement are merged into this Agreement, which alone fully and completely expresses the Parties' agreement.

10. The Parties acknowledge that they may hereafter discover facts different from or in addition to those, which they know or believe to be true with respect to the released claims, and the Parties agree that this Agreement shall be and remain effective in all respects, including, but not limited to, the released claims, notwithstanding such different or additional facts or the discovery thereof.

11. This General Release shall be governed and construed in accordance with the Laws of the State of Michigan.

12. The Parties acknowledge that this Agreement may be executed in counterparts.

**ON BEHALF OF RELEASING PARTIES**

Edwira Nesini  
Witness

Edwira Nesini  
Witness

[Signature]  
By: Timothy Davis

[Signature]  
By: Hatema Davis

Elvira Nesimi

Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

Bernard Davis  
By: Bernard Davis

\_\_\_\_\_  
By: Jacob Ziegler

\_\_\_\_\_  
By: Alex Ziegler

\_\_\_\_\_  
By: Michael Chorazyczewski

Michael Dezzi (DZZ)  
Michael Dezzi, Attorney for Plaintiffs

Dennis Dettner  
Dennis Dettner, Attorney for Plaintiffs

**ON BEHALF OF DEFENDANTS,**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By:

\_\_\_\_\_  
James P. Allen, Sr., Attorney for  
Released Defendants

Page 6 of 7

Witness \_\_\_\_\_

Witness \_\_\_\_\_

Witness \_\_\_\_\_

Witness \_\_\_\_\_

By: Bernard Davis \_\_\_\_\_

By: Jacob Ziegler \_\_\_\_\_

By: Alex Ziegler \_\_\_\_\_

By: Michael Chorazyczewski \_\_\_\_\_

Michael Dezsi, Attorney for Plaintiffs \_\_\_\_\_

Dennis Dettmer, Attorney for Plaintiffs \_\_\_\_\_

**ON BEHALF OF DEFENDANTS,**

Witness \_\_\_\_\_

By: \_\_\_\_\_

James P. Allen, Sr., Attorney for  
Released Defendants

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Bernard Davis

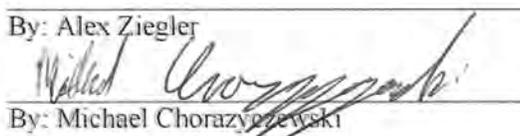
\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Jacob Ziegler

\_\_\_\_\_  
Witness



\_\_\_\_\_  
By: Alex Ziegler



\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Michael Chorazyzewski

\_\_\_\_\_  
Michael Dezsi, Attorney for Plaintiffs

\_\_\_\_\_  
Dennis Dettmer, Attorney for Plaintiffs

ON BEHALF OF DEFENDANTS,

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By:

\_\_\_\_\_  
James P. Allen, Sr., Attorney for  
Released Defendants

# EXHIBIT F



# DETROIT POLICE DEPARTMENT Communications Operations

June 27, 2014

## ADMINISTRATIVE MESSAGES

TELETYPE # 14 - 0730

### ORGANIZATIONAL CHANGES WITHIN ORGANIZED CRIME

Effective July 14, 2014, Organized Crime will consist of the following department entities:

- Major Violators;
- Gang Intelligence;
- Task Force Administration; and
- Vice Enforcement

These organizational changes will result in the creation of positions and new opportunities for members of the Detroit Police Department who meet the required criteria.

### MAJOR VIOLATORS

This command will perform, among other types of functions, narcotic enforcement. Members who have served a total of 5 years or more at Narcotics during their service with the Detroit Police Department shall not be considered for any position within Major Violators.

Positions at Major Violators will be limited to the following positions:

|                 |    |
|-----------------|----|
| Lieutenant      | 1  |
| Sergeants       | 3  |
| Police Officers | 20 |

### TASK FORCE ADMINISTRATION

The duties of Task Force Administration will remain the same.

### VICE ENFORCEMENT

The duties of Vice Enforcement will remain the same.

*Geelhood*  
*10/23/19*  
 Ex  
 13

DPD000142



# DETROIT POLICE DEPARTMENT

## Communications Operations

June 27, 2014

### ADMINISTRATIVE MESSAGES

TELETYPE # 14 - 0730

Continued

#### GANG INTELLIGENCE

The duties of Gang Intelligence will remain the same.

The above entities will be "limited-duration assignments"; assignment to any one of these entities will be limited to 3 years. Upon completion of 3 years, a one year extension may be requested from the Chief of Police or his designee.

Members assigned to patrol duties with no previous vice, gang, narcotic, or other specialized experience are encouraged to apply. The evaluation of candidates will include, but may not be limited to, the satisfactory completion of an interview process, as well as a comprehensive review of the member's work and disciplinary history. Members interested shall submit a **DPD568 Inter-Office Memorandum** to the Commanding Officer of Organized Crime no later than July 3, 2014.

**JAMES E. WHITE**  
Assistant Chief, Administrative Operations

**STEVEN G. DOLUNT**  
Assistant Chief, Enforcement Operations

DPD000143



INTER-OFFICE MEMORANDUM  
ENFORCEMENT OPERATIONS

Attachment 3

Date

July 22, 2014

D.P.D. 562 (rev. 9/97)

To: Chief of Police James E. Craig (Through Channels)  
Subject: (REVISED) TRANSFER OF DEPARTMENT MEMBERS  
From: Assistant Chief Steven Dolunt, Enforcement Operations

The following member(s) are transferred effective Monday, July 14, 2014:

| <u>MEMBER</u>         | <u>FROM</u>              | <u>TO</u>                     |
|-----------------------|--------------------------|-------------------------------|
| Lt. Donald Hollins    | Sixth Precinct           | Facilities                    |
| Lt. Shawn Wesley      | Second Precinct          | Communications Operations     |
| Lt. Charles Clark     | Third Precinct           | Homicide                      |
| Lt. Tonya Golfin      | Eighth Precinct          | Gaming                        |
| Lt. James Moore       | Third Precinct           | Major Violators               |
| Lt. Elaine Miles      | Training                 | Neighborhood Policing Liaison |
| Lt. Thadarous White   | TRU                      | Second Precinct               |
| Lt. James Cashion     | Ninth Precinct           | Third Precinct                |
| Lt. Sheri Meisel      | Planning                 | Third Precinct                |
| Lt. Douglas Gross     | Twelfth Precinct         | Ninth Precinct                |
| Sgt. Lynn Carpenter   | Twelfth Precinct         | Homicide                      |
| Sgt. Columbus Sykes   | Third Precinct           | Communications Operations     |
| Sgt. Patrick Neal     | Seventh Precinct         | Downtown Services             |
| Sgt. Pamela Webster   | Fourth Precinct          | Gaming                        |
| Sgt. Terrance Grimes  | Tenth Precinct           | Gaming                        |
| Sgt. Dawn Engel       | Investigative Operations | Tenth Precinct                |
| Sgt. Raytheon Martin  | Investigations           | General Assignment Unit       |
| Sgt. Tiffany Warren   | Investigations           | Force Investigation           |
| Sgt. Michael Diccico  | Fourth Precinct          | Internal Affairs              |
| Sgt. James Johnson    | Fifth Precinct           | Internal Affairs              |
| Sgt. Terrance Sims    | Homicide                 | Major Violators               |
| Sgt. Gerry Johnson    | Investigations           | Task Force Administration     |
| Sgt. Cregg Hughes     | Investigations           | Recruiting                    |
| Sgt. Diaz Graves      | Sixth Precinct           | Special Victims Unit          |
| Sgt. Javier Chapa     | GAU                      | Special Victims Unit          |
| Sgt. Michael McGinnis | Homicide                 | Task Force Administration     |
| Sgt. Cory Karssen     | Narcotics                | Traffic Enforcement Unit      |
| Sgt. Travis Kostanko  | Investigations           | Tactical Response Unit        |
| Sgt. Michael Ingles   | Eighth Precinct          | Training                      |
| Sgt. Eric Bucy        | Investigations           | Second Precinct               |
| Sgt. Royd Coleman     | Sixth Precinct           | Second Precinct               |
| Sgt. James Demps      | Force Investigations     | Second Precinct               |
| Sgt. Nancy Headapohl  | Seventh Precinct         | Third Precinct                |
| Sgt. Manny Gutierrez  | Investigations           | Fourth Precinct               |
| Sgt. Jamal Hamood     | Ninth Precinct           | Fourth Precinct               |
| Sgt. Roy Harris       | Narcotics                | Sixth Precinct                |

DPD000144

To: Chief of Police, James E. Craig (t.c.)

July 22, 2014

Subject: (REVISED) TRANSFER OF DEPARTMENT MEMBERS

Page 2

From: Assistant Chief Steven Dolunt, Enforcement Operations

|                           |                          |                            |
|---------------------------|--------------------------|----------------------------|
| Sgt. Michael Osman        | Investigations           | Sixth Precinct             |
| Sgt. Nathan Duda          | Investigations           | Seventh Precinct           |
| Sgt. William Jackson      | Investigations           | Seventh Precinct           |
| Sgt. Steven Geelhood      | Narcotics                | Eighth Precinct            |
| Sgt. Myron Weathers       | Narcotics                | Ninth Precinct             |
| Sgt Courtney Anderson     | Investigations           | Ninth Precinct             |
| Sgt. Beverly Rodgers      | Homicide                 | Twelfth Precinct           |
| P.O. John Shelton         | Firearms Training        | Air Support (Observer-TFO) |
| P.O. Tamara Tillerson     | Fifth Precinct           | Special Victims Unit       |
| P.O. Emina Biogradlija    | Ninth Precinct           | Crime Control Strategies   |
| P.O. Levar Green          | Narcotics                | Task Force Administration  |
| P.O. Walter Atkins        | Second Precinct          | Vice Enforcement           |
| P.O. Oghenerhuemu Wanagho | Tenth Precinct           | Vice Enforcement           |
| P.O. Arthur Matthews      | Eleventh Precinct        | Detroit Detention Center   |
| P.O. Michael Saffold      | Communications           | Detroit Detention Center   |
| P.O. Nicholas Perez       | Crime Control Strategies | Homicide                   |
| P.O. Jennifer Moreno      | Fourth Precinct          | Public Info                |
| P.O. Elaine Caldwell R/D  | Third Precinct           | Special Victims Unit       |
| P.O. Larry Williams       | Narcotics                | Violent Crime Task Force   |
| P.O. Sandra Chavez        | Narcotics                | Violent Crime Task Force   |
| P.O. Nicole Moore         | DDC                      | Third Precinct             |
| P.O. James Kisselburg     | Narcotics                | Third Precinct             |
| P.O. James Wiencek        | Sixth Precinct           | Fourth Precinct            |
| P.O. Rigoberto Velazquez  | Third Precinct           | Fourth Precinct            |
| P.O. Eric Smigielski      | Sixth Precinct           | Fourth Precinct            |
| P.O. Marcus Cummings      | Ninth Precinct           | Fifth Precinct             |
| P.O. Cheri Snow           | DDC                      | Fifth Precinct             |
| P.O. Joseph Castro        | Narcotics                | Fifth Precinct             |
| P.O. Juan Davis           | Narcotics                | Fifth Precinct             |
| P.O. Matthew Bray         | Narcotics                | Sixth Precinct             |
| P.O. Arthur Leavells      | Narcotics                | Sixth Precinct             |
| P.O. Philip Rodriguez     | Narcotics                | Sixth Precinct             |
| P.O. Thomas Anton         | Narcotics                | Sixth Precinct             |
| P.O. Vannice Ward         | Narcotics                | Sixth Precinct             |
| P.O. Eshad Ali            | Eleven Precinct          | Seventh Precinct           |
| P.O. William Morrison     | Narcotics                | Seventh Precinct           |
| P.O. Cheryl Muhammad      | Narcotics                | Seventh Precinct           |
| P.O. Amy Matelic          | Narcotics                | Seventh Precinct           |
| P.O. Sha-Mar Woods        | Tenth Precinct           | Eighth Precinct            |
| P.O. Jordan Hall          | Ninth Precinct           | Eighth Precinct            |
| P.O. Jennier Tanquay      | Narcotics                | Eighth Precinct            |
| P.O. Artez Baker          | Narcotics                | Eighth Precinct            |
| P.O. Aaron Yopp           | Narcotics                | Eighth Precinct            |
| P.O. Reginald Beasley     | Narcotics                | Eighth Precinct            |

DPD000145

To: Chief of Police, James E. Craig (t.c.)

July 22, 2014

Subject: (REVISED) TRANSFER OF DEPARTMENT MEMBERS

Page 3

From: Assistant Chief Steven Dolunt, Enforcement Operations

|                            |                     |                     |
|----------------------------|---------------------|---------------------|
| P.O. Adlone Morris         | Narcotics           | Ninth Precinct      |
| P.O. Steven Riley          | Narcotics           | Ninth Precinct      |
| P.O. Larry Barnett         | Narcotics           | Ninth Precinct      |
| P.O. Brian Johnson         | Narcotics           | Ninth Precinct      |
| P.O. Jeffrey Wawrzyniak    | Narcotics           | Ninth Precinct      |
| P.O. Tondalaya Wilson      | Narcotics           | Ninth Precinct      |
| P.O. Michael Bryant        | Narcotics           | Ninth Precinct      |
| P.O. Jeffery Johnson       | Police Reserves     | Ninth Precinct      |
| P.O. Kristopher Richardson | Conspiracy One      | Tenth Precinct      |
| P.O. Michael Panackia      | Narcotics           | Tenth Precinct      |
| P.O. Leo Rhodes            | Narcotics           | Eleventh Precinct   |
| P.O. Neil Gensler          | Narcotics           | Eleventh Precinct   |
| P.O. Radames Benitez       | Narcotics           | Eleventh Precinct   |
| P.O. Gregory Tourville     | Narcotics           | Eleventh Precinct   |
| P.O. James Napier          | Eleventh Precinct   | Twelfth Precinct    |
| P.O. Alvin Nelson          | Third Precinct      | Twelfth Precinct    |
| P.O. Jose Martinez         | Fourth Precinct     | Twelfth Precinct    |
| P.O. Joe Williams          | Third Precinct      | Twelfth Precinct    |
| Sgt. Ian Severy            | Narcotics           | Major Violators     |
| Sgt. David Meadows         | Narcotics           | Major Violators     |
| P.O. Dennis Christie       | Sixth Precinct      | Major Violators     |
| P.O. Robert Bolden         | Narcotics           | Major Violators     |
| P.O. Brandolyn Johnson     | Twelfth Precinct    | Major Violators     |
| P.O. Bashawn Gaines        | Narcotics           | Major Violators     |
| P.O. Samuel Galloway       | Narcotics           | Major Violators     |
| P.O. William Johnson       | Narcotics           | Major Violators     |
| P.O. Tiffany McCrackin     | Narcotics           | Major Violators     |
| P.O. Alanna Mitchell       | Narcotics           | Major Violators     |
| P.O. Hameed Mohamed        | Narcotics           | Major Violators     |
| P.O. Craig Stewart         | Twelfth Precinct    | Major Violators     |
| P.O. Gary Rowan            | Twelfth Precinct    | Major Violators     |
| P.O. Michael Mosley        | Narcotics           | Major Violators     |
| P.O. Everett Richardson    | Fifth Precinct      | Major Violators     |
| P.O. Carl Mack             | Fifth Precinct      | Major Violators     |
| P.O. Melvin Allen          | Eighth Precinct     | Major Violators     |
| P.O. Donte Jenkins         | Twelfth Precinct    | Major Violators     |
| P.O. Joi Gary-Gaines       | Seventh Precinct    | Major Violators     |
| P.O. Justin Sampson        | Seventh Precinct    | Major Violators     |
| P.O. Calvin Lewis          | Second Precinct     | Police Reserves     |
| P.O. John Hall             | Force Investigation | Office of the Chief |
| P.O. Michael Saraino       | Internal Affairs    | Office of the Chief |
| Inv. Timothy Ewald         | Internal Affairs    | Office of the Chief |

DPD000146

To: Chief of Police, James E. Craig (t.c.)  
Subject: (REVISED) TRANSFER OF DEPARTMENT MEMBERS  
From: Assistant Chief Steven Dolunt, Enforcement Operations

July 22, 2014  
Page 4

SIGNATURE PAGE

JAMES E. CRAIG  
Chief of Police

DPD000147

# EXHIBIT G

### DECLARATION OF ADAM SHAMOON

I, ADAM SHAMOON, state as follows:

1. I am competent to testify as to the contents of this declaration.
2. I am the son of Debra and Mukhlis Shamoan.
3. I was not home at my parents house, located in Shelby Township, Michigan, on the date of September 13, 2012, when narcotics officers from the City of Detroit raided by parents' home.
4. I learned after the raid that the officers took several of my firearms from my parents' home. In particular, they took 2 long guns and 2 handguns.
5. My mom, Debra, showed me a paper that was left behind by the officers entitled "Notice of Seizure and Intent to Forfeit" dated September 13, 2012, which lists Sgt. Joe Tucker as a "witness." (Attachment A).
6. In the days following the raid, I contacted Sgt. Joe Tucker demanding to know why my parents' house was raided and also about the status of my handguns. I spoke directly with Sgt. Tucker who told me that I would have to wait a couple weeks and call him back.
7. A couple weeks later, I contacted Sgt. Tucker per his instructions, and again I demanded to know what happened at my parents' house and also about my handguns. Sgt. Tucker again told me that I would have to wait longer before I could possibly retrieve my handguns.
8. A couple weeks later, I again contacted Sgt. Tucker who told me to contact another sergeant from the drug enforcement unit whose name I don't remember.
9. When I spoke with this other sergeant, I threatened to retain an attorney if necessary to straighten out the matter. This sergeant seemed agitated by my comment and responded with

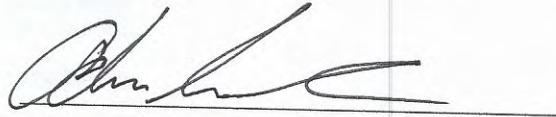
something to the effect of, "I don't know why people always run out and get attorneys." He then told me to come down to the department to pick up my guns.

10. When I did go down to get my guns, nobody there seemed to know what I was talking about, though eventually I was given my guns without any paperwork and I didn't sign anything when I picked them up.

11. There was never any explanation or justification given to me by anyone about why they had raided my parents' house.

I declare under the penalty of perjury that the foregoing is true and correct pursuant to 28 U.S.C. § 1746.

Dated: 05-15-2022

A handwritten signature in black ink, appearing to be "Phillip", written over a horizontal line.

# NOTICE OF SEIZURE AND INTENT TO FORFEIT

|   |   |
|---|---|
| Notice Served To: <u>Mukhlis Sharnoon</u> |   |
| Address: <u>8979 Wilobray</u>             | City: <u>Shelby Twp</u> State: <u>MI</u>                    |
| Date: <u>9/13/12</u>                      | Time: <u>1:40</u> Location Of Seizure: <u>8929 Wilobray</u> |

## NOTIFICATION

On, day/ 13 month/ 9 year/ 12 the Detroit Police Department determined that the property described below is subject to forfeiture pursuant to Michigan Law MCLA 333.7521, et. seq., and that the Department intends to seek forfeiture of this property.

If you desire to challenge the forfeiture of this property, you MUST DO ALL of the following within twenty (20) days of receiving this notice:

1. FILE A CLAIM WITH THE DETROIT POLICE DEPARTMENT FORFEITURE UNIT 2121 W. Fort, DETROIT, MI 48201, (313) 596.2630, DESCRIBING YOUR INTEREST IN THE PROPERTY.
2. POST A BOND THAT IS 10% OF THE VALUE OF THE PROPERTY CLAIMED (said BOND will be no less than \$250.00 and NO GREATER THAN \$5000.00).

After filing a written claim and posting the required BOND, the case will be referred to the Wayne County Prosecutor's Office for filing in the Wayne County Circuit Court. If the Court orders the property forfeited to the Detroit Police Department, you May be required to pay ALL costs incurred during the forfeiture proceedings.

Failure to file a claim and post BOND within TWENTY (20) days will result in your DEFAULT and your property will be declared forfeited to the Detroit Police Department.

**THIS FORM MUST BE FAXED IMMEDIATELY TO FORFEITURE AT 596-2309**

### DESCRIPTION OF PROPERTY

|                                     |                 |                        |        |        |
|-------------------------------------|-----------------|------------------------|--------|--------|
| Amount of Currency: \$ <u>315 -</u> |                 | ET#: <u>E 40273504</u> |        |        |
| Vehicle/yr.                         | Make:           | Model:                 | Style: | Color: |
| Veh /Mileage:                       | License Plate # |                        | Vin#   |        |
| ET#                                 |                 | (loc veh stored)       |        |        |
| Other Property:                     |                 |                        |        |        |

### ACKNOWLEDGEMENTS

|   |                     |   |  |
|---|---------------------|---|--|
| Notice Received By: <u>Mukhlis Sharnoon</u> |                     | Signature: <u>[Signature]</u>             |  |
| Notice Served By: <u>BRIANA JOHNSON</u>     |                     | Signature: <u>[Signature]</u>             |  |
| Rank: <u>PO</u>                             | Badge#: <u>5010</u> | Assignment: <u>NB</u>                     |  |
| Date: <u>9/13/12</u>                        | Time: <u>1:40</u>   | Location of Service: <u>8929 Wilobray</u> |  |
| Witness: <u>Joe Tucker</u>                  |                     | Signature: <u>[Signature]</u>             |  |
| Rank: <u>SGT</u>                            | Badge#: <u>S-95</u> | Assignment: <u>N/B</u>                    |  |

(Revised: 03.7.2005)

# EXHIBIT H

**DECLARATION OF DEBRA METRIS-SHAMOON**

I, DEBRA METRIS-SHAMOON, state as follows:

1. I am competent to testify as to the contents of this declaration.
2. Along with my husband and parents, I was at my house located in Shelby Township, Michigan, on the date of September 13, 2012, when my house was raided by unknown agents.
3. I say "unknown" because none of the officers identified themselves, the officers were dressed in black, and none of them displayed badges. When I was able to look outside I did see that one of the cars was a Detroit Police vehicle.
4. At the time I thought my house was being robbed, though one of the officers later identified himself by the name "Tucker."
5. At no time during the raid did any of the officers show us a warrant.
6. The officers took my and my husband's medical marijuana plants, about \$315 of cash, and also took several registered firearms belonging to my son Adam.
7. We had no idea what was happening as we thought there must have been some kind of mix up with another house.
8. Neither I nor any of my family members were ever charged with any crimes arising from this raid.
9. In the weeks after the raid, I twice contacted the Detroit Police Department asking why they had raided our house and demanded to see a warrant. Both times I spoke with a woman who told me she couldn't find anything in the system under either my name or our home address.
10. My son Adam contacted one of the officers whose name was written down on a paper and my son asked what was going on and why did they raid our home. My son never got any

answers about what had happened, though in November or December of 2012 he was told to come down to the station to pick up his firearms.

11. It wasn't until February or March of 2015 that I saw media reports about another raid carried out by officers from the City of Detroit that I had any idea that the officers may have violated our rights.
12. After seeing these media reports, I contacted my current attorneys' office and inquired if they could help us sort out what happened to us in September 2012.
13. A couple months later, in or around April 2015, I learned through other media reports that federal agents had indicted several Detroit police officers for conducting unlawful searches and seizures in and around Detroit. It wasn't until then I firmly believed that my family's rights had also been violated by the raid on our house in September 2012.
14. At no time did the City ever send me or my family any kind of notice or paperwork about the City filing for bankruptcy, and I didn't know about the City's bankruptcy until my attorneys talked to me about it well after I contacted them in the Spring of 2015.

I declare under the penalty of perjury that the foregoing is true and correct pursuant to 28 U.S.C. § 1746.

Dated:

5-15-22

*Albra Metris Shamon*

# EXHIBIT I

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

Case No. 15-20217  
Hon. Stephen J. Murphy, III

D-1 DAVID HANSBERRY  
D-2 BRYAN WATSON  
D-3 KEVLIN OMAR BROWN,

Defendants.

**JURY TRIAL: VOLUME 14**

BEFORE THE HONORABLE STEPHEN J. MURPHY, III  
United States District Judge  
Theodore Levin United States Courthouse  
231 West Lafayette Boulevard  
Detroit, Michigan 48226  
Tuesday, June 28, 2016

APPEARANCES:

For the Plaintiff  
United States of America: J. MICHAEL BUCKLEY  
SHELDON N. LIGHT  
U.S. Attorney's Office  
211 W. Fort Street  
Suite 2001  
Detroit, Michigan 48226  
313-226-9732

For the Defendant  
David Hansberry: MICHAEL J. HARRISON  
Harrison Law PLC  
240 Daines Street  
Birmingham, Michigan 48009  
248-430-6421

For the Defendant  
Bryan Watson: STEVEN F. FISHMAN  
615 Griswold  
Suite 1125  
Detroit, Michigan 48226  
313-962-4090

1 APPEARANCES: Continued

2 For the Defendant  
3 Kevlin Omar Brown:

KENNETH SASSE  
27 E. Flint Street  
2nd Floor  
Lake Orion, Michigan 48362  
248-821-7325

5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

To obtain a copy of this official transcript, contact:  
Linda M. Cavanagh, Official Court Reporter  
(248) 884-0327 • linda\_cavanagh@mied.uscourts.gov

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

TABLE OF CONTENTS

|   |             |
|---|-------------|
| <u>Government Witnesses Continued:</u>    | <u>Page</u> |
| ARTHUR LEAVELLS                           |             |
| Direct Examination Continued by Mr. Light | 5           |
| Cross-Examination by Mr. Harrison         | 15          |
| Cross-Examination by Mr. Fishman          | 71          |
| Redirect Examination by Mr. Light         | 147         |
| Recross-Examination by Mr. Harrison       | 149         |
| Recross-Examination by Mr. Fishman        | 150         |

EXHIBITS

|                       |                |                 |
|-----------------------|----------------|-----------------|
| <u>Identification</u> | <u>Offered</u> | <u>Received</u> |
| NONE                  |                |                 |

1 Detroit, Michigan

2 Tuesday, June 28, 2016

3 -- -- --

4 (Proceedings commenced at 8:36 a.m., all parties  
5 present)

6 (Whereupon the jury entered the courtroom at  
7 8:36 a.m.)

8 THE LAW CLERK: United States District Court for the  
9 Eastern District of Michigan is now in session, the Honorable  
10 Stephen J. Murphy presiding.

11 The Court calls Case No. 15-20217, United States of  
12 America versus David Hansberry and others.

13 THE COURT: Okay. Everybody's in place and let's all  
14 be seated please. Morning to everybody.

15 THE JURORS: Good morning.

16 THE COURT: We're going to get back to work here in  
17 just a few seconds. I -- at the end of the day yesterday, you  
18 know, your mind is in a number of different places, but we're  
19 going to go from now until 1:30, and what I'd like to do, if  
20 possible, is, you know, stretch out the morning session. If we  
21 don't have to take a break, we won't, and we'll go from now til  
22 about 10:45 or 11:00, take our usual 25 or 30-minute break,  
23 come back and then go from 11:30 roughly til 1:30. So that's  
24 my idea. If it doesn't work out that way, it's fine. If any  
25 of the parties or lawyers or the jury, of course, needs a break

1 prior to 11:00, just get Mr. Lepola's attention or whatever the  
2 case may be and we'll take -- we'll take a quick comfort break.

3 But my idea that I didn't put very artfully yesterday  
4 was that if we compress our -- our time, even though we're  
5 knocking off a little early today, we might be able to get in  
6 just as much testimony. Regardless of whether we do, we're  
7 making very good progress, as I mentioned yesterday, and I  
8 think we are -- we are right on schedule.

9 So continue to pay good attention. Thank you for  
10 being on time. Keep your minds open.

11 And if you're ready to go, Mr. Light --

12 MR. LIGHT: Thank you, Your Honor.

13 THE COURT: -- we're ready to go as well. Yes, sir.

14 DIRECT EXAMINATION CONTINUED

15 BY MR. LIGHT:

16 Q. Good morning, Mr. Leavells.

17 A. Good morning.

18 Q. When we finished yesterday, we had listened to a recording  
19 that you made of your conversations with David Hansberry on  
20 September 7, 2014, correct?

21 A. Correct.

22 Q. And in those conversations you talked about a number of  
23 different topics, including your mutual interest in growing  
24 marijuana?

25 A. Correct.

1 Q. Including the plan that purportedly came from Gary Jackson  
2 to stage another rip-off like the ones that had occurred  
3 before?

4 A. Correct.

5 Q. Including Mr. Watson's idea --

6 MR. HARRISON: Your Honor, I'm going to object --

7 Q. -- about how to manipulate that?

8 MR. HARRISON: -- I'm going to object again, Your  
9 Honor, to the continued leading.

10 THE COURT: I think we're setting the stage for  
11 further testimony, so I'll hold the objection in abeyance and  
12 ask you to, when we're back into the testimony, go ahead and --

13 MR. LIGHT: I just have a couple more along those  
14 lines.

15 THE COURT: Yeah. Sum -- sum up where we were and  
16 then get out of the leading questions and we'll move forward.

17 Go right ahead.

18 BY MR. LIGHT:

19 Q. Did your discussions also include what Mr. Watson and you  
20 had talked about about how to implement what Gary Jackson had  
21 been talking about?

22 A. Yes.

23 Q. And finally, did you talk some about contacts between Mr.  
24 Hansberry and the person he called "my man" in Kentucky?

25 A. Yes.

1 Q. Now, four days later did you meet again with Officer Bryan  
2 Watson on September 11, 2014?

3 A. Yes.

4 Q. And did you record that conversation as well?

5 A. Yes.

6 MR. LIGHT: I'm going to ask the Court if we may play  
7 and publish to the jury Government Exhibit 808.

8 THE COURT: Yes, sir. Go right ahead.

9 (Audio clip being played at 8:41 a.m.)

10 MR. LIGHT: Stop there.

11 BY MR. LIGHT:

12 Q. Where's this conversation taking place?

13 A. At his house.

14 Q. Where?

15 A. At his house.

16 Q. And where is that located?

17 A. In Novi.

18 Q. And you're outside?

19 A. Yes.

20 Q. Looking at a hornets nest or something like that?

21 A. Yes.

22 MR. LIGHT: Go ahead.

23 (Audio clip being played at 8:41 a.m.)

24 MR. LIGHT: Would you stop there?

25 BY MR. LIGHT:

1 Hansberry, you tell him the truck's en route, they take the  
2 truck down, correct?

3 A. Correct.

4 Q. And lots of notification are made, correct?

5 A. Yes.

6 Q. Federal agents you told us were notified, right?

7 A. Correct.

8 Q. A Border Patrol agent with a dog was called, correct?

9 A. Correct.

10 Q. Other federal agents arrive, correct?

11 A. Correct.

12 Q. Your supervisors arrived, correct?

13 A. Yeah.

14 Q. In all, would it be fair to say that there were at least  
15 20 or 30 law enforcement officers at that scene?

16 A. It was a lot.

17 Q. And you tell us that when you arrived on the scene, that  
18 the semi was stopped, correct?

19 A. Correct.

20 Q. And that there were officers inside the cab, correct?

21 A. Correct.

22 Q. And that there was money that appeared to already be out  
23 on the -- on the ground in duffle bags, correct?

24 A. It didn't appear to be but it was, laying right there on  
25 the ground next to the car.

1 Q. Okay. And the officers -- what month was this?

2 A. This was in July.

3 Q. July 2010, right?

4 Officers are wearing their summer plainclothes  
5 uniforms, correct?

6 A. Summer plainclothes uniforms?

7 Q. The officers on your crew are wearing polo shirts, right?

8 A. Officers on my crew? No.

9 Q. No?

10 A. Just two officers that had the raid gear on. The rest of  
11 us was in plainclothes.

12 Q. And who were the officers in the raid gear?

13 A. Tourville and Napier.

14 Q. Tourville and Napier.

15 And explain to us what the raid gear is.

16 A. At that time it was polo shirts with "Police" on it,  
17 narcotic patches on the side and BDU pants.

18 Q. So the raid gear would be polo shirts that say "Police"  
19 and BDU -- like 511 BDU pants, right?

20 A. Correct.

21 Q. Okay. And you say that when Officer Napier exited the  
22 truck cab, you tried to hug him, right?

23 A. Correct.

24 Q. And he kept you away, correct?

25 A. Pushed me away.

1 Q. Pushed you away.

2 And now in retrospect, you're inferring to the jury  
3 that you believe that Officer Napier had stolen money and  
4 didn't want to hug you because then you would have noticed the  
5 money that he had on him, correct?

6 A. I say -- you could say that.

7 Q. That's your inference, right?

8 A. Mm-hmm.

9 Q. All right. And Gary Jackson told you and you believed  
10 that there was \$3 million in that truck when it was stopped,  
11 correct?

12 A. He said it before and he said it after and stayed to it.

13 Q. And what you all found was \$2.1 million, correct?

14 A. 2.1197.

15 Q. Okay. And so approximately \$900,000 was missing, right?

16 A. Correct.

17 MR. HARRISON: And can we take a look at 724-F?

18 BY MR. HARRISON:

19 Q. What do we see there?

20 A. What part?

21 Q. How much of the money do we see there?

22 A. That's the 2.1197.

23 Q. That's all of it, right?

24 A. Correct.

25 MR. HARRISON: Can we see G?

1 BY MR. HARRISON:

2 Q. Do these numbers mean anything to you, sir?

3 A. Yes.

4 Q. What do they mean?

5 A. The numbers to the left is the itemized number and then to  
6 the right is how much is in that pack.

7 Q. Okay. And so the 20 would mean \$20,000, right?

8 A. Correct.

9 Q. So one of those packets that is labeled 20 would have --  
10 would be \$20,000, right?

11 A. Correct.

12 Q. Okay. And, sir, would you agree with me that those  
13 packets are approximately eight to ten inches long and  
14 approximately six to eight inches across, does that sound about  
15 accurate?

16 A. I don't -- I don't know.

17 Q. About the size of a legal pad, that'd be a fair estimate?

18 A. I don't know.

19 Q. You don't know.

20 And would you agree with me, sir, that they're about  
21 four to five inches thick?

22 A. I don't know the dimensions of it.

23 Q. Okay. So what we see there is \$2.1 million, right?

24 A. 2.1197.

25 Q. Right. So you would agree with me that half of that would

1 be a little more than a million, right?

2 A. Somewhere around there.

3 Q. And you believe or you surmise that Officers Tourville and  
4 Officers Napier were able to take half of that money and hide  
5 it under their polo shirts and in their pants, and they were  
6 able to do that before any of the other officers arrived,  
7 that's what you're suggesting to us, correct?

8 A. That's not what I'm suggesting. I didn't say a million  
9 dollars.

10 Q. \$900,000, right?

11 A. 2.1197, so that's more like seven to eight thousand,  
12 800,000.

13 Q. Okay. Fair enough. I want to move you on to some of the  
14 specific incidents that you talked about, other ones. You  
15 talked -- you told us about an incident in South -- Southfield  
16 involving a raid that you did with Sergeant Hansberry's crew  
17 where a woman was in the bathroom asking you to shoot her,  
18 right?

19 A. Asking officers to shoot her, yes.

20 Q. Asking officers to shoot her.

21 And you remember specifically her saying that, right,  
22 "Please shoot me," something like that?

23 A. Something around -- like that.

24 Q. Okay. And you remember that there were officers from  
25 another department there as well, correct?

1 A. Southfield.

2 Q. And you told us that your recollection was that somewhere  
3 around \$40,000 was found, right?

4 A. It was on the table.

5 Q. It was on the table?

6 A. Correct.

7 Q. What was your role in that entry, that raid?

8 A. I didn't really have a role in that one. I was just in  
9 the -- in the entry crew.

10 Q. So you were part of the entry crew?

11 A. Correct.

12 Q. Part of the crew that went in after the door was -- was --  
13 was taken down, right?

14 A. Correct.

15 Q. Part of the crew that went around and searched and  
16 secured, right?

17 A. Correct.

18 Q. And you don't remember specifically what you did, what  
19 your role was?

20 A. No. I was just on the stack that I can remember.

21 Q. On the stack.

22 Can you explain to the jury what that means, to be on  
23 the stack?

24 A. Just stacked up in the -- in the line.

25 Q. Okay. And you recall that after the money was secured,

1 THE COURT: Five minutes?

2 MR. BUCKLEY: Judge, I would agree with Mr. Fishman  
3 as well.

4 THE COURT: All right. Let's take five minutes,  
5 ladies and gentlemen. It's 10:25 and let's get back at 10:30.  
6 Let's all rise for our jurors please.

7 (Whereupon the jury was excused at 10:25 a.m.)

8 THE COURT: Okay. Five-minute recess. You can step  
9 down.

10 (Court in recess at 10:26 a.m.)

11 (Proceedings resumed at 10:36 a.m., all parties  
12 present)

13 (Whereupon the jury entered the courtroom at  
14 10:36 a.m.)

15 THE COURT: Okay.

16 MR. FISHMAN: We all feel a lot better now, Judge.

17 THE COURT: I know. Always ready to help.

18 MR. FISHMAN: Especially those of us who are a little  
19 up in years, you know.

20 THE COURT: I was ready myself.

21 All right. Let's all be seated. Our jury's back.

22 Now, listen, Mr. Fishman, we -- maybe, you know,  
23 when -- 35, 40 minutes, 11:00, 11:15, when you think it's a  
24 good time for our break, you let us know --

25 MR. FISHMAN: I will.

1 THE COURT: -- and we'll take -- okay. Go right  
2 ahead.

3 CROSS-EXAMINATION

4 BY MR. FISHMAN:

5 Q. Okay. So Mr. Levels [sic], you started -- or Leavells,  
6 you started as a police officer in 1999, correct?

7 A. Correct.

8 Q. When you were asked at the grand jury why you wanted to  
9 become a police officer, you said as follows, page 5: Answer,  
10 "Well, I thought I could make a difference, you know, and  
11 wanted to support my family." Do you remember that answer?

12 A. Correct.

13 Q. All right. So that was part of your intention, when you  
14 said "make a difference," you meant do something good out for  
15 the community, correct?

16 A. Correct.

17 Q. And then you told Mr. Harrison about an incident that  
18 happened where you were trying to help Benny Doughrity, it's  
19 D-O-U-G-H-R-I-T-Y, because he was some type of kin to Mr.  
20 Jackson, am I right?

21 A. Correct.

22 Q. And Gary Jackson approached you and he asked you if you  
23 could do something to help his kin, whatever he was to him,  
24 right?

25 A. Correct.

1 Q. And you said you'd see what you could do, something like  
2 that, correct?

3 A. Yes.

4 Q. And what you decided to do, according to what you were  
5 telling us before the break, was you typed up a search warrant  
6 affidavit, am I right?

7 A. Correct.

8 Q. And I'm not going to read through the same things that Mr.  
9 Harrison read through, but you'd agree with me that it  
10 contained all kinds of lies, right?

11 A. Some.

12 Q. Well, I don't want to go through all of them, but the ones  
13 you agreed with Mr. Harrison were lies, you still agree those  
14 were lies, right?

15 A. Correct.

16 Q. And you knew from your experience that you can't just type  
17 up a search warrant affidavit, you have to actually swear to it  
18 and sign it, am I right?

19 A. Correct.

20 Q. And you knew then as a police officer that swearing to an  
21 affidavit was exactly the same as what you did yesterday when  
22 Judge Murphy asked you if you're telling the truth, correct?

23 A. Correct.

24 Q. It's an oath, isn't it?

25 A. Correct.

1 Q. And what you did was you swore to something that you knew  
2 contained a number of lies, am I right?

3 A. Correct.

4 Q. Can you tell us, sir, how did you decide which lies to  
5 stick in there, for instance, the surveillances that you  
6 claimed you observed narcotics transactions, how -- how did you  
7 decide what lie you should stick in there?

8 A. It's just wording.

9 Q. Well, it's word -- how did you pick a black male,  
10 heavysset, wearing a tan jacket, did you just pick that out of  
11 the sky?

12 A. Yeah. It's not hard to do.

13 Q. It's not hard to do.

14 Had -- had you done that before?

15 A. Yeah, I've done it before.

16 Q. You've submitted false affidavits both to the Prosecutor's  
17 Office and to judges before this?

18 A. Correct, just like your client did.

19 Q. Okay. Mr. Levels [sic], we're going to -- Leavells --  
20 we're going to have a real -- I'm going to ask you questions  
21 and you answer my question. If you want to make a speech, you  
22 tell the Judge. If he lets you do it, you can speech, okay?  
23 You got it? You got it?

24 A. I understand what you're saying.

25 Q. All right. So my question is are you telling the jury

1 that in addition to this false affidavit, you've submitted  
2 other false affidavits, true?

3 A. I made others.

4 Q. And on each occasion you did the same thing in terms of  
5 typing it up, swearing to it, eventually talking to a  
6 prosecutor and then seeing a judge about it, am I right?

7 A. Correct.

8 Q. And in this instance, the one that we have here, was March  
9 the 14th of 2013, correct?

10 A. Correct.

11 Q. And based on your testimony, you said you went to the FBI  
12 task force in October of 12, am I right?

13 A. Yeah, late October, 12.

14 Q. Halloween I think you said, true?

15 A. During Halloween.

16 Q. And then you stayed about six or seven months, correct?

17 A. Up until May, June -- I mean April, May.

18 Q. April, May of 2013, right?

19 A. Correct.

20 Q. Which means that on March the 14th of 2013 when you  
21 submitted this false affidavit, you were working for the FBI?

22 A. I was working for Detroit Police Department.

23 Q. Okay. Let me use a different preposition. You were  
24 working with the FBI at the time you did this?

25 A. I was on the joint task force, yes.

1 Q. And did you tell any of your superiors, either Sergeant  
2 Weathers or maybe one of the FBI agents, say, "Guess what,  
3 fellas? I've got to help this guy out so I'm going to go  
4 submit a false affidavit to a prosecutor and a judge." Did you  
5 tell anybody that?

6 A. No.

7 Q. Because you knew if you told them, number one, you'd be  
8 booted off the task force in 15 minutes, right?

9 A. I don't know that.

10 Q. You don't.

11 Well, you figure they would say, "Hey, we're going to  
12 give you one of those commendations for doing this." Is that  
13 what you figured would happen?

14 A. Never thought of it.

15 Q. Okay. You -- you certainly thought of the notion if you  
16 told the FBI or other officers that you were about to submit a  
17 false affidavit, you knew something bad would happen to you,  
18 didn't you? I'm sorry?

19 A. Well, you didn't give me a chance to answer.

20 Q. Go ahead. Somebody coughed. I thought you did.

21 A. Oh. I didn't -- can you repeat the question now?

22 Q. Yeah. My question is you knew, did you not, that if you  
23 told the FBI or anybody on your task force, "I'm about to  
24 submit a false affidavit to a judge and to a prosecutor," that  
25 something bad would happen to you, right?

1 A. I don't know what will happen.

2 Q. How well did you know Assistant Prosecutor Sarah DeYoung  
3 as of March 24th of 2013?

4 A. I knew her.

5 Q. And you knew she was a narcotics prosecutor over there,  
6 correct?

7 A. Correct.

8 Q. And from what you saw, first she appeared to be a good  
9 lawyer, true?

10 A. True.

11 Q. And she appeared to be a straightforward,  
12 straight-shooting, honest person, true?

13 A. True.

14 Q. Did it bother you in the least when you were reading this  
15 affidavit over the phone to her that you were telling her a  
16 bunch of lies, did that bother you?

17 A. I was reading what was on there.

18 Q. I know that, but my question is, sir, did it bother your  
19 conscience, did it bother your mind, did it bother you at all  
20 to be reading a pack of lies to somebody like Sarah DeYoung  
21 who's a narcotics prosecutor at the Wayne County Prosecutor's  
22 Office?

23 A. I didn't know my state of mind at that time so I can't  
24 tell you something from not -- from back then.

25 Q. What you do know though about your state of mind was you

1 were certainly trying to help Gary Jackson, that's for sure?

2 A. Correct.

3 Q. And if it required you to lie on the phone to the  
4 prosecutor, whatever your state of mind was, it wasn't enough  
5 to keep you from doing it, agreed?

6 A. I did what I did.

7 Q. All right. And after you lied to Sarah DeYoung, you had  
8 to go in front of some judge or magistrate with your affidavit  
9 and have a brief conversation with that judge or magistrate,  
10 true?

11 A. True.

12 Q. And you've done that countless occasions, true?

13 A. Correct.

14 Q. And the judge or magistrate, whether they happen to be  
15 sitting on the bench at the time or they're in chambers or  
16 they're somewhere, they do the same thing that Judge Murphy did  
17 that we talked about earlier: You put your hand in the air,  
18 you tell that judge or that magistrate everything in here is  
19 true, right?

20 A. Correct.

21 Q. So when you stuck your hand in the air on March  
22 the 24th -- I'm sorry, March the 14th of 2013 and you were  
23 asked is everything true, did it bother you to lie outright to  
24 the judge or magistrate, did it bother you?

25 A. I don't know my state of mind at that time so I don't

1 know.

2 Q. Okay. You told Mr. Harrison that you know nothing of  
3 whether or not -- strike that. Let me start over.

4 Whether it was in person, on the phone, on e-mail or  
5 by carrier pigeon, did you ever say to Sarah DeYoung after this  
6 raid where you got the phony stuff, did you inform Sarah  
7 DeYoung that you wanted her to give a break to Benny Doughrity?

8 A. After?

9 Q. After you had the phony raid with the phony warrant and  
10 whatever the phony stuff you found in there, did you  
11 communicate in any way with Sarah DeYoung that you wanted her  
12 to give a break to Benny Doughrity on his case?

13 A. After?

14 Q. At any time.

15 A. I asked her what was needed to make that case go away.

16 Q. And you asked her that before the phony affidavit?

17 A. I asked her what was needed.

18 Q. Right. My question is did you ask her that before you  
19 read that phony affidavit to her or after?

20 A. I had to ask her before.

21 Q. All right. So you talked to her before and you asked her  
22 what was needed, and her answer was?

23 A. Some drugs and a gun.

24 Q. So that gave you the brilliant idea to look -- to create a  
25 search warrant affidavit looking for drugs and a gun, right?

1 A. Correct.

2 Q. And after you found whatever you found, did you then  
3 contact Sarah DeYoung and say, "Hey, we went in, he was my  
4 source and we found drugs and guns, what are you going to do  
5 for him?" or something like that?

6 A. No. I just let her know what we got and that was it.

7 Q. You never then -- I'm asking you this for the last time.  
8 This is your last chance. You never said to Sarah DeYoung,  
9 "Look, we found this stuff and I want you to do something, I'm  
10 asking you to do something for Doughrity on his criminal case."

11 A. Once again, I called her and let her know what we got.

12 Q. Okay. The whole purpose of the exercise, including the  
13 phony affidavit, was to try to help Mr. Jackson's kin, Benny  
14 Doughrity, correct?

15 A. Correct.

16 Q. Do you know, sir, where Mr. Doughrity is today?

17 A. No.

18 Q. Do you know, do you have any information whatsoever that  
19 tells you that he's sitting in the penitentiary today on that  
20 case?

21 MR. LIGHT: Objection, Your Honor. He's already said  
22 he doesn't know.

23 THE COURT: I'll overrule. You can answer that.

24 Go ahead.

25 BY MR. FISHMAN:

1 Q. Do you know that he's in the penitentiary today on the  
2 case you were supposedly trying to help him on?

3 A. No, I don't know.

4 Q. Okay. Did Sarah DeYoung ever say to you at any time,  
5 either before or after, did she ever say to you, "Hey, don't  
6 worry about it, I'll take care of that case, nothing will  
7 happen to him"?

8 A. I don't recall.

9 Q. Okay. All right. You started your police career at the  
10 Third Precinct, correct?

11 A. Correct.

12 Q. You worked Special Operations, correct?

13 A. Correct.

14 Q. You went to Narcotics, correct?

15 A. Correct.

16 Q. And then you went to the FBI task force around 2012,  
17 around Halloween as you've told us, right?

18 A. Correct.

19 Q. When you got to the FBI task force, did you tell anybody  
20 there, "Hey, there's a lot of crookery going on in Detroit  
21 Police Narcotics; in fact, I'm one of them." Did you tell them  
22 that?

23 A. No.

24 Q. But by then, according to you, there was all kinds of  
25 crookery going on in the Detroit Police Narcotics Section,

1 right?

2 A. It was things going on.

3 Q. Right. Including money seizure and some of the other  
4 things you've told us about, correct?

5 A. Correct.

6 Q. But just so we're clear, you never said to anybody at the  
7 FBI or anybody at the task force, you know, "You don't want me,  
8 I've been a crook, and I know some other guys and I can tell on  
9 them." You didn't do that, did you?

10 A. Nope.

11 Q. So by January of 2014 you were in Narcotics again and you  
12 were working on Sergeant Geelhood's crew, is that correct?

13 A. In January, yes.

14 Q. And did you have some suspicions about Sergeant Geelhood?

15 A. What do you mean?

16 Q. Well, I mean did you think Sergeant Geelhood was a crook?

17 A. I don't know if he was a crook.

18 Q. Did you have any suspicions about him at all?

19 A. That's a wide open question. I mean --

20 Q. You're right.

21 A. -- be specific.

22 Q. No, that's my question. The answer is easy, yes or no?

23 A. I can't answer that question.

24 Q. Okay. Did Sergeant Geelhood before he was a sergeant work  
25 on Sergeant Hansberry's crew with you, Hansberry, Watson and

1 the other people you've named?

2 A. I wasn't on there when he was there.

3 Q. Did you know him to have worked on Sergeant Hansberry's  
4 crew?

5 A. Yes.

6 Q. And your answer is, when I asked you were you -- did you  
7 have any suspicions, you don't know? Is that your answer?

8 A. You have to specify what you're talking about. Other than  
9 that, I can't answer the question.

10 Q. Okay. When you were on Sergeant Geelhood's crew in  
11 January of 2014, were you still selling marijuana to Calvin  
12 Turner?

13 A. Yes.

14 Q. And tell the jury again how -- how many times you figure  
15 you gave weed to Calvin Turner.

16 A. Several.

17 Q. Well, does several mean four or five, 10 or 12, what does  
18 that mean?

19 A. I don't know, sir.

20 Q. More than 10?

21 A. Several.

22 Q. Okay. And what kind of quantities were you giving him?

23 A. Pounds.

24 Q. And how were you dividing up the money, splitting it?

25 A. Yes.

1 Q. And that was while you were -- continued while you were  
2 working on Geelhood's crew, correct?

3 A. Correct.

4 Q. You were also running a grow house, right, or being  
5 involved in a grow house, correct?

6 A. Correct.

7 Q. And was the marijuana that was being grown in the house  
8 being sold?

9 A. It still hadn't been sold.

10 Q. I'm sorry?

11 A. It wasn't sold.

12 Q. It was just in the process of being grown?

13 A. Yeah.

14 Q. Did you tell Sergeant Geelhood, "Hey, I hope you don't  
15 mind, but I've got a grow house and I'm giving weed to Calvin  
16 Turner. Is it okay if I stay on the crew?" Did you have a  
17 conversation like that with him?

18 A. No.

19 Q. Were you guys also ripping off marijuana when you'd go for  
20 raids while you were working with Sergeant Geelhood's crew?

21 A. Sometimes.

22 Q. And was the sergeant in the middle of that, was he either  
23 taking it himself or watching you guys?

24 A. He pretty much knew.

25 Q. He pretty much knew. Okay.

1                   And the crew was what, five, six, seven, eight  
2 people?

3 A.    It all depends.

4 Q.    Were Beasley and Bray still on the crew?

5 A.    Yes.

6 Q.    And you've testified on numerous occasions Beasley and  
7 Bray were not crooks, correct?

8 A.    Correct.

9 Q.    And you're saying they knew and looked the other way, or  
10 are you saying they didn't know and they got nothing out of it?

11 A.    You have to ask them.

12 Q.    No, I'm asking you, sir, from what you observed and what  
13 you heard.

14 A.    I mean I don't know if they knew anything.

15 Q.    Okay. You'd -- you'd agree with me that -- that in most  
16 raids, at some point in time, everybody is inside the location  
17 at some point in time, true?

18 A.    Pretty much.

19 Q.    And you'd agree with me the evidence has to be catalogued  
20 and listed, correct?

21 A.    Correct.

22 Q.    And you'd agree with me that oftentimes that evidence  
23 includes controlled substances, it may also include personal  
24 property like jewelry and it may also include cash, correct?

25 A.    Rarely jewelry, but...

1 Q. Okay. Let's say cash and drugs. Yes?

2 A. And guns, yeah.

3 Q. And guns, right? Okay.

4 The incident occurs where you have the raid and  
5 there's some equipment that's taken, the one that you've been  
6 talking about to both the government and Mr. Harrison, correct?

7 A. Correct.

8 Q. You didn't think ahead of time that maybe this crook who's  
9 growing marijuana is slick enough that he might have some  
10 surveillance inside, did you?

11 A. I don't know.

12 Q. Well, did it cross your mind, hey, maybe we shouldn't  
13 steal this stuff because maybe the guy's got surveillance  
14 equipment?

15 A. A lot of places have surveillance.

16 Q. That's not my question though. I'm talking about this  
17 incident, did it occur to you that it might not be a good idea  
18 to participate in stealing because he might have surveillance  
19 equipment?

20 A. I don't know.

21 Q. Did anybody say while the stealing was going on or before  
22 the stealing or after the stealing, "Hey, fellas, we could get  
23 caught, maybe the guy's got surveillance equipment." Anybody  
24 say that?

25 A. Not that I remember.

1 Q. But you -- you'd agree, as you've just said, these days a  
2 lot of people do have surveillance equipment; houses,  
3 buildings, parking lots, right?

4 A. Courtrooms.

5 Q. Courtrooms.

6 A. Mm-hmm.

7 Q. Okay. So when you got suspended, tell us again what's the  
8 month and year?

9 A. It was 2014 in July.

10 Q. July.

11 That meant when you were suspended, there's two ways  
12 of being suspended in the police department, with pay and  
13 without pay. Which way were you suspended?

14 A. With pay.

15 Q. All right. So you were still getting your pay, correct?

16 A. Correct.

17 Q. And your understanding was that the -- there'd be an  
18 investigation generally by Internal Affairs, is that true?

19 A. Correct.

20 Q. And at some point in time there'd be some recommendation  
21 and maybe you'd have a trial board or maybe not and you'd get  
22 some kind of a punishment or not, correct?

23 A. I don't know what would happen.

24 Q. You were not concerned then, though, that you were going  
25 to get fired as a result of the stealing from the weed house,

1 were you?

2 A. I didn't get fired.

3 Q. Sir, I'm asking you, were you concerned at the time when  
4 you were suspended and you were still getting paid, were you  
5 concerned that you were going to be fired or did you figure  
6 you'll get 30 days off or something?

7 A. I knew I wasn't going to get fired.

8 Q. Okay. So you were still getting a check from the police  
9 department every two weeks, correct?

10 A. Correct.

11 Q. And in April of 2014 you started having a marijuana  
12 connection with this fellow Timothy Davis, am I right?

13 A. Correct.

14 Q. Did I hear you correctly, did you tell Mr. Harrison you  
15 didn't know Timothy Davis was working with the government until  
16 he mentioned it to you today?

17 A. No, that isn't what he said.

18 Q. All right. You -- you -- you've -- you've learned that he  
19 was -- he was an informant for the government, right, you knew  
20 that before you came in here today, didn't you?

21 A. Right.

22 Q. You knew that those deliveries you were making of weed and  
23 hash and cannabis oil and whatever the other stuff was, you  
24 knew that he was working for the government when you gave those  
25 things to him, right?

1 A. No.

2 Q. You -- you -- you know that now though, don't you?

3 A. Yeah, now, afterwards.

4 Q. And you learned afterwards, you learned that the money  
5 that you got came from the FBI?

6 A. Correct.

7 Q. Okay. So now you didn't learn that until after you were  
8 busted in the phony rip set up by Gary Jackson correct?

9 A. Correct.

10 Q. All right. So nobody, the FBI or the government, for  
11 whatever reasons, they didn't grab you when you took the money  
12 from Timothy Davis, right?

13 A. Correct.

14 Q. They didn't grab you when you provided them with whatever  
15 you provided them, right?

16 A. Yes.

17 Q. They left you out there, right?

18 A. I guess.

19 Q. Under suspension from the police department, true?

20 A. No.

21 Q. Working as a police officer?

22 A. Which time?

23 Q. Timothy Davis. We're talking about April of 2014.

24 A. I was off, sir.

25 Q. All right. And then the suspension came what -- when

1 again?

2 A. In July.

3 Q. And was it early July?

4 A. It was in July.

5 Q. All right. And again, you were still getting paid, right?

6 A. Correct.

7 Q. So when Gary Jackson came to you and proposed this robbery  
8 where y'all could split \$40,000, it wasn't like you weren't  
9 getting a paycheck from the City of Detroit, right?

10 A. I wasn't getting the same paycheck that I was getting  
11 before.

12 Q. And so the jury understands, you mean because you weren't  
13 getting court time, right?

14 A. Court time, overtime, things like that.

15 Q. And as a narcotics officer, you spend a lot of time  
16 testifying in court, right?

17 A. Correct.

18 Q. Which you've done a zillion times, right?

19 A. Yes.

20 Q. And you get paid extra if you work overtime and you get  
21 paid what's called court time, particularly if you're not  
22 working that day, right?

23 A. Correct.

24 Q. So your check, even though it was still coming from the  
25 citizens, was smaller than it was before?

1 A. Whole lot smaller.

2 Q. A whole lot smaller, right?

3 A. Correct.

4 Q. Are you telling the jury that's why you agreed to get  
5 involved in trying to steal the 40,000 along with Gary Jackson,  
6 was it 'cuz you weren't getting enough dough from the city?

7 A. No, I made a bad judgment.

8 Q. All right. That didn't enter into it though. It wasn't  
9 the fact that you weren't getting enough money from the city  
10 that caused you to say, you know, "I'm going to go in and  
11 participate in a robbery," it wasn't that?

12 A. Made a mistake.

13 Q. Okay. But -- but it was greed, wasn't it? I mean, to be  
14 blunt, wasn't it just greed?

15 A. How was it greed?

16 Q. I'm asking you. Didn't it seem like it's -- "I can get  
17 \$20,000 or \$19,000, I can do it easy" and you were greedy,  
18 isn't that right?

19 A. That's not greedy.

20 Q. Okay. It is stealing though, you would agree with that,  
21 yes?

22 A. It's taking money.

23 Q. Okay. And do -- would -- would you agree that when Mr.  
24 Jackson called you and proposed this idea, that one of the  
25 things you were thinking about was, "Boy, what's in it for

1 Q. But you hope, do you not, that it will be as low as  
2 possible, right?

3 A. Correct.

4 Q. Okay. So --

5 MR. FISHMAN: Thank you, Ms. Koch.

6 BY MR. FISHMAN:

7 Q. It's your testimony that everybody that you worked with in  
8 Narcotics, particularly on Sergeant Hansberry's crew except for  
9 Beasley and Bray, were all dirty cops, am I right?

10 A. I don't know about Amy Metalic.

11 Q. Okay. Barnett, he's dirty for sure, right?

12 A. I don't know.

13 Q. Well, didn't you -- didn't you tell us yesterday you saw  
14 Officer Barnett take an ounce of cocaine and stick it in his  
15 pocket and walk out with it?

16 A. Yeah, I seen him do that.

17 Q. Don't you think that kind of meets the definition of a  
18 dirty cop, or is that something that's -- what -- what you're  
19 supposed to do?

20 A. I mean I just knew he wasn't right.

21 Q. Okay. Officer Napier?

22 A. Right.

23 Q. Officer Tourville?

24 A. Right.

25 Q. Officer Riley?

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

A. Right.

Q. What about Officer Whitten, W-H-I-T-T-E-N, did she work on your crew?

A. Yeah, she did.

Q. Is she a crook?

A. Not that I know of.

Q. Okay. So she's no, Beasley's no, Bray's no, Metalic, question mark?

A. Yeah, I don't know.

Q. And Geelhood?

A. Yeah

Q. Yes. Okay.

And the people, whoever their names are that you recognize as the code names that were given to you, do you say they're crooked or no? Sting, Seal, Lobo, Dragon.

A. I have no idea.

Q. Okay.

A. Dragon, no.

Q. When you saw Officer Barnett take the cocaine during a raid, can you tell the jury approximately when that was?

A. I don't know exactly.

Q. Was it before or after the large money seizure that we're going to talk about in a second?

A. After.

Q. Okay. And you said that you -- you talked to Sergeant

1 Hansberry and Officer Watson about it, correct?

2 A. Correct.

3 Q. Did you -- did you have lieutenants still in those days?

4 A. Did I have who?

5 Q. Were there lieutenants in the Narcotics Section?

6 A. Correct.

7 Q. And over the lieutenant is what, the inspector, used to  
8 be, now the captain?

9 A. Right.

10 Q. And then there are commanders, correct?

11 A. Correct.

12 Q. And then there's the Chief of Police. Deputy chiefs and  
13 then the Chief of Police, correct?

14 A. Inspectors and... yeah.

15 Q. All right. So you -- you told us you talked to Hansberry  
16 and Watson and they asked you what did you want to do about it,  
17 right?

18 A. Correct.

19 Q. And you didn't want to do anything about it, did you?

20 A. I told them whatever they wanted to do.

21 Q. Because if you wanted to do something about it, whatever  
22 these two said, you could have gone to the lieutenant, the  
23 inspector, all the way up to the Chief of Police and say, "Hey,  
24 I just saw crookery in a search warrant execution," right?

25 A. I mean I went to my immediate supervisor.

1 Q. I know that. But my question is, sir, if your immediate  
2 supervisor didn't do anything, there was nothing keeping you  
3 from going way higher than him in the police department and  
4 reporting what you say you saw, right?

5 A. Yeah, wasn't nothing stopping me.

6 Q. You told the jury, in response to Mr. Light's question at  
7 the end of your direct testimony, if you would have stayed in  
8 southwest Detroit, you wouldn't be here right now, correct?

9 A. Correct.

10 Q. So are you blaming other people for the fact that you lied  
11 on search warrant affidavits, gave weed to Calvin Turner and  
12 all the other things that you've talked about, is that somebody  
13 else's fault?

14 A. Did I say that?

15 Q. I'm asking you.

16 A. I didn't say that. I said that if I'd a stayed there, I'd  
17 a been okay.

18 Q. And my question is are you blaming that on other people or  
19 are you taking responsibility for it yourself?

20 A. I'm a man. I take responsibility for myself.

21 Q. You -- you'd agree, had you gone to some superior officer  
22 higher than your sergeant about Officer Barnett, you could have  
23 put a stop to whatever was going on right then, couldn't you?

24 A. No.

25 Q. Okay. You told us you knew Calvin Turner from childhood,

1 A. They got people out the house.

2 Q. Did you learn that somebody was arrested?

3 A. Yes.

4 Q. Did you learn that that person's name was Dante Mitchell?

5 A. I don't recall the name, sir.

6 Q. Did you learn that that person wound up being charged in  
7 court, in Recorder's Court in Frank Murphy?

8 A. I have no idea.

9 Q. Did you talk to Gary Jackson about what kind of story that  
10 guy should tell to the police or to the prosecutors?

11 A. What story?

12 Q. Did you talk to Gary Jackson about what kind of story the  
13 person who was being held hostage -- and let's assume his name  
14 is Fred Tucker -- did you talk to Gary Jackson about what that  
15 guy ought to tell the police and prosecutors about the whole  
16 incident?

17 A. I don't know exactly. I don't know.

18 Q. Do you know today that during May of 2014 there was a  
19 federal wiretap on Mr. Jackson that picked up his phone calls?

20 A. How would I know that?

21 Q. I don't know. That's why I'm just -- you didn't know and  
22 you don't know it now?

23 A. You're telling me.

24 MR. FISHMAN: Okay. That's all.

25 THE COURT: Thank you. Anything from you, Mr. Sasse?

1 MR. SASSE: No. Thank you, Your Honor.

2 THE COURT: Mr. Light, you want to ask some  
3 questions?

4 MR. LIGHT: I have just a few, Your Honor.

5 Could I see that report from Glynn Court, sir --

6 MR. FISHMAN: Sure.

7 MR. LIGHT: -- that you asked about, sir?

8 MR. FISHMAN: Yes, sir.

9 REDIRECT EXAMINATION

10 BY MR. LIGHT:

11 Q. Just -- just one area I want to try to clarify a little  
12 bit with you, Mr. Leavells. That seizure from the cab of the  
13 truck, of the semi truck, was a lot of money, correct, sir?

14 A. Correct.

15 Q. The final count of what was brought downtown to DBT -- DPD  
16 headquarters was about \$2.197 million, is that right?

17 A. Correct.

18 Q. Now, Gary Jackson insisted that there was more money than  
19 that in that -- in that cab, correct?

20 A. Correct.

21 Q. How much did he insist was there?

22 A. It was a range, but he kept saying 3 million.

23 Q. And Little, Gary Jackson's nephew, you talked with him  
24 about that as well?

25 A. Correct.

1 Q. And he insisted what amount of money was present in that  
2 cab, as he understood it?

3 A. Three million, and kept showing me pictures.

4 Q. Now, there's a difference of about \$800,000 there,  
5 correct?

6 A. Correct.

7 Q. If that \$800,000 went walkabout away from that cab during  
8 the execution of -- of -- of that street enforcement, do you  
9 know how it walked away, how it got away?

10 A. No.

11 Q. You're not saying that somebody stuffed it all in the  
12 cargo pockets of the cargo pants that Napier and Tourville had  
13 on, you're not saying that, are you, sir?

14 A. Nope.

15 Q. You just don't know if or how that money was stolen,  
16 correct?

17 A. Correct.

18 Q. Mr. Fishman asked you some questions about your grand jury  
19 testimony. Do you recall that?

20 A. Yes.

21 Q. And he asked you a question and your answers from pages 30  
22 to 31 of your grand jury testimony, right?

23 A. Right.

24 Q. That wasn't all your grand jury testimony on this subject,  
25 was it, sir?

1 A. No.

2 Q. On page 36, starting at line 12, were these -- was this  
3 question asked and did you give this answer: Question, "After  
4 the fact, were there discussions involving Gary Jackson about  
5 how much money was in the cab?" Answer, "Correct. What the  
6 final tally was that we came up with was 2.197. The number  
7 that Gary Jackson told us was 3 million. We didn't give him  
8 any money out of this. We paid him through city funds which  
9 was \$250,000 cash."

10 A. Correct.

11 Q. Was that your testimony before the grand jury as well?

12 A. Yes.

13 MR. LIGHT: No further questions.

14 THE COURT: Okay. Well, now hold on just a sec. Do  
15 you want to respond to any of that, Mr. Harrison?

16 MR. HARRISON: One question.

17 RECROSS-EXAMINATION

18 BY MR. HARRISON:

19 Q. I just want to make sure I heard what I heard just now  
20 right. With regard to the southwest Detroit big money seizure  
21 that Mr. Light just asked -- asked you about, you agreed with  
22 his question, you don't know if or how that money was stolen,  
23 right?

24 A. Correct. It wasn't southwest either.

25 MR. FISHMAN: Yeah, it's east -- east side.

1 communicate electronically about it, and keep your minds open.  
2 We'll see you tomorrow morning and we'll get through this,  
3 okay?

4 All right. Let's all rise for our jurors please.

5 (Whereupon the jury was excused at 12:41 p.m.)

6 THE COURT: Okay. Everybody may be seated. We're  
7 going to be in recess. Thank you all very much.

8 MR. LIGHT: Thank you, Your Honor.

9 MR. BUCKLEY: Thank you, Your Honor.

10 (Court in recess at 12:42 p.m.)

11 (Whereupon proceedings in the above-entitled matter  
12 were adjourned to Wednesday, June 29, 2016)

13 - - -

14

15

16

17

18

19

20

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

C E R T I F I C A T I O N

I, Linda M. Cavanagh, Official Court Reporter of the United States District Court, Eastern District of Michigan, appointed pursuant to the provisions of Title 28, United States Code, Section 753, do hereby certify that the foregoing pages 1 through 155 comprise a full, true and correct transcript of the proceedings held in the matter of United States of America vs. David Hansberry, Bryan Watson and Kevlin Omar Brown, Case No. 15-20217, on Tuesday, June 28, 2016.

s/Linda M. Cavanagh  
Linda M. Cavanagh, CSR-131, RPR, RMR, CRR  
Federal Official Court Reporter  
United States District Court  
Eastern District of Michigan

Date: May 1, 2017  
Detroit, Michigan

# EXHIBIT J

1 UNITED STATES DISTRICT COURT  
 2 EASTERN DISTRICT OF MICHIGAN  
 3 SOUTHERN DIVISION  
 4  
 5 DEBRA METRIS-SHAMOON,  
 6 MUKHLIS SHAMOON,  
 7 CARL VERES, PAUL METRIS,  
 8 JULIA METRIS,  
 9 Plaintiffs,  
 10 vs. Case #18-cv-13683  
 11 CITY OF DETROIT, and HON. ARTHUR J. TARNOW  
 12 SGT. JOE TUCKER, SGT. CANDACE  
 13 MATSCHIKOWSKI, in their Individual  
 14 and Official Capacities; SGT. STEPHEN  
 15 GEELHOOD, JUAN DAVIS, and BRIAN JOHNSON,  
 16 In their Individual Capacities;  
 17 jointly and severally,  
 18 Defendants.  
 19 \_\_\_\_\_/  
 20 PAGE 1 TO 132  
 21 The Virtual deposition of CHIEF JAMES CRAIG,  
 22 Taken Via Hanson Remote  
 23 Commencing at 11:00 a.m.  
 24 Thursday, May 21, 2020  
 25 Before Kelley Whitaker, CSR 0977.

1 Court reporter, attorneys & witness appearing remotely.  
 2  
 3  
 4 APPEARANCES:  
 5  
 6 DENNIS A. DETTMER, P27043  
 7 MICHAEL DEZSI, P64530  
 8 Dettmer & Dezsi, PLLC  
 9 613 Griswold, #1400  
 10 Detroit, MI 48224  
 11 (313) 281-8090  
 12 ddettmersq@yahoo.com  
 13 bbentley@dezsilaw.com  
 14 Appearing on behalf of the Plaintiffs.  
 15  
 16 JAMES M. SUROWIEC, P49560  
 17 LINDSEY R. JOHNSON, P67081  
 18 Allen Brothers, PLLC  
 19 401 N. Main Street  
 20 Royal Oak, MI 48-67-1812  
 21 (248) 951-9060  
 22 jsurowiec@allenbrotherspllc.com  
 23 Appearing on behalf of the Defendants  
 24  
 25 APPEARANCES CONTINUED:



1 APPEARANCES CONTINUED:  
 2  
 3 GRANT HA, P53403  
 4 City of Detroit Police Department  
 5 1301 3rd St., #75-751  
 6 Detroit, MI 48226-2503  
 7 (313) 596-2158  
 8 Appearing on behalf of Witness, Chief Craig  
 9  
 10 ALSO PRESENT: DEBRA METRIS-SHAMOON  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

1 TABLE OF CONTENTS  
 2 Witness Page  
 3 CHIEF JAMES CRAIG  
 4  
 5 EXAMINATION BY MR. DETTMER 9  
 6 EXAMINATION BY MR. SUROWIEC 122  
 7 RE-EXAMINATION BY MR. DETTMER 131  
 8  
 9  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

|    |                                    |    |
|----|------------------------------------|----|
| 1  | E X H I B I T S - Not Attached     |    |
| 2  | (Exhibits retained by Mr. Dettmer) |    |
| 3  | EXHIBIT 1                          | 10 |
| 4  | Notice of Deposition               |    |
| 5  | EXHIBIT 2                          | 10 |
| 6  | May 13, 2020, Email                |    |
| 7  | EXHIBIT 4                          | 14 |
| 8  | Wikipedia History of Craig         |    |
| 9  | EXHIBIT 5                          | 15 |
| 10 | Excerpt from Board                 |    |
| 11 | EXHIBIT 5A                         | 16 |
| 12 | Excerpt from Board                 |    |
| 13 | EXHIBIT 6                          | 17 |
| 14 | Organizational Charts              |    |
| 15 | EXHIBIT 7                          | 42 |
| 16 | Detroit News Article               |    |
| 17 | EXHIBIT 7A                         | 49 |
| 18 | Detroit News Report                |    |
| 19 | EXHIBIT 8                          | 61 |
| 20 | Police Commissioner Meeting        |    |
| 21 | EXHIBIT 9                          | 66 |
| 22 | Administrative Message             |    |
| 23 | EXHIBIT 10                         | 86 |
| 24 | Comerica Bank Deposit              |    |
| 25 | Tally Sheet                        |    |



|    |                              |     |
|----|------------------------------|-----|
| 1  | EXHIBIT 11A                  | 83  |
| 2  | Photo                        |     |
| 3  | EXHIBIT 11B                  | 83  |
| 4  | Photo                        |     |
| 5  | EXHIBIT 12                   | 93  |
| 6  | Detroit News Article         |     |
| 7  | 11/03/2014                   |     |
| 8  |                              |     |
| 9  | EXHIBIT 12                   | 93  |
| 10 | Detroit News Article         |     |
| 11 | 11/03/2014                   |     |
| 12 | EXHIBIT 12C                  | 96  |
| 13 | Indictment, Hansberry/Watson |     |
| 14 | EXHIBIT 12D                  | 97  |
| 15 | Free Press Article           |     |
| 16 | 6/30/16                      |     |
| 17 | EXHIBIT 12E                  | 98  |
| 18 | Leavells Testimony           |     |
| 19 | EXHIBIT 12F                  | 98  |
| 20 | Leavells Testimony           |     |
| 21 | EXHIBIT 12G                  | 99  |
| 22 | Jackson Testimony            |     |
| 23 | EXHIBIT 13                   | 101 |
| 24 | Money Counter Memo           |     |
| 25 |                              |     |



|    |                                |     |
|----|--------------------------------|-----|
| 1  | EXHIBIT 12J                    | 102 |
| 2  | Hansberry Conviction           |     |
| 3  | EXHIBIT 13                     | 90  |
| 4  | Investigation money counter    |     |
| 5  | EXHIBIT 14                     | 102 |
| 6  | Use of Paid Informants         |     |
| 7  | EXHIBIT 14A                    | 103 |
| 8  | Protective Order               |     |
| 9  | EXHIBIT 14B                    | 103 |
| 10 | Confidentiality of SOI         |     |
| 11 | EXHIBIT 14C                    | 103 |
| 12 | Confidentiality of SOI         |     |
| 13 | EXHIBIT 15                     | 107 |
| 14 | Internal Affairs Investigation |     |
| 15 | EXHIBIT 16                     | 108 |
| 16 | Matelic File                   |     |
| 17 | EXHIBIT 17                     | 108 |
| 18 | Geelhood Case                  |     |
| 19 | EXHIBIT 18                     | 109 |
| 20 | Darell Chancellor Case         |     |
| 21 | EXHIBIT 19                     | 109 |
| 22 | Darell Chancellor Case         |     |
| 23 |                                |     |
| 24 |                                |     |
| 25 |                                |     |

1 Virtual Deposition

2 May 27, 2020

3 About 11:00 a.m.

4 - - -

5 COURT REPORTER: My name is Kelley

6 Whitaker, CSR-0977, a Michigan State Notary Public and

7 Certified Shorthand Reporter, and this deposition is

8 being held via videoconferencing equipment and

9 telecommunication.

10 The counsel, witness, and reporter are not in

11 the same room. The witness will be sworn in remotely,

12 pursuant to stipulation and agreement of all parties.

13 Will the parties please stipulate on the

14 record that they consent and waive any objections to

15 this manner of conducting the deposition and the

16 attorneys participating in this deposition acknowledge

17 that I am not physically present in the deposition room

18 and that I will be reporting this deposition remotely.

19 Please indicate your agreement by stating your name

20 and your agreement on the record.

21 MR. DETTMER: Dennis Dettmer, on behalf of the

22 plaintiffs. And I agree to this remote deposition

23 taking and have no objection whatsoever.

24 MR. SUROWIEC: James Surowiec, on behalf of

25 City of Detroit, defendants, and I agree to the

1 deposition being taken remotely in the manner that you  
2 just described.

3 - - -  
4 CHIEF JAMES CRAIG,

5 having first been duly sworn, was examined and testified  
6 on his oath as follows:

7 MR. DETTMER: Chief Craig, I'm Dennis Dettmer,  
8 and it's a pleasure to meet you.

9 THE WITNESS: Nice meeting you, too.

10 EXAMINATION BY MR. DETTMER:

11 Q. I'd like to ask you a series of questions. And starting  
12 off, we have given four Notices of Deposition to your  
13 counsel and his firm. And I am wondering if you've seen  
14 any one of those, because they have attached a subpoena  
15 duces tecum to the City of Detroit asking for certain  
16 documents.

17 Have you seen that -- any one of those four  
18 deposition notices?

19 A. I don't recall seeing any of the notices. I was made  
20 aware that there was a disposition (sic) by an attorney  
21 that works at my office, or how or could have been, but  
22 personally I have not seen it. But I was advised that  
23 there was a deposition.

24  
25



1 EXHIBIT 1  
2 Notice of Deposition  
3 WAS MARKED FOR IDENTIFICATION  
4 EXHIBIT 2  
5 May 13, 2020, Email  
6 WAS MARKED FOR IDENTIFICATION

7 BY MR. DETTMER:

8 Q. Okay. The Notice of Deposition is Exhibit 1 to your  
9 deposition today. I have as a Notice, also, a second  
10 exhibit, Number 2, which is an email dated May 13th,  
11 2020, from counsel for the defendant -- Lindsey Johnson  
12 for the defendants.

13 And she indicates -- I'll read it into the  
14 record. Thank you for your Notice of Deposition which  
15 we will have our clients appear remotely. However,  
16 Defendant City will not respond to the duces tecum  
17 portion of the deposition since discovery has already  
18 closed in this matter May 7th.

19 Also, this Deposition Notice requests  
20 documents that have already been provided to you by the  
21 Defendant City in response to client's numerous prior  
22 Discovery Requests.

23 I would suggest that that mission is totally  
24 improper. We initially sent our First Notice of  
25 Deposition on October 30th, 2019. We Re-Noticed it on



1 December 9th, 2019, February 25, 2020, May 13th, 2020,  
2 and May 18th, 2020. And I'll reference Court Order that  
3 was entered on December 20th, 2019, by Judge Whalen that  
4 ordered that we could take your deposition today.

5 And the point I'm making, the subpoena and the  
6 Exhibit A attached to that subpoena directed to the  
7 City, all were duplicative and all really started to  
8 originate on October 30th, 2019. And the assertion that  
9 it's not timely, since Discovery is cut off, as  
10 indicated by what I am saying, that is not a  
11 well-founded objection at all.

12 We will proceed accordingly --

13 MR. SUROWIEC: I would like to --

14 MR. DETTMER: -- with the Court. Now I would  
15 like --

16 MR. SUROWIEC: I would like to respond to that  
17 just briefly.

18 We have provided all of the records requested  
19 in the subpoena duces tecum, and the form of that, I  
20 believe, is improper. Chief Craig doesn't have those  
21 records. We provided them, all of them, to Plaintiffs  
22 on numerous occasions. We filed objections to that --  
23 to that subpoena. To the extent that -- to the extent  
24 that the discovery is closed, that's not really the  
25 issue.

1 The issue is, this information has been  
2 provided. Chief Craig is not going to show up at this  
3 deposition with a bunch of papers, which you yourself  
4 and Mr. Dezsi have already agreed this is very  
5 cumbersome. We are remote; he is remote. What good is  
6 it going to do? So that's our objection.

7 MR. DETTMER: That's not a proper reason not  
8 to produce the records that I requested in that  
9 subpoena.

10 MR. SUROWIEC: We object.

11 MR. DETTMER: The documents have been  
12 subpoenaed and you have not produced the records that I  
13 requested --

14 MR. SUROWIEC: We are a party.

15 MR. DETTMER: But let me go on.

16 (Multiple speakers)

17 MR. SUROWIEC: Go ahead.

18 We are a party to the subpoena.

19 MR. DETTMER: Chief Craig, have you seen any  
20 of the exhibits?

21 THE WITNESS: The only predeposition -- I have  
22 seen some exhibits. I couldn't tell you which ones or  
23 what was contained. As it was already referenced, I  
24 don't have anything in my possession right now.

25

1 BY MR. DETTMER:  
 2 Q. All right. I am going to run through some of these  
 3 fairly quickly. I'll make a reference to them. Your  
 4 counsel has them. If you want to take a look at them,  
 5 we can bring them up on the screen. Okay?  
 6 So if you have any question about any single  
 7 exhibit as we are discussing it, please indicate that  
 8 and we'll put it on the screen so you can see it in  
 9 detail. Okay?  
 10 A. Okay.  
 11 MR. SUROWIEC: Dennis, can I ask a quick  
 12 question? Are you referring to the exhibits that were  
 13 sent by Beth yesterday?  
 14 MR. DETTMER: Yes.  
 15 MR. SUROWIEC: Okay. So she indicated  
 16 1 through 10 and then 12 through 22 or 23. We didn't  
 17 get 1 through 10. Are there about 23 exhibits we're  
 18 talking about?  
 19 MR. DETTMER: There are actually more than 23  
 20 because some had subparts. If you looked at them, you  
 21 would have seen that. I've looked at the same email  
 22 chain that you did -- that you got, and I had all my --  
 23 all of the exhibits. But I don't want to argue about  
 24 that. You made that point. I don't agree with it.  
 25 MR. SUROWIEC: Dennis --



1 MR. DETTMER: It's a brief history. Rather  
 2 than going through it with you in any detail, Exhibit 4  
 3 kind of gives your biographical background.  
 4 **THE WITNESS: Yes, this would be one that I**  
 5 **hadn't seen. I notice that there is some reference made**  
 6 **to US Representative Rashida Tlaib, so I haven't**  
 7 **personally seen this page.**  
 8 MR. DETTMER: I would ask that, if you have  
 9 any questions about it, Mr. Surowiec will provide you  
 10 the -- Exhibit 4 and you can raise that -- an issue with  
 11 me and through him about --  
 12 MR. SUROWIEC: I don't have the exhibit.  
 13 MR. DETTMER: But it's a general statement  
 14 about your background.  
 15 **THE WITNESS: I understand.**  
 16 BY MR. DETTMER:  
 17 Q. Captain prepared you well and you're off and running.  
 18 A. Yes, he did.  
 19 Q. The next exhibit -- I have 5 and 5A. These are excerpts  
 20 from the Detroit Board of Police Commissioners.  
 21 EXHIBIT 5  
 22 Excerpt from Board  
 23 WAS MARKED FOR IDENTIFICATION  
 24  
 25



1 MR. DETTMER: You should have gotten them,  
 2 should have looked at the end of that chain, the first  
 3 email, and they were there.  
 4 MR. SUROWIEC: Dennis, I am just telling you,  
 5 for the record, we didn't get 1 through 10, so we'll  
 6 look at what you have, but I'm just telling you, I've  
 7 made my record and I asked Lindsey, did you get them.  
 8 We have what we have, which you sent last night.  
 9 That's fine. Go ahead.  
 10 MR. DETTMER: The email chain will show what  
 11 you got. And if you somehow overlooked it, that's it.  
 12 MR. SUROWIEC: Okay.  
 13 EXHIBIT 4  
 14 Wikipedia History of Craig  
 15 WAS MARKED FOR IDENTIFICATION  
 16 MR. DETTMER: Our Exhibit 4 is a Wikipedia  
 17 page, and it's about you. And it gives a history of  
 18 your starting in the police department in Detroit after  
 19 you graduated high school here from Cass Tech.  
 20 And have you seen this document?  
 21 **THE WITNESS: I don't know if I've seen this**  
 22 **specific document. I have seen my name on Wikipedia,**  
 23 **and I know those things get updated, so this particular**  
 24 **page, I'm not certain. I'm skimming through it as you**  
 25 **move up.**



1 EXHIBIT 5A  
 2 Excerpt from Board  
 3 WAS MARKED FOR IDENTIFICATION  
 4 BY MR. DETTMER:  
 5 Q. This is related to your appointment. Okay?  
 6 What was the relationship between the Detroit  
 7 Board of Police Commissioners and the Detroit Police  
 8 Department?  
 9 A. They provide oversight to the police department;  
 10 however, when I was appointed as police chief in 2013,  
 11 it was not on the approval -- there was some  
 12 conversation, as I recall, between the Police Commission  
 13 and representation of the emergency manager who was in  
 14 place when I was appointed, and so as is reflected, and  
 15 I am relying on my memory, Executive Order Number 11,  
 16 that I was not under the supervisory oversight of the  
 17 police commission at that time.  
 18 Q. Once the bankruptcy was completed, did the relationship  
 19 you and the Detroit Board of Police Commissioners  
 20 change?  
 21 A. At some point. I don't know how soon after -- the  
 22 relationship basically was that they were the  
 23 supervising or oversight entity as it's reflected in the  
 24 City Charter of the Detroit Police Department.  
 25 Q. You were appointed by then emergency manager, Kevin Orr,

1 on -- effective on July 1, 2013?  
2 A. July 1, 2013, yes.  
3 Q. Then the Exhibit 5A is another emergency manager City of  
4 Detroit Order Number 42, which really just deals with  
5 powers of the Board of Police Commissioners being  
6 reinstated effective immediately, and this is dated  
7 September 25, 2014.

8 On that date, through the Order Number 42, how  
9 did your relationship change with the board, if at all?  
10 A. The way I describe it, I don't think there was much  
11 change. The order was explicit as to the commission  
12 being reinstated in their role, but even prior to the  
13 reinstatement, the department was responsive to the  
14 police commission, even though by an earlier order  
15 before the reinstatement, I didn't have to but we did it  
16 because we just felt it was the right thing to do.

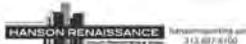
EXHIBIT 6

Organizational Charts

WAS MARKED FOR IDENTIFICATION

BY MR. DETTNER:

21 Q. Exhibit 6 is a collection of organizational charts of  
22 the Detroit Police Department that were provided to us  
23 through discovery. I wanted to ask you some general  
24 questions about the organization and basically to  
25 recognize the chain of command. Right?



1 out with police officers now in the current  
2 organizational structure, corporals, neighborhood police  
3 officers, detective, sergeant, and lieutenant. And  
4 within the rank of sergeant, there's a master sergeant  
5 that has more rank or more authority than that of a  
6 sergeant.

7 Q. Of what level in the chain of command in the City of  
8 Detroit is our supervisory responsibilities played?

9 A. What level in the department?

10 Q. Yes. For example, do -- under the current chain of  
11 command, are corporals supervisors?

12 A. They are not. But depending on their role, they could  
13 perform the role of field training officer, and as a  
14 field training officer, they are responsible for  
15 providing training to probationary police officers;  
16 however, they would not be considered supervisors in the  
17 rank structure. But they are --

18 Q. I'm sorry.

19 A. And detectives are not supervisors, either.

20 Q. So the first level of supervision within the Detroit  
21 Police Department is a sergeant, correct?

22 A. That's correct.

23 Q. And is that true back to 2010, January 1st, 2010, from  
24 your general knowledge of the operation of the police  
25 department?

1 There is a chain of command in any police  
2 department, and there is one, obviously, in Detroit;  
3 correct?

4 A. Yes, it is.

5 Q. And you are, in effect, the chief executive officer as  
6 the chief of police, correct?

7 A. That's correct.

8 Q. You have a number of assistant chiefs?

9 A. I do.

10 Q. And you have -- I'm not sure how many, maybe more than  
11 one deputy chiefs?

12 A. Yes. Several deputy chiefs.

13 Q. And then the next level of the chain of command would  
14 involve commanders or captains, correct?

15 A. That's correct.

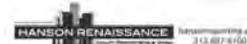
16 Q. Captains and commanders are basically equivalent  
17 positions? It's a matter of terminology, right?

18 A. They're not equivalent. They're referred to as command  
19 officers. Commander outranks the Captain; the Captain  
20 replaces the former rank of inspector.

21 Q. Thank you for that.

22 Then in the chain of command -- if I can just  
23 briefly say this -- lieutenants and sergeants and then  
24 police officers, that is right, in that sequence?

25 A. No. The sequence in terms of chain of command starts



1 A. As you know, I didn't start here until July of 2013.

2 But I would suppose, based on, as you reference, general  
3 knowledge, that the sergeant would be the first line of  
4 supervision.

5 Q. Okay. Generally, the chain of command -- a sergeant  
6 reports up the line to a lieutenant, correct? And at  
7 that point the communication is basically in that chain,  
8 starting with you, going down to the assistant chiefs to  
9 the deputy chiefs and down through the line, and  
10 reporting back up is pretty much the same.

11 So if somebody -- if a police officer, for  
12 example, makes a mistake, the sergeant is the person  
13 that supervises that and deals with that initially,  
14 correct?

15 A. Generally speaking, yes.

16 Q. If there is a problem, ongoing problem, he reports that  
17 up the line to the lieutenant and the discipline  
18 process, and the chain of command and communication  
19 follows that up.

20 You don't always hear about what's going on at  
21 the top of this chain of command, what a  
22 sergeant's doing, unless it's a matter that comes up  
23 through the chain, correct?

24 A. I do not always know. However, to your point, you made  
25 some reference into the relationship between sergeant

1 and lieutenant. I believe there are times that the  
2 lieutenant may not always know when a sergeant is  
3 administering corrective action.

4 It could be counseling. Generally, if it's a  
5 written counseling session, I believe the lieutenant  
6 would be involved in that at some point through the  
7 chain of command. But it's not so rigid, and I can't  
8 speak to what occurred in 2010. I can talk about what  
9 happens now.

10 There are times where a Captain or a commander  
11 of the station may have direct contact with a police  
12 officer relative to conduct, and it could be something  
13 as simple as advising that police officer to wear a seat  
14 belt when operating a motor vehicle, as an example.

15 Q. In the -- you're familiar, obviously, with the different  
16 units within the Detroit Police Department, correct?

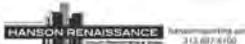
17 A. Yes.

18 Q. You became the Chief of Police in the day-to-day  
19 operation. You've learned quite a bit, I assume, about  
20 the day-to-day operations about a lot of these different  
21 units.

22 A. Basically, yes.

23 Q. If there's a Narcotics raid, there's usually a sergeant  
24 that heads that up, correct?

25 A. I would expect.



1 Q. He has a crew?

2 A. At what period of time are you talking about?

3 Q. Let's go back. I mean -- you're looking -- at least the  
4 scope of the current review goes back to 2010, although  
5 I understand you're not back to 2010 yet.

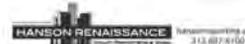
6 But going back to prior to your -- the  
7 effective date of the reorganization of the Narcotics  
8 units in July 2014, you understood that the workings, I  
9 assume, of the Narcotics Unit. And you understood that  
10 there were sergeants and there were -- and they  
11 supervised the police officers that worked under them  
12 and their crew, right?

13 A. That's correct.

14 Q. And as far as you know, that goes back to 2010. You  
15 don't have any information to the contrary?

16 A. I suppose. I can't say. I mean, you bring up an  
17 example of saying an execution of a search warrant, and  
18 I can't tell you definitively if, on every execution of  
19 the search warrant in 2010, if the sergeant was present.  
20 I wouldn't know that.

21 In fact, I can't tell you even after my  
22 appointment if that was a consistent practice. An  
23 expectation, yes. But to say that I know in every  
24 single execution of a search warrant a sergeant was  
25 present, I can't make that statement.



1 Q. Are you suggesting that your Detroit Police Department,  
2 in its organizational structure, didn't have a  
3 supervisor in a narcotics raid? That is the sergeant  
4 that headed up the crew and oversaw its activities?

5 A. That is the expectation, but I can't tell you on every  
6 single search warrant execution that a supervisor was  
7 present. The expectation is that a sergeant at minimum  
8 should be.

9 Now, since we've opened up, which I am sure  
10 you'll get into, the task force that we're now working  
11 on, certainly the expectation is greater. At minimum a  
12 lieutenant shall be present when a raid is initiated by  
13 a Narcotics Unit. But I've also teetered on even the  
14 rank of captain being present.

15 Right now, as it stands today, the direction  
16 is that a lieutenant shall be present on every execution  
17 of a Narcotics search warrant.

18 Q. Chief, when did that policy become established?

19 A. That was during this iteration of the investigative work  
20 that we are currently involved in. As we began and  
21 started --

22 Q. Going back to August 7th, 2019, correct, when you first  
23 started.

24 A. When we started our task force operation -- I don't have  
25 the date in front of me -- current task force.



1 During that inquiry, there were some things we  
2 learned about how the Narcotics Unit functions, and one  
3 thing that we learned is that, generally speaking,  
4 sergeants would be present. That would be the highest  
5 rank present at Narcotics search warrant executions, as  
6 you refer to as raids.

7 I've mandated that the rank of lieutenant, a  
8 lieutenant shall be present at all executions of search  
9 warrants by Narcotics.

10 Q. The purpose, if I may ask you, of having the lieutenant  
11 present would be to elevate the level of supervision  
12 because of the terms about sergeants and how they  
13 operate?

14 A. Yes. In terms of accountability, some things that we  
15 have learned during this most recent task force that we  
16 have, that we now just named Operation Clean Sweep,  
17 what we have learned is that in some instances sergeants  
18 may have been involved, directly involved, in the  
19 alleged misconduct that we were investigating.

20 And the extent of their involvement could be  
21 nothing more than being complicit and not taking  
22 appropriate supervisory action when necessary.

23 Q. Well, from what you say, prior to direct policy that  
24 you've initiated, the policy was really one of inaction,  
25 which is correctly in these raids that were undertaken



1 (Inaudible) affidavit, correct?

2 COURT REPORTER: Can you repeat -- can you

3 repeat the question?

4 THE WITNESS: I'm sorry; the affidavits were

5 not what?

6 BY MR. DETTNER:

7 Q. The search warrant and affidavits initiated the raids --

8 do you want me to call it search warrant executions?

9 You know, when, previously, prior to what you just

10 described, the sergeants were generally the supervisors

11 on the scene of an execution and search warrant, right?

12 A. Generally, it is my belief that they were. And I'm

13 talking about from 2013 going forward. I can't speak to

14 what was going on prior to that.

15 Q. And it was your decision that, to reduce any possibility

16 or reduce the problems within the Narcotics Unit, you

17 were looking at having a greater level of supervision,

18 if I understand you correctly. Is that right?

19 A. A greater level of supervisor for purposes of managerial

20 oversight. Lieutenants -- the rank of lieutenant is

21 considered a mid-manager underneath the rank of captain.

22 So at this point where we are in our probe, I feel

23 comfortable that a middle manager or a manager and

24 captain or commander rank should be present at search

25 warrant executions, primarily what we now call the Major



1 Violators section.

2 Again, those -- when we started an earlier --

3 and you've heard me reference in newspapers that the FBI

4 started a probe into the Detroit Police Department's

5 Narcotic section in 2010. That investigation culminated

6 in 2014.

7 What didn't work out at the conclusion of the

8 FBI's work -- it wasn't a seamless transition of that

9 investigated -- that investigation into the Detroit

10 Police Department.

11 So, in other words, so I'm making myself

12 clear, there were a lot of things that we didn't know

13 that we now know because it was a federal investigation

14 that involved federal crimes. And so they were the lead

15 agency investigating those crimes, and so there was no

16 review of any administrative violations.

17 Now, administrative investigations at times

18 does and do involve criminal allegations; however, they

19 also address any administrative concerns that could

20 result in discipline leading up to termination.

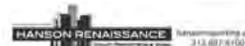
21 So I hope I'm making myself clear, that at the

22 conclusion of the FBI's investigation in 2014, I, along

23 with select members of our executive team were brought

24 into the findings and that it would be several

25 individuals indicted and/or charged.



1 What we didn't get is information

2 concerning -- any allegations concerning administrative

3 violations. Again, administrative violations could

4 result in not only discipline but dismissal.

5 Q. I'll get into a little more detail about that further

6 into the deposition, if I may.

7 But you would acknowledge, prior to your

8 taking your current position in July of 2013 -- 5/1/2013

9 (sic), there was criminal activity by members of the

10 Narcotics Unit?

11 A. I only know that because the Federal Bureau of

12 Investigation, I'm told, launched a probe into the

13 Detroit Police Department's Narcotics section in 2010.

14 That investigation was a four-year investigation. It

15 culminated in 2014, I guess, roughly a year and a half

16 into my tenure. Narcotics was not on the radar.

17 There were other issues concerning the

18 department relative to accountability. It had to do

19 with the Federal Consent Decree that we were under. But

20 nowhere under the Consent Decree was there any reference

21 or review of the operations of the Narcotics section.

22 Again, the FBI's probe was confidential, and

23 because it was confidential, I believe in 2010 most

24 likely the executive levels of this department did not

25 know that there was an FBI probe.

1 Q. Well, you would agree, at some point, and I believe

2 Lieutenant Hansberry was indicted by a filing in federal

3 court on April 8th, 2015.

4 At that point there was some knowledge that

5 there was criminal activity, at least it was alleged at

6 that point in the Narcotics -- then Narcotics -- well, I

7 shouldn't say that -- Major Violators Unit, previously

8 the Narcotics Unit, Hansberry, correct? That indictment

9 ended it?

10 A. I was aware, as I've already testified to, that I was

11 made aware that the FBI was planning to indict and in

12 one instance charge members of the department's

13 Narcotics Unit. That's when I became aware that there

14 was allegations of criminality not reflective of the

15 entire Narcotics Unit.

16 As I've already testified, I believe, as my

17 memory serves me, that two were indicted, one was

18 charged. There was an additional member that committed

19 suicide, I was told, but more than likely would have

20 been indicted. So you are talking about a total of

21 maybe four out of the entire Narcotics Unit.

22 Now if your question is, do I believe that

23 there were others involved in misconduct, I can only say

24 it's based on a belief and based on what I know today

25 and what I didn't know at the conclusion of the FBI's

1 investigation that I do believe that there were other  
 2 criminal and administrative violations occurring; not  
 3 necessarily reflective of every member of the Narcotics  
 4 Unit.  
 5 Q. We're talking about -- actually, there were a number of  
 6 indictments at the same time. Hansberry, who was then,  
 7 I believe, a lieutenant, but he had come out of the  
 8 Narcotics Unit as a sergeant, and Police Officer Watson,  
 9 who was in that same Hansberry crew, and Arthur  
 10 Leavells, and Officer Napier. And Napier,  
 11 unfortunately, committed suicide in his family's side  
 12 drive, as you will recall, in January of 2018.  
 13 But I think I saw some, and I'll discuss this  
 14 with you later. We need to get rolling here. There  
 15 were some feelings that the Hansberry crew, which fell  
 16 into Geelhood's crew, members of those two crews,  
 17 originating with Hansberry, were involved in criminal  
 18 activity. Is that fair to say?  
 19 A. There was certainly speculation. None of these other  
 20 members were charged, as you know. Again, I'll repeat,  
 21 that at the conclusion of the FBI's investigation, the  
 22 focus was on the folks that were indicted and the one  
 23 that was charged.  
 24 The remaining members who were more than  
 25 likely being investigated by the FBI, they were never



1 And what I'm really getting to, was someone  
 2 assigned from the Detroit Police Department, whether  
 3 Internal Affairs or some investigative level, how the  
 4 events of that trial and evaluate the testimony and  
 5 consider Internal Affairs investigations of, for  
 6 example, Napier and others -- I guess, Napier's dead by  
 7 that time -- but by other members of that crew?  
 8 MR. SUROWIEC: Objection; form, foundation,  
 9 compound question.  
 10 Go ahead.  
 11 THE WITNESS: I can answer the question?  
 12 MR. SUROWIEC: Yes, Chief.  
 13 THE WITNESS: Factually there were two members  
 14 of the Detroit Police Department that were part of the  
 15 Public Corruption Task Force. These two members -- I  
 16 can't think of the second member's name. But Tim Ewald,  
 17 which I suggested to counsel, had intimacy for years  
 18 relative to the narcotics investigation that was  
 19 conducted by the FBI.  
 20 When I talk about the seamless transition,  
 21 where I felt it was a failure on the part of the  
 22 department, is that there was no handoff. That these  
 23 are the folks that got charged federally, these are the  
 24 people that we have concerns with administratively, and  
 25 we should launch an investigation.



1 charged. However, it doesn't mean that those additional  
 2 members were not involved in some other kind of  
 3 misconduct, maybe some of what they were involved in  
 4 would be construed as criminal. However, this attorney  
 5 did not charge them. The problem --  
 6 Q. Let me ask you this.  
 7 A. I'm trying to finish a point.  
 8 Q. Yes.  
 9 A. The problem with the conclusion is it wasn't a seamless  
 10 transition from criminality to the possibility of  
 11 administrative work, and I am not faulting the FBI for  
 12 that because that's not what they do.  
 13 The Detroit Police Department investigates  
 14 misconduct. And if misconduct is made aware, you  
 15 investigate and, again, as I have already testified to,  
 16 sometimes that misconduct amounts to discipline, which  
 17 could mean suspension days leading up to and including  
 18 dismissal.  
 19 Q. Let me -- I was going to get into this later, but since  
 20 you are raising it.  
 21 During the trial of Hansberry and Watson,  
 22 Leavells testified, and a Source of Information, Gary  
 23 Jackson, testified. And I would represent to you that  
 24 testimony was more inclusive of criminal conduct by  
 25 other members of Hansberry's crew.



1 These two members of the department primarily  
 2 didn't do the heavy lifting, as you will, of  
 3 investigative work. They were trusted members of the  
 4 FBI's investigative team, although they were part of the  
 5 Detroit Police Department.  
 6 BY MR. DETTMER:  
 7 Q. I'm sorry. If -- I don't mean to interrupt you. But  
 8 Ewald and who was the other one?  
 9 A. I can't think of the second name right now. He has  
 10 since returned. He is working in the City in IT. It  
 11 will come to me, but right now Tim Ewald had been part  
 12 of the FBI's task force on public corruption, so he was  
 13 very intimate relative to what was going on with the  
 14 investigation, and I would imagine he would opine that  
 15 there were others that were not criminally charged but  
 16 certainly were engaged in acts of misconduct.  
 17 Q. Well, in Leavells' testimony during the trial of  
 18 Hansberry, it was very clear that other members of  
 19 Hansberry's were clearly involved in criminal activity  
 20 and, either inside the court, a hearing, trial, or  
 21 review of transcripts would have clearly shown that.  
 22 To your knowledge that didn't happen, correct?  
 23 A. There were no --  
 24 MR. SUROWIEC: Objection, form, foundation to  
 25 the question.

1 Chief, I apologize. Go ahead and answer, if  
2 you can.

3 THE WITNESS: Yes, I -- you know, as I've  
4 already testified to, and I made the statement several  
5 times, there certainly was no seamless transition at the  
6 conclusion of the criminality -- criminal case to moving  
7 into the administrative.

8 Again, there were a lot of things that I and  
9 my executive team were unaware of. We knew that there  
10 was some problems, and in terms of -- there were other  
11 members of Narcotics that may have been involved in  
12 criminal activity, however, they weren't charged  
13 criminally.

14 BY MR. DETTMER:

15 Q. Let me ask you -- let me ask you it this way. Did Ewald  
16 prepare any memoranda or writing, that you're aware of,  
17 that described the testimony of Leavells at the trial?

18 A. I am not aware of that memo.

19 Q. Did any -- are you aware of whether the Detroit Police  
20 Department acquired the transcripts of Leavells and Gary  
21 Jackson, the SOI?

22 A. I am not aware of it.

23 Q. Are you aware of any memoranda or writing that Ewald  
24 prepared describing the testimony and the indication of  
25 other individuals involved in any criminal activity?



1 MR. SUROWIEC: Can we have a time frame,  
2 Chief, from when that happened?

3 THE WITNESS: It would be --

4 MR. DETTMER: Let me ask you this way. Let me  
5 ask you this way.

6 BY MR. DETTMER:

7 Q. The raid on the three locations where there were  
8 Narcotic Unit's records was on August 22, 2019. How  
9 long prior to that when what is now called Clean Sweep  
10 originate and the investigation undertaken?

11 A. When we raided our own Narcotics Unit, seized all of its  
12 records, it was strategically done, based on we knew  
13 that former Officer Mosley was going to face charges.

14 So I made a decision based on Mosley being  
15 charged and fearful that, if we didn't act by seizing  
16 all of our records, that the records could be destroyed.  
17 That was one issue.

18 The second issue, I believe that, based on the  
19 allegation against Officer Mosley, that that was not his  
20 first time engaging in this kind of criminal misconduct.

21 So based on those two factors and the third  
22 factor, ironically around the same time period there was  
23 a source who provided information about what was going  
24 on in Narcotics as to some of the alleged misconduct.  
25 Those three things put me in a good position



1 A. I cannot recall any memorandum prepared by Tim Ewald.  
2 My -- I have had conversations. Tim Ewald was very  
3 different from the Hansberry case that concluded in 2014  
4 to where we are today, without going into details  
5 because it's a confidential part of the investigative  
6 work that we are doing.

7 We have very specific information that we got  
8 from a source. It was very descriptive of the type of  
9 alleged conduct that was going on. Based on that  
10 information and the case that was later brought by the  
11 one who was recently charged or indicted, Mosley, we now  
12 had a clear picture of what was going on allegedly in  
13 the Narcotics Unit.

14 And that is why, based on information that we  
15 got from a source, through the FBI, and I can't go into  
16 that because it's still very much part of the  
17 investigation, we have created a task force operation.  
18 And that task force operation has been very surgical,  
19 very thorough in looking at everything.

20 As I had testified to earlier, that operation  
21 is called Operation Clean Sweep, and so as we have gone  
22 on, based on the information that we got from the  
23 source, we are getting a lot of information now. And so  
24 information that we did not have at the conclusion of  
25 Hansberry.



1 to, one, go in, seize all of our records, and it was  
2 from that point that we started a task force. We didn't  
3 have a name for it. We started off relatively small.

4 At the present time we have 17 members. We  
5 also -- it's a DPD-led task force. Of the 17 members,  
6 5 are the FBI, 3 are part-time, and 2 FBI full-time.

7 Q. Let me ask you about that, Director Graveline filing  
8 a declaration filed with federal court on May 19 of this  
9 year.

10 One of the things he's talking about is the  
11 sequence of investigation starting most currently and  
12 going back historically. And he raised this question  
13 about the concern about the Statute of Limitations. I'm  
14 wondering what you perceive, in any meetings or  
15 discussions about this, that the longest Statute of  
16 Limitations that may apply as potential criminal conduct  
17 by members of the nar- -- the Major Violators or the  
18 Narcotics Units. What do you think? Three years? Six  
19 years?

20 MR. SUROWIEC: Objection to form.  
21 Chief, one second.  
22 Objection; form, foundation. That's a  
23 multiparted question. I'm not sure what the question  
24 is, it's somewhat loaded.  
25 If you can answer it, Chief, go ahead.



1 THE WITNESS: I think I can. I'll try my  
2 best.  
3 So there are two things at work here. One,  
4 the criminal statute probably, as was articulated by  
5 Chris Graveline, would probably be out. However, since  
6 my tenure I've also initiated what I call a Statute of  
7 Limitations for administrative misconduct.  
8 So how that works is that, once the department  
9 becomes aware of misconduct from any source, it could be  
10 from a civil lawsuit like this. If we become aware of  
11 allegations of misconduct, the clock starts. We have  
12 one year from the time we're made aware to complete and  
13 adjudicate that allegation. So that's the  
14 administrative statute.  
15 Now, you should note that this has not been  
16 something that has been agreed to by both the department  
17 and the unions. It's, for the most part, a handshake.  
18 At some point in the near future, we will  
19 codify and we will develop a memorandum of understanding  
20 to solidify the administrative Statute of Limitations.  
21 And the reason why that came about, one of the things  
22 that was problematic in the Detroit Police Department  
23 for years, I was told, is that a lot of cases that were  
24 being brought to the arbitrator, and those  
25 administrative matters were being dismissed. And the



1 find criminally, if it meets the US Attorney standard --  
2 certainly, this task force is a dual task force. It's  
3 addressing allegations of criminality and it's also  
4 addressing administration violations. So it's a twofold  
5 task force.  
6 FBI certainly is interested in the work. This  
7 is why they had dedicated staff to Operation Clean  
8 Sweep. The belief is there may be some allegations that  
9 can be brought forth criminally, even though some of  
10 them are dated. I don't know what the statute of  
11 limitation, like, for example, color of law, or whatever  
12 that -- there may be some of those. I don't know if  
13 statute of those goes much longer, as Attorney Graveline  
14 may have articulated. When we seized our records, we  
15 are going back ten years. And so right now where we are  
16 in this probe, we have gone back to the year of 2017.  
17 So we haven't quite gone back ten years.  
18 Q. Yes. I am aware of that and in some of the articles  
19 that we will introduce as we get going, you've made that  
20 clear.  
21 The point that I am making with you is if I  
22 were sitting at the table with the task force as a  
23 member, I would say we need to start looking at  
24 documents that are relevant to the Statute of  
25 Limitations period expiring.

1 reasons for the dismissals were because of the lack of  
2 timeliness.  
3 So based on the lack of timeliness, I felt it  
4 was important for both the community and the concerned  
5 accused officer that there would be a timely  
6 adjudication to all allegations of misconduct.  
7 BY MR. DETTMER:  
8 Q. I'm --  
9 A. I am --  
10 Q. Go ahead.  
11 A. So in terms of the criminal statutes relative to some of  
12 the officers that were never investigated criminally or  
13 were investigated criminally -- and I can't testify as  
14 to why, let's say, the FBI did not opt to pursue  
15 charges. Maybe it was a US Attorney said we don't think  
16 that there's enough to charge them with whatever the  
17 criminal charge was. I don't know.  
18 Q. The point --  
19 A. However --  
20 Q. The point I'm making, there must be some criminal  
21 statutes that are under consideration by the task force,  
22 and the question is, do you know what periods of time  
23 we're talking?  
24 A. Since we are working with both Federal Bureau of  
25 Investigation, US Attorney's Office, anything that we



1 For example, if we have a six-year statute, we  
2 should be looking at 2014 and start our investigation in  
3 2014 and come forward to the current time. I don't  
4 understand it starting in 2020 or '19 and going  
5 backward, because the Statute of Limitations is a key  
6 element here. It sounds like a major mistake on the  
7 part of whoever is heading this task force not to  
8 analyze that as a key issue.  
9 A. I rely strongly on my legal advisers. There was a  
10 method. You're not a part of the task force, and it's  
11 okay to criticize me. But what I feel good about is  
12 finally for the first time -- it may be the books will  
13 say -- and the first time we have an opportunity to  
14 totally eradicate criminal misconduct from the Narcotics  
15 department.  
16 Q. This is an administrative issue you are talking about?  
17 A. Administrative and criminal. It's no doubt to me. I  
18 can speculate that there are probably many allegations  
19 of criminality that have gone untouched for whatever  
20 reason.  
21 I've talked to members in this organization as  
22 recent as a couple of days ago. And during that meeting  
23 with my command staff, I gave a brief update on the task  
24 force's work. In my brief remarks, I indicated that it  
25 is our mission and goal to totally for the first time

1 eradicate misconduct from the Narcotics Unit.

2 Q. I support that, Chief. But --

3 A. But, so, like I said, to many of you who have been on

4 the department for in excess of, let's say, 10, 15,

5 20 years, you've heard the stories -- I wasn't here

6 then -- that there was a strong belief that there were

7 members in the Narcotics Unit engaging in misconduct.

8 Q. Well, would you agree with the point I made a few

9 minutes ago, that really the investigation should have

10 started more timely with the expiration of the Statute

11 of Limitations? Would you agree to that?

12 A. I'm not going to agree for this one reason. I

13 understand where you're going. Let me tell you why we

14 started where we started.

15 Initially, we didn't know what we were dealing

16 with. As I pointed out, there were a couple of things

17 in play. We had another dirty officer that got

18 charged -- Officer Mosley, who got charged and I had a

19 strong belief that Officer Mosley was involved in other

20 criminal misconduct. I believed it.

21 So part of the reason for this surgical look,

22 it was to go back and look at Mosley, look at the

23 team -- he was a team leader. And we wanted to know if

24 the involvement even was beyond him. So we started

25 there because we knew that that was timely.



1 properly reported.

2 Secondly, your discussion so far indicates,

3 you know, substantially the same thing. But first of

4 all, Exhibit 7...

5 MR. SUROWIEC: Dennis, can I interrupt real

6 quick? We, honestly, didn't get Exhibits 1 through 10.

7 We did forward the ones we got last night to the Chief,

8 but could Michael put this up on the screen?

9 MR. DETTMER: Yes, he can put it up.

10 Michael?

11 BY MR. DETTMER:

12 Q. This is an article from the -- August 22, 2019 -- from

13 the Detroit News, and we marked it as your Deposition

14 Exhibit 7.

15 And it starts off, a team of Detroit

16 investigators seized records of computer data from three

17 of the department's own facilities Thursday, as part of

18 an ongoing internal probe into the allegations of

19 corruption into the department's drug operations, Chief

20 James Craig said.

21 Is that a fair statement? Is that accurate?

22 A. It is.

23 Q. And then it goes on: The investigation, the latest in a

24 series of probes in the former Narcotics section, which

25 were closed in 2014 because of rampant corruption,



1 No doubt in my mind that there are going to be

2 cases that as we continue this task force that are not

3 going to meet the criminal statute.

4 However, we've been in consultation with the

5 US Attorney's Office, the FBI, certainly, if there's

6 color of law violations -- as another part that I didn't

7 get into, we have also been meeting regularly with Wayne

8 County Prosecutor's office, primarily the Innocence

9 Project, and we are also looking at -- I'm going

10 to pause for just a minute. The mayor is calling me

11 so...

12 MR. DETTMER: We are pausing at 12:05; is that

13 correct?

14 THE WITNESS: Yes, if we could just pause and

15 I'll be short.

16 (Off the record at 12:02

17 Back on at 12:05 p.m.)

18 EXHIBIT 7

19 Detroit News Article

20 WAS MARKED FOR IDENTIFICATION

21 BY MR. DETTMER:

22 Q. I'd like to go through articles, and starting with 7.

23 Exhibit 7, and it goes to 7D, and these are basically

24 the comments that you made to newspapers, and I just

25 want to confirm that what you said to the newspapers is



1 kicked off about four months ago after a large shipment

2 of drugs had been seized in Detroit was switched for

3 another substance by the time it got to Chicago for a

4 court hearing, Craig said. Is that accurate? The

5 statement, just generally?

6 A. Yes, that was an investigation -- we got information

7 that -- from the DEA and FBI about an allegation which I

8 can tell you didn't come to fruition.

9 Q. It did not?

10 A. Did not. However, without going into detail, because it

11 directly concerns what we are doing now, it was

12 beneficial in the investigative work we're doing now.

13 I'll just leave it there.

14 Q. Let me ask you this. In terms of the switch out of the

15 drugs on the -- from Detroit to Chicago, was the

16 Narcotics Unit involved in any way in --

17 A. There was no indication that what came to us occurred.

18 It would have been -- it could have been our Narcotics

19 Unit. It could have been -- I mean, allegedly it could

20 have been Narcotics. It could have been the place where

21 the narcotics were being held.

22 Again, it was an allegation only, but in terms

23 of the work that we were proceeding with, and, again, I

24 cannot and will not go into details, but it helped us

25 with the work that we are doing even though that issue



1 was unfounded.

2 Q. Chief, let me ask you this, then.

3 Was that acquisition of those drugs --

4 A. Can you hold one second? The gentleman -- I've got a  
5 gentleman in my office that -- the other name -- he just  
6 happens to be in the office.

7 (Chief having a discussion  
8 off the record.)

9 THE WITNESS: Saraino. His name is Saraino.

10 BY MR. DETTMER:

11 Q. Ewald's partner, in effect?

12 A. Yes, that's correct.

13 Q. Do you know how to spell that?

14 THE WITNESS: How is Saraino's name spelled?  
15 Saraino, S A R A I N O. That's his last name.  
16 First name?

17 BY MR. DETTMER:

18 Q. S, as in "Sam," right?

19 A. Yes, first name, Michael.

20 Q. Thank you.

21 THE WITNESS: You're not in trouble, Mike.  
22 Okay. Anyway.

23 BY MR. DETTMER:

24 Q. Well, what I am asking you, did the Major Violator's  
25 Unit exercise a search warrant and acquire those drugs?



1 appearance and maybe more testimony from you. But right  
2 now I want to go through this quickly.

3 Then you go on in the next paragraph, or the  
4 article goes on, part of the corruption Craig referred  
5 to involved former drug cops Hansberry, Watson, and  
6 Leavells, who were convicted in federal court of  
7 offenses that include ripping off drug dealers and  
8 stealing and buying drugs that had been seized.

9 Basically, you acknowledge that in your  
10 testimony so far today, correct?

11 A. That's correct.

12 Q. And then at the very bottom of the second page in  
13 Exhibit 7, it says, he, referring to you, said  
14 allegations made against Hansberry, Watson, and other  
15 cops, the federal lawsuit also played a part in the  
16 ongoing investigation which is the latest in a string of  
17 probes into the department's narcotics operation.  
18 Is that a fair statement --

19 A. Yes.

20 Q. -- that represented that?

21 A. Yes.

22 Q. And -- well, I'll come back to that. But I'm wondering  
23 why Hansberry and Watson, you know, are the -- well,  
24 seeming to leading into this. Why did that -- the  
25 allegations made against them play a role in the ongoing

1 A. I don't recall the circumstances involved in the drugs,  
2 but based on the DEA, FBI, it was unfounded and so -- in  
3 fact, I know the DEA was doing an investigation relative  
4 to the DEA's role, and I just don't know the outcome of  
5 their role.

6 Q. All right. The next page of this article, I saw, Craig  
7 said, he initiated the seizure of records and computer  
8 files because of concerns about, and they quote, "a  
9 residual effect of corruption", and he said has long  
10 been part of Narcotics operation, which the chief  
11 renamed the Major Violators section five years ago.

12 Is that a proper quote of a residual effect?

13 A. I could say yes. I think it was residual. A lot of it  
14 was speculative on my part. But I made the statement  
15 and, again, there were things I didn't -- as I have  
16 already testified to in this session, there were things  
17 I didn't know about the Hansberry matter, that as we  
18 launched this probe, there is a direct nexus to it.

19 Q. We will get into that in more detail, but...

20 A. I'm not going to get into a lot of detail because, as I  
21 indicated, I am in the middle of a corruption probe, and  
22 some of what we are doing is very confidential.

23 Q. Well, we are under a Protective Order in this  
24 proceeding. And I think the assertion of a privilege  
25 we'll deal with, might require a motion and a court



1 investigation?

2 A. Because as we are doing the work that we're doing now,  
3 we're finding certain patterns that have continued, that  
4 preexisted the FBI's investigation. We believe that  
5 continued even after their indictment.

6 Q. Going on to the next page of Exhibit 7, page 3. It  
7 states at the very top, Craig disbanded the drug unit in  
8 July 2014 because what he said was systemic problems  
9 uncovered during the Internal Affairs investigation that  
10 includes how drugs and evidence were handled.

11 "Systemic problems," by that do you mean  
12 there's an activity according to a fixed plan, a  
13 methodical operation within the drug unit?

14 A. I think it probably would have been better articulated  
15 as trying to build in enhanced accountability. Did I  
16 believe that there were other problems inside of the  
17 drug unit that we couldn't identify?

18 But one thing that was missing from the  
19 conclusion of that investigation and where we are now,  
20 we didn't have anyone inside giving us information as to  
21 some of the alleged conduct. However, basically  
22 disbanding the Narcotics section and renaming it to  
23 Major Violators was done to incorporate some best  
24 practices that would tend to build in more  
25 accountability.

1 One thing that I recall, and it didn't really  
2 work as well as I thought, was to put a time limit of  
3 how long officers assigned to Narcotics would work. So  
4 what some did to do a workaround on the rule -- it was  
5 like a five-year rule; that if you worked Narcotics for  
6 five years, you had to leave. That's a best practice.

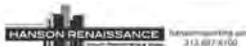
7 And what ultimately happened, individuals  
8 would be moved out of Narcotics, not that anybody was  
9 accused of any wrongdoing. It was just a best practice.  
10 They were moved out, more cases than not, into  
11 precinct-level Special Op Units to do the drug  
12 investigations and some -- and I don't know the  
13 number -- some ended up returning to the drug unit. So  
14 there was an interruption in their time. So...

15 Q. I will get to that issue. I have an exhibit, the  
16 administrative message making -- effective July 14th,  
17 2014, the formation of Major Violators, and I'll get to  
18 that.

19 EXHIBIT 7A  
20 Detroit News Report  
21 WAS MARKED FOR IDENTIFICATION

22 BY MR. DETTMER:

23 Q. But I'd like to go on, and there's a December 11th,  
24 2019, Exhibit 7A of a Detroit News report and it's  
25 titled Detroit Police Probe Yields Allegations of



1 "allegations." We haven't really --

2 Q. It goes on, since -- the next paragraph.  
3 Since the August 22nd raid in which dozens of  
4 files and computers were seized and analyzed, Chief  
5 James Craig has reassigned everyone in the unit with  
6 five or more years' experience, correct?  
7 Is that a correct statement?

8 A. That is.

9 Q. Then you go on, I am extremely concerned there may be a  
10 pattern of practice of criminal misconduct in the  
11 Narcotics Unit. Sadly, as we continue our probe, we  
12 think it's going to grow in terms of magnitude.  
13 Is that a correct quote from you?

14 A. That's correct.

15 Q. And then down lower on the first page, after Director  
16 Graveline's picture. It goes on: Craig said, he  
17 enlisted from FBI, Michigan State Police, US Attorney's  
18 Office after materials seized in the raid, he enlisted  
19 help -- I'm sorry -- revealed more problems than  
20 anticipated. Is that correct? Or were they involved  
21 prior to?

22 A. No, I think the FBI came. We initiated the probe, and  
23 the FBI made a commitment. They gave us two  
24 permanent -- and as I indicated earlier, there were  
25 three part-time and I think one of the FBI was also part

1 Widespread Corruption on Drug Unit.

2 Would you agree with the lead-in to this  
3 article?

4 MR. SUROWIEC: Object to form, foundation.

5 Go ahead, Chief, and answer the question.

6 THE WITNESS: Are you talking about the title  
7 of the article?

8 BY MR. DETTMER:

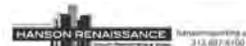
9 Q. Yes. Right. Do you see it there?

10 A. Yes, I'd say there was widespread, given what we were  
11 starting to uncover. But I want to pause for a moment  
12 and make it abundantly clear that it didn't mean that  
13 everybody working the drug unit was involved in  
14 criminality.

15 Q. In the first paragraph, the indication -- if I just read  
16 it into the record. Four months after Detroit Police  
17 and Internal Affairs officers raided their own  
18 department Narcotics Unit, investigators have uncovered  
19 alleged corruption that includes drug cops planting  
20 evidence, lying to prosecutors in search warrants,  
21 robbing dope dealers, and embezzling funds, Police  
22 Commission said.

23 You don't disagree with that, I assume?

24 A. I don't disagree that those were allegations that we  
25 were looking at. I'm putting emphasis on



1 of the Public Corruption Task Force who is a Michigan  
2 State Police. I'm not certain if he's still involved in  
3 that, but he was at the time.

4 Q. You go on after -- by adding people. Now we are on to  
5 17. And you recorded this saying, this is a major  
6 corruption investigation, but I want to caution that  
7 these are just allegations at this point. That's what  
8 you've said a number of times, correct?

9 A. That's correct.

10 Q. On the second page of Exhibit 7A, in the first full  
11 paragraph, it says, one of the investigation's  
12 findings -- and I want to skip down -- the second bullet  
13 point, false affidavits alleging were presented to --  
14 allegedly were presented to prosecutor to get search  
15 warrants.

16 And you are then quoted, it's alleged that the  
17 probable cause against the warrants was fabricated.  
18 Surveillance that was supposedly conducted to get the  
19 warrants wasn't done. Is that correct? Is that proper?

20 A. That's correct.

21 Q. And you indicated there were identified eight instances  
22 where this may have occurred, correct?

23 A. At that time, yes.

24 Q. And in the next -- the next bullet point, drug suspects  
25 were designated as confidential informants without

1 permission. Only a prosecutor either from the Wayne  
2 County Prosecutor's Office or the US Attorney's Office  
3 can authorize a member of the department to turn a  
4 suspect in to an informant. You said that, correct?  
5 A. I did.

6 Q. And then it goes on, based on our investigation so far,  
7 we found 11 instances where officers improperly made  
8 suspects into informants. Based on our investigation so  
9 far we -- I'm sorry -- we found 11 of these.

10 Now, let me ask you, how is it recorded that a  
11 confidential informant really should be a Source of  
12 Information, right -- or Confidential Informant has been  
13 authorized by either US Attorney's Office or the Wayne  
14 County Prosecutor's Office to act as an informant.

15 How is that done? What is the trail?

16 A. I can't tell you what the paperwork is. But simply put,  
17 if an arrest is made, narcotics are seized, then the  
18 police officer cannot unilaterally release that person.  
19 You're going to work this case off, and you'll work it  
20 off. We're not going to take you into custody, but  
21 you'll work it off giving us additional information.

22 Only a prosecutor -- the point is, only a  
23 prosecutor can make that decision to say, okay, you've  
24 got this person with large amounts of, let's say,  
25 cocaine, and we think the information that he or she has



1 probing.

2 Q. On the last page, Exhibit 7A. You attribute -- I'll  
3 read it.

4 You attribute the problem "basic greed", and I  
5 assume your basic greed of officers and supervisors in  
6 the Narcotics Unit, and including, obviously, the Major  
7 Violators Unit, correct?

8 A. That's correct.

9 Q. 7B, this is a newspaper article in Detroit News,  
10 December 12th, 2019. And you're quoted a number of  
11 times and I --

12 MR. DETTMER: Michael, can you bring that up?

13 BY MR. DETTMER:

14 Q. Start off, selling drugs in any city is dangerous as  
15 dealers risk being killed or robbed by rivals, but in  
16 Detroit, pushers for years also have known they could be  
17 ripped off by cops, Police Chief James Craig said.

18 Is that accurate?

19 A. Yes, if I would have -- if I said it that way. But I  
20 guess that's the essence of it -- yes, I don't know if I  
21 would have said it just like that.

22 Q. That's the point you want to make?

23 A. Yes, but I might have said it differently.

24 Q. Then it goes on, the next paragraph, the culture here  
25 has been such that drug traffickers figure that it was



1 is invaluable in getting someone, say, higher up.

2 In the drug trade, that prosecutor could make  
3 that decision, not a police officer. I can't make that  
4 decision as a police chief. I certainly -- it can be  
5 recommended -- a recommendation that we pursue as -- a  
6 word that they use in Narcotics, it's called flipping a  
7 source, who they got drugs on. We found -- as it was  
8 indicated, we found that that happened a number of  
9 times, and that is improper.

10 Q. Now, going on the second page in A, down a little bit,  
11 you indicate, we're also looking very closely at the  
12 supervisors and managers in the Major Violators section.  
13 What did they know and what did they do about it? The  
14 investigation is looking very closely at the management  
15 that oversaw Narcotics.

16 And so you were very concerned that the  
17 Narcotic Units were not being properly supervised,  
18 correct?

19 A. That's correct.

20 Q. And have you found anything where it's been established  
21 that there was a deficiency in supervision?

22 A. As we continued our probe, based on the alleged conduct  
23 or misconduct that supervisors either knew or didn't  
24 know but should have known -- I guess that's the best  
25 way to describe it -- that is something that we're still



1 just one of the costs of doing business. They knew I  
2 could get killed, robbed by my competition or robbed by  
3 cops. It's not like that in other cities that I have  
4 worked.

5 Is that a proper quote from you?

6 A. That's correct.

7 Q. You go on on the next page, again, that -- the  
8 investigation that's underway, has uncovered a pattern  
9 and practice of alleged corruption. Is that fair to  
10 say, in the drug unit?

11 A. That's correct.

12 And, again, I want to put emphasis on that  
13 does not mean that every single member assigned to Major  
14 Violators was engaged in this pattern and practice.

15 Q. I understand. You've made that point a number of times  
16 in the articles being quoted. And I understand that.  
17 I'm not suggesting that every officer that is or was  
18 ever in the Narcotics Unit or Major Violators are  
19 criminals, but there are some. That's clearly, I think,  
20 the point, correct?

21 A. That's correct.

22 Q. You were quoted a number of other times. Do you want to  
23 take a quick look through this? I don't know if you can  
24 see it clearly.

25 A. Is there anything specific that you want me to see?



1 Q. For example, on the second page, those who are  
 2 trafficking in large amounts of drugs got passes based  
 3 on the decision of a police officer. They are not going  
 4 to come back knocking on my door, saying, Chief, we want  
 5 to make a complaint.

6 A. That's correct.

7 Q. That was the problem, right?

8 A. In essence.

9 I'm not saying with every arrest, but we have  
 10 seen that what -- you know, what drug dealer who's  
 11 getting a pass is going to come in and make a complaint.

12 Q. I understand that.

13 7C is an article titled Detroit Police  
 14 Officials Revamp Internal Affairs Probe Procedures.  
 15 This is dated April 27th, 2019, and it's a Detroit News  
 16 article.

17 Now, the Internal Affairs has what  
 18 responsibility?

19 A. To investigate both administrative and criminal  
 20 misconduct.

21 Q. And it's a check, in a way. It has some supervisory  
 22 responsibility, correct?

23 Well, let me ask you it a different way. Does  
 24 it play some role in supervising the police officers?

25 A. It can play a role in establishing policy, but the probe



1 Q. No. No, that's okay.

2 A. It's just that it was done, as I had testified already,  
 3 to address the lack of timeliness of investigations,  
 4 and, twofold, to address an accused officer. They  
 5 deserve to have a timely resolution to their  
 6 allegations. And also to the community that expects  
 7 that when they initiate allegations of misconduct, that  
 8 matter is addressed not four or five years later.

9 Q. Internal Affairs is a process in the discipline of  
 10 police officers, correct? In all levels of police  
 11 officers?

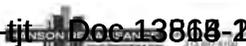
12 A. That is one -- Internal Affairs is one part. They  
 13 execute, initiate -- strike initiate.

14 But they execute the investigative work of  
 15 serious allegations of misconduct which in some  
 16 instances includes criminal misconduct.

17 Q. And it's significant in the process of keeping track of  
 18 what is occurring within the police department? If it's  
 19 not running efficiently, you're not staying on top of  
 20 the supervision that's needed?

21 A. Well, there are other -- I disagree with the question.

22 We have audit functions inside the police  
 23 department that monitor compliance with rules and  
 24 directives. Internal Affairs investigates allegations  
 25 of misconduct.



1 is separate from IA. It was birthed out of --

2 Q. Well, earlier in your testimony today, you indicated  
 3 that one of the things you changed was the Internal  
 4 Affairs. Can you put a time period on investigations  
 5 from inception to conclusion of one year? And you  
 6 indicated some --

7 A. That was involving -- that was involving allegations of  
 8 misconduct, and that change had nothing to do with this  
 9 probe. That was overall --

10 Q. Internal Affairs' probes can turn up criminal conduct,  
 11 correct?

12 A. That's correct.

13 Q. So if these things languished and then were not being,  
 14 if you will, aggressively addressed and putting a cap on  
 15 the time period made it more efficient, I assume, and  
 16 more analytical and more factual based, you know, you  
 17 can't -- four years after the fact, getting the facts  
 18 established is hard, agreed? The purpose of --

19 MR. SUROWIEC: Object to the form and  
 20 foundation of the question.

21 BY MR. DETTMER:

22 Q. The purpose of this was to really elevate, in some ways,  
 23 the effectiveness of the supervision, correct?

24 A. I don't like your question.

25 I mean, I don't mean to be smug, or...



1 Q. The practice is that it be done timely. That's a  
 2 supervision issue?

3 A. That's specific to allegations that come forth and,  
 4 again, as I've already testified to, because there was  
 5 no timely resolution and many of the cases going before  
 6 arbitrators that were appealed were being dismissed  
 7 because of the lack of timeliness.

8 So I felt strongly that Internal Affairs in  
 9 the department could be more efficient in responding to  
 10 the completion of internal investigations.

11 Q. I'd like to go on to 7E now. And it's an article dated  
 12 February 11th, of this year, 2020. And it's titled  
 13 Craig Defense Inhouse Probe of Police Narcotics Unit.

14 And in the second paragraph you are quoted, do  
 15 you see that? It is not -- I don't know if our -- can  
 16 you read that?

17 A. Frankly, we are best poised to do this investigation.

18 Q. Yes. You can read it to yourself. Is that an  
 19 accurate --

20 A. Yes.

21 Q. -- recital of your statement?

22 A. Yes.

23 Q. And then down below the pictures, the second paragraph,  
 24 that starts, "Craig said", could you read that?

25 A. Yes. It cuts off at a point because of the --



1 MR. DETTMER: Can you roll that up, Michael?  
 2 THE WITNESS: A little bit. Roll it up. Not  
 3 that way, the other way. Stop there.  
 4 BY MR. DETTMER:  
 5 Q. Is that a correct recitation?  
 6 A. That's correct.  
 7 Q. The second page, the paragraph that starts the second  
 8 page, the probe, Craig said, see that?  
 9 MR. DETTMER: Pick it up a little, Michael. A  
 10 little more.  
 11 THE WITNESS: I see it right there.  
 12 BY MR. DETTMER:  
 13 Q. Is that accurate?  
 14 A. That's correct.  
 15 Q. And then the next paragraph, is that accurate?  
 16 A. Meaning if there's a pattern of conduct?  
 17 Q. Yes, that's the one. Is that an accurate recitation?  
 18 A. I've already testified to this very same thing not even  
 19 two minutes ago.  
 20 Q. And then going on, you again indicate that the probe was  
 21 going back to 2010. That was something that you said a  
 22 number of times.  
 23 EXHIBIT 8  
 24 Police Commissioner Meeting  
 25 WAS MARKED FOR IDENTIFICATION



1 and you're referring to Commissioner Crawford's question  
 2 about finding a rotation in Narcotics.  
 3 You go on: I was adhering or adopting, but I  
 4 know that best practices and police departments that  
 5 have come under such judgments, they have put limited  
 6 duration on the tours of duty, high-risk assignments,  
 7 such as Narcotics, Vice, Gang Units. And the reason for  
 8 that is because those assignments have had lengthy tours  
 9 of duties is a greater likelihood of corruption.  
 10 You knew that and made that point to the  
 11 commission, correct?  
 12 A. I did.  
 13 Q. And you go on, starting at line 19 on a page 39, in  
 14 Detroit, what we've done in adhering to the best  
 15 practices, is that the tour of duty in those  
 16 assignments, Vice, Gangs, Narcotics, would be three  
 17 years, and the termination of the three-year assignment,  
 18 the concerned employee could request a one-year  
 19 extension.  
 20 Did you enforce that policy consistently?  
 21 A. I delegated enforcement down to assistant chief and  
 22 Deputy Chief Leavell and it candidly wasn't enforced in  
 23 the manner in which it was articulated.  
 24 I can say I felt there was some resistance,  
 25 even though not voiced, because it's always been the way



1 BY MR. DETTMER:  
 2 Q. Go on to Exhibit 8.  
 3 This is a July 17, 2014, meeting of the  
 4 Detroit Board of Police Commissioners which occurred on  
 5 Thursday, July 7th, 2014.  
 6 I have 2, 3, pages -- actually, a couple of  
 7 pages identifying who was there and the date again. But  
 8 going to page 37, you are discussing, and there's a  
 9 report in detail by Hanson no less, of what's said at  
 10 the meeting, correct?  
 11 And this report starting at line 12 on page 37  
 12 addressing -- I'm sorry, on line 15, a discussion about  
 13 the revamping of the Narcotics Unit, the Major  
 14 Violators.  
 15 Do you recall that discussion?  
 16 A. Not offhand. That was 2014. I've been to many --  
 17 Q. Basically, though, you described the revamping of the  
 18 Narcotics Unit into the Major Violators?  
 19 A. I'm sure I've had a number of conversations with the  
 20 Police Commission relative to the Narcotics Unit, and  
 21 I'm sure I would have briefed them on changes being  
 22 made.  
 23 Q. There's a question about the length of time an officer  
 24 can be a member of the Narcotics Unit, if you will. And  
 25 on page 39 you say: "I appreciate you bringing that up"



1 things were done in this department.  
 2 So if they move someone out, the person still  
 3 worked -- I have since learned -- worked in Narcotics  
 4 and sat at the precinct level. And then at some point  
 5 they were brought back. I'm not always aware who  
 6 left -- I mean, now it's different. We certainly have a  
 7 more rigor attacks.  
 8 The argument that those who have been in the  
 9 organization was that they felt lengthy experience was  
 10 important. Instead of this three-year and a one-year  
 11 extension, if necessary. It wasn't really well  
 12 received, at least that was my sense. Certainly now,  
 13 there's no pushback.  
 14 Q. Well, are you applying a three-year plus one possible,  
 15 max of four years?  
 16 A. If my memory --  
 17 Q. Is that being enforced?  
 18 A. If my -- well, since the start of our probe, we moved  
 19 anybody with five years or more out. So, yes, it has  
 20 been.  
 21 So based on what I know now, there's nobody  
 22 that has excess of five years, at least to my knowledge.  
 23 Q. But until the probe started, 2019, there were people  
 24 that had maybe as much as five or more years in --  
 25 A. Right, there were still some people --



1 Q. -- Major Violators and Narcotics, right?

2 A. That's correct. So we have --

3 Q. So the supervision wasn't adhering to the policy you

4 instituted --

5 (Indiscernible, multiple

6 speakers at the same time)?

7 THE WITNESS: I'm wondering, are you going to

8 let me answer the question or are you going to talk,

9 because I can't get a response out. I would like to get

10 a response out, if that's okay.

11 MR. DETTMER: I want you to respond.

12 THE WITNESS: Okay.

13 So the answer is yes, we found instances where

14 it wasn't adhered to. As I testified to earlier, that

15 in some instances they were moved out and then brought

16 back.

17 In other words, the clock stopped and it was

18 restarted. So if you are out of Narcotics, say, for a

19 couple of months and you were brought back, the clock is

20 starting all over again. That was a way to get around

21 an unpopular decision.

22 BY MR. DETTMER:

23 Q. Well, you, as the chief of police, as CEO of the Detroit

24 Police Department, had the final say on policy, correct?

25 And you expect your officers, including all of your



1 decision?

2 A. As I remember, it probably was the same time following

3 the conclusion of the Hansberry indictment. So we were

4 looking for a way to change the culture, move the

5 major -- I mean Narcotics in another direction, that

6 based on what we've learned in our probe, there were

7 things that we didn't know that had we known at that

8 point, that would have been included in the restructure.

9 We just didn't know it. There was a lot of things we

10 didn't know.

11 Q. Hansberry was indicted on April 8th, 2015. But there

12 was an ongoing investigation, correct, prior to that,

13 about Hansberry and his crew members? Correct?

14 A. Yes. I have already testified that the FBI initiated

15 and started the investigation in 2010 --

16 Q. Right.

17 A. -- and culminated in 2014.

18 Q. Now, in terms of the Detroit Police Department, were

19 files opened about this investigation that originated

20 with the investigation you described previously but were

21 giving some direction to the organizational features?

22 You didn't just wake up one day and dictate this five-

23 or six-page document, right?

24 Exhibit 9. You had some information provided

25 to you before, correct?



1 command officers, to follow policy that you oversee and

2 instituted, correct?

3 A. That's correct.

4 Q. And the failure to do so is a failure of vision but at

5 different levels, correct?

6 A. You can say that, yes.

7 EXHIBIT 9

8 Administrative Message

9 WAS MARKED FOR IDENTIFICATION

10 BY MR. DETTMER:

11 Q. I want to then go on to Exhibit 9. This is the

12 administrative message dated June 27th, 2014, where

13 there are organizational changes within organized crime.

14 BY MR. DETTMER:

15 Q. And organized crime is -- has under its umbrella a

16 number of different things. It had -- I can't -- it had

17 Narcotics Unit, gang intelligence, task force and vice

18 enforcement. And you changed the name of the Narcotics

19 Unit, and effective July 14, 2014, you named it Major

20 Violators and reduced the number and I think posted

21 other conditions, correct?

22 A. That's correct.

23 Q. Do you have something time wise that caused you to do

24 this in the summer of -- or in the period of

25 June 2014 -- or in 2014 that caused you to make this



1 A. As I've indicated and I've testified before, the changes

2 were made based on the Hansberry case and his other

3 crime partners. And it was our way of trying to move

4 the organization in another direction.

5 However, as I've already testified, and I've

6 probably have said this three times, there are a lot of

7 things that we didn't know in terms of practices until

8 the Mosley matter. And around the same time that Mosley

9 was charged, we had got information from a source who

10 was very familiar with the operations of narcotics and

11 the kind of things that some of the members were

12 allegedly involved in.

13 Q. Was that person a member of the Narcotics Unit or Major

14 Violators Unit?

15 A. As I indicated to you earlier in this conversation, we

16 are in the middle of a confidential -- and I'm not going

17 to disclose, unless compelled by a court the name of

18 that person. That person is a federal -- I guess it's

19 safe to say he is a federal informant, not a Detroit

20 Police Department informant.

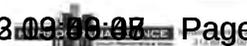
21 Q. So then he's not -- I mean, that suggests to me he was

22 never part of the Detroit Police Department?

23 A. I am not -- as you know -- well, let me just stop there.

24 I'm not going to get into confidentiality of that part

25 of the investigation. I'm saying that we had a source



1 that was a federal source. The information was provided  
 2 to us, and I'll leave it at that.

3 Q. Looking at it, you -- well, first of all, the former  
 4 Narcotics Unit was made up of enforcement, and  
 5 Conspiracy Unit; is that correct?

6 A. To the best of my knowledge.

7 Q. And do you recall what the difference in the two were --

8 A. Not offhand.

9 Q. -- as far as conspiracy?

10 A. Not offhand, I don't. I'm sorry.

11 Q. Did the -- at least what I understand, based on prior  
 12 testimony, that enforcement basically was street level  
 13 and conspiracy was higher-level drug dealer enforcement  
 14 addressing higher-level drug.

15 Does that ring a bell with you at all?

16 A. Yes, that sounds pretty close to correct.

17 Q. And what was the role of Major Violators? Did they fill  
 18 in on the conspiracy side, major drug dealers, or did  
 19 they deal with enforcement?

20 A. The idea was to focus on -- as you articulated, the  
 21 conspiracy side. Street enforcement we felt could be  
 22 better focused by precincts as complaints were being  
 23 made to various complaints -- I mean precincts about  
 24 street level drug dealing.

25 It would be the station that would handle it



1 because the Major Violator section was smaller than the  
 2 former, and they were also a part of -- at least a  
 3 component was part of DEA task force. We felt that it  
 4 was better that they focus on Major Violators.

5 Q. Chief, you, obviously, correct -- let me ask you. You  
 6 didn't fully lay out, do all of the investigation and  
 7 assignments that are made and reflected in Exhibit 9,  
 8 correct? You set a policy and you put it in motion  
 9 based on what you were aware of that was of concerning  
 10 turnkey, correct?

11 A. That's correct.

12 Q. Who participated in putting this document together,  
 13 assignments, differentiating different components with  
 14 the meetings. What's the process of doing something  
 15 like this, which is a significant chain?

16 A. It would have probably involved -- I see the name at the  
 17 conclusion, a Steve Dolunt, a former assistant chief,  
 18 was the ranking member over operations that came under  
 19 his chain. Certainly James White, who was an assistant  
 20 chief, was involved in that administrative part.

21 So those two assistant chiefs and select staff  
 22 would be involved in the crafting of policy or  
 23 documentation.

24 Q. Are there documents that White and Dolunt were involved  
 25 in and people would report to them generated so that it



1 resulted that, if you will, in Exhibit 9, the  
 2 administrative message dated June 27th, 2014?

3 A. I'm not aware of any additional documents -- or at least  
 4 I don't recall any additional documents.

5 Q. Did White and Dolunt have to look at things and have  
 6 meetings with people related to the implementation of  
 7 policy change that you directed?

8 A. I am certain that they had meetings, but I wasn't part  
 9 of those meetings.

10 Q. Well, you're aware of the process, right? You've come  
 11 up through the ranks and overseeing the processes and  
 12 methodology.

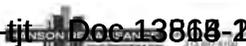
13 How is something like this implemented if it's  
 14 not -- if there isn't a paper trail function?

15 A. As far as I know, this is the only -- there was a  
 16 conversation and the two assistant chiefs got together  
 17 and executed launching this change.

18 As to what that involved, I don't have  
 19 specific information. As I've testified, I did not sit  
 20 through that.

21 Q. Well, you see the enforcement operations? That's like  
 22 the third page.

23 A. Again, I did not participate in the actual planning. I  
 24 had discussions with the executive team, and during my  
 25 conversation, I didn't provide them any written



1 direction. I ended up telling them what I wanted and  
 2 delegated to them to create and, at the conclusion,  
 3 execute.

4 Q. Are you saying this document was created as a result of  
 5 verbal discussions only?

6 A. The initial direction of changing to Major Violators was  
 7 a discussion, and there was a subsequent -- I'm  
 8 assuming. I don't know because I did not sit through  
 9 meetings with Dolunt and White other than maybe to get  
 10 an update on what has occurred.

11 Q. Well, Chief Dolunt in the Enforcement Operations, on the  
 12 third page of Exhibit 9, discusses the paid positions of  
 13 different people.

14 You've seen these kinds of documents before,  
 15 correct?

16 A. That's correct.

17 Q. People are reassigned on some regular basis. Generally,  
 18 it generates a document similar to what we are looking  
 19 at on page 3, 5, and Bates Number 1 through -- 1 through  
 20 7 (sic), correct? You have seen those? Correct?

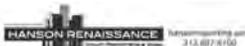
21 I'm sorry, 144 through 147.

22 A. Yes.

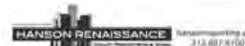
23 Q. For example, you indicated that there would be one  
 24 lieutenant over the Major Violators. And on the Bates  
 25 Number 144, there is a number of lieutenants that are



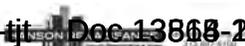
1 listed, one of them being James Moore. And he was in  
 2 the 3rd Precinct, and he was put into Major Violators.  
 3 Who made that decision? Why was he selected?  
 4 A. I don't know how the selection was made. I don't know  
 5 how the selection was made. They make recommendations.  
 6 Given that that was 2014, at the time, most of  
 7 these individuals I didn't personally know, so I relied  
 8 heavily on recommendations made by my executive team,  
 9 which was the assistant chiefs. So they felt that's who  
 10 they wanted in these concerned assignments. There was  
 11 nothing to say they couldn't go there, at least not that  
 12 I am aware of. Nothing was brought to my attention.  
 13 Q. Well, approximately at that point in time, there were  
 14 48 officers, a lieutenant, 6 sergeants, 41 police  
 15 officers in what was then the Narcotics Unit. And that  
 16 48 went down to basically 24, right in half.  
 17 You had no role in any of the decisions of the  
 18 appointments to be either lieutenant, the sergeants, or  
 19 the police officers, correct?  
 20 A. I relied on my executive team to make recommendations  
 21 and absent anything that was concerning, I supported  
 22 their decisions. Again, I had been in the department a  
 23 year. And probably most of these folks -- as I am  
 24 looking at -- I mean, I know most of them now that I  
 25 didn't know. So I didn't have any personal knowledge.



1 I didn't handpick myself. I relied on my executives to  
 2 make their decisions.  
 3 Q. Well, let me point something out, if I can.  
 4 Hansberry's crew, that involved Sergeant  
 5 Geelhood, eventually, nine of those people were in the  
 6 list of the July 22, 2014, list of people who were  
 7 removed from the Narcotics Unit, Geelhood, Bray,  
 8 Leavells, Matelic, Beasley, Riley, Barnett, Tourville,  
 9 and Napier, who committed suicide sometime after this in  
 10 January 2015.  
 11 Do you know if any of those officers I just  
 12 enumerated and the eight that are still alive are under  
 13 investigation?  
 14 A. There are some that are under investigation and one just  
 15 retired in --  
 16 Q. Some are currently under investigation?  
 17 A. Some are, yes. Yes.  
 18 Q. Do you know which ones?  
 19 A. Sergeant Geelhood is currently under investigation --  
 20 Internal has a case of an allegation that emanated out  
 21 of the Wayne County Prosecutor's office -- and we've  
 22 opened an investigation relative to him.  
 23 Q. Is that Sergeant Geelhood?  
 24 A. That is correct.  
 25 Q. Anybody else?



1 A. Amy Matelic was under investigation by Internal Affairs  
 2 and she was --  
 3 Q. She entered into a consent agreement, correct, and  
 4 left -- just to refresh your memory -- left the Detroit  
 5 Police Department?  
 6 A. She was under investigation involving allegations  
 7 concerning something that emanated out of a civil  
 8 lawsuit, and she opted to leave the department. And we  
 9 allowed her to do so. But it wasn't anything --  
 10 Q. She was charged with falsifying an affidavit for a  
 11 search warrant, and she basically, as I recall -- I'm  
 12 just trying to refresh your memory -- that Stephen  
 13 Geelhood provided her the information and she did --  
 14 A. I'm familiar with that case. She --  
 15 MR. SUROWIEC: Dennis, could you please let  
 16 the witness answer your questions.  
 17 BY MR. DETTMER:  
 18 Q. Go ahead.  
 19 A. No, it's getting a little old. I start to talk and I  
 20 get talked over. I mean, can we just let me get my  
 21 comment out. If that's not satisfactory then -- because  
 22 I'm feeling like every time I start talking, you over  
 23 talk me.  
 24 Q. I don't mean to be and I don't -- really, I'm not trying  
 25 to be rude to you. We're under a 3 1/2 hour limitation,



1 and I want to move ahead. Some of this stuff, as you  
 2 said, you repeated.  
 3 A. A lot of it I just read it -- can I share my  
 4 frustration?  
 5 A lot of what I'm saying is repeated, and you  
 6 want to talk about efficiency of time, why am I saying  
 7 the exact same thing? I'm not going to lie. I'm going  
 8 to tell the truth.  
 9 Q. No, no, no -- I know you're a truthful fellow.  
 10 A. Yes, sometimes so far I guess, but I would rather be  
 11 upfront. So relative to this, I'm familiar with Amy  
 12 Matelic. There was a lawsuit and she was facing  
 13 termination for false statements.  
 14 As you know, you articulated, given at the  
 15 trial, she opted -- in lieu of being terminated, she  
 16 resigned or retired under charges. I think that is it.  
 17 So we put under charges. So she has since left the  
 18 department. So that option is sometimes afforded. I  
 19 mean, because if a person wants to opt to retire, you  
 20 know, all we can do is put the reason for the retirement  
 21 or resignation, and if there's an open case like this  
 22 was, we put retired under charges. That's generally --  
 23 not in every case, but that's generally what we do.  
 24 Relative to Geelhood, that was something, as  
 25 I've already indicated, it came out of the -- I think



1 this was the Innocence Project case is what I was  
 2 briefed, so we have an open investigation relative to  
 3 him and we're not complete with that yet.  
 4 And I think there was a couple of other names  
 5 that you mentioned that I am not --  
 6 BY MR. DETTIMER:  
 7 Q. Do you recognize any of them? I will go through them  
 8 again.  
 9 A. Outside of Geelhood and Matelic -- what were the other  
 10 names you mentioned?  
 11 Q. Bray.  
 12 A. I've heard Bray's name, but I'm unaware of any open  
 13 investigations unless he's part of our probe. There are  
 14 a lot of names that come up in our probe, that I can't  
 15 just off the top of my head tell you who they are.  
 16 Q. Those nine people I have listed were either in or became  
 17 under Hansberry and subsequently Geelhood, was in  
 18 Hansberry's -- and there were nine of them. And as you  
 19 know, Napier committed suicide, so there were eight  
 20 people, and I'll give you the names of other -- you  
 21 know, Leavells is out, obviously. But -- and Matelic's  
 22 out. But who are still in play are Geelhood, Bray,  
 23 Beasley, Riley, Barnett, and Tourville.  
 24 Any of those ring a bell?  
 25 A. Tourville comes to mind; I just can't recall what. It



1 Q. I'd like to talk to you about the stop on July 6th,  
 2 2010, with Hansberry's crew. And I know you don't have  
 3 personal knowledge of that. But recognizing that  
 4 potentially this is an issue of review and should be --  
 5 for my valuation of it, I'd like to ask you some  
 6 questions.  
 7 Do you recall this is the stop where some  
 8 millions of dollars were on the way to a Mexican cartel  
 9 and on the east side near Gratiot and Outer Drive, I  
 10 believe there was a stop by Hansberry's crew. And  
 11 there's a good amount of dispute about the amount of  
 12 money. I've had maybe three different numbers, based on  
 13 various sources, testimony, and trial and things like  
 14 that.  
 15 But are you somewhat familiar with all of  
 16 that?  
 17 A. I've heard it. I'm not intimate with that case. I  
 18 can't offer you anything. You could probably brief me  
 19 out as to what you know, but I have heard -- and we  
 20 haven't gone back and did an exhaustive review of that.  
 21 I just heard just basically what you're saying now.  
 22 Q. There is a connection between Arthur Leavells and Gary  
 23 Jackson, a mutual friend. Right? And Gary Jackson was  
 24 a -- probably a high-level drug dealer. He owned a --  
 25 or leased a truck operation for cleaning trucks, in --



1 seems as if -- we may have. I don't know. I think his  
 2 name -- again, some of these names are coming up in our  
 3 probe and we are moving forward.  
 4 In fact, there are several members, and I  
 5 don't know if it's Tourville, but we have several  
 6 members that have chief hearings pending that are  
 7 dismissal cases.  
 8 Q. You've indicated a number of times that you're looking  
 9 at a lot of Hansberry's crew?  
 10 A. Well, not just --  
 11 Q. I know, not just, but you are looking at them?  
 12 A. Yes, we are. But, again, to what you -- you've  
 13 indicated earlier, you think we're going around -- we're  
 14 doing this backwards. We should have started back in  
 15 fear of the statute.  
 16 And I will just be candid with you, if the US  
 17 Attorney wanted us to start at the back, like 2010, or  
 18 whatever date our files go back to, because of statute  
 19 issues. I am certain they would have raised that issue,  
 20 because, you know, Mr. Graveline was a former US  
 21 Attorney, very familiar with the statutes.  
 22 But, again, we opted -- because our initial  
 23 concern was Mosley, and me believing that Mosley was  
 24 involved in other allegations, which we have found that  
 25 he was involved in other allegations of criminality.



1 what really apparently was the issue there, trucks come  
 2 in and either drop drugs or pick up money, and the semis  
 3 head down to Mexico or whatever. That's basically the  
 4 argument of the US Attorney in the Hansberry trial.  
 5 But what I'm interested in and wanted to  
 6 discuss with you is the fact that there are three  
 7 different numbers, dollar numbers, that were significant  
 8 in this case. Gary Jackson testified there was -- he  
 9 delivered \$3 million to the drug runner who was driving  
 10 the truck to Mexico. And at the time he did that,  
 11 Leavells, Hansberry, and Watson and Hansberry's crew  
 12 were in on this deal. They were going to stop it and  
 13 get the money. It was all prearranged.  
 14 The second number was a tally sheet that was  
 15 with the money, and it -- it indicated that there was  
 16 \$2,370,000 on -- in the various bags that had the money  
 17 in it in the semi.  
 18 Then there was a dispute that went to Internal  
 19 Affairs, basically, over the counters -- a dispute over  
 20 like \$15,000. But what Comerica Bank established and  
 21 what was deposited in the Detroit Police Department's  
 22 account with Comerica was \$2,084,820. That's the  
 23 established amount that was there.  
 24 Basically, the testimony was that Tourville  
 25 and Napier grabbed money per an agreement, and they were



1 charged with that. The question is, was there  
 2 2,084,000, 2,370,000 or 3 million?  
 3 Now, clearly the evidence that was grabbed at  
 4 the time indicated in the tally sheet there was  
 5 2.3 million plus, and for some reason nobody used that  
 6 in any kind of investigation. It didn't trigger  
 7 anything. Because them talking about 2,084,000 being  
 8 deposited, there is a difference of somewhere in excess  
 9 of \$180,000 (sic) that disappeared, if the tally sheet  
 10 is correct.  
 11 Jackson is correct in his testimony in federal  
 12 court, and I'm sure, you know, he faced serious  
 13 consequences if he perjured himself, that there was  
 14 3 million.  
 15 There was no accounting in any form by  
 16 supervision of the Detroit Police Department on those  
 17 issues. I hope I'm making it clear to you the issue.  
 18 MR. SUROWIEC: Thousands of dollars.  
 19 BY MR. DETTMER:  
 20 Q. Hundreds of thousands of dollars disappeared and the  
 21 testimony of Leavells was that the crew grabbed that by  
 22 a prearranged agreement.  
 23 MR. SUROWIEC: I would object to form,  
 24 foundation. You are testifying. The question is not  
 25 even a question. It was literally about a three-minute



1 statement.  
 2 It's inaccurate to the extent that you would  
 3 say that Tourville and Napier were charged, and it calls  
 4 for speculation on the part of the chief, who wasn't  
 5 there.  
 6 But, Chief, if you can answer that, which I am  
 7 not sure what that was.  
 8 THE WITNESS: I can't. I wasn't here then.  
 9 In fact, I was a police chief in Portland, Maine, in  
 10 2010. I've heard some discussions about that limited --  
 11 as I indicated before you started your three-minute  
 12 narrative on what took place, I say you probably know  
 13 more about this than I do.  
 14 As it turns out, you have read testimony in  
 15 the federal case, which I have not. I don't know. As  
 16 we continue to do our probe and go back, I am certain  
 17 that this issue will resurrect. What will come out of  
 18 it, I don't know.  
 19 BY MR. DETTMER:  
 20 Q. I guess the point I'm making with you, this is an  
 21 opportunity for supervision, and I would indicate to you  
 22 that --  
 23 MR. DETTMER: If we can go to Chief Exhibit  
 24 11B, Michael.  
 25



1 EXHIBIT 11A  
 2 Photo  
 3 WAS MARKED FOR IDENTIFICATION  
 4 EXHIBIT 11B  
 5 Photo  
 6 WAS MARKED FOR IDENTIFICATION.  
 7 BY MR. DETTMER:  
 8 Q. The highest level of the Detroit Police Department was  
 9 aware of this event and, in fact, after the money was  
 10 acquired -- that's Exhibit 11A -- that's the money on  
 11 the trunk of a car at the scene of the stop.  
 12 And 11B, unfortunately, is sideways, but --  
 13 there you go. And you'll recognize all of those  
 14 individuals, I am sure, Chief Godbee being in the  
 15 center, correct?  
 16 A. That's correct.  
 17 Q. There's the money.  
 18 A. Correct.  
 19 Q. And the point I'm making with you, there was a  
 20 subsequent investigation of how a money counter being  
 21 inaccurate over \$15,000. Really, we are talking about  
 22 900,000 or 280,000 disappeared, and the trial was about  
 23 how Hansberry and his crew grabbed that money.  
 24 You're not aware of any of that? We're not  
 25 making (inaudible) --



1 A. No.  
 2 Q. Here is something with the highest level management of  
 3 the Detroit Police Department at the time and it wasn't  
 4 properly handled. Is that fair to say?  
 5 A. I can't say. Now, I guess --  
 6 Q. Assuming what I said is correct?  
 7 A. Well, here is a question I --  
 8 MR. SUROWIEC: He is not going to say --  
 9 THE WITNESS: I can't say how it was handled.  
 10 Now, at some point this allegation was made that money  
 11 was missing. Am I correct to say that?  
 12 MR. DETTMER: Yes, but it was -- it was  
 13 focused on a counter -- money counter issue, not on the  
 14 tally sheet.  
 15 THE WITNESS: So if it was a counter issue --  
 16 I mean, either we believe that money was stolen -- as  
 17 you referenced, the highest levels of the organization  
 18 were aware that there was some sort of nefarious act or  
 19 money was alleged to have not been accounted for, then  
 20 the only thing one could do was then initiate an  
 21 investigation into it. I don't know if the then Chief  
 22 Ralph Godbee became aware and initiated an internal  
 23 investigation. I'm unaware of that.  
 24 BY MR. DETTMER:  
 25 Q. Well, there is evidence to support, as you well know



1 probably --

2 A. But specific to your -- specific to your question, if

3 the chief became aware of an allegation of theft, the

4 chief would then be responsible to initiate an internal

5 investigation. I don't know because I wasn't here.

6 Maybe as part of the work that we'll be doing

7 in the coming months, however long it takes us to get to

8 that time period, maybe we'll have the answer. Maybe I

9 can find that answer out right now. I don't know.

10 Q. Chief, what I'm really asking you, though, there was a

11 tally sheet that indicated there was \$2,370,000 in that

12 truck.

13 A. Okay.

14 Q. That was evidence that the Detroit Police Department had

15 and it was totally ignored. And the point I am making

16 with you, that evidence was an indication that the

17 department should have known there was some problem here

18 and investigated it. They never investigated it.

19 A. You know --

20 MR. SUROWIEC: That's a mischaracterization of

21 the evidence, and you're painting it in an absolutely

22 false light.

23 But go ahead, Chief, if you can answer that.

24 THE WITNESS: I can't answer that. I mean,

25 the way the question's framed -- I know what I would do



1 Exhibit 10, DPD Bates 1643 -- is a bank deposit with the

2 Comerica Bank and it shows a deposit of \$2,084,830.

3 A. I understand.

4 Q. In Bates Number -- DPD Bates Number 1648 in Exhibit 10

5 there's a tally sheet, and there are a number of pages

6 listing each of the deposits that were made -- or the

7 money bags that were in the -- in the vault, and that

8 tally sheet shows 2,370,000. Whether it's accurate or

9 not, no way either you or I know this.

10 But the point is that it raised an issue, and

11 there's no investigation at all at any point about that

12 tally sheet and the discrepancy between the bank

13 deposit, and its significant. All I'm saying is --

14 A. To your point -- I'll just say, to your point,

15 absolutely it's significant. And if you had asked me

16 the question, if you were the chief and you were made

17 aware of a discrepancy, what would you have done.

18 Q. What would you have done?

19 A. That's the question.

20 Q. What would you have done?

21 A. If I were the chief in 2010 in Detroit and I became

22 aware of a discrepancy, I would have initiated an

23 investigation to find out was it just an error that

24 somebody -- on the bank slip make a mistake? What would

25 it have been? I don't know.



1 in a given situation. But to say a tally sheet

2 reflected one thing, I guess one could argue, if I'm

3 understanding your synopsis, that -- how do we know the

4 tally sheet was correct? I don't know. Who's making

5 the allegation that -- I just don't know.

6 And so what you are doing is -- you want me to

7 say that it wasn't handled properly. I don't know what

8 the chief knew at that time. If I had known that you

9 were going to ask me this question in 2020, I would have

10 called him on July the 27th, say, one day I'm going to

11 be chief in Detroit and this question's going to be

12 asked. Did you do anything with this money thing.

13 I mean, I'm being facetious, of course. But

14 I'm just saying, there's no way -- I don't know enough

15 about the facts, and the way you framed it, the tally

16 sheet tells me nothing.

17 BY MR. DETTMER:

18 Q. Well, here, let me make the point for the record. In

19 Exhibit 10, DPD Bates 1643 --

20 EXHIBIT 10

21 Comerica Bank Deposit

22 Tally Sheet

23 WAS MARKED FOR IDENTIFICATION

24 BY MR. DETTMER:

25 Q. Well, here, let me make the point for the record. In



1 I would have at least wanted to know because,

2 worst-case scenario, somebody stole the money. And then

3 it would have been involving interviews of people

4 involved. It would have been a number of things we

5 could have done.

6 With that kind of money, we would have gotten

7 search warrants to get into bank records of certain

8 department employees, to see if there was an unusual

9 amount of money deposited, which -- and in an

10 administrative case, even if, say, the US Attorney said,

11 well, it's not really enough. Or the Wayne County

12 prosecutor said it's not enough to prove theft, maybe.

13 Based upon a preponderance of evidence, it's enough to

14 support an allegation that a theft occurred. It just

15 doesn't meet a criminal standard. I mean, so that's

16 what I would have done. At least take a look. It

17 doesn't mean that I would have proven that the money was

18 stolen. I don't know. I really don't know.

19 Q. And the point I think is well taken. There was the

20 opportunity to actually know what occurred, and there

21 was a total lack of inference to this, from what I

22 can see.

23 And the point I'm making is, Hansberry's crew

24 are basically the defendants in our cases that we have

25 and had they properly proceeded, had the Detroit



1 department supervision properly proceeded, it's -- these  
2 people wouldn't have been raided.

3 These are the people who are criminal cops,  
4 and they raided our clients' homes, and that's the point  
5 I'm making with you. They didn't -- as you are correct,  
6 it should have happened and it didn't.

7 MR. SUROWIEC: I would object to the narration  
8 -- the narrative there. And I would also object to the  
9 fact that you're -- you're giving false evidence because  
10 you know that there was an Internal Affairs  
11 investigation that was launched after the discrepancy  
12 was noted, and that would have been under Chief Godbee,  
13 so why are you saying there wasn't, Dennis?

14 MR. DETTMER: Here. Here. That investigation  
15 was over whether the money counters were properly  
16 operating. That was the issue, over \$15,000.

17 MR. SUROWIEC: They did Garrity. They did  
18 Garrity. They interviewed about 20 to 30 officers.  
19 They did --

20 MR. DETTMER: Here --

21 MR. SUROWIEC: It was done.

22 BY MR. DETTMER:

23 Q. They weren't interviewing them about the \$2,370,000  
24 tally sheet. They weren't -- that number never came up  
25 at all anyplace.



1 commanding officer of IA at the time, Sergeant Dietrich  
2 Lever, who is now a lieutenant still working for DPD,  
3 don't you think either one or at least Lever who's still  
4 a department member -- in fact, Lever, a lieutenant, is  
5 a key member of our Operation Clean Sweep. I'm sure he  
6 can give you and articulate the investigation involved  
7 here. I can't.

8 Q. With all due respect, the only point I'm making was  
9 there was evidence that there was \$2,370,000 in those  
10 bags.

11 A. Understood.

12 Q. And it's not mentioned at all anyplace. Anyplace. And  
13 this is about 15 grand, I mean, come on. And had it  
14 occurred, there's a good chance that Hansberry's crew  
15 would have been operating that raided our clients'  
16 homes.

17 A. But I'm looking --

18 Q. That's the point I'm trying to make with you.

19 A. I know. But as I'm looking at this memo, I know we're  
20 putting a lot of time into this memo that I have no  
21 idea. But it does reflect -- the counter reflected  
22 2,084,820 and a difference of what you call 15 grand,  
23 15,370. I would have to go through the whole thing, but  
24 I think if this is a concern, why not have Dietrich  
25 Lever deposed? Why not?



1 A. Well, I've got to tell you something. I am a little  
2 dismayed because specifically I asked was there an  
3 investigation. And counsel is now articulating that  
4 there was an investigation. Maybe you don't like how  
5 the investigation was conducted.

6 But if people were Garrity'd -- I even took  
7 four to five minutes explaining that I would have people  
8 interviewed, and it sounds like this is the very same  
9 thing that happened anyway.

10 Q. No. No.

11 A. Just the outcome is different.

12 Q. Exhibit 13, that I have is the investigation.

13 EXHIBIT 13  
14 Investigation money counter  
15 WAS MARKED FOR IDENTIFICATION

16 THE WITNESS: Okay.

17 BY MR. DETTMER:

18 Q. And it was about the counter, the money counter  
19 discrepancy. That is what it was about. \$15,370.00.  
20 Exhibit 13 of the exhibits that we have. And that's it.  
21 It's not about the tally sheet.

22 A. So I'm curious -- I'm curious, as I'm looking at this  
23 memo, you got --

24 Q. You're looking at it. It's Exhibit 13, for the record.

25 A. Yes. Exhibit 13, Commander Brian Stair, who was the



1 Q. I missed what you're saying.

2 A. Why not have Lieutenant Lever deposed to find out what  
3 he would tell you about this? He's the investigator.

4 Q. My point is, it was there, it was -- and the evidence  
5 was there. The tally sheet. There's no mention of it  
6 anyplace. I mean --

7 A. Okay.

8 Q. -- if the head of Internal Affairs was aware of it, it  
9 surely isn't reflected in any way --

10 A. Okay.

11 Q. -- in any document that I am aware of, of an Internal  
12 Affairs investigation related to that.

13 Let's go on.

14 MR. SUROWIEC: I'm just going to pose an  
15 objection. This is a 17-page document. Mr. Dezsi is  
16 literally on page 1, has not moved off of page 1. The  
17 witness is being cross-examined with zero (inaudible) to  
18 this. It's not proper.

19 (Multiple speakers  
20 speaking at the same time.)

21 MR. DETTMER: Are you suggesting someplace in  
22 this document there's a tally sheet showing the  
23 \$2,370,000, in any way it's a part of this  
24 investigation?

25 MR. SUROWIEC: I'm suggesting that you -- you



1 initially started your question off by actually  
 2 testifying that there was no IA investigation. That's  
 3 what you said. Leaving the chief to believe that --  
 4 MR. DETTMER: There was no investigation about  
 5 the amount of money --  
 6 MR. SUROWIEC: You need to join the police  
 7 force because --  
 8 (Multiple speakers  
 9 speaking at the same time)  
 10 MR. DETTMER: -- the \$2,370,000. Are you  
 11 suggesting there was an investigation of the \$2,370,000  
 12 tally sheet, Jim? Come on.  
 13 MR. SUROWIEC: Dennis, you need to be a police  
 14 officer because you don't like the way they do their  
 15 job. But as the chief said, Lieutenant Lever's the guy  
 16 who knows. You know, you're looking at half the  
 17 information.  
 18 MR. DETTMER: Let's move on.  
 19 Exhibit 12.  
 20 EXHIBIT 12  
 21 Detroit News Article  
 22 11/03/2014  
 23 WAS MARKED FOR IDENTIFICATION  
 24 BY MR. DETTMER:  
 25 Q. Exhibit 12 is a November 3, 2014, Detroit News article.



1 I'm sorry. Let me go back to the first  
 2 paragraph. I'll read it. Detroit police officer,  
 3 according to two police sources, was being investigated  
 4 by the FBI and Detroit Internal Affairs narcotics  
 5 corruption died of a self-inflicted gunshot wound on  
 6 Thursday morning, January 22, 2015. It doesn't say that  
 7 that's the morning.  
 8 And the second paragraph -- I'll skip over the  
 9 first couple of lines. But it again says two sources --  
 10 last two lines. Two sources familiar with the  
 11 investigation into corruption of the former narcotics  
 12 section, that he was one of the officers being  
 13 investigated.  
 14 Do you know who was being investigated at that  
 15 time?  
 16 MR. SUROWIEC: Objection; hearsay to what you  
 17 just read, form, foundation.  
 18 Chief, go ahead and answer, if you know.  
 19 **THE WITNESS: Well, I think you've named all**  
 20 **of them I think early on in my testimony. I feel like I**  
 21 **keep going over the same role. I talked about --**  
 22 BY MR. DETTMER:  
 23 Q. The people I previously mentioned you're talking about?  
 24 A. Earlier on in this deposition, I referenced three people  
 25 that were charged -- no, two people charged -- I mean,



1 And it's about four Detroit police officers suspended  
 2 following a probe.  
 3 You are quoted in here a number of times. But  
 4 this really involves two different crews of the four  
 5 cops. There are two and two. It's not all four of them  
 6 related to one incident. But you go on. I'm looking at  
 7 Paragraph 1, 2, 3 -- it's the third paragraph. It's out  
 8 on the -- the first one out on the margin. Detroit  
 9 Police Chief Craig disbanded the drug unit.  
 10 Do you see that?  
 11 Again, they use systemic problems with  
 12 something you had previously said.  
 13 And what I am looking at is this relates to  
 14 Hansberry and others in his crew, correct?  
 15 A. Yes. I think I've already testified that even though  
 16 there were those who were part of the crew weren't  
 17 charged, I believe they still had limited knowledge that  
 18 they were involved in criminal and/or administrative  
 19 misconduct.  
 20 Q. You're quoted a number of times here, but I think that  
 21 the points that -- I need to go on. I want to get done  
 22 with some of this stuff. Let's skip 12A.  
 23 12B, this is recording (sic) the suicide of  
 24 James Napier, an article in the Detroit News,  
 25 January 22, 2015. And the second paragraph.



1 two people indicted, one charged, and one committed  
 2 suicide, and this would be that person. That's it.  
 3 That's what I know.  
 4 Q. Just for the record, I have as Exhibit 12C, this is the  
 5 indictment of Hansberry, Watson.  
 6 EXHIBIT 12C  
 7 Indictment, Hansberry/Watson  
 8 WAS MARKED FOR IDENTIFICATION  
 9 BY MR. DETTMER:  
 10 Q. Also, Leavells was indicted but not part of --  
 11 A. He was charged. He was charged.  
 12 Q. Well, he pled.  
 13 A. Okay. Okay. That's fine.  
 14 Q. He really testified about the criminality, and it was a  
 15 plea deal.  
 16 A. Right.  
 17 Q. But the point I was just making with you, and I  
 18 mentioned this before, the indictment was on April 8th,  
 19 2015. That was the significance of that exhibit.  
 20 And I -- based on your testimony, I assume you  
 21 didn't really have much knowledge about the actual  
 22 trial, correct?  
 23 A. I did not.  
 24 Q. There's an article in this Exhibit 12D, the Free Press  
 25 on June 30th, 2016.



1 EXHIBIT 12D  
 2 Free Press Article  
 3 6/30/16  
 4 WAS MARKED FOR IDENTIFICATION  
 5 BY MR. DETTMER:  
 6 Q. The trial's ongoing and the papers are reporting what's  
 7 occurring.  
 8 MR. DETTMER: And point to the bottom,  
 9 Michael.  
 10 BY MR. DETTMER:  
 11 Q. During the trial, which is in its fourth week,  
 12 prosecutors had portrayed Hansberry as a fast-talking  
 13 schemer and a big spender who was motivated by greed.  
 14 Thursday they cited his bank and tax records  
 15 that bolster that claim, showing jurors how Hansberry  
 16 spent his money while working for the Detroit Police  
 17 Department. I have writing over it; I'm sorry.  
 18 It goes on and explains about how much money  
 19 he had and what he was doing. He had an Aston Martin, a  
 20 Cadillac, a Cadillac ATS, Corvette, and a Mazda6.  
 21 And I've raised this about supervision. He  
 22 was at the Dexter base of the Narcotics Unit, and when I  
 23 was taking testimony of his crew members, I asked about  
 24 the cars. Yes, he brought those cars to the base. You  
 25 know, and the point that's being made in this article,



1 MR. DETTMER: And 12G is Gary Jackson's  
 2 testimony.  
 3 EXHIBIT 12G  
 4 Jackson Testimony  
 5 WAS MARKED FOR IDENTIFICATION  
 6 BY MR. DETTMER:  
 7 Q. Gary Jackson clearly indicates there was \$3 million.  
 8 I'm sure his testimony was thoroughly vetted by the FBI,  
 9 and he ran a risk of being -- to have no deal based on  
 10 perjury.  
 11 I would also indicate to you that Godbee  
 12 testified at the trial for the defense. He came on and  
 13 he claimed a meeting that's in dispute that Gary Jackson  
 14 never mentioned that there was \$3 million being shipped  
 15 on July 26th, 2010, and -- well, that matter is in  
 16 dispute.  
 17 But the point is he, Gary Jackson, testified  
 18 that there was 3 million and he told Chief Godbee that  
 19 and he just testified that Godbee said, I knew it.  
 20 Suggesting that he knew there was some crime going on.  
 21 Have you talked to anybody about that aspect  
 22 of Gary Jackson's testimony?  
 23 Were you aware of it?  
 24 MR. SUROWIEC: Objection; form, foundation,  
 25 hearsay, completely improper question.



1 on the next page --  
 2 A. Is there a question?  
 3 Q. -- the FBI made the point that his earnings were covered  
 4 by cash -- I'm sorry; his earnings and purchases and  
 5 spendings, the difference, a shortage, earnings of his  
 6 salary as a Detroit police officer, was made up by cash  
 7 deposits and substantial, you know, cash deposits.  
 8 And the question is, the supervisors at the  
 9 base, the narcotics base on Dexter, never raised with  
 10 you, sir, or do you have any knowledge that Hansberry  
 11 seems to be living pretty high considering his earnings?  
 12 Anybody ever raise that with you?  
 13 A. They did not.  
 14 MR. SUROWIEC: Objection; form, foundation.  
 15 Time frame.  
 16 This is talking about 2010, Dennis.  
 17 MR. DETTMER: I have a number of the  
 18 transcripts from the trial of Hansberry, two of them  
 19 were Leavells testimony, and that's Exhibits 12E and F.  
 20 EXHIBIT 12E  
 21 Leavells Testimony  
 22 WAS MARKED FOR IDENTIFICATION  
 23 EXHIBIT 12F  
 24 Leavells Testimony  
 25 WAS MARKED FOR IDENTIFICATION



1 But, Chief, go ahead, answer it, if you can.  
 2 Have you talked to anyone?  
 3 THE WITNESS: I have heard some loose  
 4 conversation about it. I'll reiterate for purposes of  
 5 the record. I was not here when that meeting took  
 6 place. I've had conversations with Chris Graveline as  
 7 part of our probe, and this is something that was talked  
 8 about. I'm just not understanding what I can add to  
 9 that meeting.  
 10 BY MR. DETTMER:  
 11 Q. Okay. When you meet with somebody that brings you  
 12 serious information about wrongdoing, do you generate  
 13 any paper? Do you do a memo? On such and such a date,  
 14 I spoke with so and so, and he said A, B, C?  
 15 A. I do not. I called Chris Graveline, and if it's a  
 16 serious matter, I'll call in the commander, and I say, I  
 17 need you to open an investigation into X, Y, and Z.  
 18 Q. It appears to be your testimony that Graveline, Director  
 19 Graveline, is familiar with the testimony at the trial,  
 20 correct?  
 21 A. I don't know if he was familiar. It was a discussion we  
 22 had as part of this probe, and certainly he talked about  
 23 a -- some testimony provided by former Chief Godbee  
 24 relative to that and the exact specific statements you  
 25 made about I thought so.

1 Like you, when I heard that, I had -- I asked  
2 Graveline the same question. I said, if he thought  
3 that, did he do anything about it? That's what I asked  
4 Graveline. I said, do we know in our investigation if  
5 he did anything about it? Because if you think  
6 somebody's involved in criminal behavior, what, if  
7 anything, did you do as the chief executive?

8 And so at this point, I don't have an answer  
9 for you because we haven't gotten -- I was concerned  
10 enough that I said, well, maybe as part of our  
11 investigative work, I know that he testified in the  
12 civil matter. Maybe we need to call him in as part of  
13 our probe to find out, what, if anything, was done.

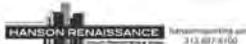
14 That was the conversation that Chris Graveline  
15 and I had.

16 Q. Thank you. We've already discussed the Exhibit 13,  
17 which is the interoffice memo about the money counter  
18 here.

19 EXHIBIT 13  
20 Money Counter Memo  
21 WAS MARKED FOR IDENTIFICATION

22 BY MR. DETTMER:

23 Q. 12I is out of order. (Inaudible) 12I is a  
24 Warrendale/Detroit -- and I only raise this, and I'm  
25 sure you haven't seen this. But that there was public



1 this is your discussion about that with the media.  
2 Okay? Exhibit 14.

3 Then I'd like to go on. There's a stipulated  
4 Protective Order that we marked as Exhibit 14A.

5 EXHIBIT 14A  
6 Protective Order  
7 WAS MARKED FOR IDENTIFICATION

8 EXHIBIT 14B  
9 Confidentiality of SOI  
10 WAS MARKED FOR IDENTIFICATION

11 EXHIBIT 14C  
12 Confidentiality of SOI  
13 WAS MARKED FOR IDENTIFICATION

14 BY MR. DETTMER:

15 Q. That relates to the confidentiality of the SOI documents  
16 that I have that were produced to us, and it's  
17 Exhibit 14B and C. So subject to Protective Order, and  
18 this actually was in the Reid versus City of Detroit.  
19 But we all recognize that this is confidentiality.

20 One of them is an individual named Ken  
21 Jackson, and he's SOI 2499, and the other one is Gary  
22 Jackson, SOI 2449.

23 Gary Jackson is the one that had provided the  
24 information about the transfer -- the money on July 27,  
25 2010. And if we can go to that.



1 knowledge, as of July 26th, 2010, that there was  
2 suggested \$2.3 million that was, in fact, seized, a  
3 little less than the tally sheet of 2.370.

4 But this is the only specific time I've seen a  
5 document that says -- that suggests the amount was more  
6 than \$2,080,000 -- 85,000. But the point I'm making  
7 with you, Chief, this issue was in the public media, and  
8 I don't know where the source of this is, but it's out  
9 there and it's probably the most accurate thing about  
10 the tally sheet that I saw.

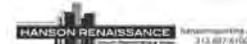
11 Going on, 12J is the conviction of Hansberry,  
12 and it's dated February 22nd, 2017. That's when he was  
13 convicted by the jury.

14 EXHIBIT 12J  
15 Hansberry Conviction  
16 WAS MARKED FOR IDENTIFICATION  
17 EXHIBIT 14  
18 Use of Paid Informants  
19 WAS MARKED FOR IDENTIFICATION

20 BY MR. DETTMER:

21 Q. Exhibit 14 is reigning in the use of paid informants.  
22 We talked about that a little bit. I'd like to just  
23 point out maybe one or two things.

24 You had a very serious concern about  
25 informants, the reliability and the use of them. And



1 Unfortunately these aren't Bates marked. But  
2 I'd like to indicate the stop was on July 26, 2010.  
3 Arthur Leavells signs up Gary Jackson as SOI 2449 on  
4 July 27, 2010, the day after the raid.

5 Is that proper procedure? He's already used  
6 him as the Source of Information. Signs him up the next  
7 day after the stop of 2 million plus is --

8 A. I can't speak to what -- gee, I don't know. I don't  
9 know what...

10 MR. DETTMER: Well, look at the next page,  
11 Michael, I think it is, looking at the record of payment  
12 to informant.

13 BY MR. DETTMER:

14 Q. Now, the -- apparently, Leavells worked very hard at  
15 getting Jackson a reward for the stop on the 26th, and  
16 on August 14, 2010, a little more than two weeks after  
17 the stop, Leavells, it appears with some advisory DPD  
18 people and \$250,000 in cash, and he signs --

19 MR. DETTMER: Michael, can you move it a  
20 little bit to the left?

21 BY MR. DETTMER:

22 Q. Well, you can see the \$250,000, and he got -- he, Gary  
23 Jackson, received \$250,000 from the Detroit Police  
24 Department as a result of that stop on July.

25 Were you aware of that?

1 A. It's signed 8/14. I mean, I've seen documents -- that  
2 document, I believe I saw doing predep, but I wasn't  
3 aware of it in 2010, no.

4 Q. Were you aware of it prior to the last couple of weeks  
5 of deposition, unrelated to dep preparation?

6 A. I mean, I may have been. I don't recall specifically.  
7 If you have a direct question and I was signed off on  
8 anything, I can verify that. But I don't --

9 Q. You don't have any information, that's what I'm asking  
10 you, prior to that?

11 A. I don't have any knowledge of -- of that.

12 Q. Is this consistent with Detroit Police Department  
13 policy, once you came on board in 2013? The day after  
14 the stop, the acquisition of the money, the SOI had  
15 signed off --

16 A. I can't tell what was happening seven years ago. In  
17 fact, to be candid, Narcotics was not on my radar until  
18 the FBI advised me as to what they were planning on  
19 doing.

We had a 12-year Consent Judgment, and the key  
issues concerning the department accountability were  
outlined in the Consent Judgment, but narcotics was not  
one of them.

24 Q. You notice on -- well, you can't see it.

25 MR. DETTMER: But, Michael, can you run it up



1 certainly that causes me concern. But I don't have  
2 any -- I think I signed off on that in September of  
3 2013, two months after I was here. I just don't recall  
4 it.

5 EXHIBIT 15  
6 Internal Affairs Investigation  
7 WAS MARKED FOR IDENTIFICATION

8 BY MR. DETTMER:

9 Q. Next, Exhibit 15. This is an Internal Affairs  
10 investigation following a raid by a spinoff of  
11 Hansberry's crew. You can see who it included.  
12 Geelhood, Barnett, Riley, Matelic, Leavells, and  
13 Tourville.

14 A. Right.

15 Q. These officers, including Sergeant Geelhood who was a  
16 supervisor of his crew, were suspended for a year.

Are you aware of that?

18 A. Suspended for a year?

19 Q. Yes. Suspended with pay for a year.

20 A. I don't independently recall that. It wouldn't surprise  
21 me. A lot of times we -- the police commission, and  
22 this would have been pre them getting their authority  
23 back, so I don't recall them being suspended for a year  
24 with pay.

25 Q. They always make it very clear to me when you ask them

1 or down?

2 BY MR. DETTMER:

3 Q. This is Informant's Code 2499, which is not Gary Jackson  
4 SOI number, he's 2449. And Leavells has used these  
5 numbers kind of interchangeable in cases we have. And  
6 you will see that -- there's another payment, and this  
7 one is again to 2499 of \$5,000 to -- Leavells to,  
8 apparently, for Jackson, Gary Jackson, and it's listed  
9 as a bonus payment.

Are you aware of the DPD paying bonus  
payments?

12 A. I don't have specific -- I reviewed that document within  
13 a couple of months after I got here. I was briefed. I  
14 don't have any independent recall. I did make my  
15 signature at some point, so it's mine. I know that. I  
16 just don't have any independent recall.

And I don't know who was working, which AC  
briefed me. I don't recall, really, having to approve  
informant payments. I know we have done them, but,  
again, a lot of what I've discussed today has to do with  
this unilateral flipping and, as you indicated, the  
transposing informant numbers.

I'm learning some of this as we go through the  
probe. And given the name of the officer who is listed  
here, who's been implicated for criminal misconduct,



1 about it, well, we were suspended but with pay.

2 A. Well, that's a fact. I mean, that's kind of been the  
3 process. I don't understand it. But in order to take  
4 pay away, pre the adjudication of this matter, it would  
5 have to go before the police commission.

So that was a standing practice. I have since  
changed that on case-by-case. So this happened -- like  
I have two former narcotic officers off right now  
suspended with pay.

And ordinarily if they were pending criminal  
charges, I would give it to the police commission, but  
I've opted to move forward with the disciplinary  
hearing, and it is my anticipation that that's a  
termination case.

15 Q. Exhibit 16 -- I want to go on. We're almost done.

16 EXHIBIT 16  
17 Matelic File  
18 WAS MARKED FOR IDENTIFICATION

19 BY MR. DETTMER:

20 Q. 16 is the file on Matelic that we previously talked  
21 about just so you know.

22 A. Okay.

23 EXHIBIT 17  
24 Geelhood Case  
25 WAS MARKED FOR IDENTIFICATION

1 BY MR. DETTMER:

2 Q. 17 deals with a case involving Steven Geelhood, and this

3 is the matter that the director has raised to Geelhood

4 and an issue about a guy named by Michael Hathaway in

5 the criminal division of the Third Circuit, and then a

6 civil lawsuit following that that was initially assigned

7 to -- was assigned to --

8 A. I think that's the case that we are investigating

9 Sergeant Geelhood on now. I think -- I'm almost certain

10 that's the case.

11 Q. But this, again, goes back to an April 25, 2014, raid

12 where Geelhood is the affiant, okay? That's being

13 investigated.

14 And then finally 18 and 19.

15 EXHIBIT 18

16 Darell Chancellor Case

17 WAS MARKED FOR IDENTIFICATION

18 EXHIBIT 19

19 Darell Chancellor Case

20 WAS MARKED FOR IDENTIFICATION.

21 BY MR. DETTMER:

22 Q. Exhibits 18 and 19 involve a Darell Chancellor. I don't

23 know if you know about that. But the records provided

24 that and he actually initiated an investigation related

25 to this lawsuit.



1 transition from criminal to administrative relative to

2 the other members of the Hansberry crew.

3 We know that now looking back, so I think key

4 for where we are today is that we have information on

5 practices, illegal practices occurring in -- alleged

6 illegal practices occurring in Narcotics that we are

7 aggressively tackling.

8 The reason for the seizure of all of the

9 records, the person that provided information, the one I

10 told you I couldn't talk about that was a federal -- it

11 came from the federal side of the house, gave us

12 information. From that person, it kind of spelled it

13 out to specific alleged criminal actions.

14 So given that and the timing of Mosley, I felt

15 very strongly that what we didn't know at the conclusion

16 of Hansberry we know now. So now we have a template

17 where we can totally eradicate any type of corruption

18 involving Narcotics. There was so much we didn't have,

19 that we now do have.

20 Q. Well, Chief, you indicated --

21 A. And so my goal is just -- I'm sorry.

22 Q. What position was --

23 COURT REPORTER: I missed that question. Can

24 you repeat the question?

25 THE WITNESS: You were broken up.

1 And this involves a search warrant that goes

2 back -- well, Chancellor was convicted and sent to

3 prison, and he was still in prison until the Conviction

4 Integrity Unit release suggested to the Prosecutor

5 Worthy that he be released, and he was and the case was

6 dismissed.

7 A. And this is the case about Geelhood, yes?

8 Q. Yes, this is another case.

9 A. Yes, there's got to be a case -- I don't know -- you're

10 telling me that Chris Graveline provided. I know that

11 we opened a case against Geelhood based on an integrity.

12 I think I mentioned that earlier in my --

13 Q. Yes. Yes. Okay. That's this case. Okay.

14 A. Right.

15 MR. DETTMER: Let's take a moment.

16 (Off the record at 12:15 p.m.)

17 BY MR. DETTMER:

18 Q. Chief Craig, you would acknowledge that you're

19 attempting to change the culture of the Detroit Police

20 Department to the extent that there are some groups, for

21 example, the Hansberry and Geelhood crews that were

22 doing apparently dishonest acts, correct?

23 A. I made a full commitment. I think I spelled it out

24 early on in my deposition that we missed some things

25 with the Hansberry case. It wasn't a seamless



1 BY MR. DETTMER:

2 Q. What level of rank does Ted (sic) Ewald have?

3 A. He's an investigator. One of the original investigator

4 ranks. As I've testified to, Tim Ewald -- Tim Ewald has

5 been a long-time assigned investigator with the FBI's

6 public corruption unit. He is a DPD officer but

7 assigned to the FBI.

8 Q. Well --

9 A. And he was --

10 Q. Well, does he have a liaison relationship with the

11 Detroit Police Department where he reports to someone

12 about the investigations, ongoing investigations by the

13 FBI?

14 A. He does now. He does now. One of the problems that

15 I've discovered early on that it was technically a

16 liaison, but because he was -- I mean, this -- for

17 example, he is a DPD officer working with the FBI on the

18 Hansberry case, but, again, I didn't find out about the

19 Hansberry case until sometime in 2014.

20 So it is not like that the DPD liaison came

21 over and said, okay, here's a list of cases that the FBI

22 was investigating. It was a confidential investigation.

23 And many times the FBI will initiate and have ongoing

24 confidential investigations and will not tell the

25 department.

1 Q. Yes, but after --

2 A. Now, the DPD officer --

3 MR. DETTMER: We are losing you.

4 MR. SUROWIEC: Chief, hold on one second.

5 This is Jim Surowiec.

6 Whoever the IT person is, if they are on the

7 line or if anybody who can help, Chief is frozen. Chief

8 Craig, I'm not seeing you move at all. And, Dennis,

9 you're clipping in and out.

10 THE WITNESS: You can't see this?

11 MR. SUROWIEC: I'm wondering if there's

12 something we can do.

13 MR. DETTMER: It says bandwidth is low. It

14 says your bandwidth is low, Chief. That's what I'm

15 getting a report of.

16 THE WITNESS: Yes, I am in the office. I'm in

17 my office, so this should be a good bandwidth, you know.

18 MR. DETTMER: Yes, I would think so.

19 MR. SUROWIEC: Should we reconnect? Is there

20 an IT person? Michael?

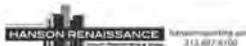
21 THE REPORTER: The chief could go out and come

22 back in.

23 (Pause in proceedings

24 12:21 - 12:32 p.m.)

25 THE WITNESS: In the interest of addressing



1 deposition -- it wasn't until that information we got

2 from the source of the type of alleged conduct that was

3 going on in Narcotics that we were able to effectively

4 launch our own probe, which we've done.

5 It's a DPD-led tasks force and, again, the FBI

6 is part of that task force. There's a total of five

7 agents, three part-time, two permanent, and so now I

8 have a high level of confidence that the work that we're

9 doing now is the work that will finally make a

10 difference.

11 And finally eradicating, not describing

12 different points, a pattern of misconduct, and, again,

13 not by all, but just things that were allowed to happen

14 in Narcotics that weren't challenged.

15 BY MR. DETTMER:

16 Q. You would agree the conviction of Hansberry and Watson

17 in February of 2017 should have opened up a lot of

18 information through Ewald to the Internal Affairs

19 people, correct?

20 A. Absolutely. He was technically assigned to Internal

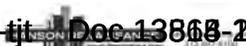
21 Affairs, but it wasn't -- and, again, I liked --

22 personally liked him, Ewald. I just think I

23 overestimated his capabilities, meaning that while he

24 had been attached to the FBI for a long time, clearly

25 working as an investigator in Internal Affairs is very



1 the transition between Han- -- can you hear me okay?

2 The transition of the Hansberry with the

3 Detroit staff that was embedded in the FBI was certainly

4 not something I was quite impressed with. In fact, I

5 can candidly say that I went through a number of

6 commanding officers over at Internal Affairs prior to

7 getting to the one before Chris Graveline. There was

8 someone named commander, who is now a Deputy Chief.

9 But the communication, seamless, didn't work

10 out in a manner that it should have, and at some point I

11 even moved Tim Ewald out of the FBI task force. He has

12 since been restored to that position. The communication

13 has changed dramatically.

14 My perception was that the DPD liaison role

15 was to work closely with the department executive team.

16 I recognize that there were some cases that the FBI were

17 investigating that they didn't necessarily want to brief

18 the department on.

19 However, because of the intimacy our DPD staff

20 had with the Hansberry case, I assumed or thought that

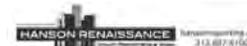
21 anything that wasn't addressed by the Feds could have

22 been easily been addressed by the department. That did

23 not happen.

24 So as a result of that, it wasn't until -- and

25 I think I have said this several times throughout this



1 different than being a task force officer in the FBI.

2 You're not actually writing up investigations

3 and doing the kind of investigative work that IA is

4 doing. The agents that worked there are on a much

5 different level.

6 I mean, for example, a lot of what the DPD

7 task force officers, Ewald would do, is they would

8 listen to wire conversations and make notes that would

9 then go off to the agents who were the ones who were

10 presenting the cases to the U.S. Attorney.

11 And so that was a piece of the transition that

12 didn't make a lot of sense. And very frustrating, to be

13 honest, because I knew then -- I felt we had a missed

14 opportunity on some of the others that worked Narcotics,

15 that while they didn't meet the threshold for federal

16 prosecution, they certainly could have met the threshold

17 of administrative prosecution, if you will.

18 And so -- that was then. But, again, the good

19 news was we were able to get very clear information on

20 the type of behaviors that were going on in Narcotics by

21 some.

22 Q. Well, Chief, you would agree you're trying to change the

23 culture. That's what you are talking about, correct?

24 A. That has been something I've been trying to do for --

25 and have been successful. I mean, we are in a 13-year



1 Consent Judgment.  
2 The department was not compliant because there  
3 was a culture of a lack of accountability by management.  
4 That's a fact. I've said it publicly then and I'll say  
5 it publicly now.

6 So once we got out from under Consent Judgment  
7 and we start to build a new management, an executive  
8 team, that's when change started to take place.

9 Q. We talked about -- I mentioned that Hansberry and  
10 Watson, the conviction was in February of 2017. And  
11 between that period and August of 2019, 2 1/2 years, is  
12 reflective of kind of a historical lack of supervision  
13 that's gone on, at least going back to 2010, correct?

14 A. I would say even before that. I think the culture was  
15 such that -- and this is my opinion. It's not based on  
16 fact. It's -- my opinion is that when there were  
17 investigations like the FBI would come in, do their  
18 investigation, whoever got convicted got convicted, and  
19 it was done. It was over.

20 Mosley was different. Mosley popped up. He  
21 got charged with the one incident. I believe had  
22 business or status quo had -- we had allowed it to be  
23 that way, he would have been charged and business would  
24 have continued.

25 But instead, I'm going to say it now for the



1 investigated --  
2 (Multiple speakers  
3 speaking at the same time.)

4 A. I don't know if I -- I don't -- I can't agree with --  
5 Q. -- that they had Ewald?  
6 A. I am not going to agree with you. So -- I'm not going  
7 to agree with you, and I'm going to tell you on this  
8 reason.

9 Number one, I wasn't here in 2010. I don't  
10 know about this tally sheet investigation.

11 You, on the record, said there was no  
12 investigation. The City's attorney said there was an  
13 investigation. And then you show that there was an  
14 investigative report. So I'm troubled by that.

15 So when you make a statement that the  
16 department basically ignored -- let me just say this to  
17 you. I have never ignored anything in my tenure in this  
18 police department. I respond to what I am aware of, and  
19 sometimes, as we are going down this journey of change,  
20 there were things I wasn't made aware of. So I can take  
21 responsibility for that.

22 But if I had known what I know now, would I  
23 have done things differently maybe at the conclusion of  
24 Hansberry? Absolutely. I didn't know. I didn't know.  
25 I would have launched the task force then.



1 fifth time, a couple of things worked out in our favor.  
2 One, we had some information. Two, I had a hunch, if  
3 you will, and the hunch was Mosley; this was not the  
4 first time he engaged in this kind of criminal behavior.  
5 There was no way for me to believe that.

6 So it was based on those two primary factors  
7 that we launched the probe. The fact that I had now a  
8 former US Attorney who understood the workings on the  
9 other side certainly was a recipe for success.

10 So -- and while this is a lengthy undertaking,  
11 we're in the process, as of now, adding additional  
12 staff, task force operation, because we are going back,  
13 and, as I think I indicated early in my deposition,  
14 we're really only back to 2017.

15 Again, I recognize that counsel believes that  
16 we should have started in reverse. It didn't work out  
17 that way. I'm still comfortable that we started where  
18 we started and we're doing what we're doing now.

19 Q. I'd like to raise two points. We talked about the  
20 July 2010 stop and 2 million whatever, officers, and  
21 we've talked about Hansberry and Watson being convicted  
22 in February '17.

23 Those two events on the Detroit Police  
24 Department had constructive notice that there was a  
25 problem with the police department, correct? And they



1 BY MR. DETTMER:  
2 Q. Chief, let me make the point about the tally sheet. The  
3 point really I was making with you, was, there was never  
4 an investigation of the tally sheet.

5 The investigation was solely related to the  
6 money counters and the inefficiency there. And the real  
7 issue was the tally sheet. Why wasn't that  
8 investigated? We're talking about \$280,000, not \$15,000  
9 because of a defective machine.

10 (Multiple speakers  
11 speaking at the same time?)

12 THE WITNESS: How about in my -- how about in  
13 my expert opinion? I don't think it's just about the  
14 tally machine. If you've got a concern, I think the  
15 concern is more about there was an inadequate  
16 investigation.

17 There was an investigation. There wouldn't be  
18 two separate investigations of the same issue. That's  
19 not even logical. I've been doing this too long. I'm  
20 suggesting that you could have confronted me with --  
21 said, well, do you think that, based on the fact that  
22 the tally sheet was not mentioned in the counter  
23 investigation, that the investigation was inadequate?  
24 And I probably would have said to you, I'd agree. If  
25 the tally sheet was an issue, I would have wanted to

1 look at that if it wasn't mentioned. But I haven't even  
2 read that investigation to even know if the tally sheet  
3 was mentioned.

4 BY MR. DETTMER:

5 Q. I appreciate that. But, Chief, I wasn't trying to  
6 mislead you. I actually had that, Internal Affairs  
7 document as an exhibit. If you can look at it and get  
8 all of the exhibits from Mr. Surowiec, but I was not  
9 trying to mislead you.

10 The whole point is the issue of the tally  
11 sheet was some indication of a serious problem, and as  
12 events played out in the federal trial, it was the  
13 essence of the criminality going back to 2010.

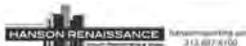
14 A. And I can't argue with you. I'm just saying that given  
15 the way you described the investigation, because  
16 initially you said there was no investigation. And I  
17 know what you were saying now.

18 Q. No investigation of the tally sheet.

19 A. Of the tally. But why wouldn't the tally sheet and the  
20 money counter have been all in one, because it's part of  
21 the same issue. It's the same issue.

22 Q. And I agree with you. Why wasn't that picked up when  
23 Internal Affairs looked at a \$15,000 discrepancy. Why  
24 didn't they pick that up?

25 A. I don't know the answer to that.



1 MR. SUROWIEC: And I'm going to just object.

2 I object to --

3 (Multiple speakers  
4 speaking at the same time)

5 BY MR. DETTMER:

6 Q. And they should have had notice of that. Or if they did  
7 have notice, they just ignored it.

8 MR. SUROWIEC: Dennis, can I just raise a  
9 point here? I'd like to be able to ask him about five  
10 minutes of cleanup questions. I would like -- we're at  
11 the 2:27 mark, and you're going over old stuff.

12 MR. DETTMER: Go ahead.

13 Chief, nice talking to you. Enjoy the rest of  
14 your day.

15 THE WITNESS: Say what now?

16 MR. SUROWIEC: Chief, this is Jim Surowiec. I  
17 have about five minutes or less of cleanup questions I  
18 just want to ask you. Okay?

19 EXAMINATION BY MR. SUROWIEC:

20 Q. You indicated you started here in 2013. When you  
21 started, you came from Cincinnati; is that correct?

22 A. That's correct.

23 Q. Okay. When you found out about Hansberry, Watson, and  
24 Leavells, you were informed by the FBI in 2014 that they  
25 had been indicted and they were going to be charged?



1 A. I would guess it was in 2014 only because soon after the  
2 FBI brought me in to advise me, Hansberry and crew were  
3 indicted not long after that. So they had started --  
4 they had an investigation that they started in 2010 that  
5 was ongoing through 2013 up until the culmination time  
6 of 2014.

7 Q. Okay. Were you ever informed at any point in time prior  
8 to finding out in 2014 that the FBI was looking at  
9 Hansberry and Watson and Leavells?

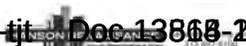
10 A. I did not, no. In fact --

11 Q. Okay.

12 A. What I wanted to say is in support of that. So  
13 Hansberry was a lieutenant working at the 12th Precinct,  
14 and we were getting ready to make captains. And so  
15 right at the time that he came up as a potential  
16 candidate, I learned about the investigation, so, of  
17 course, it was confidential.

18 I said nothing, but that was in 2014. Up  
19 until that point, he was -- at least by the team around  
20 me, regarded him very favorably as a top candidate in  
21 Detroit Police Department.

22 Q. So there was nothing that anybody had notice of up until  
23 the point the FBI said, knock knock. He's getting  
24 indicted, Watson is getting indicted, Leavells is going  
25 down, that would have --



1 A. Well, it wasn't that close. They gave me a little bit.  
2 By that time the investigation was rock solid.

3 Q. Got you.

4 A. And, again, when they're doing a confidential  
5 investigation, they're not necessarily going to alert  
6 the department because they don't know who to trust.

7 Q. They could have been looking into you?

8 A. I doubt that they were looking into me, but --

9 Q. But they look at the highest levels. I'm just saying  
10 they look at everybody.

11 A. I don't --

12 Q. No?

13 A. No. I'm not saying that. What I'm suggesting to you is  
14 they do their investigation and they only bring in the  
15 people who they feel they should, and the two task force  
16 officers were already embedded.

17 So to my knowledge, they were the only two  
18 that knew about those Narcotic officers being  
19 investigated.

20 Q. In terms of 2010 when you weren't there, 2011, 2012,  
21 2013, before you arrived, you have an opinion but you  
22 don't have any evidence because your director has not  
23 looked back that far, that there was a pattern or  
24 culture of corruption, correct? You haven't gotten back  
25 that far?



1 A. I have an opinion -- I have a strong opinion, yes.

2 Q. Okay. But it's not evidence based; is that fair?

3 A. It's not evidence based.

4 Q. It's based on your police -- you have police instincts

5 and gut and you're looking back and you're looking back

6 hard on and at everything?

7 A. And I follow my gut sometimes, and I did on Mosley and I

8 was absolutely correct. So, yes, I have a strong

9 opinion and instinct that's the result of almost

10 44 years of experience.

11 Q. So when they're talking about -- when they are talking

12 about the newspaper articles where you are being quoted

13 as saying there is a culture of corruption or pattern

14 and practice, you're referencing, and correct me if I'm

15 wrong, you just found out about Hansberry, Watson,

16 Leavells. There was also a civilian out of the

17 department by the name of Kenyal Brown, who was

18 indicted.

19 And then when you thought everything had been

20 shaken out and everybody had learned their lesson, in

21 2018 or '19, Mosley gets indicted.

22 Those are the individuals that we're talking

23 about in terms of being criminally charged, correct?

24 A. Mosley gets -- the difference with Mosley, we had

25 additional information that we started to look at. And



1 A. I think it was already asked and answered. I think

2 Dennis had an accurate account. Roughly 40-something,

3 down to maybe 24, almost in half. We focused on the

4 Major Violators, which was the old conspiracy, if you

5 will, and street enforcement, which is going to be left

6 with the precincts.

7 Q. So of 40 officers at the high point, we have -- in terms

8 of police officers, Hansberry, Watson, Leavells, and

9 Mosley who were convicted. No one else, correct?

10 A. As far as I know.

11 Q. Okay. Who has -- at the department, under your watch,

12 who has the final decisionmaking authority as to what

13 policies are enacted? Like the one that was enacted on

14 Major Violators and establishing the new way?

15 A. I initiate the policy, and I don't know the date that

16 the police commission came back into their authority,

17 but they have to approve policy enacted by the Detroit

18 Police Department.

19 Q. Okay. Does a police officer have the authority to enact

20 policy?

21 A. They do not.

22 Q. Does a sergeant have the power to enact a policy?

23 A. No. Carry out policy.

24 Q. Lieutenant, captain, commander, do any of those

25 individuals have the ability or authority to enact

1 looking at that additional information helped me form an

2 opinion that there is a pattern.

3 Q. Okay.

4 A. Based on what I learned -- I'm telling you there's a

5 pattern of criminality that we started to see among

6 some. Allegations.

7 Q. Okay.

8 A. And that we are investigating right now.

9 Q. And I know that we have -- we have talked in the past

10 and we discussed the concept of Monell, which is a

11 Monell claim, a constitutional claim against the City

12 for having an unconstitutional custom and practice and

13 policy.

14 When you say a pattern and practice, are you

15 saying it in legal terms or are you saying it in your

16 terms as a layman saying I see a pattern? I'm a police

17 officer --

18 A. Not legal. In lay terms as a police -- it's like when I

19 look at crime and I see that there's a cluster of

20 robberies in a certain location. I call it a pattern.

21 If I see a cluster or similar type of alleged

22 misconduct, I'll call that a pattern, too. Now, again,

23 we're talking about allegations.

24 Q. Okay. How many at high point did you say Narcotics had

25 in it before you cut the staff in half?



1 policy?

2 A. No.

3 Q. Let me take a quick look here.

4 A. I'm getting close. Help me out. Help me out.

5 Q. The last question I'll ask you is, so when you're making

6 these statements, because Mr. Dezsi showed you a lot of

7 news articles about widespread corruption, that is in

8 direct response to Hansberry, Leavells, Watson, and

9 Mosley; is that fair?

10 A. Mosley, but in the interest of fairness, because of the

11 probe -- the probe was just not for Mosley. We didn't

12 launch this probe just for Mosley.

13 Q. Right.

14 A. Okay?

15 Q. But I'm saying it wasn't in connection to 2010, '11,

16 '12, '13, '14 --

17 A. No, I didn't have any information then.

18 Q. Fair enough.

19 A. I might have had suspicions, but the 2010 matter that

20 was culminating in 2014, I did not have the information

21 that I now have.

22 Q. All right.

23 A. So if I'm saying there's a pattern, a widespread, given

24 what I now know, the allegations, and I've got to put

25 emphasis on alleged, because there's been no additional

1 people charged. There has been one that has been  
 2 retired or resigned in lieu of termination, which was  
 3 part of the alleged misconduct. She just didn't get  
 4 terminated. She resigned in lieu of.

5 Q. Here is my windup. The cases that we are now dealing  
 6 with, because one has been dismissed, one of the five  
 7 cases has been dismissed. So we've got this case, which  
 8 is Metris-Shamoon versus City of Detroit and all of the  
 9 individuals. Frontczak versus City of Detroit. Reid  
 10 versus City of Detroit, and Gardella -- I'm sorry,  
 11 that's --

12 A. You know, you're naming all of these cases. I don't  
 13 have them in front of me to know which, so...

14 Q. That was my question. There was one more there.  
 15 Lockard versus City of Detroit.

16 Do you know anything about those cases?

17 A. Not definitively, no. I mean --

18 Q. Okay.

19 A. If you named officers involved in the cases, the names  
 20 may --

21 Q. But in terms of the allegations that are involved in  
 22 those cases -- I mean, they're asking you questions  
 23 about a Monell claim and about policy in the City.  
 24 We're really here to talk about these cases.

25 Do you have any intimate knowledge of the



1 lawsuits?

2 A. Some of the lawsuits we have opened up and initiated  
 3 misconduct investigations, as I indicated during our  
 4 predeposition, as I've indicated here. Matelic came out  
 5 of a civil lawsuit. Geelhood came out of Wayne County  
 6 Prosecutor's Integrity Unit, if my memory serves me  
 7 correct. So I know for a fact, those two -- one for  
 8 sure came out of a lawsuit.

9 Q. Okay.

10 A. That's very different today. That if people are filing  
 11 lawsuits, and in the lawsuit they are alleging  
 12 misconduct, we will open up and initiate an Internal  
 13 Affairs investigation.

14 It happened early on because it wasn't a  
 15 seamless transition. A lot of times the Law Department  
 16 didn't notify the department of allegations. This has  
 17 been, fortunately, a recent change.

18 This is something that I gave Grant Ha, who  
 19 works on my staff, that anytime a lawsuit comes in  
 20 alleging misconduct, we have to be notified so that we  
 21 can open up a misconduct. That didn't happen before.

22 Q. Okay. Thank you, sir.

23 A. All right. Thank you.

24 MR. DETTMER: One quick question. Very quick.

25



1 RE-EXAMINATION BY MR. DETTMER:

2 Q. You're still looking at crew members of Hansberry and  
 3 Geelhood's crews, and I would suggest to you those crews  
 4 are members of the various grades of our four current  
 5 cases. You don't know any of the detail of that; fair  
 6 to say?

7 A. No, haven't gone that far back. As I indicated in my  
 8 earlier testimony, we are working from Mosley back.  
 9 Possibly when we get to 2010, 2011, or if -- or through  
 10 the course of lawsuits that are coming in, we'll  
 11 initiate investigations.

12 So I am certain that we're going to be looking  
 13 at individuals who are probably no longer members of the  
 14 department, and who have retired. There's some cases  
 15 that the Wayne County Prosecutor's office is also  
 16 interested in exonerating. Hey, folks, I've got to  
 17 really -- I mean, I'm actually ten minutes out. So...

18 MR. SUROWIEC: I am done.

19 MR. DETTMER: Good to you see you, Chief.

20 Thank you.

21 THE WITNESS: Thank you.

22 (Deposition concluded about 3:00 p.m.)

23

24

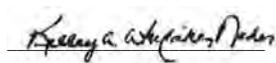
25

1 CERTIFICATE OF NOTARY.

2 STATE OF MICHIGAN )  
 3 ) SS  
 4 COUNTY OF ST. CLAIR )

5 I, Kelley Whitaker, Certified Shorthand Reporter, a  
 6 Notary Public in and for the above county and state, do  
 7 hereby certify that the above deposition was taken by  
 8 Virtual means; that the witness was by me first duly  
 9 sworn to testify to the truth, and nothing but the  
 10 truth, that the foregoing questions asked and answers  
 11 made by the witness were duly recorded by me  
 12 stenographically and reduced to computer transcription;  
 13 that this is a true, full and correct transcript of my  
 14 stenographic notes so taken; and that I am not related  
 15 to, nor of counsel to either party nor interested in the  
 16 event of this cause.

17

18 

19 Kelley A. Nader  
 20 RPR, CSR 0977 Notary Public,  
 21 St. Clair County, Michigan

22 My Commission expires: 1/27/2026

23

24

25

# EXHIBIT K

# Detroit police probe yields allegations of widespread corruption in drug unit

George Hunter, The Detroit News Published 11:23 p.m. ET Dec. 11, 2019 | Updated 10:05 a.m. ET Dec. 12, 2019

*Detroit* — Four months after Detroit police internal affairs officers [raided their own department's narcotics unit](#), [\(/story/news/local/detroit-city/2019/08/22/detroit-cops-seize-drug-records-amid-internal-probe/2084344001/\)](#) investigators have uncovered alleged corruption that includes drug cops planting evidence, lying to prosecutors in search warrant affidavits, robbing dope dealers and embezzling funds, police officials said.

Since the Aug. 22 raid, in which dozens of files and 50 computers were seized and analyzed, Chief James Craig has reassigned everyone in the unit with five or more years' experience.

"I'm extremely concerned there may be a pattern and practice of criminal misconduct in the narcotics unit," Craig said. "Sadly, as we continue our probe, we think it's going to grow in terms of magnitude."

The corruption is possibly so extensive that Chris Graveline, director of the department's Professional Standards Section and head of the ongoing investigation, set up a hotline this week, urging anyone with knowledge of misconduct by drug officers to call (313) 596-3190.



Chris Graveline, director of the Detroit police Professional Standards Section, addresses the media. (Photo: George Hunter)

Craig said he enlisted help from the FBI, Michigan State Police and U.S. Attorney's Office after the material seized in the raid revealed more problems than anticipated.

"This started with a small team of our own Professional Standards investigators, but as they starting seeing the scope of the issues we were dealing with, the team has since grown to 17, and we may ask for even more help," Craig said. "This is a major corruption investigation, but I want to caution that these are just allegations at this point.

"The files we seized in the raid go back as far as 10 years, so the focus of our probe is roughly 10 years," Craig said. "However, since the raid, we've only looked at the past year and a half. So there's a lot more material to go through.

"We're not just looking at documents and case files; so far, we've also interviewed more than 20 complainants who were involved in narcotics trafficking, who had search warrants executed on them but were never arrested," Craig said.

Among the investigation's findings:

- Six instances of narcotics officers stealing money from drug dealers, and two cases of officers planting drugs on suspects.
- False affidavits allegedly were presented to prosecutors to get search warrants. "It's alleged that the probable cause to get the warrants was fabricated," Craig said. "Surveillance that was supposedly conducted to get the warrants wasn't done; information (officers) said they got from confidential informants was erroneous; and information (officers) said they'd gleaned from (the Detroit police drug hotline) 224-DOPE was non-existent. So far, we've identified eight instances where that may have occurred."
- Drug suspects were designated as confidential informants without permission. "Only a prosecutor, either from the Wayne County Prosecutor's Office or U.S. Attorney's Office, can authorize a member of the department to turn a suspect into an informant," Craig said. "Based on our investigation, so far we've found 11 instances where officers improperly made suspects into informants."
- Funds meant to pay informants were embezzled. "We found 50 vouchers with thumb prints and signatures of informants, but no dollar amount listed," Graveline said. It's alleged officers told informants they'd be paid a certain amount for information; the officers allegedly submitted requests for more money and pocketed the difference. (Thumbprints are used on the vouchers to identify informants.)

The first leg of the investigation — the latest in a series of probes into the former Narcotics Section, which was closed in 2014 and reformed as the Major Violators Section because of rampant corruption — kicked off in April, after a large shipment of drugs that had been seized in Detroit was switched for another substance by the time it got to Chicago for a court hearing, Craig said.

Former Detroit narcotics officer Michael Mosley, who was indicted in federal court on charges related to allegations that he took a bribe from a drug dealer, is central to the investigation, Craig said.

Mosley, who was indicted the same day the drug unit was raided, is scheduled to stand trial March 3.

"I can tell you primarily we're looking at the crew (Mosley) was assigned to, which includes a supervisor and five officers," Craig said. All have been reassigned, the chief said.

"I strongly believe that Mosley's criminal activity didn't start with the one time he was caught by the FBI, which is one of the reasons I ordered this investigation," he said.

"We're also looking very closely at the supervisors and managers in the Major Violators Section; what did they know, and what did they do about it?" Craig said. "This investigation is looking very closely at management that oversaw narcotics."

Craig stressed that moving people with five years of experience doesn't necessarily mean they are under suspicion.

Mosley's attorney, Robert Morgan, declined to comment.

Craig said the probe also is focusing on the activities of officers who worked with ex-Detroit narcotics cops David Hansberry, Bryan Watson and Arthur Leavells, who in 2017 [were convicted in federal court \(/story/news/local/detroit-city/2017/02/22/ex-detroit-cops-face-sentencing-extortion/98245018/\)](https://www.detroitnews.com/story/news/local/detroit-city/2017/02/22/ex-detroit-cops-face-sentencing-extortion/98245018/) of offenses that included ripping off drug dealers and stealing money and drugs that had been seized in raids.

That investigation, which started in 2010, was focused solely on "the criminality of those who were indicted," Craig said. "(The current probe) is also taking a look at processes and other issues that could have contributed to the alleged problems we're uncovering."

Allegations of corruption in the Detroit police narcotics unit go back decades. In 1973, 22 Detroit cops from the 10th Precinct were indicted on charges of involvement in heroin trafficking; nine of the officers were convicted of various crimes.

In 1991, five current and former Detroit cops and a relative of then-Mayor Coleman Young were among a group that was charged with providing protection for FBI agents posing as drug traffickers. Five defendants pleaded guilty in federal court, while other officers were acquitted.

Buy Photo



From left, Detroit Police Chief James Craig and Lt. Charles Flanagan during a raid at 9432 Moross in Detroit on July 3, 2014. (Photo: David Coates, The Detroit News)

Charles Flanagan, a Detroit cop for 30 years before he retired in 2015, ran the former Narcotics Section from 2013-15. He said when he took over the unit, he found "problems that existed long before I got there."

Flanagan reported to Craig that he'd uncovered numerous issues, including a sergeant who had failed to turn in 32 pieces of drug evidence confiscated from hospitalized suspects, and another sergeant who made up false evidence tags for items seized during drug raids, including three flat-screen TVs, a laptop computer and an Xbox 360 video game system.

"I tried to correct some of the obvious issues when I got there," Flanagan said. "Most of the problems I encountered were things that were years old.

"One of the biggest problems in Narcotics historically has been that commanding officers were handcuffed because a lot of people would end up in those specialized units because of cronyism and nepotism," Flanagan said. "They'd have so-called mentors at the higher ranks in the department, and no matter how bad they were, their bosses were afraid to get rid of them."

Craig, who investigated corruption while he was a Los Angeles cop, blamed "basic greed" for many of the problems plaguing the drug unit.

"We thought that the indictment of the Hansberry team would have caused people to walk straight, but greed is the foundation for engaging in corruption," Craig said. "It comes down to basic greed.

"I'm not happy about what we've found in this investigation, but I think it's important to advise the public about what's going on," he said. "Some people might want to say this department is out of control, but I would remind them that this is a DPD-initiated investigation. We're not hiding from this."

ghunter@detroitnews.com

(313) 222-2134

Twitter: @GeorgeHunter\_DN

Read or Share this story: <https://www.detroitnews.com/story/news/local/detroit-city/2019/12/11/detroit-police-probe-uncovers-widespread-alleged-corruption-drug-unit/4398321002/>

# Detroit police chief: Longstanding culture of drug unit corruption

**George Hunter**, The Detroit News Published 4:19 p.m. ET Dec. 12, 2019 | Updated 4:49 p.m. ET Dec. 12, 2019

*Detroit* — Selling drugs in any city is dangerous, as dealers risk being killed or robbed by rivals — but in Detroit, pushers for years also have known they could be ripped off by cops, police chief James Craig said Thursday.

"The culture here has been such that drug traffickers figured that was just the cost of doing business," Craig said during a press conference at Public Safety Headquarters. "They knew 'I could get killed, robbed by my competition or robbed by cops.' It's not like that in other cities I've worked in."



Detroit police chief James Craig and Chris Graveline, director of the Professional Standards Section, address the media on Thursday. (Photo: George Hunter)

Craig's remarks followed a [Detroit News report](https://www.detroitnews.com/story/news/local/detroit-city/2019/12/11/detroit-police-probe-uncovers-widespread-alleged-corruption-drug-unit/4398321002/) ([/story/news/local/detroit-city/2019/12/11/detroit-police-probe-uncovers-widespread-alleged-corruption-drug-unit/4398321002/](https://www.detroitnews.com/story/news/local/detroit-city/2019/12/11/detroit-police-probe-uncovers-widespread-alleged-corruption-drug-unit/4398321002/)) about a four-month ongoing investigation that uncovered "a pattern and practice" of alleged corruption in the drug unit, called the Major Violators Section.

The allegations include drug cops planting evidence, lying to prosecutors in search warrant affidavits, robbing dope dealers and embezzling funds meant to pay informants.

The Detroit-initiated investigation started Aug. 22, when Detroit internal affairs officers raided their department's own drug unit, seizing and analyzing dozens of files and 50 computers.

Investigators also have interviewed more than 20 people whose drug houses were raided but were not arrested, and Craig said they told police it's no secret on the street that many Detroit drug cops were crooked.

In multiple instances, investigators found Detroit officers raided drug houses, seized money and drugs, and then told the dealers they could "work off the case" by giving police information about other drug houses.

After getting the information, Craig said the cops allegedly would "start the process all over again" when they raided the locations the dealers had told them about.

Officers would sometimes make confidential informants out of the people whose houses they'd raided without getting the required authorization from prosecutors, Craig said. Then, the officers allegedly embezzled the funds used to pay the informants, the chief said.

"Imagine you're a drug trafficker," Craig said. "A search warrant is executed at your home. Your next thought is, 'I'm going to be arrested.' Instead, you're getting paid, and that case is over.

"Those who are trafficking large amounts of drugs got a pass based on the decision of a police officer. They're not going to come knocking on my door saying, 'chief, we want to make a complaint.'"

Chris Graveline, a former assistant U.S. Attorney who heads the police department's Professional Standards Section, said the alleged corrupt cops could taint other cases in which they testified.

"The first thing you have to ask yourself is, what role did that witness play in my case?" Graveline said. "If it's a major role, then that's a big concern. Immediately, you're thinking 'I need to evaluate each of these cases, and how significant their testimony is in this case.

"This is going to require a lot of evaluation, not only by the Detroit Police Department but by prosecutors," Graveline said.

Wayne County Prosecutor Kym Worthy declined to comment, her spokeswoman, Maria Miller, said Thursday.

The alleged corruption is thought to be so rampant, police officials set up a 24-hour hotline at (313) 596-3190 to encourage people to call in tips about crooked drug cops.

"It's been up 24 hours, and we've already started to receive tips," Craig said. "One of the things we've learned from the complainants we've already interviewed was that they expect (corruption by narcotics officers)."

Craig stressed the alleged crooked officers make up only a small portion of the police department.

"How are you going to put on the badge ... and you're as much of a criminal as the people you're going after?" Craig said. "If you make the conscious decision to engage in criminal conduct, you're no longer a police officer. We're going to find you, and we're going to arrest you."

Read or Share this story: <https://www.detroitnews.com/story/news/local/detroit-city/2019/12/12/detroit-police-chief-longstanding-culture-drug-unit-corruption/4410031002/>

# EXHIBIT L

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN**

----- X  
In re : Chapter 9  
: :  
CITY OF DETROIT, MICHIGAN, : Case No. 13-53846  
: :  
Debtor. : Hon. Steven W. Rhodes  
: :  
----- X

---

**EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
(October 22, 2014)**

---

DAVID G. HEIMAN  
HEATHER LENNOX  
THOMAS A. WILSON  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212  
dgheiman@jonesday.com  
hlennox@jonesday.com  
tawilson@jonesday.com

BRUCE BENNETT  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 489-3939  
Facsimile: (213) 243-2539  
bbennett@jonesday.com

JONATHAN S. GREEN  
STEPHEN S. LAPLANTE  
MILLER, CANFIELD,  
PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500  
green@millercanfield.com  
laplante@millercanfield.com

ATTORNEYS FOR THE DEBTOR

**TABLE OF CONTENTS**

ARTICLE I DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME ..... 1

A. Defined Terms. .... 1

B. Rules of Interpretation and Computation of Time. .... 30

1. Rules of Interpretation. .... 30

2. Computation of Time. .... 30

ARTICLE II CLASSIFICATION OF CLAIMS; CRAMDOWN; EXECUTORY CONTRACTS AND UNEXPIRED LEASES ..... 30

A. Unclassified Claims. .... 31

1. Payment of Administrative Claims. .... 31

2. Bar Dates for Administrative Claims. .... 31

B. Classified Claims. .... 32

1. Designation of Classes. .... 32

2. Subordination; Reservation of Rights to Reclassify Claims. .... 33

3. Treatment of Claims. .... 33

C. Confirmation Without Acceptance by All Impaired Classes. .... 45

D. Treatment of Executory Contracts and Unexpired Leases. .... 45

1. Assumption. .... 45

2. Assumption of Ancillary Agreements. .... 45

3. Approval of Assumptions and Assignments. .... 45

4. Payments Related to the Assumption of Executory Contracts and Unexpired Leases. .... 46

5. Contracts and Leases Entered Into After the Petition Date. .... 46

6. Rejection of Executory Contracts and Unexpired Leases. .... 46

7. Rejection Damages Bar Date. .... 46

8. Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases. .... 47

9. Insurance Policies. .... 47

ARTICLE III **CONFIRMATION OF THE PLAN**..... 47

A. Conditions Precedent to the Effective Date. .... 47

B. Waiver of Conditions to the Effective Date. .... 48

C. Effect of Nonoccurrence of Conditions to the Effective Date. .... 49

D. Effect of Confirmation of the Plan. .... 49

1. Dissolution of Retiree Committee. .... 49

2. Preservation of Rights of Action by the City. .... 49

3. Comprehensive Settlement of Claims and Controversies. .... 49

4. Discharge of Claims. .... 50

|  |   |           |
|--|---|-----------|
| 5.   | Injunction.....   | 50        |
| 6.   | Exculpation.....  | 51        |
| 7.   | <b>Releases.....</b>  | <b>52</b> |
| E.   | No Diminution of State Power.....   | 53        |
| F.   | Effectiveness of the Plan.....  | 53        |
| G.   | Binding Effect of Plan.....   | 53        |
| ARTICLE IV MEANS FOR IMPLEMENTATION OF THE PLAN..... |   | 54        |
| A.   | DWSD.....   | 54        |
| 1.   | Rates and Revenues.....   | 54        |
| 2.   | DWSD CBAs.....  | 54        |
| 3.   | Potential DWSD Authority Transaction.....                                   | 54        |
| B.   | The New B Notes, New C Notes and New LTGO Bonds.....                        | 55        |
| C.   | The UTGO Settlement.....  | 55        |
| D.   | The State Contribution Agreement.....                                       | 55        |
| 1.   | State Contribution.....   | 55        |
| 2.   | Income Stabilization Payments.....  | 55        |
| 3.   | Conditions to State's Participation.....                                    | 56        |
| 4.   | Release of Claims Against the State and State Related Entities.....         | 56        |
| E.   | The DIA Settlement.....   | 57        |
| 1.   | Funding Contributions.....  | 57        |
| 2.   | Transfer of DIA Assets.....   | 57        |
| 3.   | Conditions to the DIA Funding Parties' Participation.....                   | 57        |
| F.   | Contingent Payment Rights.....  | 58        |
| 1.   | Special Restoration.....  | 58        |
| 2.   | General Restoration.....  | 58        |
| G.   | The OPEB Settlement.....  | 58        |
| H.   | The LTGO Settlement.....  | 59        |
| I.   | The Syncora Settlement.....   | 59        |
| J.   | The FGIC/COP Settlement.....  | 59        |
| K.   | Issuance of the New Securities.....   | 59        |
| L.   | Cancellation of Existing Bonds, Bond Documents, COPs and COP Documents..... | 60        |
| M.   | Release of Liens.....   | 60        |
| N.   | Professional Fees.....  | 61        |
| 1.   | Professional Fee Reserve.....   | 61        |
| 2.   | Fee Review Order.....   | 61        |
| 3.   | Dismissal of the Fee Examiner.....  | 61        |
| 4.   | Potential Review of Fees Not Subject to Fee Review Order.....               | 61        |

|   |   |    |
|---|---|----|
| 5.  | Court-Appointed Expert .....  | 62 |
| O.  | Assumption of Indemnification Obligations. ....   | 62 |
| P.  | Incorporation of Retiree Health Care Settlement Agreement .....                               | 62 |
| Q.  | Payment of Workers' Compensation Claims.....  | 62 |
| R.  | 36th District Court Settlement. ....  | 62 |
| S.  | Payment of Certain Claims Relating to the Operation of City Motor Vehicles. ....              | 62 |
| T.  | Payment of Tax Refund Claims. ....  | 63 |
| U.  | Utility Deposits. ....  | 63 |
| V.  | Pass-Through Obligations.....   | 63 |
| W.  | Exit Facility.....  | 63 |
| X.  | Post-Effective Date Governance.....   | 63 |
| ARTICLE V PROVISIONS REGARDING DISTRIBUTIONS UNDER THE PLAN ..... |   | 64 |
| A.  | Appointment of Disbursing Agent .....   | 64 |
| B.  | Distributions on Account of Allowed Claims .....  | 64 |
| C.  | Certain Claims to Be Expunged.....  | 64 |
| D.  | Record Date for Distributions; Exception for Bond Claims. ....                                | 64 |
| E.  | Means of Cash Payments. ....  | 64 |
| F.  | Selection of Distribution Dates for Allowed Claims.....                                       | 65 |
| G.  | Limitations on Amounts to Be Distributed to Holders of Allowed Claims Otherwise Insured. .... | 65 |
| H.  | City's Rights of Setoff Preserved. ....   | 65 |
| I.  | Delivery of Distributions and Undeliverable or Unclaimed Distributions.....                   | 65 |
| 1.  | Delivery of Distributions Generally.....  | 65 |
| 2.  | Delivery of Distributions on Account of Bond Claims.....                                      | 65 |
| 3.  | De Minimis Distributions / No Fractional New Securities. ....                                 | 66 |
| 4.  | Undeliverable or Unclaimed Distributions. ....  | 66 |
| 5.  | Time Bar to Cash Payment Rights.....  | 66 |
| J.  | Other Provisions Applicable to Distributions in All Classes. ....                             | 66 |
| 1.  | No Postpetition Interest. ....  | 66 |
| 2.  | Compliance with Tax Requirements.....   | 66 |
| 3.  | Allocation of Distributions. ....   | 67 |
| 4.  | Surrender of Instruments. ....  | 67 |
| ARTICLE VI PROCEDURES FOR RESOLVING DISPUTED CLAIMS .....         |   | 67 |
| A.  | Treatment of Disputed Claims. ....  | 67 |
| 1.  | General.....  | 67 |
| 2.  | ADR Procedures.....   | 68 |
| 3.  | Tort Claims.....  | 68 |

|   |  |    |
|---|--|----|
| B.  | Disputed Claims Reserve .....                                    | 68 |
| C.  | Objections to Claims .....                                       | 69 |
| 1.  | Authority to Prosecute, Settle and Compromise .....              | 69 |
| 2.  | Expungement or Adjustment of Claims Without Objection .....      | 69 |
| 3.  | Extension of Claims Objection Bar Date .....                     | 69 |
| 4.  | Authority to Amend List of Creditors .....                       | 69 |
| ARTICLE VII RETENTION OF JURISDICTION ..... |  | 69 |
| ARTICLE VIII MISCELLANEOUS PROVISIONS ..... |  | 71 |
| A.  | Plan Supplements .....   | 71 |
| B.  | Modification of the Plan .....                                   | 71 |
| C.  | Revocation of the Plan .....                                     | 71 |
| D.  | Severability of Plan Provisions .....                            | 71 |
| E.  | Effectuating Documents and Transactions .....                    | 71 |
| F.  | Successors and Assigns .....                                     | 72 |
| G.  | Plan Controls .....  | 72 |
| H.  | Notice of the Effective Date .....                               | 72 |
| I.  | Governing Law .....  | 72 |
| J.  | Request for Waiver of Automatic Stay of Confirmation Order ..... | 72 |
| K.  | Term of Existing Injunctions and Stays .....                     | 72 |
| L.  | Service of Documents .....                                       | 72 |
| 1.  | The City .....   | 73 |
| 2.  | The Retiree Committee .....                                      | 73 |

## TABLE OF EXHIBITS

|                   |  |
|-------------------|--|
| Exhibit I.A.9     | Principal Terms of 36th District Court Settlement  |
| Exhibit I.A.66    | Schedule of Class 9 Eligible City Assets   |
| Exhibit I.A.88    | Schedule of COP Swap Agreements  |
| Exhibit I.A.108   | Form of Detroit General VEBA Trust Agreement   |
| Exhibit I.A.112   | Form of Detroit Police and Fire VEBA Trust Agreement   |
| Exhibit I.A.126   | Principal Terms of DIA Settlement  |
| Exhibit I.A.127   | Form of DIA Settlement Documents   |
| Exhibit I.A.132   | Dismissed FGIC/COP Litigation  |
| Exhibit I.A.133   | Dismissed Syncora Litigation   |
| Exhibit I.A.148   | Schedule of DWSD Bond Documents & Related DWSD Bonds   |
| Exhibit I.A.156   | Schedule of DWSD Revolving Sewer Bond Documents & Related DWSD Revolving Sewer Bonds                     |
| Exhibit I.A.159   | Schedule of DWSD Revolving Water Bond Documents & Related DWSD Revolving Water Bonds                     |
| Exhibit I.A.183   | Principal Terms of Exit Facility   |
| Exhibit I.A.197   | Form of FGIC/COP Settlement Documents  |
| Exhibit I.A.198   | Form of FGIC Development Agreement   |
| Exhibit I.A.216   | Schedule of HUD Installment Note Documents & Related HUD Installment Notes                               |
| Exhibit I.A.230   | Schedule of Limited Tax General Obligation Bond Documents & Related Limited Tax General Obligation Bonds |
| Exhibit I.A.237   | Form of LTGO Settlement Agreement  |
| Exhibit I.A.246   | Principal Terms of New B Notes   |
| Exhibit I.A.247   | Form of New B Notes Documents  |
| Exhibit I.A.248   | Principal Terms of New C Notes   |
| Exhibit I.A.249   | Form of New C Notes Documents  |
| Exhibit I.A.250.a | Form of New GRS Active Pension Plan  |
| Exhibit I.A.250.b | Principal Terms of New GRS Active Pension Plan   |
| Exhibit I.A.254.a | Form of New PFRS Active Pension Plan   |

|                       |  |
|-----------------------|--|
| Exhibit I.A.254.b     | Principal Terms of New PFRS Active Pension Plan  |
| Exhibit I.A.280       | Prior GRS Pension Plan   |
| Exhibit I.A.281       | Prior PFRS Pension Plan  |
| Exhibit I.A.292       | Restoration Trust Agreement  |
| Exhibit I.A.298       | Retiree Health Care Settlement Agreement   |
| Exhibit I.A.305       | Schedule of Secured GO Bond Documents  |
| Exhibit I.A.332       | State Contribution Agreement   |
| Exhibit I.A.340       | Form of Syncora Development Agreement  |
| Exhibit I.A.344       | Form of Syncora Settlement Documents   |
| Exhibit I.A.354       | Schedule of Unlimited Tax General Obligation Bond Documents & Related Unlimited Tax General Obligation Bonds |
| Exhibit I.A.360       | Form of UTGO Settlement Agreement  |
| Exhibit II.B.3.q.ii.A | Schedule of Payments and Sources of Payments for Modified PFRS Pension Benefits                              |
| Exhibit II.B.3.q.ii.C | Terms of PFRS Pension Restoration  |
| Exhibit II.B.3.r.ii.A | Schedule of Payments and Sources of Payments for Modified GRS Pension Benefits                               |
| Exhibit II.B.3.r.ii.C | Terms of GRS Pension Restoration   |
| Exhibit II.D.5        | Schedule of Postpetition Collective Bargaining Agreements  |
| Exhibit II.D.6        | Executory Contracts and Unexpired Leases to Be Rejected  |
| Exhibit III.D.2       | Retained Causes of Action  |

**6. taking any actions to interfere with the implementation or consummation of the Plan.**

**b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. Notwithstanding the foregoing and without limiting the injunctions in Section III.D.5.a, the Holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to Indirect 36th District Court Claims to the extent such Claims are not satisfied pursuant to the Plan.**

**6. Exculpation.**

From and after the Effective Date, to the fullest extent permitted under applicable law and except as expressly set forth in this Section, neither the City, its Related Entities (including the members of the City Council, the Mayor and the Emergency Manager), to the extent a claim arises from actions taken by such Related Entity in its capacity as a Related Entity of the City, the State, the State Related Entities, the Exculpated Parties nor the Released Parties shall have or incur any liability to any person or Entity for any act or omission in connection with, relating to or arising out of the City's restructuring efforts and the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the formulation, preparation, negotiation, dissemination, consummation, implementation, confirmation or approval (as applicable) of the Plan, the property to be distributed under the Plan, the settlements implemented under the Plan, the Exhibits, the Disclosure Statement, any contract, instrument, release or other agreement or document provided for or contemplated in connection with the consummation of the transactions set forth in the Plan or the management or operation of the City; provided that the foregoing provisions shall apply to (a) the LTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the LTGO Settlement Agreement or the Plan (as it relates to the LTGO Settlement Agreement), (b) the UTGO Exculpated Parties solely in connection with acts or omissions taken in connection with the UTGO Settlement Agreement or the Plan (as it relates to the UTGO Settlement Agreement), (c) the DWSD Exculpated Parties solely in connection with acts or omissions taken in connection with the DWSD Tender, DWSD Tender Motion or DWSD Tender Order, (d) the Syncora Exculpated Parties solely in connection with acts or omissions taken in connection with the Syncora Settlement Documents and any actions or litigation positions taken by the Syncora Exculpated Parties in the Chapter 9 Case, (e) the FGIC/COP Exculpated Parties solely in connection with acts or omissions taken in connection with the FGIC/COP Settlement Documents and any actions or litigation positions taken by the FGIC/COP Exculpated Parties in the Chapter 9 Case, (f) the RDPMA Exculpated Parties and (g) the COP Agent, solely in its capacity as such and solely in connection with any Distributions made pursuant to the terms of the Plan; provided, further, that the foregoing provisions in this Section III.D.6 shall not affect the liability of the City, its Related Entities, the State, the State Related Entities, the Released Parties and the Exculpated Parties that otherwise would result from any such act or omission to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct or any act or omission occurring before the Petition Date. The City, its Related Entities (with respect to actions taken by such Related Entities in their capacities as Related Entities of the City), the State, the State Related Entities, the Released Parties and the Exculpated Parties shall be entitled to rely upon the advice of counsel and financial advisors with respect to their duties and responsibilities under, or in connection with, the Chapter 9 Case, the administration thereof and the Plan. This Section III.D.6 shall not affect any liability of (a) any of the COP Swap Exculpated Parties to the Syncora Exculpated Parties or FGIC or (b) the Syncora Exculpated Parties or FGIC/COP Exculpated Parties to any of the COP Swap Exculpated Parties.

## 7. Releases

Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

- a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge (which release will be in addition to the release and discharge of Claims otherwise provided herein and under the Confirmation Order and the Bankruptcy Code):
  - i. all Liabilities in any way relating to the City, the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), the Plan, the Exhibits or the Disclosure Statement, in each case that such holder has, had or may have against the City or its current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity (and, in addition to and without limiting the foregoing, in the case of any Emergency Manager, in such Emergency Manager's capacity as an appointee under PA 436); provided further, for the avoidance of doubt, that any person or entity designated to manage the Chapter 9 Case for the City after the Emergency Manager's term is terminated, whether such person or entity acts as an employee, advisor or contractor to the City or acts as an employee, agent, contractor or appointee of the State under any applicable state law, shall be treated the same as an employee of the City hereunder; and
  - ii. all Liabilities in any way relating to (A) Claims that are compromised, settled or discharged under or in connection with the Plan, (B) the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), (C) the Plan, (D) the Exhibits, (E) the Disclosure Statement or (F) the DIA Settlement, in each case that such holder has, had or may have against the City's Related Entities, the State, the State Related Entities and the Released Parties; provided, however, that any such Liability of the Foundations, the DIA Funders and the CFSEM Supporting Organization and their Related Entities shall be released only to the extent that such Liability, if any, arises from any such entity's participation in the DIA Settlement;  
provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties that are such as of the commencement of the Confirmation Hearing (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties that are such as of the commencement of the Confirmation Hearing, which conditions may not be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; provided, further, that nothing in this Section III.D.7.a shall release (i) the City's obligations under the Plan or (ii) any defenses that any party may have against the City, its Related Entities, the State, the State Related Entities or the Released Parties; and

**1. The City**

David G. Heiman, Esq.  
Heather Lennox, Esq.  
Thomas A. Wilson, Esq.  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212

Bruce Bennett, Esq.  
JONES DAY  
555 South Flower Street  
Fiftieth Floor  
Los Angeles, California 90071  
Telephone: (213) 243 2382  
Facsimile: (213) 243 2539

Jonathan S. Green, Esq.  
Stephen S. LaPlante, Esq.  
MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.  
150 West Jefferson  
Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500

(Counsel to the City)

**2. The Retiree Committee**

Claude Montgomery, Esq.  
Carole Neville, Esq.  
DENTONS US LLP  
1221 Avenue of the Americas  
New York, New York 10020  
Telephone: (212) 768-6700  
Facsimile: (212) 768-6800

Sam J. Alberts, Esq.  
DENTONS US LLP  
1301 K Street NW, Suite 600, East Tower  
Washington, DC 20005-3364  
Telephone: (202) 408-6400  
Facsimile: (202) 408-6399

Matthew E. Wilkins, Esq.  
Paula A. Hall, Esq.  
BROOKS WILKINS SHARKEY & TURCO PLLC  
401 South Old Woodward, Suite 400  
Birmingham, Michigan 48009  
Telephone: (248) 971-1711  
Facsimile: (248) 971-1801

(Counsel to the Retiree Committee)

Dated: October 22, 2014

Respectfully submitted,

The City of Detroit, Michigan

By: /s/ Kevyn D. Orr  
Name: Kevyn D. Orr  
Title: Emergency Manager for the City of Detroit, Michigan

# EXHIBIT M



KYM L. WORTHY  
PROSECUTING ATTORNEY

COUNTY OF WAYNE  
OFFICE OF THE PROSECUTING ATTORNEY

FRANK MURPHY HALL OF  
JUSTICE  
1441 ST. ANTOINE STREET  
DETROIT, MICHIGAN 48226-  
2302

Press Release  
March 24 ,2020  
Two Pages

***For Immediate Release***

Contact: Maria Miller  
Wayne County Prosecutor's Office  
Assistant Prosecuting Attorney  
(313) 224-5817  
(313) 213-0457  
[mmiller@waynecounty.com](mailto:mmiller@waynecounty.com)

## **WCPO to Dismiss Two Narcotics Cases**

On March 24, 2020, the Wayne County Prosecutor's Office Conviction Integrity Unit (CIU) presented an order which was signed by Third Circuit Court Chief Judge Timothy Kenny dismissing the case against Darell Chancellor who was convicted on December 12, 2012, of Possession of 450 grams to 999 grams of Cocaine. He was sentenced to 14 years, three months to 30 years as a Habitual Fourth Offender.

On the same day, the Wayne County Prosecutor's Office Public Integrity Unit presented an order which was signed by to Chief Judge Timothy Kenny dismissing the case against Darrell Richmond, who was convicted on August 9, 2019, of Delivery/Manufacture Narcotics Less than 50 grams and Felony Firearm Second Degree. He was sentenced to three to 20 years on the drug charge and a five-year consecutive sentence on the felony firearm charge.

Both cases were dismissed by order and no court appearances were held due to the Covid-19 pandemic.

### **Statement of Prosecutor Kym Worthy**

Prosecutor Worthy said, "The cases that we are announcing today are the result of the tireless work of investigators from the Detroit Police Department and the Federal Bureau of Investigations (Richmond), and the Wayne County Prosecutor's Office Conviction Integrity Unit (Chancellor). These are the first cases that deal directly with fraudulent search warrant affidavits and

other activities by highly unethical and compromised narcotics police officers. These cases take time to review, and we expect that there will be more. I will not hesitate to free other wrongfully convicted individuals if we find tainted or fraudulent evidence.”

**-more-**

**Darell Chancellor CIU Recommendation\***

The alleged evidence in the case about Mr. Chancellor cannot be corroborated and has been credibly refuted. It was based upon a fraudulent search warrant. Mr. Chancellor’s claim that he was wrongfully convicted is credible and his case will be dismissed by the Conviction Integrity Unit.

**Darrell Richmond - Public Integrity Unit Recommendation \***

The DPD and FBI investigation clearly shows that the information provided in the search warrant for Mr. Richmond’s home was based upon false and not-credible information. The conviction of Mr. Richmond will be dismissed by the WCPO Public Integrity Unit.

\*Note: At this time limited information is being released BY WCPO due to the ongoing investigation of the Detroit Police Narcotics Unit by DPD and the FBI.

#####

# EXHIBIT N



D.P.D. 568 (rev. 9/97)

**INTER-OFFICE MEMORANDUM  
PROFESSIONAL STANDARDS BUREAU**

|                       |
|-----------------------|
| Date<br>July 18, 2014 |
|-----------------------|

To: Chief of Police James E. Craig (Through Channels) *[Signature]*

Subject: **DUTY STATUS REPORT FOR THE FOLLOWING OFFICERS ASSIGNED TO NARCOTICS:**  
SERGEANT STEPHEN GEELHOOD, BADGE S-501, PENSION #233448  
POLICE OFFICER LARRY BARNETT, BADGE 2841, PENSION #233194  
POLICE OFFICER STEVEN RILEY, BADGE 197, PENSION #235195  
POLICE OFFICER AMY MATELIC, BADGE 2379, PENSION #234518  
POLICE OFFICER ARTHUR LEAVELLS, BADGE 463, PENSION #235788  
POLICE OFFICER GREGORY TOURVILLE, BADGE 682, PENSION #235981

From: Commander Johnny Thomas, Professional Standards Bureau

**ISSUE:**

On July 10, 2014, members of Internal Affairs suspended Sergeant Stephen Geelhood, badge S-501, and Police Officers Larry Barnett, badge 2841, Steven Riley, badge 197, Amy Matelic, badge 2379, Arthur Leavells, badge 463 and Gregory Tourville, badge 682, after it was discovered that during an investigation the officers were captured on video during a narcotic raid, putting at least five (5) small boxes, later identified as boxes of High Intensity Light bulbs, into a larger box as well as into bags. These items were not placed on evidence and are unaccounted for. The video also shows that at least four (4) officers are in this same room at one time while the light bulbs are being placed into the box and bag.

What should Sergeant Geelhood and Officers Barnett, Riley, Matelic, Leavells and Tourvilles duty status be?

**DISCUSSION:**

On June 19, 2014, Sergeant Juan Ayala, badge S-266, assigned to Internal Affairs, received a phone call from a Mr. Brent Rayis, W/M/30, of 3271 Edmunton, Rochester Hills, in which Mr. Rayis alleged that on February 13, 2014, at approximately 1:30 P.M., he was at 20103 W. Eight Mile Rd when it was raided by the Narcotics crew headed by Sergeant Geelhood.

Mr. Rayis stated that during the raid his Chase Debit card was taken and subsequently he discovered an unauthorized \$1000 charge was made against his card. Mr. Rayis stated that the Marijuana that was found was in 20105 W. Eight Mile Rd, which the crew did not have a warrant for. Mr. Rayis also stated that once the raid was over he was arrested and taken to another location where the crew conducted another raid before being conveyed to the Detroit Detention Center (DDC) for processing.

18 JUL 2014 10:44

To: Chief of Police James E. Craig (Through Channels) July 18, 2014  
Subject: **DUTY STATUS REPORT, MEMBERS ASSIGNED TO NARCOTICS** Page 2  
From: Commander Johnny Thomas, Professional Standards Bureau

On June 20, 2014, Mr. Rayis presented himself at 1301 Third, Suite 319N, the Internal Affairs Office, to make a statement. Mr. Rayis also brought a disc that he claimed was from a hidden camera in 20103 W. Eight Mile Rd. The video was reviewed and it shows the officers' actions inside the location.

The video reveals the officers coming into the location, ordered Mr. Rayis to the ground, handcuffing him and then clearing the location. Once the location is cleared Mr. Rayis gets taken into 20101 W. Eight Mile Rd. The officers are then observed opening a closed door on the west side wall and entering another room. The officers are later seen coming out of that door with what appear to be Marijuana plants. The officers put the plants in bags and boxes, but they also put at least five (5) smaller boxes (Mr. Rayis later identified the smaller boxes as boxes of High Intensity Light bulbs) into the bags and boxes with the plants.

It should be noted that in the video, Officers Leavells, Bamett, Riley and Tourville are in view of each other and observed or participated in the destruction or concealing of property in the bags and boxes used to package the Marijuana Plants, with Sergeant Geelhood standing in the background in the same room. The officers listed the Marijuana as evidence on their arrest report; however, the property taken, other than the marijuana plants, was not listed as evidence and therefore is unaccounted for.

The video reveals that Officer Matelic entered the view of the camera on three separate occasions; however she was not in the room when the items were placed in the box that contained the Marijuana plants

The video also reveals that at least four (4) officers are in this same room at one time while the light bulbs are being placed into bags and boxes with the plants. The video reveals other unknown items are taken from the shelves as well as Officer Matelic with an object in her hand and then reacting as if she was shocked and threw the item to the ground.

Mr. Rayis also provided limited video from 20101 W. Eight Mile Rd that revealed five (5) officers that enter the location, followed by Sergeant Geelhood. The video shows the raid crew making entry into the T-shirt shop and walking toward the back. In the video a white male, later identified as Ibrahim Gharib, W/M/31, of 6160 N Slivery Ln, Dearborn Heights, is seen meeting the officers in the front part of the store with his hand up. Mr. Gharib is patted down and was placed in front of a display case with his hands on the glass.

To: Chief of Police James E. Craig (Through Channels) July 18, 2014  
Subject: **DUTY STATUS REPORT, MEMBERS ASSIGNED TO NARCOTICS** Page 3  
From: Commander Johnny Thomas, Professional Standards Bureau

The video reveals a black male, later identified as Grady Wicker III, B/M/29, of 29500 Franklin Rd, Southfield, also walked into the front of the store and also placed against the display case with his hands on the glass. The rest of the video reveals the officers' interaction with the detainees.

On the same date, Police Officer Michael Saraino, badge 247, assigned to Internal Affairs, and Sergeant Ayala conducted an audio recorded interview of Mr. Rayis. During the interview, Mr. Rayis' statement closely mirrored that of his phone call. Mr. Rayis also identified the things taken by the officers as high intensity light bulbs.

A review of CRISNET Report #1402130158.1, titled "08-48-2913-Execution of Search Warrant," completed by Police Officer Amy Matelic, and all of the attached Preliminary Complaint Reports, Investigator's Report and all other paperwork that pertained to the execution of the search warrant at 20103 W. Eight Mile Rd., revealed the only property listed taken was Marijuana Plants, loose Marijuana, currency, and Mr. Rayis' vehicle, a 2003 Acura. No other property was listed as taken.

On July 2, 2014, Investigator Timothy Ewald, badge I-1, assigned to Internal Affairs, and Officer Saraino, went to the Property Section and inspected the packages where the unaccounted merchandise was seen being placed into, and they were not found.

On July 10, 2014, Sergeant Ayala conducted an audio recorded interview with Mr. Wicker who stated he was in the backroom of his place of employment, 20101 W. Eight Mile Rd. Mr. Wicker stated that while at the location the police played with and broke gag shock pens that were at the location. Mr. Wicker also stated that the police took at least three (3) shock pens from the store and five (5) HPS light bulbs that belong to him, as they were leaving. After the police left Mr. Wicker checked his vehicle, since the police searched it, and found an I-Pod and a black pair of Rayban glasses were missing.

On July 10, 2014, Officer Saraino, and Sergeant Ayala, conducted an audio recorded interview of Mr. Gharib. Mr. Gharib stated that on February 13, 2014, at approximately 1:30 P.M., the police came into his work at 20101 W. Eight Mile, and searched the place. Mr. Gharib stated that he was detained in his shop and searched. During the search Mr. Gharib stated that the officers stole gag "shocking" items that he had for sale for \$5.00 each. He also stated that the female officer was tricked and shocked by a male officer and that she threw the pen to the floor and broke it (this fact was confirmed by the video viewed). Mr. Gharib also stated that his 2008 Jeep Liberty was searched and after the police left his Bulova watch was missing.

To: Chief of Police James E. Craig (Through Channels) July 18, 2014  
Subject: **DUTY STATUS REPORT, MEMBERS ASSIGNED TO NARCOTICS** Page 4  
From: Commander Johnny Thomas, Professional Standards Bureau

On July 10, 2014, at approximately 4:00 P.M., Lieutenant Kelly Fitzgerald, badge L-33, assigned to Internal Affairs, and Sergeant Ayala along with members assigned to Internal Affairs went to 14655 Dexter, Narcotics Base, and stood by as Captain Rodney Cox, Commanding Officer of Organized Crime, suspended the above listed officers and sergeant with pay.

It shall also be noted that a walk through was conducted of the location and none of the described items were located at this time.

**RECOMMENDATION:**

  
**JOHNNY THOMAS**  
Commander  
Professional Standards Bureau

# EXHIBIT O

# NOTICE OF SEIZURE AND INTENT TO FORFEIT

|  |                   |  |                  |
|--|-------------------|--|------------------|
| Notice Served To: <u>Mukhlis Shamoan</u> |                   |  |                  |
| Address: <u>8979 WiloRay</u>             |                   | City: <u>Shelby Twp</u>                  | State: <u>MI</u> |
| Date: <u>9/13/12</u>                     | Time: <u>1:40</u> | Location Of Seizure: <u>8929 WiloRay</u> |                  |

## NOTIFICATION

On, day/ 13 month/ 9 year/ 12 the Detroit Police Department determined that the property described below is subject to forfeiture pursuant to Michigan Law MCLA 333.7521, et. seq., and that the Department intends to seek forfeiture of this property.

If you desire to challenge the forfeiture of this property, you **MUST DO ALL** of the following within twenty (20) days of receiving this notice:

1. FILE A CLAIM WITH THE DETROIT POLICE DEPARTMENT FORFEITURE UNIT 2121 W. Fort, DETROIT, MI 48201, (313) 596.2630, DESCRIBING YOUR INTEREST IN THE PROPERTY.
2. POST A BOND THAT IS 10% OF THE VALUE OF THE PROPERTY CLAIMED (said BOND will be no less than \$250.00 and NO GREATER THAN \$5000.00).

After filing a written claim and posting the required BOND, the case will be referred to the Wayne County Prosecutor's Office for filing in the Wayne County Circuit Court. If the Court orders the property forfeited to the Detroit Police Department, you May be required to pay ALL costs incurred during the forfeiture proceedings.

Failure to file a claim and post BOND within TWENTY (20) days will result in your DEFAULT and your property will be declared forfeited to the Detroit Police Department.

**THIS FORM MUST BE FAXED IMMEDIATELY TO FORFEITURE AT 596-2309**

### DESCRIPTION OF PROPERTY

|                                     |                 |                        |        |        |
|-------------------------------------|-----------------|------------------------|--------|--------|
| Amount of Currency: \$ <u>315 -</u> |                 | ET#: <u>E 40273504</u> |        |        |
| Vehicle/yr.                         | Make:           | Model:                 | Style: | Color: |
| Veh /Mileage:                       | License Plate # |                        | Vin#   |        |
| ET#                                 |                 | (loc veh stored)       |        |        |
| Other Property:                     |                 |                        |        |        |

### ACKNOWLEDGEMENTS

|  |                     |  |  |  |
|--|---------------------|--|--|--|
| Notice Received By: <u>Mukhlis Shamoan</u> |                     | Signature: <u>[Signature]</u>            |  |  |
| Notice Served By: <u>Brian A Johnson</u>   |                     | Signature: <u>[Signature]</u>            |  |  |
| Rank: <u>PO</u>                            | Badge#: <u>5010</u> | Assignment: <u>NB</u>                    |  |  |
| Date: <u>9/13/12</u>                       | Time: <u>1:40</u>   | Location of Service: <u>8979 WiloRay</u> |  |  |
| Witness: <u>Joe Tucker</u>                 |                     | Signature: <u>[Signature]</u>            |  |  |
| Rank: <u>SGT</u>                           | Badge#: <u>S-95</u> | Assignment: <u>N/B</u>                   |  |  |

(Revised: 03.7.2005)

# EXHIBIT P

# Internal Affairs Database - Member History Report

**Member Name** TUCKER JR, JOE

**Case Number** 00i213    **Date Assigned** 12/5/2000    **Command**    **Date Closed** 6/4/2001  
**Allegation** PERJURY    Rank: PO    **Finding** NOT SUSTAINED  
**DPD Charges** Miscellaneous    2nd    3rd  
**Notes** On December 5, 2000, Internal Affairs received information regarding an allegation of Perjury involving Police Officer Joe Tucker Jr. Improper conduct

**Case Number** 04i280    **Date Assigned** 9/10/2004    **Command** 6TH PRECINCT    **Date Closed** 5/9/2005  
**Allegation** MISCONDUCT    Rank: SGT    **Finding** SUSTAINED  
**DPD Charges** Miscellaneous    2nd Truthfulness    3rd  
**Notes** SGT TUCKER SUBMITTED AN INJURED PO I&R WHICH STATED CIVILIANS WERE INTERVIEWED. THE CIVILIANS STATED THAT THEY WERE NEVER INTERVIEWED.

**Case Number** 11i167    **Date Assigned** 12/1/2011    **Command** ORGANIZED CRIME AN    **Date Closed** 12/21/2011  
**Allegation** FRAUD    Rank: SGT    **Finding**  
**DPD Charges**    2nd    3rd  
**Notes** On November 28, 2011, Internal Affairs received an Inter-Office Memo from Organized Crime alleging time fraud by some officers getting paid overtime that had not worked any. THIS CASE WAS ADMINISTRATIVELY CLOSED PER CO. STAIR ON DECEMBER 21, 2011.

**Case Number** 14i149    **Date Assigned** 12/9/2014    **Command**    **Date Closed** 7/17/2015  
**Allegation** FRAUD    Rank: SGT    **Finding** EXONERATED  
**DPD Charges** Conduct Unprofessional    2nd Authority Misuse    3rd Miscellaneous  
**Notes** Internal Affairs rec'd information from DC Fitzgerald that after conducting an audit of court appearances, it appears that Lt. Tucker and Sgt Graves may have submitted fraudulent court appearance notices.  
  
EXONERATED ON FRAUD CHARGES.  
REFERRED TO DISCIPLINARY ON THE BELOW CHARGES FOR SGT TUCKER

**RE: REQUEST THE DISCIPLINARY HISTORY**

DISCIPLINARY ADMIN <[REDACTED]>

Fri 5/29/2020 11:27 AM

To: DEANNA WILSON 361 [REDACTED]

Good Morning,

Please see below:

**CAPTAIN JOE TUCKER, JR.**

It is to be noted that Captain Joe Tucker, Jr., was appointed to the Department on September 20, 1993 and appointed to his current rank on December 12, 2016. Disciplinary records reflect that he has the following contacts:

File No. 960180 - On June 17, 1996, Captain Joe Tucker, Jr., (then Police Officer) appeared for a Commander's Hearing and was found guilty of Neglect of Duty , (i.e., on November 28, 1995, appeared in Recorder's Court while off duty to attend a sentencing hearing without being notified and later turning in a court appearance slip). Officer Tucker received a one (1) day suspension.

**SERGEANT STEPHEN GEELHOOD, BADGE S-501**

It is to be noted that Sergeant Stephen Geelhood was appointed to the Department on November 28, 1994 and promoted to his current rank on November 22, 2013. Disciplinary records reflect that he has no prior contact.

**Lieutenant Robert Torres**

Detroit Police Department  
Disciplinary Administration  
1301 Third, Suite 746A  
Professional Standards Bureau  
Detroit, Michigan 48226

[REDACTED]

"The Detroit Police Department is a model of sustained policing excellence that places our neighborhoods and people first."

**From:** DEANNA WILSON 361

**Sent:** Friday, May 29, 2020 10:50 AM

**To:** DISCIPLINARY ADMIN [REDACTED]

**Subject:** REQUEST THE DISCIPLINARY HISTORY



# DISCIPLINARY HISTORY

PENSION 233043

DATE UPDATED 1/16/2017

LAST NAME TUCKER

FIRST NAME JOE

CAPTAIN JOE TUCKER, JR.

It is to be noted that Captain Joe Tucker, Jr., was appointed to the Department on September 20, 1993 and appointed to his current rank on December 12, 2016. Disciplinary records reflect that he has the following contacts:

File No. 960180 - On June 17, 1996, Captain Joe Tucker, Jr., (then Police Officer) appeared for a Commander's Hearing and was found guilty for Neglect of Duty, (i.e., on November 28, 1995, appeared in Recorder's Court while off duty to attend a sentencing hearing without being notified and later turning in a court appearance slip). Officer Tucker received a one (1) day suspension. (jpc)

## OLD RECORDS

File No. 050276 - On September 21, 2005, Sergeant Tucker was charged with 1) Neglect of Duty (i.e., On October 20, 2004, fail to provide a complete and accurate Summary Investigation and Report regarding an injured police officer and injured prisoner); 2) Willful Disobedience of Rules or Orders (i.e., on March 1, 2005, admitted during a Garrity Interview that he knew all Department reports are to be complete and accurate; however, he failed to interview all parties relevant to the Summary Investigation and Report that he had completed). The recommendation of the trial board was issuance of an Official Reprimand. On February 4, 2008, the Chief of Police approved the recommendation. (mlt)

File No. 080193A - On June 11, 2008, this file was reviewed by Attorney Letitia C. Jones, of the City of Detroit Law Department with the recommendation of Administrative Closure (cjb)

File No. 080730 - On January 22, 2009, this file was reviewed by Attorney Letitia C. Jones, of the City of Detroit Law Department with the recommendation of Administrative Closure. (cjb)

File No. 150133 - On July 13, 2015, Lieutenant Tucker was found not guilty for 1) Willful Disobedience of Rules or Orders, (i.e. October and November of 2014, fill out court slips with a start time of 8:00 a.m.), 2) Using Authority or Position for Financial Gain or for Obtaining Privileges or Favors (i.e. use his authority to gain entry to a closed courtroom. Dismissal of all charges and specification in this matter. (zv)

File No. 160022C - On March 2, 2016, a Notice of Discipline was prepared charging Captain (then Lieutenant) Tucker, Jr. with 1) Neglect of Duty (i.e., On April 29, 2015, at approximately 4:30p.m., Lt. Tucker, Jr., took control of an accident scene at Strathmoor and Margareta, where citizens were transported to the hospital, but failed to ensure that victims were interviewed). On June 14, 2016, Lt. Tucker was issued an Official Written Reprimand. (kj) (jdd)

# EXHIBIT Q



INTERNAL AFFAIRS UNIT

To: Commanding Officer, Internal Controls Section (through channels)

Subject: IAU CASE #00 213  
SERGEANT JOSEPH TUCKER JR., BADGE S-95  
ASSIGNED: SIXTH PRECINCT  
APPOINTED: SEPTEMBER 20, 1993  
ALLEGATION: PERJURY

IAU INVESTIGATOR:  
Sergeant Karen L. Fairley

INVESTIGATION:

On December 4, 2000, the Internal Affairs Unit received an investigative report prepared on April 12, 2000, by Investigator Sandra K. Mercer, assigned to the Office of the Chief Investigator. The report pertained to a complaint, Citizen Complaint Report (CCR) #29405, BPC #99-772, filed on October 5, 1999, at the Twelfth Precinct, by Ms. Paulette Crowder, B/F/47, of 20400 Wyoming. Information contained in the report revealed misconduct on the part of then Police Officer Joseph Tucker Jr., Badge 2373, then assigned to the Narcotics Division. Specifically, Officer Tucker swore to and signed a Search Warrant and Affidavit that contained false information.



The investigative report indicated that on October 4, 1999, Officer Tucker caused a Search Warrant and Affidavit (#004438) to be issued for the search of 20400 Wyoming, for narcotics. The Search Warrant and Affidavit also stated that the "seller," Mr. Clifford Crowder, B/M/30, was to be searched. However, Investigator Mercer's investigation supported Ms. Crowder's contention that her son, Mr. Clifford Crowder, was incarcerated on October 4, 1999, one of the dates Officer Tucker swore to have seen him at 20400 Wyoming selling drugs.

Investigator Mercer's investigation disclosed that on October 4, 1999, Sergeant Terence Randolph, Badge S-872, of the Narcotics Division, and his crew, including Officer Tucker, raided Ms. Crowder's residence looking for narcotics and her son, Clifford Crowder. However, information gathered by Investigator Mercer revealed that Mr. Crowder was picked up on September 29, 1999, by Wayne County Corrections officials on warrant #95-009989, for probation violation, and subsequently sentenced to twenty years in prison. He was held in the Wayne County Jail until his transfer to the Jackson Correctional Facility on October 4, 1999. (Document 7-1)

On May 16, 2000, Chief Investigator Lori Bobbitt Waddles prepared a memo addressed to the Chief of Police. The memo indicated that the Office of the Chief Investigator's investigation of the aforementioned CCR resulted in a finding of "Improper Conduct," and was being forwarded for appropriate action. (Document 7-2)

On September 16, 2000, a Charge Sheet was prepared by Lieutenant Steven Dolunt, Badge L-43, then assigned to the Disciplinary Administration Unit, recommending that Officer Tucker be charged with "Neglect of Duty." (Document 7-3)

On November 1, 2000, Lieutenant Dolunt addressed a memo to the Commanding Officer of the Narcotics Enforcement Section. The memo indicated that the Chief of Police waived jurisdiction in Officer Tucker's disciplinary matter and that it was to be handled at the command level. (Document 7-4)

On November 30, 2000, Inspector Patrick McCarthy, assigned to the Narcotics North-West Section, prepared a memo addressed to Inspector Donald Williams, of the Internal Controls Section. The memo stated he was forwarding a copy of Investigator Mercer's report for review and disposition. (Document 7-5)

On December 5, 2000, this matter was assigned to Sergeant Karen L. Fairley, Badge S-382, of the Internal Affairs Unit for investigation.

On January 22, 2001, Sergeant Tucker (promoted October 27, 2000) was interviewed by Sergeant Fairley after she advised him of his constitutional rights (Miranda). Sergeant Tucker acknowledged having a Search Warrant and Affidavit sworn in on October 4, 1999. He listed on the Search Warrant and Affidavit September 29, 1999, October 1, 1999, and October 4, 1999, as the dates on which he allegedly observed Mr. Crowder selling drugs from the side entrance of 20400 Wyoming. According to Sergeant Tucker, he set up surveillance per a complaint of narcotics activity at the Wyoming address. He was positioned approximately one and a half blocks from the home and using binoculars when he observed who he thought was Mr. Crowder conducting narcotics transactions from the side door.

Sergeant Tucker further stated that he later found out that the person he observed at the door was not Mr. Crowder, who was incarcerated. He went on to say that it is not common to swear out a warrant and be mistaken about the target, but he was certain that it was Mr. Crowder because he has dealt with him in the past. He also stated that the reason he named Mr. Crowder in the search warrant was because he wanted to be thorough.

Sergeant Tucker went on to say that on October 4, 1999, at approximately 9:30 A.M., he conducted a surveillance at 20400 Wyoming prior to swearing out the warrant in order to make sure nothing had changed since his last surveillance. At that time he was alone and observed who he thought was Mr. Crowder at the location. Sergeant Tucker described the person he observed as being a black male, approximately twenty-five years old, 5'6", with a dark complexion and "kinky" hair. That person's physical attributes were close to Mr. Crowder's physical attributes. This person was later identified as Mr. Aronde Ware, B/M/20, who was investigated and released at the scene when the search warrant was executed. On the other days in question narcotics buys

(controlled purchases) were made, and surveillance was conducted, and he was certain that the person selling was Mr. Crowder.

Sergeant Tucker added that he had seen Mr. Crowder prior to obtaining the warrant a few times. Once when he arrested him, and two or three times when he was being investigated. Lastly, Sergeant Tucker stated that it was approximately a six hour time lapse from the time he obtained the search warrant until the warrant was executed. (Tape)

On February 13, 2001, Sergeant Fairley presented an Investigator's Report to Wayne County Assistant Prosecuting Attorney Maria Miller for review.

On March 2, 2001, Ms. Miller denied the issuance of a warrant against Sergeant Tucker due to insufficient evidence. (Document 10-1)

On March 19, 2001, Sergeant Candace Kailimai, Badge S-501, and Investigator Lisa Collins, Badge-I-176, both assigned to the Internal Affairs Unit, interviewed Sergeant Tucker under the provisions of Garrity. He stated that the statement he made under Miranda was the same that he would make under Garrity, and that he had nothing more to add. (Tape)

**CONCLUSION:**



**A P P R O V E D**  
JUN 0 1 2001

*Fredrick S. McElwain*  
SERGEANT, INTERNAL AFFAIRS SECTION

*Karen L. Fairley*  
**KAREN L. FAIRLEY**  
Sergeant, S-382  
Internal Affairs Unit

*James Weiss*  
**JAMES WEISS**  
Sergeant, S-1014  
Internal Affairs Unit

KLF/JW:kif

**A P P R O V E D**  
JUN 0 4 2001

*Fredrick S. McElwain*  
INTERNAL CONTROLS DIVISION

**MISCONDUCT SUMMARY/IAU CASE #00 213  
SERGEANT JOSEPH TUCKER JR., BADGE S-95  
ASSIGNED: SIXTH PRECINCT**

**Charge: NEGLECT OF DUTY**

**SPECIFICATION:** That he, Sergeant Joseph Tucker Jr., Badge S-95, assigned to the Sixth Precinct, did, on October 4, 1999, while holding the rank of police officer and assigned to the West-North Section, while on duty and in civilian attire at the 36<sup>th</sup> District Court, neglect his duty by swearing to and signing a Search Warrant and Affidavit that contained false information, specifically that he had observed an individual, namely Mr. Clifford Crowder, selling narcotics from 20400 Wyoming on September 29, 1999, October 1, 1999, and October 4, 1999, when in fact Mr. Crowder had been incarcerated since September 29, 1999; this being in violation of General Order 72-17, Section K, subsection I.

# EXHIBIT R

Sgt. Tucker

From: KELLY FITZGERALD

To: ROBINSON, KEVIN

BC: WELLES, PAUL; FITZGERALD, KELLY

Date: Friday - November 25, 2011 2:20 PM

Subject: Sgt. Tucker

Lieutenant, after we spoke this morning I still was uneasy about this situation. I've given this thing with Tucker a lot of thought and I have to get this off my chest and then I'll leave you to enjoy your Holiday weekend.

I've been at Narcotics for quite awhile. I was there in 1999 when they Arrested Delford Forte and Derrick Carpenae from Narcotics Conspiracy for stealing cash money out of dope houses. This was investigated and proven, they were caught in the act.

I was there in 2001 when Dogbite (Sgt. Raby) was charged and convicted with stealing money because he had a gambling problem. There were also many accusations against Lt. Art McNamara (Coyote) which were never founded but he retired anyway. I believe the rumors, whether true or not, somehow lessened all the good narcotics work he did as a cop because of the allegations.

Sgt. Kenny Jackson (Action) and crew were transferred for accusations of stealing that as far as I know were investigated but were unfounded. These officers also carry this around to this day.

I say all this to say that each one of these instances had different sets of circumstances. Some you could prove and did, some you know it was happening but never could prove and some that you had no idea if it did or did not and it was never proved and ruined some people's careers. Street cops have to deal with allegations all the time.

In this instance I believe (and this is just an opinion) the best case scenario is to transfer Sgt. Tucker out of Narcotics to remove him from the temptation and to re-assign each member of that crew to the other 5 crews under Narcotics. We can prove that he was supposed to be on surveillance and posted on a social network site to the contrary.

It may be hard to prove and circumstantial at best that he has lied on logs and OT sheets, but because one of his officers has come forward I believe removing Sgt. Tucker would not be unfair nor will it undermine the officers efforts from coming forward. Obviously he would be told that there were allegations of OT stealing and that a prelim investigation shows he did, and that's why he was removed.

I also believe that re-assigning the officers and removing Tucker would send a message to Narcotics as to just how serious we are about this. I will also go one step further and suggest that the crews all be re-aligned with the exception of the crew chiefs and maybe one or 2 officers to remove the sense of comfort or complacency amongst crews that could have led to this sort of thing in the first place.

Again, I am just throwing this out there. My intentions aren't to step on anyone's toes or go above ranks. If I were running Narcotics, this is the decision that I would make and feel it is the best conclusion given this specific incident.

Either way, we'll get past this.

This situation arose in November/December of 2011 when I, Lieutenant Kelly Fitzgerald, of the Detroit Police Department was assigned to the Narcotics Section as an Administrative Sergeant. My primary function was to process all paperwork for the Commanding Officer of Narcotics, Lieutenant Kevin Robinson and I was a direct report to Lieutenant Robinson (referred to as Robinson going forward). During the week of November 21, 2011, Police Officer (now Sergeant) Stephen Geelhood, called me and inquired about why he was not paid for overtime he worked on November 10, 2011. Officer Geelhood (referred to as Geelhood going forward) worked on a Narcotic Raid crew and reported to Sergeant (Now Lieutenant) Joe L. Tucker Jr. (referred to as Tucker going forward). I explained to Geelhood that I would check into the situation and get back to him. I inquired with Police Officer Jennifer Biggers, the timekeeping officer, why Geelhood had not been paid for the overtime (OT) he worked on November 10, 2011 and she wrote me a note and placed copies of four (4) separate OT requests for the case submitted by Tucker which listed Geelhood and other members of the crew. The note stated "Hey Kelly I talked to K-Rob (referring to Robinson) about these yesterday, and he approved the O.T. for 11/4, 11/8, and 11/13. He said he would take a look at the Nov 10<sup>th</sup> O.T. when he gets back. Thanks!! Crash". The name Crash is Officer Biggers nickname. Robinson eventually denied the OT for 11/10/11 and dated the denial stamp signed November 10, 2011.

Later the same day during the week of November 21, 2011, Geelhood came to see me for an answer as to why the OT was denied by Robinson. I showed him the note given to me and copies of the OT requests authored by Tucker along with copies of their daily Activity Logs for the OT worked and Geelhood became upset and told me he was tired of working all the OT and doing all the work and that Tucker did not actually work the OT but put his name on the OT, and that he (Geelhood) actually worked all the OT and now he is losing out on OT and Tucker is getting paid OT that he is not actually working. I was shocked by his admission and I asked if he had proof that Tucker did not work this OT. He said no and he doubts any of the other guys would tell the truth that Tucker did not work because they work as a "crew concept" and you do not "rat" on anyone like that. He said he had no physical proof that Tucker was not there during those dates (11/4, 11/10, 11/13, 11/18) but that Tucker is forever "tagging" himself on Facebook (FB) at places/locations around the city, suburbs and other states and he told me that he was sure there were specific dates that he (Tucker) actually put in for OT for working at the exact same time he "tagged" himself outside the city or at an specific location which was not the location his activity log listed that he was at that allowed him to get paid the OT. In other words, Tucker was falsifying OT requests and activity logs saying he worked OT that he did not work. He gave me examples of Tucker "tagging" himself on FB with his sick child at a hospital while he was getting paid OT to work at Narcotics, "tagging" himself on FB at a restaurant outside the city, while getting paid OT to work at Narcotics and "tagging" himself on FB from a child's concert downtown while getting paid to work at Narcotics.

I told Geelhood I would look into his allegations and he left my office, but he was very upset/mad that he was still not getting paid for the OT worked on 11/10/11. During that same week of November 21, 2011, after my meeting with Geelhood, I pulled up Tuckers FB page (we were FB friends at the time) and scrolled through the numerous postings and "taggings" Tucker documented on his FB page and was stunned to find similar "taggings" that Geelhood had spoken to me about. I printed those "tags" from a computer on November 22, 2011. I was unsure if there were more dates that Tucker may have posted on FB and could have possibly put in for OT at the exact same time so I printed several days of postings to bring back to the office to verify whether or not Tucker had actually put in for OT during the same time

as alleged. This allegation from Geelhood was of criminal fraud and is a very serious charge and I had to be sure that I was absolutely positive Tucker was committing fraud before I took the evidence and the allegation to the next level. I went through several weeks/months of Tuckers approved OT as well as his normal paid working time and discovered the following results:

- May 9, 2011 Tucker posted he was in Las Vegas at an airport at 8:32 PM but his time sheets says he was at work at Narcotics from 11AM-7PM
- On June 30, 2011, Tucker posted that he was at Providence Hospital with his sick son at 5:41 PM, yet Tucker was on a paid BV day and worked OT on "operation Party Stopper" at Narcotics from 5PM-12A
- On September 23, 2011, Tucker tagged himself and two others and a child in a picture at the Fox Theater at 3:33 PM with characters from a children's play, YoGabbaGabba Show, while he was paid to work his regular scheduled hours of 11A-7P for the day
- On October 22, 2011, Tucker tagged himself at J. Alexanders restaurant (suburb) at 4:03 PM, yet he was paid OT to be on narcotics surveillance from 1P-8P

There were a few other "tags" that stood out that he appeared to be at a certain location conducting various activities (Car Wash, Running at the gym, watching the Lions football game, in Washington DC at the Police Memorial) while he was being paid either OT or regular straight time working at Narcotics. I gathered all the documents and information I had at proceeded to report my findings to Robinson. Robinson seemed disinterested, and gave me the impression that my findings were no big deal. I cannot recall my exact conversation with Robinson but I was upset enough about his lack of concern and what seemed to be him (Robinson) blowing me off that I called Deputy Chief Paul Welles (referred to as Welles going forward), the DC over the Bureau that ran Narcotics and explained to him what I uncovered. Welles was angry, surprised and upset and told me to reduce my concern to writing and email it to Robinson. Welles stated that if Robinson had not brought the allegations and evidence forward by "Monday", that he would step in and get involved.

On Friday, November 25, 2011 at 2:20 PM I authored the following email to Robinson and CC'd Welles:

*"Lieutenant, after we spoke this morning I still was uneasy about the situation. I've given this thing with Tucker a lot of thought and I have to get this off my chest and then I'll leave you to enjoy your Holiday weekend.*

*I've been at narcotics for quite awhile. I was there in 1999 when they Arrested Delford Forte and Derrick Carpenae from Narcotics Conspiracy for stealing cash money out of dope houses. This was investigated and proven, they were caught in the act.*

*I was there in 2001 when Dogbite (Sgt. Raby) was charged and convicted with stealing money because he had a gambling problem. There were also many accusations against Lt. Art McNamara (Coyote) which were never founded but he retired anyway. I believe the rumors, whether true or not, somehow lessened all the good narcotics work he did as a cop because of the allegations.*

*Sgt. Kenny Jackson (Action) and crew were transferred for accusations of stealing that as far as I know where investigated but were unfounded. These officers carry this around to this day.*

*I say all this to say that each one of these instances had different sets of circumstances. Some you could prove and did, some you know was happening but never could prove and some that you had no idea if it*

*did or did not and it was never proved and ruined some people's careers. Street cops have to deal with allegations all the time.*

*In this instance I believe (and this is just an opinion) the best case scenario is to transfer Sgt. Tucker out of Narcotics to remove him from the temptation and to re-assign each member of that crew to the other 5 crews under Narcotics. We can prove that he was supposed to be on surveillance and posted on a social network site to the contrary.*

*It may be hard to prove and circumstantial at best that he lied on logs and OT sheets, but because one of his officers has come forward I believe removing Sgt. Tucker would not be unfair nor will it undermine the officers efforts from coming forward. Obviously he would be told that there were allegations of OT stealing and that a prelim investigation shows he did, and that's why he was removed.*

*I also believe that re-assigning the officers and removing Tucker would send a message to Narcotics as to just how serious we are about this. I will also go one step further and suggest that crews **all** be re-aligned with the exception of the crew chiefs and maybe one or 2 officers to remove the sense of comfort or complacency amongst crews that could have led to this sort of thing in the first place.*

*Again, I am just throwing this out there. My intentions aren't to step on anyone's toes or go above ranks. If I were running Narcotics, this is the decision that I would make and feel it is the best conclusion given this specific incident.*

*Either way, we'll get past this."*

Robinson never responded but the following Monday, November 28, 2011, Robinson called me into his office to show me a memo he authored addressed to Commander Shereece Fleming-Freeman, of Organized Crime, Robinson's direct boss. The memo read as follows:

*"Request for Investigation of overtime worked by personnel assigned to Narcotics.*

*During the week of November 21, 2011, writer was advised by Sergeant Kelly Fitzgerald, badge S-308, assigned as the administrative Sergeant at Narcotics, that Police Officer Stephen Geelhood, badge 501, assigned to Narcotics Conspiracy Crew contacted her with information. Officer Geelhood stated that there was a discrepancy in overtime that was recently worked and approved during the November 4, 2011 through November 12, 2011 period. Officer Geelhood stated that crew members did not work all the approved overtime during this period and it was approved by crew Sergeant Joe Tucker, badge S-95.*

*Sergeant Fitzgerald advised writer who in turn advised Commander Fleming Freeman. This allegation implies false or incorrect overtime being paid to members of the crew.*

*This documentation as the attached are being provided to your office for review and prerogative."*

Robinson included the overtime requests dated November 4, 8, 10 and 13, 2011 and he (Robinson) endorsed (signed) the memo. He showed me the memo and told me to hand deliver it to Fleming-Freeman. I explained to him that the memo was not completely accurate and that I had more information/evidence that should be added and attached to the memo and Robinson told me he was sticking to what Geelhood originally complained about (the false OT by Tucker that he could not prove but stated Tucker did not work). I was very upset with Robinson and felt as is this was being down played as some sort of clerical error. I drove to Fleming-Freemans office and delivered the memo and attachment to her. I recall her telling me that I did the right thing and this needed to be reported and she was forwarding the information to Internal Affairs (IA).

On December 7, 2011, members from IA, Sergeant Michelle Zberkot and Richard Firsdon came to Narcotics to speak to me about the incident. I gave them copies of all the information I had and told them of all the additional information I had gathered that was not reported in the memo from Robinson. It is my recollection that they left and came back the following day to retrieve additional timekeeping documents they needed for their investigation.

At some point on 12/7 or 12/8, 2011, they were in my office and Robinson called me and asked why <sup>من</sup> were in there with the door shut. When I explained to him that I was giving them additional documents, he became angry and told me that he was in charge and that they needed to talk to him. I went with them into his office while he explained to them that what Tucker was doing was not a crime and that it is done all the time at Narcotics. In front of Robinson ~~I provided~~ I provided Firsdon and Zberkot with three (3) recent OT requests signed and submitted by Tucker. The requests were for OT worked by Tucker and his crew members on November 28-30, 2011. They were complete with signed activity logs from Tucker and crew as well. I then provided them with a FB posting/tag that Tucker posted on November 28, 2011 at 12:31 PM near Paradise NV (Nevada) that was a picture of what appears to be a hotel room and window in the background and he posted "Breakfast overlooking the Vegas Strip, I WANNA STAY!!" Again on November 28, 2011 at 7:38 PM Tucker tagged from McCarran International Airport in Las Vegas Nevada, stating "Time to come home". Then again on November 29, 2011, at 12:53 AM, Tucker tagged himself from Detroit Metro Airport and posted " LUCY, I'm hooooome!!" (Appearing to reference an old I Love Lucy show.

I provided the unapproved OT and all the documents for the three (3) OT requests to Firsdon and Zberkot and they left. I could tell that Robinson was frustrated and he told me to give him the three OT request so he could look at them. The next morning Robinson handed me back the three requests for OT submitted by Tucker for the dates of November 28-30 and told me to fax IA the OT request for November 28<sup>th</sup> to show he "Denied" that OT. The date of the Denial stamp and signature from Robinson was December 7, 2011, the date that I gave the documents to Firsdon and Zberkot in his office. Robinson approved the other two dates (11/29-30) and it was my belief that he did that because I had no documents to show that Tucker was not at work and that he worked the OT on those dates. I followed his orders and faxed the info as requested, but I called Firsdon first to tell him what was happening.

Shortly after that date, Geelhood came back to my office and told me that Tucker found out that he came to me about the OT fraud and he was upset that I gave the information to IA. He expressed his fear of being transferred or retaliated against and told me who would not cooperate in the investigation and that he wanted me to call IA and tell them to forget about the whole thing. I expressed to him that I would not do that and I tried to assure him that this was being investigated and he would not be transferred or retaliated against. He was adamant that he was not going to cooperate and left my office. I went to Robinson and told him what happened and I asked if he had told anyone about this incident. He stated to me that he had told Police Officer Booker Tooles (buddah) and that was all. Time passed (a few weeks) and I never heard back from Firsdon and/or Zberkot. I was very frustrated because I felt that nothing changed in the office as far as Tucker and the crew. It was then that I decided to take all the notes I saved and all my correspondence and dates ~~and~~ reduced it to a timeline and documented dates and times and people involved so I would not forget if I was ever questioned formally. This never occurred and after a few months I expressed to DC Welles that I no longer wanted to work at Narcotics in that environment or for Robinson and that I wanted to transfer to another command because of what happened. I even sent emails to other Captains asking if they had openings in their commands so I could transfer out of Narcotics. In October of 2012 Welles transferred me out of Narcotics to the Criminal Investigations Bureau. I never heard another thing about this investigation from anyone including IA.

In November of 2013 I was promoted to the rank of Lieutenant (Tucker was also promoted to Lieutenant along with me) and I was assigned as the Commanding Officer of IA. I had occasion to ask Firsdon who was still at IA now working for me, what happened to the investigation and he told me he was told to turn over all the documents and that the case was "Administratively Closed" by his Lieutenant Whitney Walton and the Commander, Brian Stair. Working at IA for a year and a half I realized rather quickly that the investigation and the information I provided to IA was criminal in nature and should have been looked into by IA and a thorough and complete investigation was warranted. This did not happen.

At the very least, all members mentioned in the complaint should have been interviewed. The investigating OIC could have and should have requested phone records, FB records, financial records, payroll records, video records at Providence Hospital, Fox Theater, Metro Airport, McCann Airport, and any other records that may have provided evidence of fraud. To my knowledge, this did not happen.

At some point in early 2014, while I was in charge of IA, another fraud investigation was brought to the attention of Commander Sims, the Commanding Officer over myself and IA that involved Tucker (now a Lieutenant in charge of the Special Victims Unit, SVU). At the time Tucker was at SVU he reported through the chain of command to my husband, Deputy Chief Charles Fitzgerald, and it was DC Fitzgerald who requested in writing to Commander Sims that IA investigate not only Tucker but other members of SVU due to evidence of possible fraud that surfaced after an audit. Sims gave the information to me and directed me to open and assign an IA investigation on the documents provided, which I did and which was exactly what should have occurred in 2011 when the first complaint was lodged. During the investigation it was reported back to the Chief, during a briefing on the case with myself, the OIC Sergeant Juan Ayala, and Captain Brian Mounsey, the Commanding Officer of Internal Control, who is my direct supervisor, that there was evidence that Tucker at the very least violated several department policies, although the criminal investigation was still ongoing. Chief Craig transferred Tucker as well as his immediate supervisor, Commander Nichols Giaquinto, out of SVU. Tucker was transferred to the 12<sup>th</sup> Precinct Patrol.

Because of but not limited to, the above mentioned events, Tucker has brought a lawsuit against the City of Detroit naming me, among others as racially discriminating against him and it is sited that I am targeting Tucker because he is black. The suit also speaks of the incident from Narcotics in 2011, stating that I was targeting and investigating him on my own for no reason for fraud and that IA looked into the allegation that I brought forward and it was determined to be "Unfounded".

This was reported in the Detroit News on Friday, July 3, 2015 in an article authored by George Hunter. These accusations against me are completely false. When the allegation of fraud and the information to follow was brought to my attention from Geelhood in 2011, I did exactly what I was supposed to do and gather information and forwarded everything to my supervisors and IA. I took the information to my Lieutenant, my Commander, my Deputy Chief and eventually to IA, all of whom have swept the incident and the evidence I brought forward, under the rug, further leading to the terrible accusations that I am targeting Tucker.

I am respectfully requesting that your office (OIG) look into the following but not limited to:

- Why the initial complaint of criminal conduct that I sent to IA in November/December of 2011 was not investigated, and was closed "Administratively"?
- Why I was never formally interviewed regarding the complaint I sent to IA in November/December of 2011?

- Whether or not DC Welles, Commander Felmming-Freeman, Lieutenant Robinson, or Officer Geelhood were formally interviewed regarding the complaint I sent to IA in November/December of 2011?
- If not, why not?
- Due to the statute of limitations of criminal fraud being five (5) years and still within the scope of possible criminal charges against any member involved in criminal fraudulent activity, I am requesting that all documents that I have provided to IA and still retain copies of, be investigated for both criminal and departmental charges on anyone who violated such charges.

For fear of retaliation against myself and my husband, although I am willing to give my name and my personal information, provide a full statement as well as any and all evidence or supporting documents that I still retain, I am requesting to remain anonymous if and until such time that I must make a public statement.

Thank you for your consideration in this matter.

Kelly Fitzgerald, [REDACTED]  
Kellyfitz308@yahoo.com

# EXHIBIT S

**U.S. District Court  
Eastern District of Michigan (Port Huron)  
CIVIL DOCKET FOR CASE #: 3:18-cv-13683-RHC-EAS**

Metris-Shamoon et al v. City of Detroit et al  
Assigned to: District Judge Robert H. Cleland  
Referred to: Magistrate Judge Elizabeth A. Stafford  
Cause: 28:1983 Civil Rights

Date Filed: 11/26/2018  
Jury Demand: Both  
Nature of Suit: 440 Civil Rights: Other  
Jurisdiction: Federal Question

**Plaintiff**

**Debra Metris-Shamoon**

represented by **Dennis A Dettmer**  
Dettmer & Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
313-757-8112  
Fax: 313-887-0420  
Email: ddetmeresq@yahoo.com  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
Law Office of Michael R. Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
313-757-8112  
Fax: 313-887-0420  
Email: mdezsi@dezsilaw.com  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Mukhlis Shamoon**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Carl Veres**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Paul Metris**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Plaintiff**

**Julia Metris**

represented by **Dennis A Dettmer**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

**Michael R. Dezsi**  
(See above for address)  
*ATTORNEY TO BE NOTICED*

V.

**Defendant**

**City of Detroit**

represented by **Crystal B Olmstead**  
City of Detroit Law Department  
2 Woodward Ave Ste. 500  
Detroit, MI 48224  
313-237-5035

Fax: 313-224-5505  
Email: olmsteadc@detroitmi.gov  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
Allen Brothers  
400 Monroe Street  
Suite 220  
Detroit, MI 48226  
313-962-7777  
Email: jamesallen@allenbrotherspllc.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
Macomb County Corporation Counsel  
1 S. Main St., 8th Fl  
Mt. Clemens, MI 48043  
586-469-6346  
Fax: 586-307-8286  
Email: james.surowiec@macombgov.org  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
Schenk & Bruetsch, PLC  
211 W. Fort Street, Suite 1410  
Detroit, MI 48226  
313-774-1000  
Email: Lindsey.Johnson@SBDetroit.com  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Patrick M. Cunningham**  
City of Detroit Law Department  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-5032  
Fax: 313-224-5505  
Email: cunninghamp@detroitmi.gov  
*ATTORNEY TO BE NOTICED*

**Defendant**

**John Doe**  
*TERMINATED: 03/21/2019*

represented by **John Doe**  
PRO SE

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Jane Doe**  
*TERMINATED: 03/21/2019*

represented by **Jane Doe**  
PRO SE

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Joe Tucker**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Candace Matschikowski**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Sgt Stephen Geelhood**

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Juan Davis**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**James M. Surowiec**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Lindsey R. Johnson**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

**Defendant**

**Brian A Johnson**  
*TERMINATED: 06/25/2021*

represented by **Crystal B Olmstead**  
(See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**James P. Allen**  
(See above for address)  
*TERMINATED: 12/07/2021*  
*ATTORNEY TO BE NOTICED*

TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED

**James M. Surowiec**  
(See above for address)  
TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED

**Lindsey R. Johnson**  
(See above for address)  
TERMINATED: 12/07/2021  
ATTORNEY TO BE NOTICED

| Date Filed | #                  | Docket Text   |
|------------|--------------------|---|
| 11/26/2018 | <a href="#">1</a>  | COMPLAINT filed by All Plaintiffs against All Defendants with Jury Demand. <a href="#">Plaintiff requests summons issued</a> . Receipt No: 0645-7002575 - Fee: \$ 400. <a href="#">County of 1st Plaintiff: Macomb - County Where Action Arose: Macomb - County of 1st Defendant: Wayne</a> . [Previously dismissed case: No] [Possible companion case(s): USDC EDMICH, 15-cv-10547, Judge Borman] (Dezsi, Michael) (Entered: 11/26/2018)   |
| 11/27/2018 | <a href="#">2</a>  | SUMMONS Issued for *City of Detroit* (SKra) (Entered: 11/27/2018)   |
| 11/27/2018 |                    | A United States Magistrate Judge of this Court is available to conduct all proceedings in this civil action in accordance with 28 U.S.C. 636c and FRCP 73. The Notice, Consent, and Reference of a Civil Action to a Magistrate Judge form is available for download at <a href="http://www.mied.uscourts.gov">http://www.mied.uscourts.gov</a> (SKra) (Entered: 11/27/2018)  |
| 11/29/2018 | <a href="#">3</a>  | NOTICE of Appearance by Dennis A Dettmer on behalf of All Plaintiffs. (Dettmer, Dennis) (Entered: 11/29/2018)   |
| 12/12/2018 | <a href="#">4</a>  | CERTIFICATE of Service/Summons Returned Executed. City of Detroit served on 12/12/2018, answer due 1/2/2019. (Dezsi, Michael) (Entered: 12/12/2018)   |
| 12/13/2018 | <a href="#">5</a>  | NOTICE of Appearance by James P. Allen on behalf of City of Detroit. (Allen, James) (Entered: 12/13/2018)   |
| 12/13/2018 | <a href="#">6</a>  | NOTICE of Appearance by Lindsey R. Johnson on behalf of City of Detroit. (Johnson, Lindsey) (Entered: 12/13/2018)   |
| 12/17/2018 | <a href="#">7</a>  | STIPULATED ORDER Extending Time for Response to <a href="#">1</a> Complaint. <b>Response due by 1/31/2019</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/17/2018)   |
| 01/31/2019 | <a href="#">8</a>  | ANSWER to Complaint with Affirmative Defenses with Jury Demand <i>Defendant City of Detroit's Answer to Complaint, Affirmative Defenses and Other Defenses and Reliance Upon Jury Demand and Certificate of Service</i> by City of Detroit. (Allen, James) (Entered: 01/31/2019)  |
| 02/15/2019 | <a href="#">9</a>  | NOTICE TO APPEAR: <b>Scheduling/Settlement Conference set for 3/7/2019 11:30 AM before District Judge Arthur J. Tarnow</b> . (MLan) (Entered: 02/15/2019)   |
| 02/21/2019 |                    | TEXT-ONLY NOTICE: <b>Scheduling/Settlement Conference ADJOURNED TO 3/14/2019 11:00 AM before District Judge Arthur J. Tarnow</b> . (MLan) (Entered: 02/21/2019)   |
| 03/13/2019 | <a href="#">10</a> | ATTORNEY APPEARANCE: James M. Surowiec appearing on behalf of City of Detroit (Surowiec, James) (Entered: 03/13/2019)   |
| 03/14/2019 |                    | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Scheduling Conference held on 3/14/2019. (MLan) (Entered: 03/14/2019)  |
| 03/14/2019 | <a href="#">11</a> | SCHEDULING ORDER: <b>Witnesses to be exchanged by 5/1/2019, Discovery Motions to be filed by 8/23/2019, Discovery due by 9/20/2019, Dispositive Motion Cut-off set for 10/28/2019, Joint Final Pretrial Order due 2/3/2020, Final Pretrial Conference set for 2/10/2020 02:30 PM before District Judge Arthur J. Tarnow</b> . Signed by District Judge Arthur J. Tarnow. (Refer to image for additional dates) (MLan) (Entered: 03/14/2019) |
| 03/21/2019 | <a href="#">12</a> | STIPULATED ORDER Allowing Plaintiffs to File First Amended Complaint. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 03/21/2019)   |
| 03/21/2019 | <a href="#">13</a> | AMENDED COMPLAINT with Jury Demand filed by All Plaintiffs against All Defendants. <b>NEW PARTIES ADDED</b> . (Dezsi, Michael) (Entered: 03/21/2019)  |
| 03/21/2019 |                    | <b>REQUEST for SUMMONS for Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker</b> . (Dezsi, Michael) (Entered: 03/21/2019)  |
| 03/22/2019 | <a href="#">14</a> | SUMMONS Issued for *Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker* (DPer) (Entered: 03/22/2019)  |
| 04/03/2019 | <a href="#">15</a> | STIPULATED ORDER Extending Time for Response to <a href="#">13</a> Amended Complaint. <b>Response due by 4/29/2019</b> . Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 04/03/2019)  |
| 04/10/2019 | <a href="#">16</a> | CERTIFICATE of Service/Summons Returned Executed. Stephen Geelhood served on 4/5/2019, answer due 4/26/2019. (Dezsi, Michael) (Entered: 04/10/2019)   |
| 04/18/2019 | <a href="#">17</a> | CERTIFICATE of Service/Summons Returned Executed. Brian A Johnson served on 4/17/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)  |
| 04/18/2019 | <a href="#">18</a> | CERTIFICATE of Service/Summons Returned Executed. Juan Davis served on 4/17/2019, answer due 5/8/2019. (Dezsi, Michael) (Entered: 04/18/2019)   |
| 04/18/2019 | <a href="#">19</a> | CERTIFICATE of Service/Summons Returned Executed. Joe Tucker served on 4/18/2019, answer due 5/9/2019. (Dezsi, Michael) (Entered: 04/18/2019)   |

|            |                    |  |
|------------|--------------------|--|
| 04/29/2019 | <a href="#">20</a> | ATTORNEY APPEARANCE: James P. Allen appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Allen, James) (Entered: 04/29/2019)   |
| 04/29/2019 | <a href="#">21</a> | ATTORNEY APPEARANCE: James M. Surowiec appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Surowiec, James) (Entered: 04/29/2019)   |
| 04/29/2019 | <a href="#">22</a> | ATTORNEY APPEARANCE: Lindsey R. Johnson appearing on behalf of Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 04/29/2019)   |
| 04/29/2019 | <a href="#">23</a> | ANSWER to Amended Complaint with Affirmative Defenses <i>and Reliance Upon Jury Demand</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 04/29/2019)  |
| 05/01/2019 | <a href="#">24</a> | <i>Plaintiffs'</i> WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 05/01/2019)   |
| 05/01/2019 | <a href="#">25</a> | <i>Defendants' Preliminary Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 05/01/2019)   |
| 05/13/2019 | <a href="#">26</a> | AMENDED ANSWER to Complaint <a href="#">13</a> Amended Complaint with Affirmative Defenses <i>and Reliance Upon Jury Demand</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 05/13/2019)   |
| 08/08/2019 | <a href="#">27</a> | STIPULATED ORDER Allowing Defendants Leave to File Amended Affirmative Defenses. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/08/2019)   |
| 08/09/2019 | <a href="#">28</a> | AFFIRMATIVE DEFENSES by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 08/09/2019)   |
| 08/13/2019 | <a href="#">29</a> | ORDER REFERRING OTHER MATTERS to Magistrate Judge R. Steven Whalen: Discovery Conference. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/13/2019)  |
| 08/20/2019 | <a href="#">30</a> | NOTICE TO APPEAR: <b>Discovery Conference set for 9/10/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 08/20/2019)   |
| 08/22/2019 | <a href="#">31</a> | MOTION Extend Scheduling Order by 120 days by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A) (Johnson, Lindsey) (Entered: 08/22/2019)  |
| 08/22/2019 | <a href="#">32</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/22/2019)   |
| 08/26/2019 | <a href="#">33</a> | NOTICE OF HEARING on <a href="#">31</a> Defendants' MOTION to Amend Scheduling Order Dates by 120 Days . <b>Motion Hearing set for 9/10/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 08/26/2019)  |
| 09/04/2019 | <a href="#">34</a> | RESPONSE to <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Indictment, # <a href="#">3</a> Exhibit B Jury Trial Transcript, # <a href="#">4</a> Exhibit C Internal Affairs File, # <a href="#">5</a> Exhibit D Affidavit and Search Warrant, # <a href="#">6</a> Exhibit E Discovery Requests, # <a href="#">7</a> Exhibit F Notices of Deposition) (Dezsi, Michael) (Entered: 09/04/2019)  |
| 09/06/2019 | <a href="#">35</a> | REPLY to Response re <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6, # <a href="#">8</a> Exhibit 7) (Johnson, Lindsey) (Entered: 09/06/2019)  |
| 09/10/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Discovery Conference held on 9/10/2019 - (CCie) Modified on 9/10/2019 (CCie). (Entered: 09/10/2019)   |
| 09/10/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 9/10/2019 re <a href="#">31</a> MOTION Extend Scheduling Order by 120 days filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood - Disposition: Motion granted. (Court Reporter: Digitally Recorded) (CCie) (Entered: 09/10/2019)   |
| 09/10/2019 | <a href="#">36</a> | ORDER GRANTING DEFENDANTS' <a href="#">31</a> Motion to Amend Scheduling Order- Signed by Magistrate Judge R. Steven Whalen. ***PLEASE SEE DOCUMENT FOR IMPORTANT DATES*** (CCie) (Entered: 09/10/2019)  |
| 09/14/2019 | <a href="#">37</a> | MOTION for Reconsideration re <a href="#">36</a> Order on Motion - Free by All Defendants. (Attachments: # <a href="#">1</a> Exhibit May v. City of Detroit) (Surowiec, James) (Entered: 09/14/2019)   |
| 09/17/2019 | <a href="#">38</a> | ORDER STAYING <a href="#">36</a> Order on Motion, Set Deadlines as to <a href="#">37</a> MOTION for Reconsideration re <a href="#">36</a> Order on Motion: ( <b>Plaintiff's Response due by 9/24/2019</b> ) - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 09/17/2019)  |
| 09/18/2019 | <a href="#">39</a> | RESPONSE to <a href="#">37</a> MOTION for Reconsideration re <a href="#">36</a> Order on Motion - Free filed by All Plaintiffs. (Dezsi, Michael) (Entered: 09/18/2019)   |
| 09/23/2019 | <a href="#">40</a> | ORDER DENYING DEFENDANTS' <a href="#">37</a> Motion for Reconsideration - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 09/23/2019)  |
| 10/31/2019 | <a href="#">41</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 11/13/2019 02:00 PM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 10/31/2019)   |
| 11/08/2019 | <a href="#">42</a> | MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Declaration, # <a href="#">3</a> Exhibit B Redacted Declaration, # <a href="#">4</a> Exhibit C Deposition Transcript, # <a href="#">5</a> Exhibit D Affidavit & Warrant, # <a href="#">6</a> Exhibit E Sealed) (Dezsi, Michael) (Entered: 11/08/2019)   |
| 11/08/2019 | <a href="#">43</a> | <b>SEALED</b> EXHIBIT <i>E Deposition Transcript</i> re <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free by All Plaintiffs. (Dezsi, Michael) (Entered: 11/08/2019)  |
| 11/12/2019 | <a href="#">44</a> | MOTION to Compel <i>Deposition Testimony</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit Article, # <a href="#">3</a> Exhibit Notices of Depositions, # <a href="#">4</a> Exhibit email, # <a href="#">5</a> Exhibit Jackson trial testimony, # <a href="#">6</a> Exhibit Leavells Plea Agreement, # <a href="#">7</a> Exhibit Leavells trial testimony, # <a href="#">8</a> Exhibit Indictment, # <a href="#">9</a> Exhibit Memo Re Reorganization, # <a href="#">10</a> Exhibit Objections to Discovery, # <a href="#">11</a> Exhibit Sims Depo Trans excerpts) (Dezsi, Michael) (Entered: 11/12/2019) |

|            |                    |   |
|------------|--------------------|---|
| 11/13/2019 |                    | TEXT-ONLY NOTICE: Telephone Status Conference on 11/13/2019 is Cancelled. Issues resolved. (MLan) (Entered: 11/13/2019)   |
| 11/13/2019 | <a href="#">45</a> | ORDER REFERRING MOTIONS to Magistrate Judge R. Steven Whalen: <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order re <a href="#">36</a> Order filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 11/13/2019)  |
| 11/19/2019 | <a href="#">46</a> | NOTICE OF HEARING on <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt 36] and <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> . <b>Resolved/Unresolved Issues due by 12/17/2019. Motion Hearings set for 12/19/2019 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 11/19/2019)   |
| 11/22/2019 | <a href="#">47</a> | RESPONSE to <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free <i>with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Plaintiffs' Concurrence Email, # <a href="#">3</a> Exhibit 2- Plaintiffs' Emails agreeing to Protective Order, # <a href="#">4</a> Exhibit 3- Plaintiffs' Statement of Unresolved Discovery Issues, # <a href="#">5</a> Exhibit 4- Plaintiffs' Email Denying Concurrence, # <a href="#">6</a> Exhibit 5- Email from Case Manager, # <a href="#">7</a> Exhibit 6- Attorney's Eyes Only Discovery Production, # <a href="#">8</a> Exhibit 7-Attorney's Eyes Only Geelhood Dep Transcript, # <a href="#">9</a> Exhibit 8- Geelhood Transcript Pages Start-Finish Times) (Surowiec, James) (Entered: 11/22/2019) |
| 11/22/2019 | <a href="#">48</a> | <b>SEALED</b> EXHIBIT re <a href="#">47</a> Response to Motion,, by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Exhibit 6-Attorney's Eyes Only Court Ordered Discovery Production, # <a href="#">2</a> Exhibit 7- Attorney's Eyes Only Geelhood Deposition Transcript) (Surowiec, James) (Entered: 11/22/2019)   |
| 11/25/2019 | <a href="#">49</a> | REPLY to Response re <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/25/2019)  |
| 11/27/2019 | <a href="#">50</a> | RESPONSE to <a href="#">44</a> MOTION to Compel <i>Deposition Testimony with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1-Search Warrant, # <a href="#">3</a> Exhibit 2-Articles) (Surowiec, James) (Entered: 11/27/2019)  |
| 12/03/2019 | <a href="#">51</a> | REPLY to Response re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/03/2019)  |
| 12/09/2019 | <a href="#">52</a> | MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 12/09/2019)  |
| 12/10/2019 | <a href="#">53</a> | INDEX of Exhibits re <a href="#">52</a> MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Attachments: # <a href="#">1</a> Exhibit 1- Proposed Protective Order, # <a href="#">2</a> Exhibit 2- Search Warrant, # <a href="#">3</a> Exhibit 3- Deposition Excerpts Metris-Shamoon, # <a href="#">4</a> Exhibit 4- Chief Craig Declaration, # <a href="#">5</a> Exhibit 5-Chief Godbee Declaration) (Surowiec, James) (Entered: 12/10/2019)   |
| 12/10/2019 | <a href="#">54</a> | INDEX of Exhibits re <a href="#">52</a> MOTION for Protective Order <i>with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker ( <i>CORRECTED VERSION</i> ) (Attachments: # <a href="#">1</a> Exhibit 1- Proposed Protective Order, # <a href="#">2</a> Exhibit 2- Search Warrant, # <a href="#">3</a> Exhibit 3- Deposition Excerpts Metris-Shamoon, # <a href="#">4</a> Exhibit 4- Chief Craig Declaration, # <a href="#">5</a> Exhibit 5- Chief Godbee Declaration) (Surowiec, James) (Entered: 12/10/2019)   |
| 12/13/2019 | <a href="#">55</a> | EXHIBIT <i>Supplemental Exhibits</i> re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> by All Plaintiffs (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit news article, # <a href="#">3</a> Exhibit news article) (Dezsi, Michael) (Entered: 12/13/2019)   |
| 12/16/2019 | <a href="#">56</a> | <i>First Amended Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 12/16/2019)  |
| 12/19/2019 | <a href="#">57</a> | <i>Second Amended Lay and Expert</i> WITNESS LIST by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Johnson, Lindsey) (Entered: 12/19/2019)   |
| 12/19/2019 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 12/19/2019 re <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">42</a> MOTION for Relief from the Magistrate Judge's Discovery Order [Dkt #36] re <a href="#">36</a> Order on Motion - Free filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Disposition: Motion <a href="#">42</a> and <a href="#">44</a> granted. (Court Reporter: Digitally Recorded - DUTY) (CCie) (Entered: 12/20/2019)  |
| 12/20/2019 | <a href="#">58</a> | ORDER GRANTING PLAINTIFF'S <a href="#">42</a> Motion for Relief from Magistrate Judge's Discovery Order - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 12/20/2019)   |
| 12/20/2019 | <a href="#">59</a> | ORDER GRANTING PLAINTIFF'S <a href="#">44</a> Motion to Compel- Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 12/20/2019)   |
| 12/23/2019 | <a href="#">60</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">52</a> MOTION for Protective Order filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/23/2019)   |
| 12/30/2019 | <a href="#">61</a> | MOTION to Compel <i>Production of Documents</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Detroit News Article, # <a href="#">3</a> Exhibit B Plaintiffs' 2nd RTP, # <a href="#">4</a> Exhibit C Defendants' Objections 2nd RTP, # <a href="#">5</a> Exhibit D Detroit News Article, # <a href="#">6</a> Exhibit E Detroit News Article, # <a href="#">7</a> Exhibit F Jury Trial Transcript Gary Jackson, # <a href="#">8</a> Exhibit G Jury Trial Transcript Arthur Leavells) (Dezsi, Michael) (Entered: 12/30/2019)  |
| 12/30/2019 | <a href="#">62</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/30/2019)  |
| 12/30/2019 | <a href="#">63</a> | MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A- Plaintiffs' Responses to Roggs, # <a href="#">3</a> Exhibit B- Plaintiffs' Doc Production, # <a href="#">4</a> Exhibit C-Plaintiffs' Responses to RPD, # <a href="#">5</a> Exhibit D-December 16th Email, # <a href="#">6</a> Exhibit E - Dec 29 to 30th Email Correspondence) (Johnson, Lindsey) (Entered: 12/30/2019)  |
| 01/03/2020 | <a href="#">64</a> | ORDER DENYING DEFENDANTS' <a href="#">52</a> Motion for Protective Order - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 01/03/2020)  |
| 01/03/2020 | <a href="#">65</a> | REQUEST for an Extension of Time in order to Object to Magistrate Judge's Opinion by City of Detroit, Juan Davis, Stephen Geelhood,   |

|            |                    |   |
|------------|--------------------|---|
|            |                    | Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Declaration of Surowiec and Email, # <a href="#">3</a> Exhibit 2- Declaration of Holland, # <a href="#">4</a> Exhibit 3- Email to Court Reporter) (Surowiec, James) (Entered: 01/03/2020)   |
| 01/03/2020 | <a href="#">66</a> | REQUEST ( <i>Corrected</i> ) for Extension of Time to File Objections to the Opinion and Order of the Magistrate Judge by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Declaration of Surowiec and Email, # <a href="#">3</a> Exhibit 2- Declaration of Holland, # <a href="#">4</a> Exhibit 3- Email to Court Reporter) (Surowiec, James) (Entered: 01/03/2020)  |
| 01/07/2020 | <a href="#">67</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 01/07/2020)  |
| 01/07/2020 | <a href="#">68</a> | NOTICE OF HEARING on <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> and <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> . <b>Resolved/Unresolved Issues due by 2/4/2020. Motion Hearing set for 2/6/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> (THac) (Entered: 01/07/2020)   |
| 01/07/2020 |                    | TEXT-ONLY ORDER GRANTING DEFENDANT'S <a href="#">66</a> Request for An Extension of Time, filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood - Entered by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 01/07/2020)   |
| 01/09/2020 | <a href="#">69</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 1/13/2020 03:00 PM before District Judge Arthur J. Tarnow.</b> Counsel are directed to forward their phone numbers by email to mike_lang@mied.uscourts.gov prior to the conference. (MLan) (Entered: 01/09/2020)  |
| 01/13/2020 |                    | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Telephonic Status Conference held on 1/13/2020. (MLan) (Entered: 01/13/2020)   |
| 01/13/2020 | <a href="#">70</a> | RESPONSE to <a href="#">61</a> MOTION to Compel <i>Production of Documents and Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Hearing Transcript, # <a href="#">3</a> Exhibit 2 - Search Warrant, # <a href="#">4</a> Exhibit 3- Defendants Discovery Responses) (Johnson, Lindsey) (Entered: 01/13/2020)   |
| 01/14/2020 | <a href="#">71</a> | RESPONSE to <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 01/14/2020)   |
| 01/17/2020 | <a href="#">72</a> | NOTICE by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker re <a href="#">64</a> Order on Motion for Protective Order, <a href="#">59</a> Order on Motion to Compel <i>of Objections to the Orders of the Magistrate Judge</i> (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Hearing Transcript, Dec 19, 2019, # <a href="#">3</a> Exhibit 2- Order Granting Plaintiffs' Motion to Compel Depositions, # <a href="#">4</a> Exhibit 3- Order Denying Defendants' Motion for Protective Order) (Surowiec, James) (Entered: 01/17/2020)   |
| 01/20/2020 | <a href="#">73</a> | SUPPLEMENTAL BRIEF re <a href="#">72</a> Notice (Other), <i>Response to Defendants Objections to Magistrate Judge's Orders</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit News Article 12/11/19, # <a href="#">3</a> Exhibit News Article 12/12/19) (Dezsi, Michael) (Entered: 01/20/2020)   |
| 01/21/2020 | <a href="#">74</a> | REPLY to Response re <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit E, # <a href="#">3</a> Exhibit F, # <a href="#">4</a> Exhibit G, # <a href="#">5</a> Exhibit H, # <a href="#">6</a> Exhibit I) (Johnson, Lindsey) (Entered: 01/21/2020)   |
| 01/21/2020 | <a href="#">75</a> | REPLY to Response re <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> filed by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit H Transcript) (Dezsi, Michael) (Entered: 01/21/2020)  |
| 01/23/2020 | <a href="#">76</a> | SUPPLEMENTAL BRIEF re <a href="#">74</a> Reply to Response to Motion, filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Johnson, Lindsey) (Entered: 01/23/2020)  |
| 01/27/2020 | <a href="#">77</a> | MOTION TO EXTEND Discovery <i>30 Days</i> by All Plaintiffs. (Dezsi, Michael) (Entered: 01/27/2020)   |
| 01/29/2020 | <a href="#">78</a> | ORDER Sustaining in part and Overruling in part <a href="#">72</a> Objections by Defendants re <a href="#">64</a> Order on Motion for Protective Order, <a href="#">59</a> Order on Motion to Compel. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 01/29/2020)   |
| 01/29/2020 | <a href="#">79</a> | ORDER REFERRING MOTIONS to Magistrate Judge R. Steven Whalen: <a href="#">77</a> MOTION TO EXTEND Discovery 30 Days filed by Plaintiffs, <a href="#">44</a> MOTION to Compel <i>Deposition Testimony</i> filed by Plaintiffs, <a href="#">52</a> MOTION for Protective Order filed by Defendants. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 01/29/2020)   |
| 01/29/2020 | <a href="#">80</a> | SUPPLEMENTAL BRIEF re <a href="#">78</a> Order, Order to Vacate filed by All Plaintiffs. (Dezsi, Michael) (Entered: 01/29/2020)   |
| 02/04/2020 | <a href="#">81</a> | NOTICE OF HEARING on <a href="#">77</a> MOTION TO EXTEND Discovery <i>30 Days</i> . <b>Motion Hearing set for 2/6/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen</b> - (CCie) (Entered: 02/04/2020)  |
| 02/04/2020 | <a href="#">82</a> | RESPONSE to <a href="#">77</a> MOTION TO EXTEND Discovery <i>30 Days Opposing Any Extension</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Plaintiffs' 2nd Notice of Deposition for Chiefs, # <a href="#">3</a> Exhibit 2- Email between Counsel, # <a href="#">4</a> Exhibit 3- Hearing Transcript Excerpts (12/19/2019), # <a href="#">5</a> Exhibit 4- Plaintiffs' 1st Notice of Deposition of Chiefs, # <a href="#">6</a> Exhibit 5- US Atty Sentencing Memo, # <a href="#">7</a> Exhibit 6- Police Report, # <a href="#">8</a> Exhibit 7- Mukhlis Shamoon Deposition Excerpts, # <a href="#">9</a> Exhibit 8- Preliminary Lab Tests, # <a href="#">10</a> Exhibit 9- Chain of Custody Reports, # <a href="#">11</a> Exhibit 10- Notice of Forfeiture, # <a href="#">12</a> Exhibit 11- January Notices of Deps & Subpoenas, # <a href="#">13</a> Exhibit 12- Plaintiffs' 5th RFP, # <a href="#">14</a> Exhibit 13- Notice of Status Conference, # <a href="#">15</a> Exhibit 14- Plaintiffs Email Insisting on Proceeding with Deps of Chiefs, # <a href="#">16</a> Exhibit 15- Defs' email seeking compromise) (Surowiec, James) (Entered: 02/04/2020) |
| 02/04/2020 |                    | TEXT-ONLY NOTICE: Final Pretrial Conference on 2/10/2020 is Cancelled. New date to be set following determination of pending motions. (MLan) (Entered: 02/04/2020)  |
| 02/06/2020 |                    | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Motion Hearing held on 2/6/2020 re <a href="#">63</a> MOTION to Compel <i>Plaintiffs' Responses to Document Requests</i> filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood, <a href="#">77</a> MOTION TO EXTEND Discovery <i>30 Days</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, <a href="#">61</a> MOTION to Compel <i>Production of Documents</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Disposition: <a href="#">61</a> Motion granted in part and denied in part; <a href="#">63</a> Motion granted in part and denied in part; <a href="#">77</a> Motion granted. (Court Reporter: Digitally Recorded) (CCie) (Entered: 02/06/2020)  |

|            |                     |  |
|------------|---------------------|--|
| 02/07/2020 | <a href="#">83</a>  | ORDER GRANTING PLAINTIFFS' <a href="#">61</a> Motion to Compel- Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/07/2020)  |
| 02/07/2020 | <a href="#">84</a>  | ORDER GRANTING DEFENDANTS' <a href="#">63</a> Motion to Compel- Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/07/2020)  |
| 02/07/2020 | <a href="#">85</a>  | ORDER GRANTING PLAINTIFFS' <a href="#">77</a> MOTION TO EXTEND Discovery - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/07/2020)   |
| 02/07/2020 |                     | TEXT-ONLY ORDER AMENDING SCHEDULING ORDER: <b>Discovery due by 5/7/2020, Dispositive Motion Cut-off set for 6/8/2020, Joint Final Pretrial Order due 9/21/2020, Final Pretrial Conference set for 9/28/2020 02:30 PM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 02/07/2020)   |
| 02/10/2020 | <a href="#">86</a>  | SUPPLEMENTAL ORDER re <a href="#">58</a> Order on Motion - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/10/2020)   |
| 02/10/2020 | <a href="#">87</a>  | ORDER GRANTING PLAINTIFFS' <a href="#">44</a> Motion to Compel AND DENYING DEFENDANTS' <a href="#">52</a> Motion for Protective Order - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 02/10/2020)  |
| 03/09/2020 | <a href="#">88</a>  | STIPULATED PROTECTIVE ORDER - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 03/09/2020)  |
| 04/03/2020 | <a href="#">89</a>  | NOTICE by All Plaintiffs of <i>Motion to Consolidate Cases</i> (Dezsi, Michael) (Entered: 04/03/2020)  |
| 04/06/2020 | <a href="#">90</a>  | MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Plaintiffs' Second Request to Produce, # <a href="#">3</a> Exhibit B Detroit News Article 12/11/2019, # <a href="#">4</a> Exhibit C Detroit News Article 12/12/2019, # <a href="#">5</a> Exhibit D Defendants' Answers to Second Request to Produce, # <a href="#">6</a> Exhibit E Article) (Dezsi, Michael) (Entered: 04/06/2020) |
| 04/06/2020 | <a href="#">91</a>  | MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Jury Trial Transcript, # <a href="#">3</a> Exhibit B Detroit News Article 12/11/2019, # <a href="#">4</a> Exhibit C Detroit News Article 12/12/2019) (Dezsi, Michael) (Entered: 04/06/2020)   |
| 04/14/2020 | <a href="#">92</a>  | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 04/14/2020)   |
| 04/20/2020 | <a href="#">93</a>  | RESPONSE to <a href="#">91</a> MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6) (Johnson, Lindsey) (Entered: 04/20/2020)  |
| 04/21/2020 | <a href="#">94</a>  | RESPONSE to <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> in opposition filed by All Defendants. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A - Declaration of Graveline, # <a href="#">3</a> Exhibit B - Defendants doc production, # <a href="#">4</a> Exhibit C - Email exchange re LR 71) (Johnson, Lindsey) (Entered: 04/21/2020)  |
| 04/21/2020 | <a href="#">95</a>  | NOTICE OF HEARING BY TELEPHONE on <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> . <b>Resolved/Unresolved Issues due by 5/15/2020. Motion Hearing set for 5/19/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen.</b> CALL IN INFORMATION WILL BE PROVIDED PRIOR TO HEARING. (THac) (Entered: 04/21/2020)  |
| 04/24/2020 | <a href="#">96</a>  | REPLY to Response re <a href="#">91</a> MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker filed by All Plaintiffs. (Dezsi, Michael) (Entered: 04/24/2020)   |
| 04/27/2020 | <a href="#">97</a>  | REPLY to Response re <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 04/27/2020)  |
| 05/04/2020 | <a href="#">98</a>  | <i>Amended</i> WITNESS LIST by All Plaintiffs (Dezsi, Michael) (Entered: 05/04/2020)   |
| 05/19/2020 |                     | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Telephonic Motion Hearing held on 5/19/2020 re <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Disposition: Motion taken under advisement (Court Reporter: Rene Twedt) (MarW) (Entered: 05/19/2020)   |
| 05/30/2020 | <a href="#">99</a>  | STIPULATED ORDER EXTENDING SCHEDULING ORDER: <b>Discovery due by 7/7/2020, Dispositive Motion Cut-off set for 8/8/2020, Final Pretrial Conference set for 11/23/2020 02:30 PM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (Refer to image for additional dates) (MLan) (Entered: 05/30/2020)  |
| 06/08/2020 | <a href="#">100</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 6/9/2020 at 10:00 AM before Magistrate Judge R. Steven Whalen</b> - ***PLEASE SEE NOTICE FOR ADDITIONAL IMPORTANT INFORMATION*** (CCie) (Entered: 06/08/2020)  |
| 06/09/2020 | <a href="#">101</a> | OPINION and ORDER GRANTING IN PART AND DENYING IN PART PLAINTIFFS' <a href="#">90</a> MOTION for Order to Show Cause <i>and/or for Default Judgment for Defendants' Failure to Comply with this Court's Prior Discovery Order [Dkt #83]</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 06/09/2020)  |
| 06/09/2020 |                     | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Telephonic Status Conference held on 6/9/2020 - (CCie) (Entered: 06/09/2020)  |
| 06/15/2020 | <a href="#">102</a> | NOTICE of Appearance by Patrick M. Cunningham on behalf of City of Detroit. (Cunningham, Patrick) (Entered: 06/15/2020)  |
| 06/15/2020 | <a href="#">103</a> | MOTION to Stay re <a href="#">101</a> Memorandum Opinion & Order,, Terminate Motions, by City of Detroit. (Cunningham, Patrick) (Entered: 06/15/2020)  |
| 06/17/2020 | <a href="#">104</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">103</a> MOTION to Stay re <a href="#">101</a> Memorandum Opinion & Order filed by City of Detroit. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 06/17/2020)  |
| 06/19/2020 | <a href="#">105</a> | MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> by All Plaintiffs. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Appearance of Counsel Garcia, # <a href="#">3</a> Exhibit B Excerpt of Deposition Transcript of Arthur Leavells, # <a href="#">4</a> Exhibit C Leavells Plea Agreement,   |

|            |                     |  |
|------------|---------------------|--|
|            |                     | # <a href="#">5</a> Exhibit D Excerpt of Jury Trial Transcript: Arthur Leavells, # <a href="#">6</a> Exhibit E Correspondence from Garcia) (Dezsi, Michael) (Entered: 06/19/2020)  |
| 06/26/2020 | <a href="#">106</a> | RESPONSE to <a href="#">103</a> MOTION to Stay re <a href="#">101</a> Memorandum Opinion & Order,, Terminate Motions, filed by All Plaintiffs. (Dezsi, Michael) (Entered: 06/26/2020)  |
| 07/01/2020 | <a href="#">107</a> | ORDER REFERRING MOTION to Magistrate Judge R. Steven Whalen: <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by Plaintiffs. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 07/01/2020)   |
| 07/01/2020 | <a href="#">108</a> | NOTICE TO APPEAR BY TELEPHONE: <b>Status Conference set for 7/2/2020 at 9:30 AM before Magistrate Judge R. Steven Whalen</b> - ***PLAINTIFFS' COUNSEL, PLEASE EMAIL THE CASE MANAGER A CALL IN NUMBER FOR THE TELEPHONE CONFERENCE*** (CCie) (Entered: 07/01/2020)   |
| 07/01/2020 | <a href="#">109</a> | RESPONSE to <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by City of Detroit. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1, # <a href="#">3</a> Exhibit 2, # <a href="#">4</a> Exhibit 3, # <a href="#">5</a> Exhibit 4, # <a href="#">6</a> Exhibit 5, # <a href="#">7</a> Exhibit 6, # <a href="#">8</a> Exhibit 7, # <a href="#">9</a> Exhibit 8) (Johnson, Lindsey) (Entered: 07/01/2020)   |
| 07/02/2020 |                     | Minute Entry for proceedings before Magistrate Judge R. Steven Whalen: Telephonic Status Conference held on 7/2/2020 - (CCie) (Entered: 07/02/2020)  |
| 07/02/2020 | <a href="#">110</a> | ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS' <a href="#">103</a> Motion to Stay - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 07/02/2020)  |
| 07/07/2020 | <a href="#">111</a> | REPLY to Response re <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 07/07/2020)  |
| 07/16/2020 | <a href="#">112</a> | APPEAL OF MAGISTRATE JUDGE DECISION by City of Detroit re <a href="#">110</a> Order on Motion to Stay. (Cunningham, Patrick) (Entered: 07/16/2020)   |
| 07/20/2020 | <a href="#">113</a> | RESPONSE to <a href="#">112</a> Appeal of Magistrate Judge Decision <i>Denying Its Motion for Clarification or for a Sixty Day Stay of Enforcement</i> by All Plaintiffs. (Dezsi, Michael) (Entered: 07/20/2020)   |
| 07/23/2020 | <a href="#">114</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Objection to R&amp;R Hearing set for 8/5/2020 03:30 PM before District Judge Arthur J. Tarnow.</b> [Zoom Webinar Information: <a href="https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqAVQyYVVBXQT09">https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqAVQyYVVBXQT09</a> Passcode: 235954 Or join by phone: Dial(for higher quality, dial a number based on your current location): US: +1 301 715 8592 or +1 312 626 6799 or +1 602 753 0140 or +1 213 338 8477 or +1 253 215 8782] (MLan) (Entered: 07/23/2020)  |
| 07/27/2020 | <a href="#">115</a> | RE-NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Objection to R&amp;R Hearing set for 8/5/2020 03:30 PM before District Judge Arthur J. Tarnow.</b> THIS NOTICE CORRECTS THE ZOOM INVITATION INFORMATION. [Zoom Webinar Information: <a href="https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqAVQyYVVBXQT09">https://zoom.us/j/99317086263?pwd=ZzUrTUNCNHlvaEJFckdqAVQyYVVBXQT09</a> Passcode: 235954 Or iPhone one-tap : US: +13017158592,,99317086263#,,,,,0#,,235954# or +13126266799,,99317086263#,,,,,0#,,235954#] (MLan) (Entered: 07/27/2020)  |
| 08/05/2020 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: OBJECTION Hearing held on 8/5/2020. Disposition: Objection Resolved on the Record. (Court Reporter: Lawrence Przybysz) (MLan) (Entered: 08/06/2020)   |
| 08/11/2020 | <a href="#">116</a> | STIPULATED PROTECTIVE ORDER. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/11/2020)   |
| 08/11/2020 | <a href="#">117</a> | STIPULATED ORDER Extending Deadlines: <b>Discovery due by 9/10/2020, Dispositive Motion Cut-off set for 10/23/2020.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 08/11/2020)  |
| 08/18/2020 | <a href="#">118</a> | NOTICE by All Plaintiffs of withdrawal of <a href="#">91</a> MOTION for Voluntary Dismissal Without Prejudice Against Defendants Johnson, Matschikowski, and Tucker ; <i>Partial Withdrawal as to Defendant Tucker Only.</i> (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit A Internal Affairs documents, # <a href="#">3</a> Exhibit B Excerpt IA Case 00 213, # <a href="#">4</a> Exhibit C Defendants' Answers & Objections to Plaintiffs' Third Request for Production of Documents, # <a href="#">5</a> Exhibit D Correspondence, # <a href="#">6</a> Exhibit E Excerpt IA Case 14 149) (Dezsi, Michael) (Entered: 08/18/2020)  |
| 08/26/2020 | <a href="#">119</a> | DOCUMENT IS NOT A NOTICE DOCUMENT TITLED: DEFENDANTS RESPONSE TO PLAINTIFFS NOTICE OF PARTIAL WITHDRAWAL OF MOTION FOR VOLUNTARY DISMISSAL NOTICE by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker re <a href="#">118</a> Notice to Withdraw Motion,, (Surowiec, James) Modified on 8/28/2020 (LGra). (Entered: 08/26/2020)  |
| 08/27/2020 | <a href="#">120</a> | NOTICE by All Plaintiffs re <a href="#">116</a> Protective Order <i>Dated August 11, 2020</i> (Dezsi, Michael) (Entered: 08/27/2020)   |
| 10/23/2020 | <a href="#">121</a> | MOTION to Dismiss <i>Pursuant to Fed R Civ P 12(c) with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Davis Complaint, # <a href="#">3</a> Exhibit 2- Davis First Amended Complaint, # <a href="#">4</a> Exhibit 3- Davis Motion to Certify, # <a href="#">5</a> Exhibit 4- R&R Denying Class Cert, # <a href="#">6</a> Exhibit 5-Order Denying Class Cert, # <a href="#">7</a> Exhibit 6- Metris Shamoon Complaint, # <a href="#">8</a> Exhibit 7- Metris Shamoon First Amended Complaint) (Surowiec, James) (Entered: 10/23/2020)   |
| 10/23/2020 | <a href="#">122</a> | MOTION for Summary Judgment <i>With Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 10/23/2020)   |
| 10/24/2020 | <a href="#">123</a> | MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 1- Geelhood Deposition, # <a href="#">3</a> Exhibit 2- Search Warrant, # <a href="#">4</a> Exhibit 3- Declaration of Tucker, # <a href="#">5</a> Exhibit 4- Declaration of Johnson, # <a href="#">6</a> Exhibit 5- Declaration of J Davis, # <a href="#">7</a> Exhibit 6- Declaration of Matschikowski, # <a href="#">8</a> Exhibit 7- DPD Report, # <a href="#">9</a> Exhibit 8-Prelim Lab Test, # <a href="#">10</a> Exhibit 9-Firearm Reports, # <a href="#">11</a> Exhibit 10- Notice of Forfeiture, # <a href="#">12</a> Exhibit 11- Dixon Declaration, # <a href="#">13</a> Exhibit 12-IBRSYS Property Reports, # <a href="#">14</a> Exhibit 13-Mrs. Shamoon Dep, # <a href="#">15</a> Exhibit 14- Mr. Shamoon Dep, # <a href="#">16</a> Exhibit 15- Photos of Grow Op, # <a href="#">17</a> Exhibit 16- Paul Metris Dep, # <a href="#">18</a> Exhibit 17- Julia Metris Dep, # <a href="#">19</a> Exhibit 18- Mr. Veres Dep) (Surowiec, James) (Entered: 10/24/2020) |
| 11/10/2020 | <a href="#">124</a> | STIPULATED ORDER Extending Time for Responses as to <a href="#">121</a> MOTION to Dismiss Pursuant to Fed R Civ P 12(c) and <a href="#">123</a> CORRECTED MOTION for Summary Judgment: <b>Responses due by 11/23/2020.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 11/10/2020)   |
| 11/18/2020 |                     | TEXT-ONLY NOTICE: Final Pretrial Conference on 11/23/2020 is Cancelled. New date to be set following determination of pending motions. (MLan) (Entered: 11/18/2020)  |

|            |                     |   |
|------------|---------------------|---|
| 11/20/2020 | <a href="#">125</a> | RESPONSE to <a href="#">123</a> MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/20/2020)  |
| 11/20/2020 | <a href="#">126</a> | APPENDIX re: <a href="#">125</a> Response to Motion filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. by All Plaintiffs <i>Combined Exhibits In Opposition to Defendants' Corrected Motion for Summary Judgment [Dkt#123] and Motion to Dismiss [Dkt #121]</i> (Attachments: # <a href="#">1</a> Exhibit A Search Warrant & Affidavit, # <a href="#">2</a> Exhibit B DPD Report (Shamoon), # <a href="#">3</a> Exhibit C Deposition Transcript of Debra Metris-Shamoon, # <a href="#">4</a> Exhibit D Order of Dismissal, # <a href="#">5</a> Exhibit E Motion Hearing Transcript, # <a href="#">6</a> Exhibit F Deposition Transcript of Matthew Bray, # <a href="#">7</a> Exhibit G Motion Hearing Transcript, # <a href="#">8</a> Exhibit H Defendants' Answers & Objections to Second Request to Admit, # <a href="#">9</a> Exhibit I Defendants' Answers & Objections to Plaintiffs' 1st Interrogatories and Requests for Production, # <a href="#">10</a> Exhibit I-2 Defendants' Answers & Objections to Plaintiffs' Fifth Request to Produce, # <a href="#">11</a> Exhibit I-3 Defendant City's Responses & Objections to Schedule A, # <a href="#">12</a> Exhibit J McGee Complaint, # <a href="#">13</a> Exhibit K Defendants Response to Court Order Production, # <a href="#">14</a> Exhibit K1 Audio Recording of Chuck Fitzgerald, # <a href="#">15</a> Exhibit L Search Warrant & Affidavit (Matelic) McCallum, # <a href="#">16</a> Exhibit M Final Conference Transcript; McCallum, # <a href="#">17</a> Exhibit N WCPO Press Release, # <a href="#">18</a> Exhibit O Order of Dismissal; People v Chancellor, # <a href="#">19</a> Exhibit P Jury Trial Transcript Vol 14, # <a href="#">20</a> Exhibit Q Defendants' Answers & Objections to Plaintiffs' 4th Interrogatories, # <a href="#">21</a> Exhibit R DPD Communications, # <a href="#">22</a> Exhibit S Detroit News Article 11-01-2014, # <a href="#">23</a> Exhibit T Indictment of Watson & Hansberry, # <a href="#">24</a> Exhibit U Hansberry Judgment, # <a href="#">25</a> Exhibit V Watson Judgment, # <a href="#">26</a> Exhibit W Jury Trial Transcript Vol 15, # <a href="#">27</a> Exhibit X DPD Record, # <a href="#">28</a> Exhibit Y Detroit News 12-11-2019, # <a href="#">29</a> Exhibit Z Detroit News 12-12-2019, # <a href="#">30</a> Exhibit AA DPD Report (Davis), # <a href="#">31</a> Exhibit BB DPD Report (McShane), # <a href="#">32</a> Exhibit CC DPD Report (Lockard), # <a href="#">33</a> Exhibit DD DPD Report (Reid), # <a href="#">34</a> Exhibit EE Deposition Transcript of Chief Craig, # <a href="#">35</a> Exhibit FF Deposition Transcript of Stephen Geelhood 04-04-2016, # <a href="#">36</a> Exhibit GG IA File (Rayis), # <a href="#">37</a> Exhibit HH Chancellor Documents, # <a href="#">38</a> Exhibit II Search Warrant & Affidavit (Geelhood); Chancellor, # <a href="#">39</a> Exhibit JJ Order of Dismissal; People v. McCallum, # <a href="#">40</a> Exhibit KK Search Warrant & Affidavit (Bray); Lockard, # <a href="#">41</a> Exhibit LL Deposition Transcript of Matthew Bray 01-30-2020, # <a href="#">42</a> Exhibit MM Defendants' Answers & Objections to Plaintiff's 4th Request to Produce; Frontczak, # <a href="#">43</a> Exhibit NN 2012 Operating Procedures, # <a href="#">44</a> Exhibit OO DPD Retention Policy, # <a href="#">45</a> Exhibit PP Correspondence, # <a href="#">46</a> Exhibit QQ Search Warrant & Affidavit (Bray) McShane, # <a href="#">47</a> Exhibit RR Deposition Transcript of Stephen Geelhood 10-15-2019, # <a href="#">48</a> Exhibit SS Declaration of Stephen Geelhood, # <a href="#">49</a> Exhibit TT Declaration of Sgt. McCoy-O'Neill, # <a href="#">50</a> Exhibit UU Deposition Transcript (2) of Stephen Geelhood 10-15-2019, # <a href="#">51</a> Exhibit VV DPD Seizure, # <a href="#">52</a> Exhibit WW Warrendale Blog, # <a href="#">53</a> Exhibit XX Deposition Transcript of Chief Godbee, # <a href="#">54</a> Exhibit YY IA Case documents, # <a href="#">55</a> Exhibit ZZ Detroit News 01-22-2015, # <a href="#">56</a> Exhibit AAA IA Correspondence, # <a href="#">57</a> Exhibit BBB Notice of Discipline, # <a href="#">58</a> Exhibit CCC Leavells Plea Agreement, # <a href="#">59</a> Exhibit DDD Deposition Transcript of Mukhlis Shamoon, # <a href="#">60</a> Exhibit EEE SOI Documents, # <a href="#">61</a> Exhibit FFF Obituary, # <a href="#">62</a> Exhibit GGG Declaration of Justin Reid, # <a href="#">63</a> Exhibit HHH Search Warrant & Affidavit (Leavells) Reid, # <a href="#">64</a> Exhibit III Search Warrant & Affidavit (Leavells) Davis, # <a href="#">65</a> Exhibit JJJ Excerpt of Leavells Deposition Transcript, # <a href="#">66</a> Exhibit KKK Photographs) (Dezsi, Michael) (Entered: 11/20/2020) |
| 11/20/2020 | <a href="#">127</a> | Ex Parte MOTION for Leave to File <i>Exhibits in the Traditional Manner</i> by All Plaintiffs. (Dezsi, Michael) (Entered: 11/20/2020)   |
| 11/20/2020 | <a href="#">128</a> | RESPONSE to <a href="#">121</a> MOTION to Dismiss <i>Pursuant to Fed R Civ P 12(c) with Brief in Support</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 11/20/2020)  |
| 11/30/2020 | <a href="#">129</a> | STIPULATION AND ORDER granting Plaintiffs' leave to file excess pages in plaintiffs' brief in opposition to Defendants' Motion for Summary Judgment <a href="#">123</a> . Signed by District Judge Arthur J. Tarnow. (McColley, N) (Entered: 11/30/2020)  |
| 12/04/2020 | <a href="#">130</a> | REPLY to Response re <a href="#">121</a> MOTION to Dismiss <i>Pursuant to Fed R Civ P 12(c) with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 8- McCallum Opinion (Excerpt), # <a href="#">3</a> Exhibit 9-WCP-CIU Memo_Redacted, # <a href="#">4</a> Exhibit 10- Deposition of APA Newman (Excerpt), # <a href="#">5</a> Exhibit 11-Cover Page CIU-Memo Under Seal) (Surowiec, James) (Entered: 12/04/2020)   |
| 12/07/2020 | <a href="#">131</a> | MOTION for Leave to File <i>Sealed Exhibit (Ex. 11) re: 130 Reply Brief</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 12/07/2020)   |
| 12/07/2020 | <a href="#">132</a> | REPLY to Response re <a href="#">123</a> MOTION for Summary Judgment <i>CORRECTED with Brief in Support</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 19- Geelhood Dep Part II, # <a href="#">3</a> Exhibit 20- Police Reports, # <a href="#">4</a> Exhibit 21- CI Death Certificate, # <a href="#">5</a> Exhibit 22- Detective Rutledge Declaration, # <a href="#">6</a> Exhibit 23- CI Obituary, # <a href="#">7</a> Exhibit 24- Geelhood Declaration, # <a href="#">8</a> Exhibit 25- Verdict Form USA v. Hansberry, # <a href="#">9</a> Exhibit 26- Deposition of Chief Godbee, # <a href="#">10</a> Exhibit 27- Deposition of Chief Craig) (Surowiec, James) (Entered: 12/07/2020)  |
| 12/08/2020 |                     | TEXT-ONLY ORDER granting <a href="#">127</a> Ex Parte MOTION for Leave to File <i>Exhibits in the Traditional Manner</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/08/2020)   |
| 12/10/2020 | <a href="#">136</a> | EXHIBIT K1 in support of <a href="#">126</a> Appendix filed by plaintiffs (filed in the traditional manner) (DPer) (Entered: 12/28/2020)  |
| 12/11/2020 | <a href="#">133</a> | RESPONSE to <a href="#">131</a> MOTION for Leave to File <i>Sealed Exhibit (Ex. 11) re: 130 Reply Brief</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/11/2020)   |
| 12/21/2020 | <a href="#">134</a> | STIPULATED ORDER Extending Time and Granting Excess Pages. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/21/2020)  |
| 12/22/2020 | <a href="#">135</a> | MOTION for Leave to File <i>Corrected (Signed) Declarations in Support of Defendants Motions for Summary Judgment</i> by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Index of Exhibits A- with corrected exhibits 3, 4, 5, 6, and 11 attached) (Surowiec, James) (Entered: 12/22/2020)   |
| 12/29/2020 | <a href="#">137</a> | RESPONSE to <a href="#">135</a> MOTION for Leave to File <i>Corrected (Signed) Declarations in Support of Defendants Motions for Summary Judgment</i> filed by All Plaintiffs. (Dezsi, Michael) (Entered: 12/29/2020)   |
| 01/04/2021 | <a href="#">138</a> | REPLY to Response re <a href="#">135</a> MOTION for Leave to File <i>Corrected (Signed) Declarations in Support of Defendants Motions for Summary Judgment</i> filed by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Attachments: # <a href="#">1</a> Exhibit A- Email of Defendants stipulating to Plaintiffs' requested relief) (Surowiec, James) (Entered: 01/04/2021)  |
| 01/22/2021 | <a href="#">139</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 2/18/2021 11:00 AM before District Judge Arthur J. Tarnow.</b> This conference is set to discuss recently filed motions (#131 and 135). Counsel will receive Zoom invitation by email. (MLan) (Entered: 01/22/2021)  |
| 02/18/2021 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Status Conference held on 2/18/2021. (MLan) (Entered: 02/18/2021)  |

|            |                     |   |
|------------|---------------------|---|
| 02/23/2021 | <a href="#">140</a> | ORDER granting <a href="#">131</a> Motion for Leave to File Sealed Exhibit; granting <a href="#">135</a> Motion for Leave to File Corrected (Signed) Declarations. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 02/23/2021)  |
| 03/01/2021 | <a href="#">141</a> | EXHIBIT /REPLACEMENT DECLARATIONS (SIGNED) re <a href="#">123</a> MOTION for Summary Judgment CORRECTED with Brief in Support by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker (Attachments: # <a href="#">1</a> Index of Exhibits, # <a href="#">2</a> Exhibit 3- Signed Declaration of Sgt. Tucker, # <a href="#">3</a> Exhibit 4- Signed Declaration of PO B. Johnson, # <a href="#">4</a> Exhibit 5- Signed Declaration of Juan Davis, # <a href="#">5</a> Exhibit 6- Signed Declaration of Sgt. Matschikowski, # <a href="#">6</a> Exhibit 11- Signed Declaration of Sgt. Dixon) (Surowiec, James) (Entered: 03/01/2021)   |
| 03/02/2021 | <a href="#">142</a> | SEALED EXHIBIT <i>II</i> re <a href="#">130</a> Reply to Response to Motion, by City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski, Joe Tucker. (Surowiec, James) (Entered: 03/02/2021)  |
| 03/11/2021 | <a href="#">143</a> | NOTICE OF HEARING BY VIDEO CONFERENCE on <a href="#">121</a> MOTION to Dismiss Pursuant to Fed R Civ P 12(c), <a href="#">123</a> MOTION for Summary Judgment CORRECTED with Brief in Support. <b>Motion Hearing set for 4/28/2021 02:30 PM before District Judge Arthur J. Tarnow.</b> [Zoom Webinar Information: https://www.zoomgov.com/j/1618355148?pwd=MnRqMm1lZCtDd0hVNU9WWTZzVVJqdz09 Passcode: 436861 Or iPhone one-tap : US: +16692545252,,1618355148# or +16468287666,,1618355148#]. (MLan) (Entered: 03/11/2021)   |
| 03/16/2021 | <a href="#">144</a> | OPINION AND ORDER DENYING PLAINTIFFS' <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> , Motions terminated: <a href="#">105</a> MOTION to Disqualify Counsel <i>City of Detroit Law Department</i> filed by Julia Metris, Paul Metris, Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres - Signed by Magistrate Judge R. Steven Whalen. (CCie) (Entered: 03/16/2021)   |
| 04/28/2021 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Motion Hearing held on 4/28/2021 re <a href="#">123</a> MOTION for Summary Judgment CORRECTED filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood, <a href="#">121</a> MOTION to Dismiss Pursuant to Fed R Civ P 12(c) filed by City of Detroit, Juan Davis, Candace Matschikowski, Brian A Johnson, Joe Tucker, Stephen Geelhood Disposition: Motions taken under advisement. (Court Reporter: Lawrence Przybysz) (MLan) (Entered: 04/29/2021)   |
| 06/25/2021 | <a href="#">145</a> | ORDER granting in part and denying in part <a href="#">121</a> Motion to Dismiss; denying <a href="#">123</a> Motion for Summary Judgment. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 06/25/2021)  |
| 07/08/2021 | <a href="#">146</a> | AMENDED COMPLAINT with Jury Demand filed by All Plaintiffs against City of Detroit, Stephen Geelhood. <b>NO NEW PARTIES ADDED.</b> (Dezsi, Michael) (Entered: 07/08/2021)   |
| 07/08/2021 | <a href="#">147</a> | NOTICE of Change of Address/Contact Information by Michael R. Dezsi on behalf of All Plaintiffs. (Dezsi, Michael) (Entered: 07/08/2021)   |
| 07/20/2021 | <a href="#">148</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 8/2/2021 03:30 PM before District Judge Arthur J. Tarnow.</b> Counsel will receive Zoom invitation by email. (MLan) (Entered: 07/20/2021)  |
| 07/22/2021 | <a href="#">149</a> | ANSWER to Amended Complaint with Affirmative Defenses by City of Detroit. (Surowiec, James) (Entered: 07/22/2021)   |
| 08/02/2021 |                     | Minute Entry for proceedings before District Judge Arthur J. Tarnow: Status Conference held on 8/2/2021 <b>Joint Final Pretrial Order to be submitted by 1/18/2022, Final Pretrial Conference set for 1/25/2022 03:00 PM before District Judge Arthur J. Tarnow, Jury Trial set for 1/31/2022 09:30 AM before District Judge Arthur J. Tarnow.</b> (MLan) (Entered: 08/02/2021)   |
| 09/27/2021 | <a href="#">150</a> | TRANSCRIPT of Motion Hearing held on April 28, 2021. (Court Reporter/Transcriber: Lawrence R. Przybysz) (Number of Pages: 40) (Appeal Purposes) The parties have 21 days to file with the court and Court Reporter/Transcriber a Redaction Request of this transcript. If no request is filed, the transcript may be made remotely electronically available to the public without redaction after 90 days. Redaction Request due 10/18/2021. Redacted Transcript Deadline set for 10/28/2021. Release of Transcript Restriction set for 12/27/2021. Transcript may be viewed at the court public terminal or purchased through the Court Reporter/Transcriber before the deadline for Release of Transcript Restriction. After that date, the transcript is publicly available. (Przybysz, L) (Entered: 09/27/2021) |
| 12/07/2021 | <a href="#">151</a> | STIPULATED ORDER of Substitution of Counsel - Attorney Crystal B Olmstead for City of Detroit, Juan Davis, Stephen Geelhood, Brian A Johnson, Candace Matschikowski and Joe Tucker added. Attorney James M. Surowiec; James P. Allen and Lindsey R. Johnson terminated. Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/07/2021)   |
| 12/07/2021 |                     | Text-Only Order of reassignment from Magistrate Judge R. Steven Whalen to Magistrate Judge Elizabeth A. Stafford pursuant to Administrative Order 21-AO-013. (SSch) (Entered: 12/07/2021)   |
| 12/10/2021 | <a href="#">152</a> | STIPULATED ORDER of Adjournment of Trial: <b>Joint Final Pretrial Order to be submitted by 5/9/2022, Final Pretrial Conference set for 5/16/2022 03:00 PM before District Judge Arthur J. Tarnow, Jury Trial set for 5/23/2022 09:30 AM before District Judge Arthur J. Tarnow.</b> Signed by District Judge Arthur J. Tarnow. (MLan) (Entered: 12/10/2021)   |
| 02/16/2022 |                     | Text-Only Order of reassignment from District Judge Arthur J. Tarnow to District Judge Victoria A. Roberts pursuant to Administrative Order 22-AO-007. (SSch) (Entered: 02/16/2022)   |
| 02/17/2022 | <a href="#">153</a> | ORDER of RECUSAL and REASSIGNING CASE from District Judge Victoria A. Roberts in Detroit to District Judge Robert H. Cleland in Port Huron. (SSch) (Entered: 02/17/2022)  |
| 03/03/2022 | <a href="#">154</a> | ORDER Referring ALL Pretrial Matters to Magistrate Judge Elizabeth A. Stafford. Signed by District Judge Robert H. Cleland. (LWag) (Entered: 03/03/2022)  |
| 03/16/2022 | <a href="#">155</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 4/7/2022 at 10:30 AM before Magistrate Judge Elizabeth A. Stafford.</b> ***Parties are to file a joint factual and procedural summary of the case by 3/30/22. Parties to receive Zoom invitation in a separate email prior to conference.*** (MarW) (Entered: 03/16/2022)  |
| 03/30/2022 | <a href="#">156</a> | STATEMENT of Joint Factual and Procedural Summary by Debra Metris-Shamoon (Dezsi, Michael) (Entered: 03/30/2022)  |
| 04/07/2022 |                     | Minute Entry for virtual proceedings before Magistrate Judge Elizabeth A. Stafford: Status Conference held on 4/7/2022. (Court Reporter: None Present, Not on the Record) (MarW) (Entered: 04/07/2022)  |
| 04/07/2022 | <a href="#">157</a> | NOTICE TO APPEAR BY VIDEO CONFERENCE: <b>Status Conference set for 5/10/2022 at 09:30 AM before Magistrate Judge Elizabeth A. Stafford.</b> Parties are to be prepared to discuss the status of the bankruptcy motion, alternative dispute resolution, and the schedule for pretrial proceedings. Counsel to receive Zoom invitation in a separate email. (MarW) (Entered: 04/07/2022)  |

04/18/2022

[158](#)

AMENDED NOTICE TO APPEAR BY TELEPHONE: **Status Conference reset for 6/16/2022 at 11:30 AM before Magistrate Judge Elizabeth A. Stafford.** The Court shall initiate the conference call. (Status conference adjourned because of the pending motion before the bankruptcy court) (MarW) (Entered: 04/18/2022)

| <b>PACER Service Center</b> |                 |                         |                       |
|-----------------------------|-----------------|-------------------------|-----------------------|
| <b>Transaction Receipt</b>  |                 |                         |                       |
| 05/17/2022 10:20:01         |                 |                         |                       |
| <b>PACER Login:</b>         | md4293suite1600 | <b>Client Code:</b>     |                       |
| <b>Description:</b>         | Docket Report   | <b>Search Criteria:</b> | 3:18-cv-13683-RHC-EAS |
| <b>Billable Pages:</b>      | 20              | <b>Cost:</b>            | 2.00                  |
| <b>Exempt flag:</b>         | Not Exempt      | <b>Exempt reason:</b>   | Not Exempt            |

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**REPLY BRIEF IN SUPPORT OF  
CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER  
AGAINST DEBRA METRIS-SHAMOON, MUKHLIS SHAMOON,  
CARL VERES, PAUL METRIS AND JULIA METRIS**

In accordance with this Court’s orders,<sup>1</sup> the City of Detroit, Michigan (“City”) files this Reply Brief in support of its Motion,<sup>2</sup> respectfully stating as follows.

**I. Introduction**

Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris, and Julia Metris (collectively, the “Plaintiffs”) raise a number of arguments previously raised and rejected by this Court and others in their Response<sup>3</sup> to the City’s Motion. These arguments did not avail prior respondents and should be rejected again now.

---

<sup>1</sup> Docket Numbers 13576 and 13585.

<sup>2</sup> *City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris* (Doc. No. 13532).

<sup>3</sup> *Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris Response in Opposition to Debtor City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order* (Dkt #13532) (Doc. No. 13565).

The Plaintiffs make three arguments in trying to resist the City's Motion. First, they claim they were known creditors, and thus were entitled to service of notice of the City's bankruptcy case.<sup>4</sup> Making a few calls to the police department does not suffice to put the City on notice that the Plaintiffs would allege a claim against the City, however. Nor does alleging that the City was generally aware of problems in its police department. The Plaintiffs' argument has been raised in similar circumstances and been rejected by two federal court judges in this District.

Plaintiffs next say that their claims were not within their "fair contemplation" pre-petition even though the facts that gave rise to them occurred in 2012. This argument also has been rejected by this Court and others. In fact, as the District Court observed in its Opinion regarding the Lawsuit,<sup>5</sup> the Plaintiffs agree that the statute of limitations began to run on their claims on September 13, 2012. Thus, if they had any claims at all, September 13, 2012, is the date as of which they knew of or should have been able to discover them, had they exercised diligence. Moreover, it is contradictory for Plaintiffs to assert that *they* were unaware they had a claim, but in the same breath, argue that the *City* must have known that they did.

---

<sup>4</sup> They also claim to somehow have been unaware that the City had filed for bankruptcy protection until 2015. *See, e.g.,* Response, Ex. H., *Declaration of Debra Metris-Shamoon*, ¶¶ 11, 14 (declaring under penalty of perjury that one of the Plaintiffs, despite being aware of media reports regarding the City's narcotics unit, was unaware that the City itself had filed for bankruptcy protection).

<sup>5</sup> Capitalized but undefined terms have the meanings ascribed to them in the Motion.

Finally, the Plaintiffs argue that the City should be barred both by equitable estoppel and by laches from filing its Motion, but these arguments are unavailing. Regarding estoppel, the Plaintiffs do not (and cannot) point to any representation that the City made on which they could have relied. Indeed, the Plaintiffs only say that the City delayed in asserting its discharge as a defense. But, under binding Sixth Circuit case law, debtors are not obligated to raise discharge as a defense. Thus, delay in asserting discharge cannot qualify as a representation for estoppel purposes. Moreover, the Plaintiffs admit they were aware of the bankruptcy case when they filed their suit, so they cannot claim to be ignorant of the “true facts,” as required for estoppel to apply. For similar reasons, laches is also inapplicable.

For these reasons, the Court should grant the City’s Motion.

## **II. Argument**

**A. The Plaintiffs were unknown creditors. The publication notice City’s Plan provided them with constructive notice of the City’s bankruptcy case. They were not entitled to anything further.**

**1. Debtors are not required to make an exhaustive search for claims such as the ones the Plaintiffs now assert.**

It takes more than a few phone calls to the police department to put a municipality on notice that there may be a claim against it. That is essentially all that the Plaintiffs say that they did. As a result, they were not “known creditors” and they received the notice they were due.

The *Monson* court recently summarized which creditors must receive actual notice of a bankruptcy case and which may receive notice by publication.

Bankruptcy law distinguishes between known and unknown creditors. Unknown creditors may be notified by publication; but known creditors are entitled to actual notice. Known creditors are those whose claims or identities are “readily ascertainable” by the debtor. Readily ascertainable means a debtor, through “reasonably diligent efforts” could discover a creditor’s claim. “Reasonably diligent efforts” does not require impracticable and extended searches in the name of due process. Rather, a debtor must home in on its own books and records. Typically, that means the debtor has something in its possession, either a demand for payment or some communication with a debtor concerning the existence of the creditor’s claim.

*Monson v. City of Detroit*, No. 18-10638, 2019 WL 1057306, at \*9 (E.D. Mich. March 6, 2019) (citations and quotation marks omitted).

In *Monson*, a person was wrongly convicted and imprisoned pre-petition. *Id.*, at \*1-6. He was released in 2017 and sued the City two years later. *Id.*, at \*6. Just like the Plaintiffs, Monson alleged “that prior to the bankruptcy the City knew its police department had a pattern and practice of unconstitutional arrests and interrogations. And in its possession the police department had all the information it needed to conclude Monson was a victim of those unconstitutional patterns and practices.” *Id.*, at \*9. He argued that the police had sufficient information for the City to conclude that he had a claim. *Id.* Monson thus insisted that the City should have known he was a creditor and provided him actual notice of its case. *Id.* He

argued that his claims were not discharged because the City did not provide him with this notice. *Id.*

The District Court disagreed. At the time of the City’s bankruptcy filing, Monson’s claim against the City was foreseeable, but remained contingent on him overturning his conviction. *Id.*, at \*9-10. And “neither Monson nor his lawyers in the clinic ever provided anything to the City that amounted to a demand for payment or a communication concerning the existence of his future claim.” *Id.*, at \*9. Thus, Monson was an unknown creditor and publication notice sufficed. *Id.*, at \*9-10.

Though issued only recently, the *Monson* court’s analysis already has been followed by at least one other court. *Burton v. Sanders*, No. 20-11948, 2021 WL 168543, at \*9 (E.D. Mich. Jan. 1, 2021).

**2. The Plaintiffs’ brief interactions with the Detroit Police Department fail to constitute sufficient indication that the City should have been aware of their alleged claim.**

The Plaintiffs claim that a handful of telephone calls to the Detroit Police Department and the release of Adam Shamoons’ firearms without having to sign papers should have put the City on notice that Plaintiffs had a claim against the City. Response, Ex. H (Decl. of Debra Metris Shamoons), Doc. No. 13565-15, ¶¶ 9-10; Ex. G (Decl. of Adam Shamoons), Doc. No. 13565-14, ¶ 6-10. They also argue for many pages in their Response that the City was aware of problems in its police department. Even if all of these statements are true (and the City does not concede that they are),

they are essentially the same allegations rejected in *Monson*. Indeed, the strongest allegation leveled by the Plaintiffs to put the City on notice of their alleged claims is that they “threatened to retain an attorney.” Response, Ex. G (Decl. of Adam Shamoon), Doc. No. 13565-14, ¶ 9. This does not rise to the level of “either a demand for payment or some communication with a debtor concerning the existence of the creditor’s claim.” *Monson*, 2019 WL 1057306, at \*9. The Plaintiffs thus were unknown creditors at the time of the City’s bankruptcy filing.

This Court entered an order directing and approving the manner of publication for the notice of the claims bar date.<sup>6</sup> The Plaintiffs do not suggest that the City failed in any way to comply with this order. Thus, as unknown creditors, the Plaintiffs received sufficient notice of the claims bar date.

**B. Plaintiffs’ claims were within their fair contemplation as of 2012 and thus were pre-petition claims.**

**1. This Court uses the “fair contemplation” test to determine when a claim arose.**

This Court has adopted the fair contemplation test to decide when a contingent or unmaturing claim arises for bankruptcy purposes. Under the fair contemplation test, a claim arises pre-petition if the creditor “could have ascertained through the

---

<sup>6</sup> Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(C), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof, Doc. No. 1782, ¶ 26. The *Burton* court noted this order in its analysis. *Burton*, 2021 WL 168443, at \*5.

exercise of reasonable due diligence that it had a claim” at the time the petition was filed. *In re City of Detroit*, 548 B.R. 748, 763 (Bankr. E.D. Mich. 2016) (quoting *Signature Combs, Inc. v. United States*, 253 F. Supp. 2d 1028, 1037 (W.D. Tenn. 2003)). A plaintiff need not know for certain that it has an actionable claim because “certainty is not the standard. The standard is whether the contingent claim was within [the plaintiff’s] fair contemplation.” *Id.* at 767. If events giving rise to an alleged claim occur pre-petition, and a claimant is aware of these events pre-petition, then the claim is within the claimant’s fair contemplation pre-petition, even if the claimant is not certain the claim is actionable until after the petition is filed. *Id.*

The Sixth Circuit recently stated that “[t]he statutory period [for a § 1983 claim] begins to run when the plaintiff knows or has reason to know that the act providing the basis of his or her injury has occurred.” *Garza v. Lansing Sch. Dist.*, 972 F.3d 853, 867 n.8 (6th Cir. 2020) (citation and internal quotation marks omitted, emphasis added). The accrual date for a section 1983 claim is thus the date as of which a party could ascertain that it had a claim by exercising reasonable due diligence.

Three courts in this district have considered situations where a plaintiff was aware it had a claim against the City pre-petition but did not file a section 1983 claim against the City until after the petition date. In each case, the court concluded that the claim was within the plaintiff’s fair contemplation pre-petition. *Burton*, 2021

WL 168543, at \*4; *Monson*, 2019 WL 1057306, at \*8-9; *Sanford v. City of Detroit*, No. 17-13062, 2018 WL 6331342, at \*5-6 (E.D. Mich. Dec. 4, 2018).

**2. The Plaintiffs’ allegations and the District Court’s Opinion show that their alleged claims were within their fair contemplation pre-petition.**

Here, the Plaintiffs do not dispute that the event giving rise to their alleged claims occurred on September 13, 2012; they acknowledge that on the first page of their Response brief. They explain in some detail how they contacted the Detroit Police Department several times over the following weeks. They were not motivated to investigate whether they might have a claim based on this event until 2015, however, when they saw media reports of other claimants attempting to pursue claims against the City. *See* Response, p. 3. Thus, they did not “exercise reasonable due diligence” until 2015, and want to use their delay as an excuse for why they did not contemplate that they had a claim until after the claims bar date had passed. This is not how the “fair contemplation” test works, though.

In fact, the District Court determined in its Opinion, attached as Exhibit 2 to the Motion, that the Plaintiffs were aware of their claim pre-petition: “Here, although the parties agree that the statute of limitations began to run on September 13, 2012, the date Plaintiffs became aware of the alleged constitutional violations, they disagree as to if, and for how long, the statute of limitations tolled.” Opinion, p. 13 (Motion Ex. 6-2, Doc. No. 13532-2, p. 14 of 52) (emphasis added). As noted

previously, that means that September 13, 2012, is the date on which the Plaintiffs knew or had reason to know of their claims—i.e., the date as of which the claims were within the Plaintiffs’ fair contemplation. *Garza*, 972 F.3d at 867 n.8. The fact that they waited a few years before investigating their potential claim does not convert it to a post-petition claim. *City of Detroit*, 548 B.R. at 763-67. Their claims (to the extent they had any) were pre-petition claims and are now barred because the Plaintiffs did not file a proof of claim as required. *Burton*, 2021 WL 168543, at \*4; *Monson*, 2019 WL 1057306, at \*8-9; *Sanford*, 2018 WL 6331342, at \*5-6.

**C. The Plaintiffs’ discussion of equitable estoppel and laches are equally unavailing.**

**1. Equitable estoppel does not apply in this instance.**

**a. Equitable estoppel generally requires an affirmative assertion upon which a party relies to its detriment. It only applies to omissions where there is a duty to speak.**

The doctrine of equitable estoppel requires:

- 1) conduct or language amounting to a representation of material facts; 2) the party to be estopped must be aware of the true facts; 3) the party to be estopped must intend that the representation be acted on or act such that the party asserting the estoppel has a right to believe it so intended; 4) the party asserting the estoppel must be unaware of the true facts; and 5) the party asserting the estoppel must detrimentally and justifiably rely on the representation.

*Qassis v. Republic Bank (In re Luna Pier Land Dev., LLC)*, 325 B.R. 735, 739 (Bankr. E.D. Mich. 2005) (quoting *King v. Henderson*, 2000 WL 1478360, at \*5 (6th Cir. Sept. 27, 2000)).

It is possible, though difficult, to make an estoppel argument based on a party's failure to speak, rather than on an affirmative representation, but only "where there exists a duty to make factual disclosures." *Louden v. Fed. Land Bank of Louisville (In re Louden)*, 106 B.R. 109, 112 (Bankr. E.D. Ky. 1989). As the Sixth Circuit explained,

[b]efore there can be an estoppel by mere silence, facts must be alleged and proved showing a duty and opportunity to speak; that the party to be estopped knew or had reason to believe, that the holder of the obligation would rely on the silence of the party to be estopped, and did rely on his silence, and was injured thereby.

*C. I. T. Corp. v. Janis*, 418 F.2d 960, 982–83 (6th Cir. 1969).

**b. Under binding Sixth Circuit case law, debtors are not obligated to raise discharge as a defense.**

Debtors have no duty to raise their discharge as a defense in any civil action, thanks to the Bankruptcy Code.

Section 524(a)(1) and (2) apply in chapter 9 bankruptcy cases. 11 U.S.C. § 901(a). Section 524(a)(2) states that a discharge "operates as an injunction against the commencement . . . of an action . . . to collect . . . any [debt discharged under section 944] . . . ." The Sixth Circuit has explained what this means.

The concern of the drafters of § 524 was that a creditor whose debt was discharged would bring suit "in a local court after the granting of the discharge, and if the debtor failed to plead the discharge affirmatively, the defense was deemed waived and an enforceable judgment could then be taken against him or her." To avoid such abuses:

[S]ection 524(a) declares that any judgment on a discharged debt in any forum other than the bankruptcy court is null and void as it affects the personal liability of the debtor.... Accordingly, if a creditor brings a collection suit after discharge, and obtains a judgment against the debtor, the judgment is rendered null and void by section 524(a). The purpose of the provision is to make it absolutely unnecessary for the debtor to do anything at all in the collection action.

*Hamilton v. Herr (In re Hamilton)*, 540 F.3d 367, 372-73 (6th Cir. 2008) (quoting 4 COLLIER ON BANKRUPTCY ¶ 524.LH [1], at 524–61 (Sept.2005) (Lawrence P. King ed., 15th ed. rev.)). For this reason, “a debtor need not raise his discharge in bankruptcy as an affirmative defense, because thanks to § 524(a) ‘such an affirmative defense is unnecessary and has been since 1970.’” *Id.* at 373 (citation omitted).

In addition to section 524, the Plan includes a similar injunction, as discussed on pages 4 and 5 of the Motion. Plan, Art. III.D.5, pp. 50-51. Even if a creditor feels that a discharge injunction is erroneously entered as applied to it, it still must comply with the injunction until it seeks and obtains relief from the injunction. *See, e.g., Kravis, Gass & Weber, S.C. v. Michel (In re Crivello)*, 134 F.3d 831, 838 (7th Cir. 1998) (citing *United States v. United Mine Workers*, 330 U.S. 258, 293 (1947)). It cannot violate the injunction, then complain that the debtor failed to object to its violation of a court order. *See Hamilton*, 540 F.3d at 372-73.

- c. **The Plaintiffs point to no affirmative representation upon which to base their estoppel argument. Instead, they rely on the City’s delay in asserting its discharge as a defense. Under Sixth Circuit law, they cannot use that delay to justify their violation of both section 524 and the Plan injunction.**

The Plaintiffs identify no plausible basis for their estoppel claim. They do not identify any City representation upon which they could have relied. They also do not claim that they were unaware of the City’s bankruptcy case as of the date they filed their lawsuit. Response, Ex. H., *Declaration of Debra Metris-Shamoon*, ¶ 14. As such, they cannot claim that they were “unaware of the true facts.” *Luna Pier Land Dev.*, 325 B.R. at 739. Instead, they essentially argue that they have gotten away with violating the discharge injunction for a while, and thus should be permitted to continue getting away with it. But, the City was never obligated to raise discharge as a defense. *Hamilton*, 540 F.3d at 372-73. Thus, the City’s delay in doing so cannot constitute an “omission” for equitable estoppel, and the Plaintiff’s attempt to assert equitable estoppel fails. *C. I. T. Corp.*, 418 at 982–83.

2. **Because a debtor is never required to raise the discharge injunction as a defense, laches does not apply. But, even if laches were applicable, it would not help the Plaintiffs here.**

- a. **The first step in evaluating a laches is to determine whether it applies. It does not apply here.**

“Laches is the negligent and unintentional failure to protect one’s rights.” *Kehoe Component Sales, Inc. v. Best Lighting Prods., Inc.*, 796 F.3d 576, 584 (6th Cir. 2015) (quoting *Nartron Corp. v. STMicroelectronics, Inc.*, 305 F.3d 397, 408

(6th Cir. 2002)). Application of laches is often left to the discretion of the trial court, though there are circumstances in which it will not apply at all. *See Chirco v. Crosswinds Cmtys., Inc.*, 474 F.3d 227, 231 (6th Cir. 2007). For example, laches usually cannot circumvent a legislature’s judgment to shorten a statute of limitations. *Id.* at 231-33. Here, both the discharge injunction in the Plan and 11 U.S.C. § 524(a) prevent the invocation of laches because the City cannot be “late” in asserting a defense that it is not obligated to assert in the first instance. *Hamilton*, 540 F.3d at 372-73. In other words, because a debtor *never* needs to raise “discharge” as a defense, a debtor cannot “negligently” fail to protect its rights by not asserting its discharge.

By 2015, before they filed suit, the Plaintiffs were well aware of the City’s bankruptcy case. Response, Ex. H., *Declaration of Debra Metris-Shamoon*, ¶ 14. Knowing of the City’s bankruptcy, they sued anyway. The City was not obligated to raise discharge as a defense. *Hamilton*, 540 F.3d at 372-73. The Plaintiffs cannot now complain that they wasted their time and efforts pursuing the City in violation of the discharge injunction. Laches simply does not apply.

**b. Even if laches could apply to a debtor’s failure to raise “discharge” as a defense, it would not avail the Plaintiffs here as their position is unchanged.**

Even if laches were applicable, it requires more than delay. The delay must work some disadvantage to a party, such as the entry of (and reliance on) court orders

or reliance on the validity of a sale of property. *In re Ottoman*, 621 B.R. 768, 791-92 (Bankr. E.D. Mich. 2020). A delay that does not change the relative positions of the parties or convey an unfair advantage to a party will not support the application of laches. *NLRB v. Taylor Mach. Prods., Inc.*, 136 F.3d 507, 514 (6th Cir. 1998).

Here, the Plaintiffs do not and cannot point to any change in their relative position. They are still in the same position as they were before—barred from pursuing their claim by their failure to file a proof of claim and by the discharge injunction. The Plaintiffs’ only complaint is that they incurred expenses as they litigated their case in violation of the City’s discharge, which they should not have been doing in the first place. This is insufficient to invoke laches; if all it took was persistence and a debtor’s lapse to break through a discharge injunction, then a discharge injunction (and section 524) would be of little protection.

**c. Laches does not help the Plaintiffs because the City’s delay in raising discharge was not unreasonable and the City pursued other valid arguments in the interim.**

Further, as an equitable doctrine, laches requires a showing that a party failed to act diligently. If a party errs but corrects that error promptly, it argues against application of laches. *See Luna Pier Land Dev.*, 325 B.R. at 740. Likewise, if the party trying to assert laches acted itself improperly, it cannot seek to apply laches. *Id.* at 740-41.

Here, the City's previous counsel did not raise discharge as a defense even as it pursued other defenses to Plaintiffs' claims. When the City's previous counsel withdrew from this case in December of 2021,<sup>7</sup> the City of Detroit's Law Department reviewed the matter and noticed that Plaintiff's claims arose prepetition. In her next filing, counsel rectified the error by raising the issue to the District Court and referring the matter to undersigned counsel,<sup>8</sup> asking undersigned counsel to file the Motion. In contrast, the Plaintiffs sued the City post-petition, fully aware of the City's bankruptcy case, and in violation of both the Bankruptcy Code and the Plan discharge injunction. The City submits that, even were laches to apply (and the City contends it does not), then Plaintiffs have not shown that it should be applied under these circumstances. *Luna Pier Land Dev.*, 325 B.R. at 740-41.

---

<sup>7</sup> See *Stipulated Order of Substitution of Counsel*, Case No. 18-13683, Doc. No. 151, entered Dec. 7, 2021 (substituting Crystal Olmstead of the City of Detroit Legal Department for Crystal B. Olmstead in replacement of attorneys James M. Surwicz, Lindsey R. Johnson, and James P. Allen, Sr.).

<sup>8</sup> See *Joint Factual and Procedural Summary*, Case No. 18-13683, Doc. No. 156, filed Mar. 30, 2022, p. 6, stating

Defendant claims the Plaintiffs' claims are barred by bankruptcy. The incident that is the subject of this lawsuit occurred in 2012. The City of Detroit filed for bankruptcy in 2013. The Plaintiffs did not file a claim in bankruptcy court; as such their claims are barred. Further, even if their claims were not barred, the recovery is limited based on the bankruptcy order. The City has referred this matter to its bankruptcy counsel for review.

#### IV. Conclusion

For all of these reasons, the Court should grant the City's Motion and such further relief as it deems appropriate.

Dated: June 24, 2022

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com

Attorneys for the City of Detroit

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on June 24, 2022, he served a copy of the foregoing *Reply Brief in Support of City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris* on counsel for Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris, in the manner described below and via the Court's ECF system which will provide notice to all registered parties:

Via email:

Dennis A Dettmer  
Dettmer & Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
Email: ddetmeresq@yahoo.com

Michael R. Dezsi  
Law Office of Michael R. Dezsi, PLLC  
1523 N. Main St.  
Royal Oak, MI 48067  
Email: mdezsi@dezsilaw.com

DATED: June 24, 2022

By: /s/ Marc N. Swanson  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,

Chapter 9

Debtor.

Judge Thomas J. Tucker

**OPINION REGARDING THE CITY OF DETROIT’S MOTION FOR THE ENTRY OF  
AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER  
AGAINST DEBRA METRIS-SHAMOON, ET AL. (DOCKET # 13532)**

This case is before the Court on the motion by the City of Detroit (the “City”), entitled “City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris” (Docket # 13532, the “Motion”). As suggested by its title, the Motion seeks relief against the following individuals: Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris (collectively, the “Respondents”). The City seeks injunctive and declaratory relief to prevent the Respondents from continuing to prosecute claims against the City that were discharged in this bankruptcy case.

The Respondents objected to the Motion, and argue that their claims were not discharged. The Court held a telephonic hearing on the Motion on August 24, 2022, then took the Motion under advisement. For the following reasons, the Court will grant the Motion.

The Court has reviewed and carefully considered all of the papers filed by the City and the Respondents concerning the Motion,<sup>1</sup> and all of the written and oral arguments of the parties. The Court finds and concludes as follows.

---

<sup>1</sup> Docket ## 13532, 13565, and 13588.

1. Each of the Respondents joined in filing and prosecuting claims against the City in the case of *Debra Metris-Shamoon, et al. v. City of Detroit, et al.*, Case No. 18-cv-13683 (United States District Court, E.D. Michigan) (the “District Court Case”), including the most recent statement of their claims, contained in their Second Amended Complaint filed on July 8, 2021 (the “Second Amended Complaint”).<sup>2</sup>

2. Each of the Respondents’ claims against the City arose several months before the City filed its petition commencing this Chapter 9 bankruptcy case on July 18, 2013. All of the events forming the basis of the Respondents’ claims occurred on September 13, 2012. The claims arose on that date, when officers of the Detroit Police Department conducted what the Respondents have called an “unlawful raid” on the home of two of the Respondents in Shelby Township, Michigan, and seized certain property.<sup>3</sup> In their Second Amended Complaint, the Respondents alleged the following about the events of September 13, 2012:

9. In September 2012, Plaintiffs Deborah Metris-Shamoon and Mukhlis Shamoon were the lawful and licensed operator of a marijuana grow facility located at their residence in Shelby Township, Michigan.

10. On or about September 13, 2012, Defendants, acting under color of law and as officers of Defendant City of Detroit’s Narcotics Unit, conducted an unlawful raid of Plaintiffs’ home in Shelby Township, Michigan. The raid was supervised by, among others, Sgt. Joe Tucker<sup>4</sup> of the Detroit Police Department.

11. Officers gained entry into Plaintiffs’ residence via forced entry

---

<sup>2</sup> A copy of the Second Amended Complaint appears as Exhibit 6-3 to the Motion (Docket # 13532-2).

<sup>3</sup> See Respondents’ Br. (Docket # 13565) at pdf p. 3.

<sup>4</sup> Sgt. Joe Tucker is no relation to the undersigned judge.

with at least one of the officers' weapons drawn.

12. The Officers purposefully concealed their identities during the raid and neither knocked or announced their presence before making a forced entry into Plaintiffs' home.

13. At no time during the raid did any of the officers show or present to Plaintiffs a lawfully issued search warrant.

14. During the raid, the officers destroyed Plaintiffs' home. Plaintiffs were unlawfully searched and seized within the meaning of the fourth amendment during the raid.

15. For an unknown duration of time, the officers extensively tore apart Plaintiffs' property and removed, without lawful authority, marijuana plants and other related legitimate and lawful by-products of Plaintiffs' business.

16. The officers had no probable cause to seize and/or arrest Plaintiffs nor were Plaintiffs ever shown a search or arrest warrant.

17. The officers also confiscated, without lawful authority, an Armsport 12-gauge shotgun, a BSA 9mm handgun, a Winchester Wildcat .22 Rifle, a BSR .45 Caliber Colt handgun, and money totaling \$315.00 from Plaintiffs' residence.

18. At no time were Plaintiffs ever given a copy of any search warrant or a list of items that were unlawfully seized from their property.

19. Plaintiffs were eventually released by Defendants and never charged with any violations of law.

20. During the raid, Plaintiff Mukhlis Shamoan was placed in handcuffs which the officers left on him after leaving the property such that Mukhlis was forced to wear the handcuffs for approximately ten hours.

21. Following the raid, Defendants produced a search warrant and affidavit sworn out by Defendant Geelhood in which Defendant falsely swore to facts in an attempt to manufacture probable cause.

22. In particular, Defendant Geelhood falsely swore to having

conducted surveillance of the Plaintiffs' home and having witnessed illegal drug transactions at Plaintiffs' residence.

23. Defendant Geelhood also falsely swore to having relied on a confidential informant to establish probable cause.<sup>5</sup>

3. Under what is known as the “fair contemplation” test, all of the Respondents’ claims against the City arose pre-petition — *i.e.*, before July 18, 2013 — because before that date, the Respondents “‘could have ascertained through the exercise of reasonable due diligence that [they] had a claim’” against the City, based on the events of September 13, 2012. *See In re City of Detroit, Michigan*, 548 B.R. 748, 763 (Bankr. E.D. Mich. 2016) (citation omitted).<sup>6</sup>

4. In addition, the Respondents each admitted and agreed, in the District Court Case, that their claims against the City, which are brought under 42 U.S.C. § 1983, accrued for statute of limitations purposes on September 13, 2012, because that is “the date [the Respondents] became aware of the alleged constitutional violations.”<sup>7</sup>

5. When the City filed its bankruptcy petition on July 18, 2013, and from that date until well after the December 10, 2014 Effective Date of the City’s confirmed plan of adjustment (the “Relevant Time”), each of the Respondents was an “unknown creditor” of the City, rather than a “known creditor,” as those concepts are defined in cases such as *Chemetron Corp. v. Jones*, 72

---

<sup>5</sup> Second Amended Complaint at ¶¶ 9-23.

<sup>6</sup> The “fair contemplation” test “looks at whether there was a pre-petition relationship between the debtor and the creditor, ‘such as contract, exposure, impact or privity,’ such that a possible claim is within the fair contemplation of the creditor at the time the petition is filed. . . . Under this test, a claim is considered to have arisen pre-petition if the creditor ‘could have ascertained through the exercise of reasonable due diligence that it had a claim’ at the time the petition is filed.” *Id.* (citations omitted).

<sup>7</sup> *See* Ex. 6-2 to Respondents’ Resp. (Docket # 13532-2) at 13 (district court opinion, filed in the District Court Case on June 25, 2021).

F.3d 341, 345-46 (3d Cir. 1995) and *Monson v. City of Detroit*, Case No. 18-10638, 2019 WL 1057306, at \*9-10 (E.D. Mich. Mar. 6, 2019). As unknown creditors, the Respondents validly could be, and were, given adequate notice of the City’s bankruptcy case by publication only.<sup>8</sup> As a result, each of the Respondents had adequate notice of the City’s bankruptcy case, beginning shortly after it was filed on July 18, 2013.

6. The Respondents were “unknown creditors” of the City during the Relevant Time because during that time, the Respondents’ claims against the City were not “readily ascertainable” by the City. The Court agrees with the following statements of law by the court in *Monson*, including its statement of what “readily ascertainable” means in this context:

Bankruptcy law distinguishes between known and unknown creditors. Unknown creditors may be notified by publication; but known creditors are entitled to actual notice. Known creditors are those whose claims or identities are “readily ascertainable” by the debtor. Readily ascertainable means a debtor, through “reasonably diligent efforts” could discover a creditor’s claim. “Reasonably diligent efforts” does not require “impracticable and extended searches . . . in the name of due process.” Rather, a debtor must home in on its “own books and records.” Typically, that means the debtor has something in its possession, either a “demand for payment” or “some communication with a debtor concerning the existence of the creditor’s claim.”

*Monson*, 2019 WL 1057306, at \*9 (citations omitted).

7. The Respondents have not presented or alleged any facts that could permit the Court to find that their claims against the City were “readily ascertainable” by the City during the

---

<sup>8</sup> The Respondents do not dispute that the notices by publication in this bankruptcy case were adequate, as to unknown creditors.

Relevant Time. For example, there is no evidence that at any time before April 23, 2015,<sup>9</sup> any of the Respondents communicated any demand for payment to the City or communicated to the City the existence of a claim against the City. None of the phone calls to the Detroit Police Department that allegedly were made by Respondent Debra Metris-Shamoon and her son, Adam Shamoon,<sup>10</sup> described in their Declarations,<sup>11</sup> constituted a demand for payment on any claim or a communication of the existence of a claim against the City.<sup>12</sup> Nor is there any evidence that at any time before April 23, 2015, the City's books and records indicated that any of the Respondents had or alleged any claims against the City.

8. All of the Respondents' claims against the City were discharged, under the discharge provisions in the City's confirmed plan of adjustment, on that plan's Effective Date of December 10, 2014. *See* Order Confirming Eighth Amended Plan for the Adjustment of Debts of the City

---

<sup>9</sup> April 23, 2015 is the date of a letter mailed by the Respondents' attorney to the City's Legal Department, requesting documents for the putative class action of *Davis v. City of Detroit*, Case No. 15-10547 (E.D. Mich.). *See* Ex. D to Respondents' Resp. (Docket # 13565-11). During the hearing on the Motion, the Respondents' attorney identified the sending of this letter and its enclosure as the first time that the City was made aware that any of the Respondents were putative class members in the *Davis* case. (Ultimately, the *Davis* case was not certified as a class action, and was settled.) The Respondents filed their own action against the City and others — the District Court Case — on November 26, 2018.

<sup>10</sup> Adam Shamoon is not one of the Respondents, and did not join as a plaintiff in the District Court Case. He was not present when the September 13, 2012 raid occurred. Four guns belonging to Adam Shamoon were seized in the raid, but they were later returned to him.

<sup>11</sup> Exs. G and H to the Respondents' Resp. (Docket ## 13565-14 and 13565-15).

<sup>12</sup> The allegations about these phone calls can fairly be summarized as follows. First, Adam Shamoon says that in the days and weeks soon after the raid, he called the police department three times, during which he asked why his parents' house was raided, and to seek the return of his four guns that had been seized. He was given no information or explanation about the raid, but he was permitted to pick up his guns. (*See* Ex. G to the Respondents' Resp. (Docket # 13565-14). Second, Debra Metris-Shamoon says that she called the police department twice, asking why the police had raided her home and demanding to see a warrant. She received no explanation. (*See* Ex. H to the Respondents' Resp. (Docket # 13565-15).

of Detroit, filed November 12, 2014 (Docket # 8272, the “OCP”) at 87-88; Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket # 8045, copy attached to OCP at Docket # 8272 (App. I), the “Plan”) at 50, Article III.D.4.<sup>13</sup>

9. Under the injunction provisions in the OCP and in the confirmed Plan, all of the Respondents are barred and enjoined from pursuing any of their discharged claims against the City, in the District Court Case or otherwise. *See* OCP at 89-91; Plan at 50-51, Article III.D.5.

10. Under the Court’s November 21, 2013 Order, cited by the City’s Motion as the “Bar Date Order” (Docket # 1782), the deadline for filing a proof of claim in this bankruptcy case was February 21, 2014. It is undisputed that none of the Respondents ever filed a proof of claim in this bankruptcy case.

11. Under ¶ 22 of the Bar Date Order, the Respondents are barred from receiving any distributions in this bankruptcy case, and the Respondents are “forever barred, estopped and enjoined from . . . asserting any claim against the City or property of the City[.]” *See* Bar Date Order at 14-15, ¶ 22.

12. The Respondents argue that the doctrines of equitable estoppel and laches preclude the City from seeking the relief it now seeks. These arguments are based on the City’s delay in seeking the relief it now seeks, and the City’s delay in raising the bankruptcy discharge in any way as a defense in the District Court Case. While the City has not adequately explained the

---

<sup>13</sup> Contrary to the Respondents’ argument, the “gross negligence or willful misconduct” exception to a certain release that is contained in the Plan, in Article III.D.7.a, at 52, does not apply to the Respondents’ claims. For one thing, and as the City correctly argued during the hearing, that release and its exception apply only to claims of “holder[s] of a Claim that vote[d] in favor of the Plan.” (Article III.D.7.a of Plan at 52). None of the Respondents voted in favor of the Plan, or voted on the Plan at all. Indeed, none of the Respondents ever filed a proof of claim in this bankruptcy case.

reason(s) for its delay, the Court cannot apply either equitable estoppel or laches to bar the City's relief. Neither of these doctrines can be used to deprive the City of the benefit of its bankruptcy discharge.

13. Even if the City had delayed raising the bankruptcy discharge until after suffering an adverse judgment on the Respondents' claims in the District Court Case, the City could not be deprived of the benefit of the bankruptcy discharge. Any such adverse judgment would be deemed "void ab initio" under binding case law in the Sixth Circuit. *See Hamilton v. Herr (In re Hamilton)*, 540 F.3d 367, 373-76 (6th Cir. 2008). Under *Hamilton*, a debtor who is faced with a lawsuit asserting a claim that was discharged in bankruptcy has no duty to do anything. Based on 11 U.S.C. §§ 524(a)(1) and 524(a)(2),<sup>14</sup> the court in *Hamilton* held that it is "absolutely unnecessary for the debtor to do anything at all in [such an] action." *Id.* at 373 (quoting 4 Collier on Bankruptcy ¶ 524.LH[1] at 524-57 (Sept. 2005) (Lawrence P. King ed., 15th ed. rev.)). "[A]ny judgment on a discharged debt in any forum other than the bankruptcy court is . . . rendered null and void by section 524(a)." *Id.*

---

<sup>14</sup> Sections 524(a)(1) and 524(a)(2) apply in Chapter 9 cases. *See* 11 U.S.C. § 901(a). Those provisions in § 524(a) state:

(a) A discharge in a case under this title—

(1) voids any judgment at any time obtained, to the extent that such judgment is a determination of the personal liability of the debtor with respect to any debt discharged under section 727, 944, 1141, 1192, 1228, or 1328 of this title, whether or not discharge of such debt is waived; [and]

(2) operates as an injunction against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such debt as a personal liability of the debtor, whether or not discharge of such debt is waived[.]

14. It follows that the City's delay in seeking the relief it now seeks cannot be used to deny such relief, under equitable doctrines like equitable estoppel and laches, or otherwise.

For the reasons stated in this Opinion, the City's Motion must be granted. The Court will enter a separate Order granting the City the relief it seeks.

**Signed on August 26, 2022**



**/s/ Thomas J. Tucker**

---

**Thomas J. Tucker  
United States Bankruptcy Judge**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,

Chapter 9

Debtor.

Judge Thomas J. Tucker

**ORDER GRANTING THE CITY OF DETROIT'S MOTION FOR THE ENTRY OF AN  
ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER  
AGAINST DEBRA METRIS-SHAMOON, ET AL. (DOCKET # 13532)**

This case is before the Court on the motion by the City of Detroit, entitled "City of Detroit's Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris" (Docket # 13532, the "Motion"). Today the Court has filed a written opinion regarding the Motion (Docket # 13617). For the reasons stated in that Opinion,

IT IS ORDERED that:

A. The Motion is granted.

B. No later than September 2, 2022, the Respondents Debra Metris-Shamoon, Mukhlis Shamoon, Carl Veres, Paul Metris and Julia Metris (the "Respondents") must dismiss, or cause to be dismissed, the City of Detroit with prejudice from the case of *Debra Metris-Shamoon, et al. v. City of Detroit, et al.*, Case No. 18-cv-13683 (United States District Court, E.D. Michigan) (the "District Court Case").

C. Each of the Respondents is permanently barred, estopped and enjoined from asserting claims asserted in the District Court Case or claims arising from or related to the District Court Case against the City of Detroit or property of the City of Detroit.

D. Each of the Respondents is prohibited from sharing in any distribution in this bankruptcy case.

E. The Court will retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

**Signed on August 26, 2022**



**/s/ Thomas J. Tucker**

---

**Thomas J. Tucker  
United States Bankruptcy Judge**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
**TRANSCRIPT ORDER FORM**

111 First Street  
Bay City, MI 48708

211 W. Fort Street  
21st Floor  
Detroit, MI 48226

226 W. Second Street  
Flint, MI 48502

**Order Party: Name, Address and Telephone Number**

Name Christopher P. Desmond  
Firm Ven Johnson Law, PLC  
Address 535 Griswold Street, Suite 2600  
City, State, Zip Detroit, MI 48226  
Phone (313) 324-8300  
Email cdesmond@venjohnsonlaw.com  
mhoffman@venjohnsonlaw.com

**Case Number/Debtor Name:** 13-53846  
City of Detroit, Michigan  
**Chapter:** 9

**Hearing Judge** Thomas J. Tucker

**Q Bankruptcy**       **Q Adversary**

**Q Appeal**      **Appeal No:** 2:23-cv-12600-BAF-APP

**Hearing Information** (A separate form must be completed for **each** hearing date requested.)

**Date of Hearing:** 10/04/2023 **Time of Hearing:** 1:30 PM **Title of Hearing:** City of Detroit's Motion for Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor

Please specify portion of hearing requested:  **Original/Unredacted**     **Redacted**     **Copy**  
(2<sup>nd</sup> Party)

**Entire Hearing**     **Q Ruling/Opinion of Judge**     **Q Testimony of Witness**     **Q Other**

Special Instructions: \_\_\_\_\_

**Type of Request:**

- Ordinary Transcript - \$4.00 per page (30 calendar days)
- 14-Day Transcript - \$4.70 per page (14 calendar days)
- Expedited Transcript - \$5.35 per page (7 working days)
- 3-Day Transcript - \$6.00 per page (3 calendar days)
- Transcript Designated for an Appeal** - \$4.00 per page (30 calendar days) Date Notice of Appeal Filed: 10/12/2023
- Digital Audio - \$34; FTR Gold format (You must download the free FTR Record Player™ onto your computer from [www.ftrgold.com](http://www.ftrgold.com))

**Signature of Ordering Party:**

 Date: 10/26/2023

By signing, I certify that I will pay all charges upon completion of the transcript request.

**FOR COURT USE ONLY**

Transcript To Be Prepared By \_\_\_\_\_

\_\_\_\_\_ Date \_\_\_\_\_ By \_\_\_\_\_

Order Received: \_\_\_\_\_

Transcript Ordered \_\_\_\_\_

Transcript Received \_\_\_\_\_



135384623102600000000005

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

IN RE: . Case No. 2:13-53846-tjt  
. Chapter 9  
CITY OF DETROIT, MICHIGAN, .  
. Debtor. .  
. . . . .

**TRANSCRIPT OF HEARING ON CITY OF DETROIT'S MOTION FOR ENTRY  
OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION  
ORDER AGAINST DESMOND RICKS**

BEFORE THE HONORABLE THOMAS J. TUCKER  
UNITED STATES BANKRUPTCY JUDGE

WEDNESDAY, MARCH 20, 2019  
DETROIT, MICHIGAN

1 APPEARANCES:

2 For the Debtor: Miller Canfield Paddock &  
3 Stone, PLC  
4 By: Marc N. Swanson  
5 150 West Jefferson Street  
6 Suite 2500  
7 Detroit, MI 48226  
8 (313) 496-7591

6 For Desmond Ricks: Fieger Law  
7 By: James J. Harrington, IV  
8 19390 West 10 Mile Road  
9 Southfield, MI 48075  
10 (248) 355-555

9 Court Recorder: Jamie Laskaska  
10 Clerk's Office  
11 U.S. Bankruptcy Court  
12 211 West Fort Street  
13 Detroit, MI 48226

12 Transcription Service: Randel Raison  
13 APLST, Inc.  
14 6307 Amie Lane  
15 Pearland, TX 77584  
16 (713) 637-8864

15

16

17

18

19

20

21

22

23

24

25 Proceedings recorded by electronic sound recording;  
transcript produced by transcription service.

1 (Time Noted: 1:34 p.m.)

2 THE COURT CLERK: Please rise. This Court is back  
3 in session.

4 You may be seated.

5 Court will call the matter of the City of Detroit,  
6 Michigan, case number 13-53846.

7 THE COURT: All right. Good afternoon to each of  
8 you. Would you enter your appearances for the record,  
9 please, starting with counsel for the City?

10 MR. SWANSON: Thank you, Your Honor. Marc Swanson  
11 on behalf of the City of Detroit.

12 MR. HARRINGTON: Good afternoon, Your Honor.  
13 James J. Harrington on behalf of the Plaintiffs Ricks.

14 THE COURT: All right. Good afternoon again,  
15 everyone. This is the hearing, as you know, on the City of  
16 Detroit's motion seeking relief against Desmond Ricks et al.,  
17 motion for entry of an order enforcing the bar date order and  
18 confirmation order, et cetera.

19 I have reviewed the papers filed by the parties  
20 regarding this -- relating to this motion. I have also done  
21 some review of the record of the U.S. District Court in the  
22 lawsuit that's pending over in District Court, which is  
23 referred to and discussed in the motion and related papers.

24 So, Mr. Swanson, let me hear from you first.

25 MR. SWANSON: Good afternoon. Plaintiff Desmond

1 Ricks is suing the City on account of a claim which arises  
2 from alleged unlawful events in 1992, and an alleged unlawful  
3 conviction in 1992. The claims against the City are, in  
4 Plaintiff's own words, based on the City's alleged policies  
5 that were in effect, quote, "In and before March 5, 1992."  
6 Reading from paragraph 81 of the complaint.

7           The claim is further based on alleged unlawful and  
8 unconstitutional actions taken by the City's police officers  
9 in 1992. It's undisputed that the alleged unlawful  
10 conviction was in 1992, the actions by the City's police  
11 officers were in 1992, and the City's alleged unlawful  
12 policies were those in place in 1992, and the City didn't  
13 file for bankruptcy until 2013, 21 years later. Yet,  
14 Plaintiff claims that its claim is not barred by the City's  
15 bankruptcy case and didn't arise until 2017.

16           And why does Plaintiff make this assertion? Well,  
17 Plaintiff asserts that the proper test for the Court to  
18 determine when the claim arose is the right to payment test.  
19 That is the leading argument on page 1 of the Plaintiff's  
20 objection to the City's motion.

21           As this Court knows, and as this Court has wrote  
22 about, that test holds that a bankruptcy claim does not  
23 accrue until the cause of action is ripe under non-  
24 bankruptcy law. So under applicable federal law or  
25 applicable state law.

1           This Court, however, rejected that test in an  
2 opinion that's cited in the City's reply filed on Friday.  
3 And instead of the right to payment test, the Court adopted  
4 the fair contemplation test.

5           And under that test, a claim is considered to have  
6 arisen pre-petition if the creditor could have ascertained  
7 through the exercise of reasonable due diligence that it had  
8 a claim at the time the petition is filed.

9           And as this Court wrote, this test allows the  
10 Court to examine all the circumstances surrounding a  
11 particular claim: The Debtor's conduct, the parties' pre-  
12 petition relationship, the parties' knowledge, the elements  
13 of the underlying claim, and use its best judgment to  
14 determine what is fair to the parties in context.

15           Now, attached as exhibit 17 to the City's reply  
16 was a very recent District Court decision in the case *Sanford*  
17 *v. City of Detroit*. That case has many factual similarities  
18 to the case here today. It's an alleged unlawful conviction  
19 case. The alleged unlawful conviction occurred before the  
20 City filed for bankruptcy. The conviction was not overturned  
21 until after the City exited from bankruptcy.

22           And the plaintiff in that case, Sanford, asserted  
23 that the City's alleged customs, policies, and practices,  
24 resulted in his unlawful conviction. And that's the same  
25 type of claim that the Plaintiff here is making against the

1 City.

2           And *Sanford* advanced the exact same argument that  
3 the Plaintiff here is making to support its argument that the  
4 claim is not subject to the Plan. And that's the argument  
5 that the pre-petition conviction was not overturned until  
6 after the City exited bankruptcy, and, thus, the cause of  
7 action was not ripe under non-bankruptcy law until after the  
8 City exited bankruptcy, and, thus, it was not subject to the  
9 City's Plan.

10           The Federal District Court rejected that argument,  
11 and stating that Mr. Sanford certainly contemplated the  
12 factual bases underlying the claims raised in his complaint  
13 since he attempted repeatedly to argue actual innocence  
14 before the State Court since at least 2008, insisting that  
15 his confessions were falsely obtained, concocted, and  
16 coerced.

17           *Sanford* correctly points out that he could not  
18 have sued the City until his convictions were set aside,  
19 which did not happen until after the bankruptcy.

20           But the courts that have considered the question  
21 uniformly have concluded that claims based on pre-petition  
22 malicious prosecutions were barred, notwithstanding that the  
23 Plaintiff could not file suit on his claims until his  
24 criminal conviction was overturned. The case is on all fours  
25 with the facts here.

1           And despite this Court's adoption of the fair  
2 contemplation --

3           THE COURT: There's actually an even more recent  
4 case from the District Court similar to this case and similar  
5 to *Sanford*, which maybe you're familiar with. I happened to  
6 cross it recently. It was decided March 6, 2019. It's  
7 called *Monson*, M-O-N-S-O-N, *versus City of Detroit, et al.*  
8 It's 2019 Westlaw 1057306, 1057306.

9           MR. SWANSON: Wow.

10          THE COURT: A decision by Judge Michelson, very  
11 similar to *Sanford*, and same result as *Sanford*. I happened  
12 to cross it when I was looking for something else.

13          And so there's two District Judges in two  
14 different cases, the District Court for this District, that  
15 have ruled the way you've described as characterized as  
16 *Sanford* and as you want the Court to rule in this matter.

17          And so I want to make both parties aware of that  
18 case, that *Monson* case. Were you aware of that?

19          MR. SWANSON: I had run across it, Your Honor.

20          THE COURT: Okay. Well, so those are two cases  
21 where the City defended an action brought against it in  
22 District Court and raised the argument that you're raising in  
23 this Court now on this motion in the District Court as a  
24 defense and let the District Court decide the issue.

25          Why didn't the City let the District Court -- or

1 why isn't the City leaving it to the District Court in this  
2 case, in the Ricks case, to decide the issues raised by this  
3 motion?

4 MR. SWANSON: Your Honor, I apologize. I don't  
5 have a great answer for you. I was told by the City that  
6 this claim had been asserted in the District Court and to  
7 file a motion with you. I never had any discussion about  
8 filing a motion in the --

9 THE COURT: Well, let me ask you this: Do you  
10 know why the City waited until January 30, 2019, to file this  
11 motion in this Court when the case, the District Court case  
12 against it by the Ricks, the Ricks parties, was filed back in  
13 August 2017? A year and a half or so, the City waited to  
14 seek relief from this Court. Do you know why that is?

15 MR. SWANSON: I don't know why that is.

16 THE COURT: The City, I noticed in looking at the  
17 District Court record, the pending case, the Ricks case in  
18 the District Court, the City filed a motion for summary --  
19 the City and all Defendants filed a motion for summary  
20 judgment in that case. I'm sure you're familiar, as is your  
21 opposing counsel, with that.

22 And in that motion -- and that was that, that was  
23 filed on -- the City's motion was filed on February 6th, and  
24 it raised a whole bunch of arguments, but one of the  
25 arguments it raised was, the City of Detroit raised the same

1 argument that you're making in this current motion in its  
2 summary judgment motion filed in the District Court.

3 And I did see that, and I did see the response to  
4 that that was filed on March 6, 2019, by the Plaintiffs, the  
5 Ricks plaintiffs, to that motion.

6 Now, in that response, the Ricks Plaintiffs argue  
7 the fair contemplation test and they argue that they should  
8 prevail on that fair contemplation test. They make their  
9 arguments there, and that's in a brief that they filed on  
10 March 6, 2019, docket number 99 in the District Court case,  
11 case number 17-12784.

12 So they made that argument about the fair  
13 contemplation test on March 6th. And that, of course, was  
14 before your reply brief was filed in this case pointing out  
15 the fair contemplation test, so forth, on March 15.

16 So we've got this issue, or these issues, being  
17 raised simultaneously, essentially, in both cases, this  
18 bankruptcy case and the District Court case. Why shouldn't I  
19 leave it to the District Court to decide this issue, as was  
20 done in the *Monson* case and in the *Sanford* case, as those  
21 Courts decided?

22 MR. SWANSON: Well, Your Honor, this Court has, of  
23 course, jurisdiction over the Plan, can enforce the Plan, has  
24 jurisdiction over the bar date order, and the City's moving  
25 and asking for relief in this Court. I don't -- I don't --

1 THE COURT: Now, the District Court is aware that  
2 you are doing this, I see from the District Court papers. I  
3 saw there was a motion for extension of time, and the  
4 District Court recently denied that motion.

5 And then in the course of that motion, and the  
6 papers filed in that motion, and the District Court's ruling  
7 on that motion, it's clear the District Court is aware the  
8 City is making this same argument in this case, in this  
9 bankruptcy case. And just didn't really say that this Court  
10 shouldn't do that or, should or shouldn't do that, but just  
11 basically noted it.

12 So it's just, you know, perhaps the City had a  
13 deadline, I assume they had a deadline to file any summary  
14 judgment motion in the Ricks case in District Court that they  
15 had to meet, and I can understand that.

16 And when you file a motion for summary judgment,  
17 you want to put in all your arguments. But by the time the  
18 City filed its summary judgment motion in the District Court  
19 case, you had already made the motion in this case.

20 MR. SWANSON: Yeah. And I checked before I came  
21 here today. I believe the deadline for the City to file its  
22 summary judgment motion in the District Court case was  
23 February 6th, and I believe that it filed its motion --

24 THE COURT: And you filed it on the deadline?

25 MR. SWANSON: Not me.

1 THE COURT: Yeah.

2 MR. SWANSON: Yeah.

3 THE COURT: Right. The City Law Department.

4 MR. SWANSON: City Law Department filed it on  
5 February 6th. And I saw that motion. I saw -- I did check  
6 the docket last week. I saw that it had not been ruled on by  
7 the District Court. I wasn't aware that the City --

8 THE COURT: It looks like there's a deadline --  
9 the briefing isn't done yet. I think there's a deadline of  
10 March 27th for reply briefs to be filed in connection with  
11 those motions --

12 MR. SWANSON: Sure.

13 THE COURT: -- in the District Court. So it will  
14 be sometime after that, presumably, before the District Court  
15 makes any ruling on those motions.

16 But you want this court to go ahead and rule,  
17 presumably, now, today, on your motion, and in your favor, as  
18 a means, in your view, of what would shortcut and make  
19 necessary the District Court ruling on this issue in the  
20 District Court case.

21 MR. SWANSON: Yes, Your Honor.

22 THE COURT: Are there other cases like this  
23 floating around out there in District Court where this same  
24 issue is at play?

25 MR. SWANSON: Not that I'm aware of.

1 THE COURT: Okay. Well, so perhaps you saw and  
2 reviewed the summary judgment brief filed by the Ricks  
3 Plaintiffs in the District Court. That is the brief in which  
4 they filed on March 6th in which they argued fair  
5 contemplation. That is that Ricks' claim was not within his  
6 fair contemplation at the time the bankruptcy petition was  
7 filed in the City's bankruptcy case. Did you read that  
8 brief?

9 MR. SWANSON: I may have glanced at it, but I  
10 don't --

11 THE COURT: Okay.

12 MR. SWANSON: I did not look at it in any detail.

13 THE COURT: Well, it's only a couple --

14 MR. SWANSON: Yeah.

15 THE COURT: It's a couple pages long.

16 MR. SWANSON: Yeah.

17 THE COURT: But we'll hear, presumably, the same  
18 kind of arguments, the same arguments, and maybe other  
19 arguments, here from Mr. Harrington on that subject.

20 But, you know, in your opening motion and in the  
21 response filed by the Ricks Plaintiffs to your motion, nobody  
22 argues anything about the fair contemplation test. Nobody  
23 says a word about it. It only gets discussed, you know,  
24 application of it and what the test means and requires and  
25 everything else, in your reply, right? In this case.

1 MR. SWANSON: That's true.

2 THE COURT: Okay. So my only clue at the moment  
3 about what the Ricks Plaintiffs are going to argue about fair  
4 contemplation is in what they filed in the District Court  
5 case that I've just alluded to.

6 So I did read your reply brief, of course, and I  
7 looked at the exhibits you attached to that in support of  
8 your argument that Mr. Ricks was claiming innocence and  
9 claiming all the facts that he needed to know as claims of  
10 innocence and wrongful imprisonment and everything else long  
11 before the City filed its bankruptcy petition in 2013. I did  
12 review those exhibits.

13 Do you want to say anything about those things or  
14 that subject further before we hear from Mr. Harrington?

15 MR. SWANSON: Yes, Your Honor. I'd like to go  
16 through the exhibits, because I think they certainly go to  
17 Mr. Ricks fairly contemplating that he had a claim against  
18 the City prior to the City's bankruptcy filing.

19 The first exhibit here is a deposition transcript  
20 from Mr. Ricks on May 21, 2018. The portions that were  
21 excerpted from the deposition, however, talk about events in  
22 Mr. Ricks' own words which occurred in 2009. So Mr. Ricks  
23 describes in 2009 that he saw -- this is in Exhibit 1. He  
24 saw an ad in the Bar Journal with the name of the expert  
25 witness he used on the ballistic issue in 2009. A gentleman

1 by the name of David G. Townsend. And the ad is at Page 32  
2 of 108 at Docket 13021.

3 And Mr. Ricks describes in 2009 his efforts to  
4 contact Mr. Townsend because he believed that he had been  
5 wrongfully convicted and he believed that the ballistics test  
6 was a factor in that wrongful conviction.

7 The next exhibit, Your Honor, is a letter from the  
8 state appellate defender officer dated August 6th, 2009. And  
9 they write to Mr. Ricks --

10 THE COURT: That's exhibit 2, right?

11 MR. SWANSON: That's exhibit 2.

12 THE COURT: Yeah.

13 MR. SWANSON: I write in response to your letters  
14 regarding the Detroit Crime Lab. The State Appellate  
15 Defender Office is undertaking a complete review of our Wayne  
16 County clients to determine whether tainted evidence from the  
17 Detroit Crime Lab resulted in your -- resulted in conviction.

18 Again, it would certainly appear here Mr. Ricks  
19 had made a claim to the State Appellate Defender Officer --  
20 Office that a tainted crime lab played a -- played a role in  
21 his conviction.

22 Exhibit number 3, Your Honor, is another letter  
23 dated February 11, 2010 from the same sender, the State  
24 Appellate Defender Office, which writes to Mr. Ricks: "You  
25 have expressed interest in having our office review your case

1 for potential Detroit Crime Lab issues." Again, Mr. Ricks is  
2 asserting that some malfeasance with the Detroit Crime Lab  
3 resulted in his conviction.

4 Exhibit 4, Your Honor, dovetails with Exhibit 1.  
5 This is a letter from David Townsend, the expert Mr. Ricks  
6 used in his 1992 trial and ultimate conviction, writing to  
7 Mr. Ricks that he was going to the prison to try to visit Mr.  
8 Ricks but couldn't get there.

9 Exhibit 5, Your Honor, is a email dated June 22,  
10 2011 and June 23, 2011. The bottom email is from a lady  
11 named Claudia Whitman, and Ms. Whitman was a investigator who  
12 was working on Mr. Ricks' behalf. Her official title, I  
13 believe, is Director of National Capital Crime Assistance  
14 Network, and she is writing here to a U.S. attorney about  
15 contacting the University of Michigan Innocence Clinic to  
16 work on Mr. Ricks' claim. And this is in 2011.

17 Exhibit 6 is correspondence between the lady, Ms.  
18 Whitman, that I just identified, and another man named  
19 Roberto Guzman, who is a Senior Legal Assistant at the  
20 People's Task Force to Free the Wrongfully Convicted, again  
21 another individual that was working on Mr. Ricks' case,  
22 talking about sending him, to Mr. Ricks, a letter regarding  
23 some ballistic testing to the prison where Mr. Ricks was  
24 incarcerated and that material not getting through to Mr.  
25 Ricks.

1           Exhibit 7, again, some correspondence between Mr.  
2 Guzman, the assistant at the People Task Force to Free the  
3 Wrongfully Convicted, and Claudia Whitman, the investigator,  
4 discussing efforts to contact some of the original agents who  
5 made Mr. Ricks' arrest in 1992.

6           Exhibit 8 is a letter dated February 1, 2012, from  
7 Mr. Ricks to the Bureau of Alcohol, Tobacco, and Firearm. He  
8 states quite clearly in the second paragraph on Page 1: "I  
9 have been incarcerated for the past 20 years for a crime that  
10 I did not commit, but recently, I've been blessed to have the  
11 assistance of Ms. Claudia Whitman. She is the Director of  
12 NDRAN of Cure ND -- NDRAN of Cure, which is a national  
13 organization that reaches out to aid and assist the  
14 wrongfully convicted."

15           And this is a letter where he essentially requests  
16 that the Bureau provide him with access to the agents that  
17 arrested him.

18           Page 2 of that letter also talks about Mr. Ricks,  
19 in the middle there, having an affidavit from the independent  
20 firearms examiner, David G. Townsend, the individual  
21 identified in exhibit 1 and exhibit 4, in which he says that  
22 the two slugs that he was given to test did not have any  
23 blood or other trace evidence.

24           At the end of the letter he has a PS there which  
25 says: "I wrote to the United States Attorney, Barbara L.

1 McQuaid, and she directed me to you."

2           Exhibit 9 is that letter to Ms. McQuaid, or is one  
3 of the letters to Ms. McQuaid, and this is written, again,  
4 June 13th, 2012, a year before the City filed for bankruptcy,  
5 written by David Moran, who I believe was a lawyer at the  
6 Michigan Innocence Clinic, and Sally Larson, a student  
7 attorney at the University of Michigan Innocence Clinic. So  
8 at that time Mr. Ricks had the University of Michigan  
9 Innocence Clinic working on his behalf trying to overturn his  
10 alleged unlawful conviction.

11           Exhibit 10 --

12           THE COURT: This letter says in the first  
13 paragraph: "We do not represent Mr. Ricks," --

14           MR. SWANSON: Oh. Right.

15           THE COURT: -- "but are investigating his claims  
16 of innocence," et cetera. So I'm not sure what that means  
17 exactly, if they were investigating claims of innocence of  
18 Mr. Ricks on his behalf. I don't know why they said they  
19 weren't representing him, but they were investigating his  
20 claim.

21           MR. SWANSON: Yes.

22           THE COURT: Okay.

23           MR. SWANSON: And I think the complaint makes a  
24 reference to the Michigan Innocent Clinic playing a critical  
25 role in his, in his -- in overturning his conviction.

1           So to the extent they were representing him, they  
2 were certainly working on his behalf, to the extent there is  
3 a difference, I suppose.

4           Exhibit 10 is a letter from the Michigan Innocence  
5 Clinic. This is six days after they wrote to Ms. McQuaid,  
6 June 19, 2012, and this is to the City of Detroit Law  
7 Department FOIA coordinator requesting, you know, it's a FOIA  
8 request for information related to the homicide that he was  
9 convicted of.

10           Exhibit 11, more emails between Sally Larson, who  
11 was the student attorney who signed the letter to Ms.  
12 McQuaid on behalf of the Michigan Innocence Clinic, to  
13 Claudia Whitman, the investigator. And in this letter the  
14 parties are discussing the possibility of rerunning  
15 ballistics from the 1992 conviction.

16           Exhibit 12, I believe, is similar.

17           Exhibit 13, another letter dated September 24,  
18 2012, again, from Mr. Ricks to Ms. Larson, the student  
19 attorney at the University of Michigan Law School and  
20 Michigan Innocence Clinic, talking about new case law which I  
21 believe Mr. Ricks asserts could or would help in overturning  
22 his unlawful conviction.

23           Exhibit 14, these are emails between the Michigan  
24 Innocence Clinic, again Ms. Sally Larson and Ms. Claudia  
25 Whitman, regarding their notes on discussion of, you know,

1 ballistics experts.

2 Exhibit 15 --

3 THE COURT: I noticed that exhibit 14 has as part  
4 of it a copy of notes that Ms. Larson made of the phone  
5 conversation that she had with David Townsend on October 2,  
6 2012, where they're talking about the ballistics evidence and  
7 problems with it, and so forth.

8 MR. SWANSON: Yeah, in the Detroit Crime Lab.

9 THE COURT: Go ahead.

10 MR. SWANSON: Thank you.

11 Exhibit 15, is another set of emails between the  
12 Michigan Innocence Clinic and Claudia Whitman, again talking  
13 about ballistics and the bullets and, you know, that same  
14 subject matter.

15 Exhibit 16 is a letter from Mr. Ricks dated  
16 December 12, 2012, where one of the alleged witnesses in the  
17 Plaintiff's complaint, named in the Plaintiff's complaint,  
18 Ms. Strong, where he's writing to her, again discussing the  
19 case and potential misidentification of him by Ms. Strong.

20 And so -- and this is -- this is -- there's more  
21 that's similar to this. We only attached --

22 THE COURT: I noticed in that letter, exhibit 16,  
23 the letter from Mr. Ricks to Ms. Strong, he does complain  
24 about the police, and he refers to what the police did to me,  
25 and he's angry and frustrated about what the police did to

1 me. And he says -- he talks about the Detroit Crime Lab was  
2 closed down in 2008 for doing bad testing on evidence, such  
3 as guns and bullets. I'm hoping that they will retest the  
4 evidence in my case, and so forth.

5           The next -- the last page of his letter he says:  
6 "The police have been running wild in Detroit doing all sorts  
7 of corrupt and unethical things to lock people up. Whether  
8 innocent or not, they don't care." That's the last page of  
9 the exhibit 16 letter to Mr. Ricks to Ms. Strong.

10           Anyway, go on.

11           MR. SWANSON: Well, Your Honor, I believe going  
12 through those 16 exhibits we have conclusive evidence that  
13 the claims Mr. Ricks is asserting in his complaint against  
14 the City were within his fair contemplation well before the  
15 City filed for bankruptcy.

16           When this Court applies the fair contemplation  
17 contest it looks at a number of things:

18           The debtor's conduct. The debtor's conduct here  
19 all occurred in 1992.

20           The relationship between the parties is another  
21 factor that the Court looks at. The relationship between the  
22 parties all occurred in 1992.

23           The Court also looks at the parties' knowledge.  
24 Well, here, Mr. Ricks, he's demonstrated that he knew of this  
25 potential claim probably from the minute that he alleges he

1 was unlawfully arrested, and certainly well before the City's  
2 bankruptcy case, because the Michigan Innocence Clinic was  
3 investigating this on his behalf. He was contacting experts.  
4 He was contacting witnesses. All the while professing his  
5 innocence and professing that issues with the Detroit Police  
6 Department and Detroit Crime Lab led to his unlawful  
7 conviction.

8           And, Your Honor, these are the same claims and  
9 facts that formed the basis for Mr. Ricks' complaint against  
10 the City of Detroit. And sure, Your Honor, all of the  
11 factors --

12           Oh, I guess, finally, this is a *Monell* claim that  
13 the Plaintiff here is asserting against the City of Detroit,  
14 and *Monell* holds municipalities may be held liable for the  
15 constitutional violations of their employees only where the  
16 municipality's policy or custom led to the violation, and  
17 there can be no liability under *Monell* without an underlying  
18 constitutional violation.

19           All of the constitutional violations that Mr.  
20 Ricks is complaining about occurred in 1992, 21 years before  
21 the City filed for bankruptcy.

22           And as exhibits 1 to 16 demonstrate, Mr. Ricks  
23 knew of the factual bases, or at least was asserting the  
24 factual bases for these alleged constitutional violations  
25 well before the City filed for bankruptcy.

1           In short, Your Honor, all of the factors  
2 considered under the fair contemplation test demonstrate that  
3 the claims that were asserted by Ricks against the City arose  
4 no later than 1992, and, thus, were subject to the discharge  
5 in the City's Plan and the bar date order.

6           The City would thus respectfully request that this  
7 Court enter an order dismissing the City of Detroit with  
8 prejudice from the Federal District Court lawsuit asking the  
9 Plaintiff -- requiring the Plaintiff to dismiss the City of  
10 Detroit with prejudice from the lawsuit.

11           THE COURT: With respect to the *Monell*, what you  
12 characterize as the *Monell* claims, the claims against the  
13 City that are asserted in the U.S. District Court complaint,  
14 first amended complaint, I know accrual -- the accrual test  
15 is not the test here, and I understand that. I've written  
16 about that, as you know, in the published opinion that you  
17 cite in your brief.

18           But in terms of when a claim, a *Monell* claim  
19 accrues in this kind of situation, is it correct to say that  
20 in the case of someone wrongfully imprisoned, wrongfully  
21 convicted, wrongfully imprisoned, because of violations of  
22 that person's constitutional rights by police is the sort of  
23 the theory that's alleged here, and then seeking liability  
24 against the municipality because of its policies and  
25 practices and so forth, does that claim only accrue when

1 there has been a reversal, vacation, dismissal of the  
2 charges, conviction against the claimant? I'm talking about  
3 accrual here not -- accrual under non-bankruptcy law, not  
4 when it arises for purposes of it being a bankruptcy claim.  
5 Is that the case?

6 MR. SWANSON: Your Honor, I have not researched  
7 that. I know that in the opinion that we cited, the *Sanford*  
8 opinion, the District Court there, I believe, said that  
9 *Sanford* correctly points out that he could not have sued the  
10 City until his convictions were set aside, which did not  
11 happen until after bankruptcy.

12 THE COURT: All right. I see. So that's the  
13 answer that the Court in the *Sanford* case gives to that.

14 MR. SWANSON: Yeah. And I have nothing to add to  
15 that to support it or deny it.

16 THE COURT: All right. Anything else you'd like  
17 to say?

18 MR. SWANSON: No, Your Honor.

19 THE COURT: All right. Thank you.

20 Mr. Harrington?

21 MR. HARRINGTON: Yes, Your Honor. Thank you.

22 If I may speak briefly on the accrual as you were  
23 asking in the non-bankruptcy setting?

24 THE COURT: Sure.

25 MR. HARRINGTON: Yes, Your Honor, you are correct

1 in the sense that the claim has not accrued until the  
2 conviction has been set aside.

3 I mean, think about the practical ramifications if  
4 say somebody like Mr. Ricks was to have filed his 1983 *Monell*  
5 claim in 1990, 1995, the first thing that's going to be met  
6 with is a simple 12(b)(6) motion. I mean, there's --

7 THE COURT: Well, you cite the *Heck* case --

8 MR. HARRINGTON: Yes, we do.

9 THE COURT: -- in your response to the City's  
10 motion in this case. Is it the *Heck* case, that Supreme Court  
11 case, that stands for this proposition that a *Monell* type  
12 claim in this kind of a situation, wrongful imprisonment,  
13 wrongful conviction, does not arise until the conviction is  
14 set aside?

15 MR. HARRINGTON: That is accurate, Your Honor.

16 THE COURT: It is. Okay.

17 MR. HARRINGTON: Now --

18 THE COURT: It doesn't sound like the City  
19 disputes that, really, so. All right.

20 MR. HARRINGTON: I don't think they do, because  
21 it's -- I think you're just getting a little bit of context  
22 because this is bankruptcy and that's -- what we're talking  
23 about is non-bankruptcy with the accrual of the claim.

24 But it kind of dovetails and tailors into what  
25 we're talking about here with the fair contemplation, because

1 as counsel was walking through all of these exhibits talking  
2 about what Mr. Ricks was doing in contacting and really  
3 professing his innocence, all he's doing is trying to build a  
4 case.

5           And I think that is a distinction, that he's  
6 trying to build a case, as opposed to being able, really, to  
7 file a case. And what was to happen if he files a proof of  
8 claim without this determination that it was a wrongful  
9 conviction? The policy implications are very, very  
10 interesting.

11           What is he really supposed to do? He files this  
12 claim, and he could face possible sanctions because he  
13 doesn't have a claim. He doesn't have a case until it's been  
14 set aside.

15           I mean, if we were to go through and take a vote  
16 on everybody in prison who believes that they were wrongfully  
17 convicted, I think we'd see a pretty strong showing of hands.

18           And I don't think the policy and the underlying  
19 intent of all of this is to put that type of a burden on all  
20 of these inmates to say, hey, if you think you've got a, you  
21 know, possible claim, although you might get sanctioned for  
22 filing a frivolous either lawsuit or notice of claim, you  
23 better -- you better do it. And I don't think that's the  
24 intent. So I think --

25           THE COURT: Well, Mr. Ricks had filed a proof of

1 claim in the City's bankruptcy case by the bar date, which I  
2 think was February 13, 2014, or thereabouts. If he had done  
3 that, and, of course, that was a time when his conviction had  
4 not yet been set aside. That happened in 2017, it seems  
5 undisputed in this case. But it hadn't happened yet. He was  
6 still trying to get it -- get relief, get it set aside, get  
7 freed, but he hadn't been yet.

8           So if he had filed a proof of claim then, it seems  
9 to me in terms of that sort of bankruptcy world it would be  
10 deemed a contingent claim. That is, it's a claim that's  
11 contingent upon obtaining -- setting aside of the conviction,  
12 which had not happened yet.

13           And if that contingency doesn't come to pass, then  
14 he would -- the City would never -- could never possibly owe  
15 him a debt on a *Monell*-type claim.

16           But if it did come to pass later, at a later date,  
17 the City might. Or at least his claim wouldn't be subject to  
18 dismissal, in effect, or rejection on the ground of *Heck*,  
19 that it hadn't accrued yet.

20           In bankruptcy when a contingent claim is filed it  
21 doesn't necessarily get disallowed just because it's a  
22 contingent claim, but there is a provision in the Bankruptcy  
23 Code for estimating contingent claims under certain  
24 circumstances where you don't know if the contingency will  
25 happen, or not yet.

1           And so there's a process for estimating for  
2 purposes of claims allowance in the bankruptcy case.

3           So it's not enough when somebody files a  
4 contingent claim like that, in this scenario I'm -- the  
5 hypothetical scenario I'm describing, the City, it's not  
6 enough for the City to have objected to that just on saying  
7 it's contingent, the conviction hasn't been set aside yet, so  
8 there's no claim accrued, so we owe them nothing.

9           It's not enough, because if the contingency occurs  
10 later, that argument goes out the window. So the claim, the  
11 contingent claim has to be estimated. That's the idea there.  
12 Okay.

13           MR. HARRINGTON: Understood. And I don't --

14           THE COURT: So it's not -- it's not just that the  
15 claim would have been rejected out of hand in the bankruptcy  
16 case only because it was then contingent. You see what I'm  
17 suggesting?

18           MR. HARRINGTON: In concept, yes.

19           THE COURT: Okay.

20           MR. HARRINGTON: But I don't think that applies  
21 here. And how tenuous of a claim, or as you would maybe say,  
22 how tenuous of a contingency would be allowed, would be okay,  
23 would not be sanctionable or deemed to be a frivolous filing  
24 with the Court. I mean, I mean, how far --

25           THE COURT: That's part of what bankruptcy courts

1 have to figure out when they are doing this type of claims  
2 estimation process on a contingent claim that I've -- or on  
3 an unmatured or contingent, either one, claim that I've been  
4 describing to you.

5 MR. HARRINGTON: Right.

6 THE COURT: It's not necessarily an easy thing to  
7 do.

8 MR. HARRINGTON: And that's what I'm --

9 THE COURT: It's not a -- there's no science to  
10 that. It's not a scientific precision.

11 MR. HARRINGTON: Well, and that's what I'm getting  
12 at. Because what would have to happen is would be literally  
13 a whole almost a trial within a trial on the evaluation of  
14 Mr. -- the viability of his claim, and so we would literally  
15 have a trial within a trial to determine how viable this is.

16 Because if that was the case, and if everybody who  
17 is currently incarcerated at the hands of the Detroit Police  
18 Department for, let's just say, you know, gross mishandling  
19 of evidence -- and I'm not -- I'm not casting stones, I'm  
20 just saying let's just assume that for this discussion. How  
21 many people would have to come forward and literally try  
22 their case to say, Your Honor, look at my contingencies, if  
23 this, and this, and then this, this, this, and this actually  
24 come to fruition, then I'm going to have a great case.

25 And so where are we with that? What is -- and

1 that's why I think when this Court, this Bankruptcy Court,  
2 today, can look at all of the circumstances surrounding, and  
3 I think with this imprisonment case it presents a bit of a  
4 different picture, because without -- no matter what Mr.  
5 Ricks thinks, no matter what he knows, no matter what he  
6 says, what he researches, if he doesn't have the exoneration,  
7 there is no claim. So I guess the question really for the  
8 Court is, is how tenuous, I mean, how many times are  
9 convictions really turned over?

10           So my position to the Court is, is that if you are  
11 even looking at this, which I would ask you -- what I would  
12 suggest that it doesn't apply, but if you're looking at this  
13 as to the contingencies by as far removed in the, really, the  
14 likelihood of him actually getting a conviction overturned  
15 for somebody who has spent over 20-some years in prison, it  
16 almost never happens.

17           So you're talking about, really, the Hail Mary of  
18 all Hail Mary's happening and that's the contingency that  
19 the, that the City wants you to, if you're going to apply  
20 this contingency-type of analysis, they would look at this as  
21 like a cover the eyes, and we're almost in March madness,  
22 cover the eyes, inbound pass, without looking over the  
23 shoulder and it's the swish and we win by one at the buzzer,  
24 and --

25           THE COURT: You know, though, really, what you're

1 arguing sounds like an argument in substance. An argument  
2 against the fair contemplation test, rather than an argument  
3 that says courts, Bankruptcy Courts should use the accrual  
4 test, and the case law has rejected that. I have rejected  
5 that.

6 Many bankruptcy cases have rejected that accrual  
7 test as inconsistent with Congressional intent in the very  
8 broad definition of claim that's in the Bankruptcy Code. And  
9 you know that, because you've read -- you've read my opinion  
10 in the City of Detroit case, I assume, that's cited.

11 MR. HARRINGTON: Yes.

12 THE COURT: And you've read the *Sanford* case, I  
13 assume?

14 MR. HARRINGTON: Yes.

15 THE COURT: And have you read the *Monson* case?

16 MR. HARRINGTON: I have not.

17 THE COURT: Okay.

18 MR. HARRINGTON: I will.

19 THE COURT: It's very similar to *Sanford*.

20 MR. HARRINGTON: And I would love it if the Court  
21 did apply the accrual test, because then this would be  
22 extremely easy.

23 But under the reasonable contemplation, or the --  
24 I'm sorry, the fair contemplation test, as we look at it to  
25 the Ricks case, I think creates a situation where how can he

1 reasonably contemplate that he has a claim? Even in his  
2 mind, he knows what he did. He knows what he didn't do.

3 But, in order to get -- I mean, the mountains that  
4 have to be moved for that to happen is really, I mean, there  
5 is his subjective belief and then there is a reasonable  
6 belief, and if we look at this, how could he -- we know that  
7 he got out and he was exonerated. But as we sit here  
8 evaluating it before it could happen, how could we reasonably  
9 believe, in light of all of the evidence, in light of what we  
10 know, in light of 20-some years having been in prison, how  
11 could we reasonably believe that he has a cause of action?

12 And so I guess even when you apply the fair  
13 contemplation test, I believe that under the authority -- and  
14 I appreciate the --

15 THE COURT: Well, what about -- in relating to  
16 that question, what about what David Townsend was saying, as  
17 of October 2, 2012, in his phone call with Sally Larson of  
18 the Michigan Innocence Project, about the ballistics tests  
19 and the ballistics evidence in Mr. Ricks' case?

20 MR. HARRINGTON: Yeah.

21 THE COURT: That's exhibit 14 --

22 MR. HARRINGTON: No, I --

23 THE COURT: -- to the City's reply brief.

24 MR. HARRINGTON: No, I understand.

25 THE COURT: You've seen it.

1 MR. HARRINGTON: Yes. I know. Where he's talking  
2 about how, I think it was about the soft lead and talking --  
3 correct me if I'm wrong. Right? Where he's talking about  
4 the soft lead, he would expect to have seen more damage to  
5 the, to the bullet. He's just providing evidence in support  
6 of that.

7 And look, I don't disagree that that evidence  
8 brings it closer to whether or not he has a claim, but  
9 there's still an incredible hurdle that has to be overcome to  
10 get the conviction over --

11 THE COURT: Is it fair to say that at least as  
12 early as the time frame 2009 through 2012, time frame of  
13 these exhibits that are attached to the City's reply, that  
14 Mr. Ricks and his ballistics consultant, Mr. Townsend, and  
15 the people at the Michigan Innocence Clinic, Project Clinic  
16 that we're investigating this case for Mr. Ricks, with him,  
17 all had reasons to believe that the ballistics evidence in  
18 this case was simply wrong and bad evidence, and upon  
19 retesting would lead to, it would lead to setting aside the  
20 conviction?

21 MR. HARRINGTON: Okay. If I can break --

22 THE COURT: Now, that last part is a little  
23 trickier than the first part of my question.

24 MR. HARRINGTON: Right. Because the last part of  
25 your question --

1 THE COURT: You got to find the bullets.

2 MR. HARRINGTON: Well --

3 THE COURT: The real bullets you got to find.

4 MR. HARRINGTON: Right. But the last part of what  
5 you just said is to overturn the conviction which presumes  
6 that you can anticipate, number one, what a judge is going to  
7 do, what an appellate court is going to do, and what the  
8 highest court would do. So that presumes quite a bit.

9 And one thing that my father taught me, who is an  
10 attorney, is you never presume ever, ever, ever what a judge  
11 is going to do. So I think all that he can really assume is  
12 that he is building and trying to build a case.

13 I mean, it's clear, there's no doubt he's trying  
14 to, one, he's trying -- not trying to build a case, trying to  
15 get out of prison for a crime he never committed.

16 But number two, he's trying to build evidence to  
17 do just that. But to make -- to have that evidence and to  
18 take that leap to say that he knows, reasonably knows, that a  
19 judge is going to side with him I think is way too far  
20 tenuous and it comes back to the Hail Mary and it doesn't  
21 fall within the fair contemplation because it is so tenuous.  
22 Because it would require --

23 THE COURT: In your view, when did it become not  
24 so tenuous? When in time?

25 MR. HARRINGTON: When he was --

1           THE COURT: What event and when did it happen that  
2 it became not so tenuous? We know in 2017 there came a time  
3 when the conviction was vacated, I presume, or charges were  
4 dismissed. It was over. He was freed. But at some point  
5 before that event it must have become apparent that he had a  
6 strong case for vindication.

7           MR. HARRINGTON: I will say this, and I know  
8 you're going to say, Mr. Harrington, now you're arguing  
9 accrual, but this is a rare circumstance where I believe the  
10 roads have merged, and I believe that at the time that that  
11 reversal of the conviction came down, was inked at that time,  
12 and maybe even I would go so far as to say after all  
13 appellate remedies have been expired, at that point in time  
14 would be the time when we would apply his contemplation of  
15 the claim.

16           Going through the fair contemplation analysis, I  
17 think we get to the same location that you do under the  
18 accrual, because otherwise to apply to, to -- because really  
19 what it requires is, is it requires Mr. Ricks to have a  
20 reasonable belief that the judge is going to set aside the  
21 conviction. And I don't know a person in this world that  
22 could ever reach that conclusion. It's just not possible.

23           And also, I'm not trying to go backwards or  
24 sideways on anything. You know, or position obviously is  
25 that we would ask that you deny the City's motion, or

1 alternatively abstain and have this heard by the District  
2 Court, as one of the other cases have, and plus that this  
3 case --

4 THE COURT: Well, wait a minute. You're saying if  
5 I'm not inclined to -- if I'm not going to rule for you, I  
6 should -- I should not rule and let the District Court  
7 decide. But otherwise, you want me to decide.

8 MR. HARRINGTON: Judge, I'm just being an  
9 advocate.

10 THE COURT: I mean, you can't do that. You can't  
11 argue that. You want this Court to decide this, or don't  
12 you?

13 MR. HARRINGTON: I want you to decide this, Your  
14 Honor.

15 THE COURT: All right.

16 MR. HARRINGTON: I think I'm right on the  
17 position.

18 THE COURT: But you want this Court to decide it.  
19 You don't want me to abstain.

20 MR. HARRINGTON: No, Judge, I want you to decide  
21 it.

22 THE COURT: Okay. All right. All right.

23 Well, so when -- the conviction was vacated, I  
24 guess. Is that the right term?

25 MR. HARRINGTON: Yeah. Yeah. It was over --

1 yeah. Overturned.

2 THE COURT: What's the correct terminology of what  
3 happened? Some circuit judge, some Michigan circuit judge  
4 vacated the conviction? What was it?

5 MR. HARRINGTON: For lack of a better term, I'm  
6 just, I'm going to go with the --

7 THE COURT: Maybe it's in your first amended  
8 complaint. But what happened exactly?

9 MR. HARRINGTON: May I have just one second, Your  
10 Honor?

11 THE COURT: Yeah. Uh-huh.

12 MR. HARRINGTON: Because I don't believe that I --

13 THE COURT: I'm looking at paragraph 78 of your  
14 first amended complaint. It's exhibit 6 to the City's motion  
15 in this case, docket 13,000.

16 Well, it says when he was released. Paragraph 78  
17 says the day he was released from prison. Paragraph 79 says  
18 June 1, 2017, charges were dismissed by the Wayne County  
19 Prosecutor's Office. Maybe it doesn't say when the  
20 conviction was actually vacated, or what. Or is it in there  
21 somewhere?

22 MR. HARRINGTON: I'm looking, as well, Your Honor.  
23 I apologize for not having it in my --

24 THE COURT: I thought I saw somewhere, maybe I'm  
25 thinking of a different case, but where some state court

1 vacated the conviction, ordered a new trial, did something.

2 MR. HARRINGTON: Just a moment, Your Honor.

3 THE COURT: Yeah. Uh-huh.

4 (Pause)

5 MR. HARRINGTON: What I do have, Your Honor, is  
6 there is exhibit 4. It looks like it was exhibit 4 to the  
7 City of Detroit's motion dated June 1st, 2017, of a  
8 motion/order of nolo -- I apologize for lack of  
9 pronunciation, but *nolle p-r-o-s-e-q-u-i*, meaning that  
10 they're not going to prosecute, and the case was dismissed  
11 without prejudice. And I think for --

12 THE COURT: Okay. Hold on one second. I'm  
13 looking at the City's exhibit 4, it's docket 13,000 in this  
14 case. Hold on.

15 MR. HARRINGTON: I'm sorry, Your Honor.

16 THE COURT: It's docket number 13,000 in this  
17 case. The motion, City motion, I'm looking at it. It's  
18 exhibit 4 you've just cited me to, right?

19 MR. HARRINGTON: It looks like -- I apologize. It  
20 looks like it's exhibit -- if you look at exhibit 6, it's the  
21 amended complaint, and it's exhibit 4 to the amended  
22 complaint.

23 THE COURT: Oh, I see. Yeah. All right. I think  
24 I'm there. Hold on.

25 MR. HARRINGTON: And that looks like the order.

1 THE COURT: Okay. It's State of Michigan, Third  
2 Judicial Circuit, Wayne County, motion/order of *nolle*  
3 *prosequi*, and there is a motion, I presume, by the  
4 Prosecutor's Office, and an order granting that motion,  
5 saying the motion is granted and the case is dismissed  
6 without prejudice, June 1, 2017, signed by the judge. That's  
7 what you're talking about, right?

8 MR. HARRINGTON: Yes.

9 THE COURT: Okay. So that would be when the,  
10 basically when the City moved to dismiss the case and --  
11 criminal case, and the judge granted it.

12 At some point before that date was there --  
13 there's a conviction, a judgment of conviction and sentence  
14 on the books before -- it must have been, something must have  
15 been done with it before there could be a dismissal of the  
16 case. I mean, I'm just assuming, I'm guessing that that's  
17 got to be true. Was there some order that preceded this June  
18 1, 2017 order that vacated the conviction, for example? Do  
19 you know?

20 MR. HARRINGTON: I don't know. At the -- I could,  
21 I'd be happy to give you more procedural history on  
22 supplemental briefing and I could limit it to two pages.

23 THE COURT: Well, I'm kind of working my way  
24 backwards a little bit in time chronologically. And what I'm  
25 trying to get to is, part of what I'm trying to get to is, at

1 some point -- assuming there was an order at some point in,  
2 let's say in some time in 2017, before June 1, vacating the  
3 conviction ordering a new trial, doing something that took  
4 the conviction off the books and restored the case as a  
5 pending criminal case that had to be dealt with, there must  
6 have been a motion, a briefing, some sort of presentation to  
7 the Court, even if it was just a stipulation between Mr.  
8 Ricks and the Prosecutor's Office, something that triggered  
9 that action by the Court.

10           And I'm asking, you know, what was that, and when  
11 was that filed? And in sort of working backwards it's, you  
12 know, at some point, at least potentially, at some point  
13 before there was actually an order vacating the conviction,  
14 there must have been a reasonable anticipation by Mr. Ricks  
15 or his attorneys that the conviction would be vacated.

16           MR. HARRINGTON: Can I make a comment?

17           THE COURT: And the question is: When did that  
18 happen?

19           MR. HARRINGTON: Let me make a comment.

20           Hypothetically, if there was some type of motion  
21 for a new trial, based on either newly discovered evidence or  
22 something of that kind, and let's say the judge granted --  
23 and I'm, and I'm -- literally, Judge, I'm just speaking out  
24 of -- off the cuff. If there was some type of motion for a  
25 new trial, and say the judge granted it, I think you're

1 asking me, Mr. Harrington, okay, I see this order where  
2 they're saying they're not going to prosecute anymore, but we  
3 do know that there was a conviction, so we have this window  
4 of time.

5           What happened in that window to get us to this  
6 order that says no conviction? Was there a motion for new a  
7 trial that was granted by the judge? Was there some, as you  
8 say, stipulation?

9           And as I stand here today, Your Honor, I don't  
10 have the answers to that. I could have those answers to you  
11 on extremely short order. I can limit it to one to two pages  
12 of just bullet point dates with the appropriate exhibits for  
13 you to examine. I just don't have those at my fingertips  
14 now, and I --

15           THE COURT: Well, the record in -- strictly  
16 speaking, the record in this bankruptcy case, I think, does  
17 not show when there was this new testing of bullets, which I  
18 thought I remembered that there was new testing of bullets,  
19 that showed that the bullets, the actual bullets that were  
20 recovered from the deceased victim's body were not a match to  
21 the gun that was connected to Mr. Ricks through his mother.

22           But there may be something about that in the  
23 District Court record, which, of course, has -- you know, the  
24 motion for summary, the cross motions for summary judgment  
25 have a million exhibits. There's tons of stuff in there, and

1 I didn't go and look through all that. But do you know that?  
2 Was there new testing that basically triggered this relief  
3 from the conviction?

4 MR. HARRINGTON: Well, I know that -- yes, I know  
5 that there is testing from David Ballish, who is a retained  
6 expert. I know there is -- here's what I don't know, and I  
7 know you want answers to this and I don't know the dates of  
8 when that occurred.

9 And from listening to this Court, I do think that  
10 it's important that we have those dates because I think it  
11 would help analyze this. But I don't have those dates, Your  
12 Honor.

13 THE COURT: You don't know offhand if there's  
14 anything in the record of the District Court that I can look  
15 at to get me to get that information? I know if we dig, it  
16 might be in there.

17 But I'm asking whether you happen to know offhand  
18 where that may be, where that is in there. I presume it  
19 would be, if it's anywhere, it would be in one or more of the  
20 summary judgment exhibits.

21 MR. HARRINGTON: We would -- we would have to  
22 consult with the motion, cross motions.

23 THE COURT: As I said, there's a lot of exhibits  
24 there.

25 MR. HARRINGTON: Right. We had two people from

1 our appellate department --

2 THE COURT: Yeah.

3 MR. HARRINGTON: -- writing it. And I'm more of  
4 trial counsel on the case --

5 THE COURT: Okay.

6 MR. HARRINGTON: -- and so I'm not going to -- I'm  
7 not going to make anything up and I'm not going to  
8 misrepresent and just say, yeah, it's there and just hope it  
9 is. But I would -- I'm making an oral request, I guess, to  
10 be able to issue the Court supplemental briefing on these  
11 just narrow issues and for the factual basis.

12 THE COURT: Your view, I take it from what you've  
13 said, of the fair contemplation test as applied in this case  
14 is that the issue is at what point did Mr. Ricks first have  
15 enough information to give him -- to justify a reasonable  
16 belief, reasonable belief, that his conviction would be set  
17 aside?

18 MR. HARRINGTON: In June of '17 when --

19 THE COURT: No, I'm saying --

20 MR. HARRINGTON: Oh, I'm sorry.

21 THE COURT: -- that's your view of how the -- what  
22 the issue is under the fair contemplation test in this case.  
23 Is that right?

24 MR. HARRINGTON: Yes. When -- yes.

25 THE COURT: And --

1 MR. HARRINGTON: I mean, that's --

2 THE COURT: And how do we know when that was?

3 MR. HARRINGTON: That's what I was just going to  
4 say.

5 THE COURT: Based on what's currently in the  
6 record.

7 MR. HARRINGTON: Well, I guess what we can look at  
8 is the order of the June -- exhibit 4 of the of first amended  
9 complaint, that is exhibit 6, to the Defendant -- the City of  
10 Detroit's motion where -- it would be June 1st, 2017, where  
11 they're not going to prosecute.

12 Where that decision is made, I believe that would  
13 be -- that would be the time. Because I -- and I think your  
14 question, if I heard you correctly, was, Mr. Harrington,  
15 based on the record that's in front of me, meaning the  
16 motion, your response, and the reply. Is that what you're  
17 asking?

18 THE COURT: Yeah. I'm not including the District  
19 Court record at this point.

20 MR. HARRINGTON: That's what I thought.

21 THE COURT: Though this Court I think technically  
22 can take judicial notice of anything that's filed as a matter  
23 of public record over in that District Court case. It's  
24 available to me electronically as I'm sitting right here at  
25 my computer. But, yeah. Well, you're pegging it at the date

1 on which, the earliest date upon which the *Monell* claim could  
2 have, could be deemed to have accrued. That's where you're  
3 saying they merge. It's the same date.

4 MR. HARRINGTON: Yeah. Under the analysis of fair  
5 contemplation versus accrual, whether you walk through the  
6 steps of the fair contemplation, it ends up being the same  
7 date as the accrual.

8 THE COURT: So how do we know though -- how do we  
9 know that there wasn't some date or time before June 1, 2017,  
10 and perhaps well before that time, when Mr. Ricks knew enough  
11 of the facts, or knew facts that would give -- that would  
12 justify a reasonable belief that his conviction would be set  
13 aside?

14 MR. HARRINGTON: Sure. That's fairly -- I can  
15 answer that. That's, in my mind, I think fairly simple.  
16 Because if it's let's just say a set aside, and the  
17 conviction was overturned, but let's say it comes about  
18 through a motion for a new trial, well there is still a new  
19 trial that is in place and the prosecutors could still have a  
20 -- get a conviction.

21 And so if Mr. Ricks was to have immediately have  
22 filed his 1983 *Monell* claim while this -- while the Wayne  
23 County Prosecutor's Office still has the case open and  
24 pending, well, if they go and get a conviction again, and  
25 he's got his 1983 *Monell* claim, it all goes away. There is

1 no case. I mean, it's -- it would be summarily dismissed on  
2 its face, really, by 12(b)(6). It wouldn't even -- I mean,  
3 maybe Rule 56, but it would be -- it would be just gone.

4 THE COURT: Well, what I'm getting at is it seems  
5 to me that the record before me in this bankruptcy case, that  
6 is the papers filed by the City and by you, your side,  
7 relating to this motion, including these exhibits attached to  
8 the City's reply brief, maybe don't necessarily enable this  
9 Court to answer the question: Was there a time before June  
10 1, 2017, when Mr. Ricks had facts, knew facts, that would  
11 justify a reasonable belief that his conviction would be  
12 vacated and that he would not again be convicted?

13 You know, if, just hypothetically speaking, on,  
14 you know, June 1, 2013, a month before the City filed its  
15 bankruptcy case, facts came to light, facts became known that  
16 made it clear that -- evidence and facts that made it clear  
17 that Mr. Ricks was wrongfully convicted and that he -- that  
18 the City had no -- or the county, county prosecutor had no  
19 hope of convicting him in a new trial of this murder, then it  
20 would seem to me under that hypothetical situation, clearly  
21 under the fair contemplation test, the claim had to -- would  
22 have to be deemed to have arisen at that time, pre-petition.  
23 Do you see what I'm saying?

24 MR. HARRINGTON: Yeah. And if it -- can I add to  
25 that, if I may?

1           THE COURT: So what I'm -- what I'm getting at is,  
2 it seems to me the record doesn't, at present, doesn't  
3 necessarily permit this Court to conclude that that time,  
4 that time when that happened, that fair contemplation first  
5 happened under the test you -- the way you framed the issue,  
6 didn't have pre-petition before the June -- the July 2013  
7 bankruptcy case filed.

8           MR. HARRINGTON: I agree with you. And if I may  
9 add, for example, if there was something in the record where  
10 the prosecutor's office walked into his cell and said, you  
11 know, we've been looking over everything that you've  
12 submitted to us. We've just got some paperwork to go over,  
13 the City, Mr. Ricks, even though it wasn't our doing, screwed  
14 up. You have a great case. We're going to do this  
15 paperwork, your case will be dismissed, and then we want you  
16 to file your 1983 claim against the City.

17           Now, pretty sure that didn't happen, but it would  
18 -- I would be hard pressed to argue the position that I'm  
19 arguing before this Court if those were the facts. Because  
20 if at that time, and say, you know, I'm sorry the date and  
21 year, the 2000 -- you know, pre-petition stuff, if that, if  
22 that conversation happened under the reasonable contemplation  
23 as to whether or not he has a case, he's being told by the  
24 people prosecuting him that he does.

25           THE COURT: Well, but you don't have to go that

1 far to get to fair contemplation.

2 MR. HARRINGTON: I know. But --

3 THE COURT: I mean, there's some -- let me, let me  
4 ask it this way. There's some event, or events, that  
5 occurred that basically triggered or opened the door for Mr.  
6 Ricks to get his conviction vacated and to be freed.

7 MR. HARRINGTON: Yes.

8 THE COURT: What was it? Was it new ballistic  
9 testing? What was it?

10 MR. HARRINGTON: It was the culmination of all of  
11 the evidence that he had been getting. But is the question  
12 that you're asking me, is it what was the triggering event  
13 through the court process that --

14 THE COURT: What occurred. What occurred that  
15 made it possible, or even likely, or even inevitable, that  
16 this conviction was going to be vacated? What occurred?

17 MR. HARRINGTON: Based on the record that you have  
18 in front of you, I believe, Your Honor, that it is an  
19 insufficient record to answer that exact question.

20 THE COURT: Is there anything in your first  
21 amended complaint which is in the record here in this case  
22 that would give any clues about that? That's a long  
23 complaint, and I didn't read every paragraph, I confess. I  
24 was looking at things, certain specific things in there at  
25 the time, and didn't go through and read them all.

1 MR. HARRINGTON: Well, I'm going to start with,  
2 again, with exhibit 4, which is the order that we've talked  
3 about. You also have, you know, the exhibit 3. You also  
4 have ballistics, you know, ballistics testing. Same with  
5 exhibit 2, there's forensic laboratory testing. And those  
6 are dated in March of 2017, November 2017. And then the  
7 order of the dismissal, or the nolle prosecution, ending up  
8 dismissing the case was June 1st of '17. So all three of  
9 those pieces of evidence were obtained post-petition.

10 THE COURT: Okay. So you're pointing me to  
11 exhibits to your first amended complaint that are in the  
12 record in this case?

13 MR. HARRINGTON: Yes, Your Honor.

14 THE COURT: What about allegations in the first  
15 amended complaint? Do any of those shed a light on the  
16 timing of these events that triggered the vindication,  
17 essentially, of Mr. Ricks?

18 MR. HARRINGTON: And specifically focusing on when  
19 that date occurred?

20 THE COURT: What the events were and when they  
21 occurred, or at least what the events were.

22 (Pause)

23 MR. HARRINGTON: I'm reading through paragraph 48  
24 on page -- it looks like it's page 12, Your Honor.

25 THE COURT: I see that.

1 MR. HARRINGTON: That talks about testing done by  
2 Detective Sergeant Dean Molnar. He conducted some type of,  
3 it looks like, test in April, May of 2017.

4 THE COURT: I see that. Anything else?

5 MR. HARRINGTON: I'm going through it as I flip  
6 the pages, Your Honor.

7 (Pause)

8 MR. HARRINGTON: On -- again, and I turn back to  
9 paragraph 78 which you had previously identified, talking  
10 about May 26 when he was released from the Ionia Correctional  
11 Facility.

12 THE COURT: I mean, his conviction must have been  
13 vacated, you would think, before that date, right? There's  
14 nothing in the first amended complaint, is there, showing  
15 what happened to his conviction in that way.

16 MR. HARRINGTON: And I've flipped through it and  
17 I've read it, Your Honor. No, I don't -- I don't believe  
18 that's in there. And as I've stated, I'd be, I'd be happy to  
19 provide that with this Court.

20 THE COURT: All right. Anything else in the first  
21 amended complaint you want to point me to?

22 MR. HARRINGTON: No, Your Honor.

23 THE COURT: Okay. What else would you like to say  
24 about the motion, then?

25 MR. HARRINGTON: No, I have nothing else to add,

1 Your Honor. Thank you for being so well read.

2 THE COURT: All right. Thank you.

3 Mr. Swanson, you may briefly reply in support of  
4 your motion, if you would like.

5 MR. SWANSON: Your Honor, two points. The first  
6 is, I wanted to correct something I said earlier.

7 In the City's summary judgment brief in the  
8 District Court case, docket number 91, case 17-12784, on page  
9 34, the City does argue that Plaintiff's claims are barred by  
10 the applicable statute of limitations because accrual occurs  
11 when a plaintiff has a complete and present cause of action.  
12 That is when the plaintiff can file suit.

13 The City thus argued that all of Plaintiff's  
14 claims in the Federal District Court action, I guess,  
15 including those against the City, were time-barred under the  
16 applicable statute of limitations.

17 THE COURT: What does that have to do with  
18 anything? What's the point of that, of the -- of you making  
19 this point?

20 MR. SWANSON: Well, that the statute of  
21 limitations would presumably run when the cause of action  
22 accrued. And the City's arguing and --

23 THE COURT: When does the -- does the City make an  
24 argument about when the cause of action accrued in that paper  
25 there?

1 MR. SWANSON: Well, it argues that the -- that Mr.  
2 Ricks was free to file suit in 1992 on all of his claims.  
3 And because he didn't file suit then when the cause of action  
4 accrued, that that all of the claims are barred by statute of  
5 limitations.

6 THE COURT: Well, I must have misunderstood, then.  
7 I thought the City, in connection with this motion, basically  
8 was not disputing that the claim, the *Monell* claim, did not  
9 accrue until the Ricks conviction was vacated, and that  
10 didn't occur until 2017.

11 MR. SWANSON: The City has taken --

12 THE COURT: Isn't that what -- isn't that what you  
13 were agreeing to?

14 MR. SWANSON: Well, I tried to say, Your Honor  
15 I -- you know, I had not looked into that and had not taken a  
16 position. I pointed the Court to a quote from the *Sanford*  
17 case, but I didn't take a position on that issue in my  
18 pleadings, and then I went --

19 THE COURT: Well, what's the City -- tell me in  
20 more detail, what's the City's argument about this in the  
21 City -- in the Ricks case.

22 MR. SWANSON: Sure.

23 THE COURT: The cause of action under *Monell*  
24 accrued in 1992, is the City saying?

25 MR. SWANSON: In Michigan, a three-year statute of

1 limitations applies to federal claims brought under 43 U.S.C.  
2 1983, citing a *Scott* decision from the Sixth Circuit.

3 THE COURT: Yes.

4 MR. SWANSON: And a *Wallace* decision from the  
5 Supreme Court.

6 Quote, "Accrual occurs when the plaintiff has a  
7 complete and present cause of action, and that is when the  
8 Plaintiff can file suit," close quote.

9 The limitations period for Plaintiff's claim for  
10 intentional infliction of severe emotional distress is also  
11 three years, citing MCL 600.5805 subsection --

12 THE COURT: Focus on the *Monell* claims, would you?

13 MR. SWANSON: Sure. I think they --

14 THE COURT: That's the only claim that's asserted  
15 against the City. *Monell* is, right?

16 MR. SWANSON: *Monell* is the only claim that's  
17 asserted.

18 THE COURT: It's number one in the first amended  
19 complaint.

20 MR. SWANSON: That's right.

21 THE COURT: What does the City say about the  
22 statute of limitations with respect to that claim in their  
23 summary judgment motion in the City case -- in the Ricks  
24 case? Anything?

25 MR. SWANSON: In 1992, there was no bar to play to

1 bringing suit against the City of Detroit and its police  
2 officers. Plaintiff failed to do so, and, therefore, his  
3 claims are barred.

4 THE COURT: And the statute of limitations is how  
5 long?

6 MR. SWANSON: Three years.

7 THE COURT: The City says?

8 MR. SWANSON: Yes.

9 THE COURT: Three years. Well, what about this  
10 concept, is the City simply -- is the City saying the *Monell*  
11 claims accrued in 1992 in that brief?

12 MR. SWANSON: Yes.

13 THE COURT: It is? Is there -- what authority is  
14 there for that proposition?

15 MR. SWANSON: It cites *Scott v. Ambani*, 577 F. 3d  
16 642, 646, a Sixth Circuit case, 2009.

17 THE COURT: What about the *Heck* case?

18 MR. SWANSON: The *Heck* case talks about malicious  
19 prosecution. I don't necessarily think that applies to a  
20 *Monell* claim against a municipality.

21 THE COURT: Okay. So now are you -- are you now  
22 saying that the City, in support of this motion in this  
23 Court, is now saying that the *Monell* claims asserted in count  
24 1 of the first amended complaint of the City in the Ricks  
25 action against the City accrued in 1992?

1 MR. SWANSON: Yes.

2 THE COURT: They did. Okay. Now that, of course,  
3 is not an argument you made in your reply brief.

4 MR. SWANSON: That's correct.

5 THE COURT: Or in your motion. In your reply  
6 brief you said accrual isn't the test.

7 MR. SWANSON: Yeah. We don't think accrual is the  
8 test.

9 THE COURT: It's fair contemplation. It's not  
10 accrual.

11 MR. SWANSON: Yeah.

12 THE COURT: You know, if the -- if the claim  
13 actually accrued before the bankruptcy was filed, even under  
14 the accrual test, this claim would be barred by the discharge  
15 order. Right?

16 MR. SWANSON: That's correct. I think Plaintiff  
17 is -- to the City it's really not relevant when the claim  
18 accrued, because the Court does not apply the accrual test.

19 The Court looks at the facts and circumstances  
20 underlying this claim. The Court, in its opinion --

21 THE COURT: Well, if the claim accrued under non-  
22 bankruptcy law pre-petition, isn't it always going to be  
23 deemed a pre-petition claim under the fair contemplation  
24 test?

25 MR. SWANSON: I think Plaintiff here would argue

1 that even if it accrued it wasn't within Plaintiff's fair  
2 contemplation until the conviction was overturned, and  
3 thus --

4 THE COURT: You're not answering my question.  
5 They're saying it didn't accrue until the conviction was  
6 vacated. They're saying that, and they're citing *Heck*.

7 But my question is: Isn't it always going to be  
8 the case that if a cause of action actually accrued under  
9 applicable non-bankruptcy law before the bankruptcy petition  
10 was filed, that claim is going to be deemed a pre-petition  
11 claim under the fair contemplation test.

12 MR. SWANSON: The fair contemplation test does not  
13 include as a factor the date that the claim actually accrued.  
14 And thus, you know, I haven't thought of --

15 THE COURT: Well, it includes all relevant  
16 circumstances.

17 MR. SWANSON: Yes.

18 THE COURT: Right?

19 MR. SWANSON: I mean, it --

20 THE COURT: All the circumstances surrounding a  
21 particular claim, including the Debtor's conduct, the party's  
22 pre-petition relationship, the party's knowledge, elements of  
23 the underlying claim.

24 So I would think courts could consider if the  
25 claim accrued under non-bankruptcy law, pre-petition,

1 certainly that would be a factor, if not conclusive, very  
2 close to being conclusive, in establishing that it's a pre-  
3 petition claim under the fair contemplation test, don't you  
4 think?

5 MR. SWANSON: I'm not going to argue with that  
6 point.

7 THE COURT: I'm trying to think. It's kind of  
8 hard for me to think of a situation where that wouldn't be  
9 the case.

10 So if the claim really did accrue before the  
11 conviction, Mr. Ricks' conviction was vacated, or whatever  
12 happened to it, that puts a whole new light on this issue, I  
13 think.

14 MR. SWANSON: It very well might. In the Court's  
15 opinion that I cited in my reply there was, I believe, some  
16 uncertainty in terms of whether those claims had accrued  
17 under non-bankruptcy law prior to the petition date. The  
18 claims of Tanya Hughes, for one.

19 And this Court wrote, you know, that certainty is  
20 not the standard. It's not the standard that the Plaintiff  
21 knew for sure that the claim had accrued or that they for  
22 sure had a claim that which could be asserted.

23 The Plaintiff here professed his innocence from  
24 day one, and starting in 2011, he employed, or he utilized,  
25 the services of an investigator, a paralegal, a team of

1 lawyers, and his previous expert, to prove his innocence. He  
2 was -- he was telling all of these people that he had a claim  
3 against the City of Detroit because he was unlawfully  
4 convicted.

5           And he was pointing to the same evidence which  
6 allegedly resulted in him being freed from prison. In his  
7 own words he had a claim in 2011. We know it because he said  
8 it.

9           Under the fair contemplation test rarely do you  
10 get evidence that's this crystal clear that a Plaintiff knew  
11 that they had a claim. I mean, he said it in the letter, and  
12 people on his behalf were telling the U.S. District Attorney  
13 that he had a claim. If that's not enough, I don't know what  
14 does it. All of the conduct here, again, occurred in 1992.  
15 We have the Plaintiff on record --

16           THE COURT: Is it enough under the fair  
17 contemplation test for a claimant to subjectively think they  
18 have a claim, or believe they have a claim, if that belief is  
19 not objectively reasonable at the time?

20           MR. SWANSON: Yes.

21           THE COURT: You think it is?

22           MR. SWANSON: I think if the Plaintiff believes  
23 that they have a claim against the City that's within their  
24 fair contemplation. I mean, their subjective belief is part  
25 of the fair contemplation test. What do they believe? Do

1 they believe they have a claim against the City or not? We  
2 don't necessarily need all of the objective evidence to line  
3 up before the bar date for this Court to hold that a claim  
4 within the Plaintiff's fair contemplation against the City.

5 I mean, as this Court wrote, Congress included the  
6 words "contingent," "unmatured," "disputed" within the  
7 definition, Section 1015, of the term "claim."

8 This Court also wrote that Congress used those  
9 words because it wanted to adopt the broadest definition of  
10 claim possible.

11 I don't see how this Court could rule that a  
12 plaintiff who was putting down in writing and telling people  
13 prior to the City's bankruptcy case that he had a claim  
14 against the City, that that claim wasn't within his fair  
15 contemplation. I mean, he was asserting a claim. He was  
16 telling people he had a claim. I don't know what else,  
17 really, could cause the Court to rule that this was within  
18 his fair contemplation.

19 Again, Your Honor, certainty is not the standard.  
20 What Plaintiff continues to argue is that we have to wait  
21 until this claim accrued under their theory of when accrual  
22 occurred, and that's not the test. The test is fair  
23 contemplation, and we should take it from Mr. Ricks' own  
24 words. He knew he had a claim before the City filed for  
25 bankruptcy.

1 Thank you.

2 THE COURT: All right. Thank you, both. I'm  
3 going to rule on this motion now.

4 (Pause)

5 THE COURT: With respect to jurisdictional  
6 matters. First of all, this Court has subject matter  
7 jurisdiction over this bankruptcy case and this contested  
8 matter that's represented by the City's current motion and  
9 which, of course, is contested by the Ricks plaintiffs.

10 And this is a core proceeding, and all of this is  
11 true for the very same reasons that I stated that the matters  
12 before me in the published opinion that I'm going to cite  
13 were covered by the Court's subject matter jurisdiction and  
14 were core proceedings.

15 And also, by the way, proceedings in which the  
16 Court reserved jurisdiction to rule in the confirmed Chapter  
17 9 plan.

18 The case, the prior case, of course, is the case  
19 that the parties are aware of and the City cited in its  
20 papers, and that's *In re City of Detroit, Michigan*, reported  
21 at 548 Bankruptcy Reporter 748, and in particular the section  
22 of that opinion at page 753 to 754 that's labeled Roman  
23 numeral II jurisdiction. I incorporate by reference what I  
24 said there in that section, in that prior opinion, in this  
25 bench opinion that I'm now giving as the basis for why the

1 Court has subject matter jurisdiction over this contested  
2 matter and why this contested matter is a core proceeding.

3 That prior opinion I'll just, I'll refer to it as  
4 this Court's 2016 opinion. That's the opinion that I just  
5 cited.

6 And by the way, that was a decision of this Court  
7 from 2016. It's the same opinion that was cited by the U.S.  
8 District Court in the *Sanford* case, which the City has  
9 attached to its reply brief, and which is reported at 2018  
10 Westlaw 6331342, *Sanford versus City of Detroit*, a decision  
11 of the U.S. District Court for this District from December 4,  
12 2018. Judge Lawson is the district judge in that case.  
13 That's the *Sanford* case, and I may refer to that, as well, in  
14 this bench opinion.

15 Going back to my published 2016 opinion and  
16 decision, however, I do reiterate and incorporate by  
17 reference into this bench opinion, everything I said about  
18 the applicable law, that is the law applicable to determining  
19 whether a given claim or claims arose for bankruptcy purposes  
20 before a bankruptcy petition was filed. And that discussion  
21 is in the 2016 published opinion at 548 Bankruptcy Reporter  
22 at pages 761 through 763.

23 In that part of the 2016 opinion, that's where  
24 this Court discusses a couple of concepts that are key to the  
25 issue before me on the present motion. And that is, first,

1 the concept and the rule of law, which is that in order to  
2 have a pre-petition claim, that is a claim that is deemed to  
3 have arisen before the filing of the bankruptcy case. It is  
4 not necessary for the claim to have accrued under an  
5 applicable non-bankruptcy law such that a lawsuit could be  
6 filed on it and sustained in the sense that all the elements  
7 of the cause of action had accrued before the bankruptcy  
8 petition was filed.

9           At 548 Bankruptcy Reporter, at 762 to 763, I  
10 discussed that. It's sometimes referred to as the accrual  
11 test for determining when a claim arises. Another name for  
12 it sometimes given in the case law is it's sometimes called  
13 the, quote, "right to payment," unquote test. As described  
14 in my prior opinion, 548 Bankruptcy Reporter, at 762 to 763,  
15 that tests provides that a claim arises for bankruptcy  
16 purposes only after each element of the claim has been  
17 established.

18           It's essentially an accrual test. As I said,  
19 however, and reiterate now, but as I said in the 2016  
20 opinion, that test had been widely rejected. And this Court  
21 rejected it in my 2016 opinion, and I do so now for the same  
22 reasons and based on the same authorities that I cited in my  
23 prior published opinion from 2016.

24           The second point is that instead of an accrual or  
25 right to payment type test, or some other test among possible

1 tests for determining when a claim arises for purposes of --  
2 for bankruptcy purposes, the Court adopts -- did adopt, and  
3 reiterates now, that the correct test is the so-called fair  
4 contemplation test.

5           And as I described it in my prior opinion,  
6 including 548 Bankruptcy Reporter at 763, that test looks at,  
7 quote: "Looks at whether there was a pre-petition  
8 relationship between the debtor and the creditor, such as  
9 contract exposure, impact, or privity, such that a possible  
10 claim is within the fair contemplation of the creditor at the  
11 time the petition is filed," unquote. That's at page 763 of  
12 my prior opinion, and I'm omitting citations here on that.

13           I further said, and reiterate now, but I further  
14 said in the prior opinion the following: Quote, "Under this  
15 test a claim that's considered to have arisen pre-petition if  
16 the creditor -- the creditor ascertained through the exercise  
17 of reasonable due diligence that it had a claim at the time  
18 the petition was filed. This test, which the Court will  
19 refer to as the fair contemplation test, has the advantage of  
20 allowing the Court to examine all the circumstances  
21 surrounding a particular claim, the Debtor's conduct, the  
22 party's prepetition relationship, the party's knowledge, the  
23 elements of the underlying claim, and use its best judgment  
24 to determine what is fair to the parties in context,"  
25 unquote. That's 548 Bankruptcy Reporter at 763. And again,

1 I'm omitting citations.

2           Now, in saying this, and in adopting and  
3 describing the fair contemplation test, one has to -- the  
4 Court bears in mind and reiterates, as I discussed in the  
5 prior -- the 2016 opinion, as well, that a claim as defined  
6 in the Bankruptcy Code, Section 101, Sub 5, includes a right  
7 to payment that is contingent and a right to payment that is  
8 unmatured, so that it is possible to have a contingent claim,  
9 or an unmatured claim, that still is a claim that has arisen  
10 for bankruptcy purposes as of the bankruptcy petition date,  
11 even though as of that date the creditor could not have  
12 successfully filed suit and prevailed on such a claim under  
13 applicable non-bankruptcy law because some event had not yet  
14 occurred that had to occur in order for there to be a valid  
15 claim that met all the elements under non-bankruptcy law for  
16 such a claim.

17           And I discussed that, again, I reiterate what I  
18 said in the prior opinion, in particular at pages 548  
19 Bankruptcy Reporter, at 761 to 763, about that subject.

20           Now, the Ricks Plaintiffs here, in opposing the  
21 City's present motion, have argued, among other things, that  
22 under applicable non-bankruptcy law Mr. Ricks, Desmond Ricks,  
23 that is, who is the Plaintiff who asserts a claim against the  
24 City in Count 1 of the first amended complaint in the U.S.  
25 District Court action, did not have any claim that had yet

1 accrued against the City of Detroit when the City of Detroit  
2 filed its bankruptcy petition in this Chapter 9 bankruptcy  
3 case in July 2013, because as of that time Mr. Ricks'  
4 conviction, which he says was a wrongful conviction,  
5 essentially was still on the books.

6           It had not been vacated or reversed or in any way  
7 successfully challenged as of the date of the bankruptcy  
8 petition in this Chapter 9 bankruptcy case, so that he could  
9 not at that time, at the time of the bankruptcy petition,  
10 have successfully prosecuted a civil claim against the City  
11 of Detroit of the type, or types, that are alleged in Count 1  
12 of the first amended complaint in the District Court action,  
13 so-called *Monell*-type claims against the City.

14           Mr. Ricks argues that that is the applicable non-  
15 bankruptcy law, and they, I believe, cite the *Heck* case for  
16 that proposition.

17           Now, it develops during -- it develops during,  
18 really, the City's reply portion of today's oral argument  
19 that the City may now be contending, at least in this Court,  
20 that the so-called *Monell* claims that Mr. Ricks is asserting  
21 against the City in the District Court action actually  
22 accrued much earlier than the date in which Mr. Ricks  
23 obtained a vacation, or a reversal, or undoing of some sort,  
24 under state law of his conviction, which happened,  
25 apparently, in 2017.

1 I will assume for purposes of ruling on the City's  
2 motion in this case that Mr. Ricks is correct, his counsel  
3 and he are correct, in arguing that he did -- his claim, his  
4 *Monell* claims against the City did not accrue under non-  
5 bankruptcy law until his conviction was vacated, and that  
6 this did not occur until some time in the first half of 2017.

7 So I am assuming for purpose of ruling on the  
8 City's present motion, then, that Mr. Ricks did not have any  
9 claim, so-called *Monell* claim, against the City of Detroit  
10 that had accrued under applicable non-bankruptcy law as of  
11 the date the City filed its bankruptcy petition in July 2013.

12 As I indicated, however, that's not the end of the  
13 inquiry, because the accrual test, also known as the right to  
14 payment test, as I discussed earlier, is not the applicable  
15 test to determine when a claim or whether a claim has arisen  
16 for bankruptcy purposes.

17 Now, as I further discussed in the 2016 opinion,  
18 in detail, and as is true here, if it's undisputed, and it is  
19 certainly correct, as the City points out and argues in its  
20 motion, that if Mr. Ricks claims that he's asserting in the  
21 District Court action against the City of Detroit did, in  
22 fact, arise for bankruptcy purposes before the July 2013  
23 bankruptcy petition date in this case, then those claims are,  
24 in fact, barred by the discharge and by the confirmed plan  
25 and by the claims bar date order in this bankruptcy case,

1 which the City cites and quotes from in detail in its opening  
2 motion.

3           And so, if Mr. Ricks' claims against the City of  
4 Detroit are deemed to have arisen for bankruptcy purposes  
5 pre-petition, in other words, before the July 2013 bankruptcy  
6 petition date in this case, then those claims are indeed --  
7 have indeed been discharged and may not be pursued, and the  
8 discharge injunction, and the injunction in the confirmed  
9 plan in this case bar Mr. Ricks from pursuing such claims.

10           So back to the fair contemplation test. The City  
11 points to 16 different exhibits, numbered exhibits 1 through  
12 16, that are attached to its reply brief filed in this case  
13 at docket number 13021, all of which I have reviewed and  
14 which the City's counsel talked about in today's hearing, but  
15 before the hearing, I did review those, as well.

16           And all of those documents, and certainly those  
17 documents when taken in combination, do make clear, in my  
18 view, that from -- during the time period June of 2009, or  
19 roughly -- or rather, some time in 2009, all the way through  
20 and as late as October of 2012 -- I'm sorry, all the way  
21 through December of 2012, Mr. Ricks, Desmond Ricks, while he  
22 was still in prison under the conviction for murder that was  
23 later vacated and the charges which were later dismissed in  
24 2017, Mr. Ricks, during this time period, this pre-bankruptcy  
25 petition time period 2009 through December 2012, had reason

1 to know and to believe, and had knowledge of facts to know  
2 and believe, that he had a claim, albeit a then contingent  
3 claim, against the City of Detroit.

4           The type of claims that basically for claims that  
5 led to his wrongful conviction and wrongful imprisonment for  
6 roughly two decades or more, against the City of Detroit.

7           The claims admittedly were still contingent  
8 because Mr. Ricks had not yet, as of the bankruptcy petition  
9 date, obtained relief or vindication from his murder  
10 conviction in State Court, so the claims had not accrued yet.  
11 And that event had to occur before he could successfully  
12 pursue the claims.

13           So it was a contingent -- they were contingent  
14 claims as of the bankruptcy petition date, but he did have  
15 reason.

16           And he could have ascertained through the exercise  
17 of reasonable due diligence that he had a claim at the time,  
18 existing prior to the time of the filing of the bankruptcy  
19 petition in this Chapter 9 case, in July 2013.

20           Of course, all of the conduct, the allegedly  
21 wrongful conduct that forms the basis of Mr. Ricks' claims  
22 against the City, occurred in 1992. As the City correctly  
23 points out, Mr. Ricks certainly knew that.

24           And all of the policies and practices of the City  
25 that formed the basis of Mr. Ricks' *Monell* claims existed as

1 of March 1992. This is all alleged in the first amended  
2 complaint of Mr. Ricks in the District Court.

3           And the exhibits submitted by the City show that  
4 Mr. Ricks not only believed, but had reason to believe, that  
5 he had a valid claim against the City and the police officers  
6 involved in the investigation and prosecution of the murder  
7 case against him that led to his conviction in 1992, that he  
8 had a valid claim and he was working hard and diligently to,  
9 as I think to use the term Plaintiff's -- Mr. Ricks' counsel  
10 used in hearing today, to build that case, to build that  
11 claim, build evidence for that claim.

12           But it was certainly well within his fair  
13 contemplation, based upon the conduct of the Debtor that had  
14 occurred back in 1992, the parties, the pre-petition  
15 relationship between Mr. Ricks and the City and the City's  
16 police personnel involved, and the knowledge that Mr. Ricks  
17 had before this bankruptcy case was filed, it was certainly,  
18 under all those circumstances, it was, in my view, within the  
19 fair contemplation of Mr. Ricks that he had a claim, albeit a  
20 contingent claim, against the City of Detroit that existed  
21 before the bankruptcy, this bankruptcy case was filed.

22           And so the Court does rule, and in my view is  
23 constrained to rule give the very broad scope of the  
24 definition of claim under the Bankruptcy Code, as I discussed  
25 in the 2016 opinion that I published. and the case law under

1 that definition, the Court is constrained to rule that the  
2 claims asserted by Mr. Ricks in his first amended complaint,  
3 Count 1 against the City in the District Court case, are pre-  
4 petition claims, claims that arose for bankruptcy purposes  
5 before the bankruptcy case here was filed.

6 As a result, under the confirmed plan and the  
7 applicable law and the orders of this Court, Mr. Ricks'  
8 claims against the City were discharged, and Mr. Ricks is  
9 enjoined from pursuing or prosecuting any such claims by the  
10 Court's orders and by the discharge injunction that applies  
11 in this Chapter 9 bankruptcy case.

12 And so for those reasons, the City's motion will  
13 be granted. I will enter an order granting that motion now.

14 Mr. Swanson, in looking at the proposed order that  
15 was attached to your motion, I guess my first question is:  
16 Do you still want the Court to enter the order in the form  
17 that was attached to your motion, or do you have any  
18 modifications to that proposed order that you want to ask me  
19 to make?

20 MR. SWANSON: Your Honor, we would be fine with  
21 this order. I think we've learned that two of the three  
22 Plaintiffs are not asserting any claims against the City, so  
23 --

24 THE COURT: I saw that you said that in your reply  
25 brief.

1 MR. SWANSON: Yeah.

2 THE COURT: Does that require any change in the  
3 order, though? Or you are saying it doesn't?

4 MR. SWANSON: No, I don't think it does.

5 THE COURT: I don't either.

6 MR. SWANSON: Yeah.

7 THE COURT: Now, what I will -- one thing I do  
8 question or have concern about, and that is paragraph number  
9 4 of your proposed order.

10 You go beyond -- in the order, you go beyond  
11 requiring the Plaintiffs to dismiss the City from the pending  
12 District Court action and enjoining them from asserting  
13 claims.

14 In paragraph 4, you have the Court ordering that  
15 the three Plaintiffs in the Ricks case are prohibited from  
16 sharing in any distribution in this bankruptcy case.

17 Now, you said in your motion that none of these  
18 parties have filed any proof of claim in the bankruptcy case,  
19 timely or otherwise, and that's still true, I assume?

20 MR. SWANSON: Yes.

21 THE COURT: All right. So there's no possible way  
22 given that, that they presently would have any argument to  
23 share in any distribution of the bankruptcy case. So isn't  
24 this paragraph 4 unnecessary?

25 MR. SWANSON: Yes.

1 THE COURT: All right. So take it out. I'll ask  
2 you to -- well, here's what I'm going to do in terms of  
3 substantive change to the order.

4 Paragraph 2 says, within five days of the entry of  
5 this order, the three Ricks parties shall each dismiss, or  
6 cause to be dismissed, et cetera, the City from the pending  
7 District Court case.

8 The form I want to use is instead of saying five  
9 days after order, I want to set a specific calendar date as  
10 the deadline for that. And normally, I would say no later  
11 than one week from the day, that would be March 27. So  
12 that's the date I would pick.

13 Now, just logistically, is that, do you think,  
14 going to be a problem for you logistically, Mr. Harrington,  
15 for your side to comply if the deadline is March 27th?

16 MR. HARRINGTON: I'm pulling up my calendar, if I  
17 may, Your Honor. If that's okay?

18 THE COURT: Sure.

19 MR. HARRINGTON: The 27th is fine.

20 THE COURT: All right. And I think that's  
21 actually the date on which summary judgment reply briefs are  
22 due in the District Court currently, in any case.

23 All right. So make that change to paragraph 2,  
24 Mr. Swanson. It will say no later than March 27, 2019,  
25 Desmond Ricks, et cetera, shall each, and so forth. You see

1 that?

2 MR. SWANSON: Yes, Your Honor.

3 THE COURT: All right. And you're taking  
4 paragraph 4 out.

5 MR. SWANSON: Yes, Your Honor.

6 THE COURT: The rest of the order is fine. I'll  
7 make some non-substantive changes in the first paragraph of  
8 the order to recite the fact that the Court held a hearing  
9 today, and for reasons stated by the Court on the record, and  
10 so forth, that sort of stuff.

11 MR. HARRINGTON: Your Honor?

12 THE COURT: But I'll take care of that.

13 Now, let me -- I'm going to come to you in a  
14 minute.

15 MR. HARRINGTON: Yes, Your Honor. Thank you.

16 THE COURT: Mr. Swanson, do you have any questions  
17 about the form of the revised order to submit?

18 MR. SWANSON: No, Your Honor. Thank you.

19 THE COURT: All right. Now, Mr. Harrington, same  
20 question to you, form of the order.

21 MR. HARRINGTON: Yes, Your Honor. With respect to  
22 this case, there are other individual Defendants, the  
23 officers involved, that aren't subject to this Court's ruling  
24 and do have indemnity from the City of Detroit.

25 My problem with paragraph 3, it talks about

1 Desmond Ricks, Ms. Cobb, Ms. Ricks, are each permanently  
2 barred, estopped, and enjoined, from asserting any claims  
3 asserted in the --

4 THE COURT: I see what you're getting at.

5 MR. HARRINGTON: So I've got an issue with that.

6 THE COURT: Yeah. How would you change that  
7 language to narrow that to make clear that this order is --  
8 and certainly, I'm not ruling this way, and we're not -- the  
9 order is not -- should not be interpreted to mean that these  
10 Ricks parties are enjoined from pursuing their claims against  
11 the individuals named in the pending action in their  
12 individual capacity rather than in their official capacity.

13 MR. HARRINGTON: Sure. And it's quite simple. I  
14 don't think paragraph 3 is necessary at all with a dismissal  
15 order against the City. Well, then, it's quite simple. I  
16 can't go take City property, but I can pursue through -- I  
17 can pursue the officers, and the officers through their  
18 bargaining agreement with the City, has indemnity.

19 So I pursue the officers, but then the City of  
20 Detroit satisfies any judgment in the event that we prevail  
21 against the officers on the claims.

22 THE COURT: Well, if the City indemnifies the  
23 officers and ends up paying something in the case because  
24 they're indemnified, in the capacity of indemnifying the  
25 individual Defendants for claims asserted against them in

1 their individual capacity, then that's a matter -- that's not  
2 a matter of right that the Plaintiffs have against the City,  
3 the Ricks have against the City. That's, rather, at most, a  
4 right that the individuals would have against the City.  
5 Right?

6 MR. HARRINGTON: Right. But a broad  
7 interpretation of paragraph 3 would affect the substantial  
8 rights of my client.

9 THE COURT: Well, let's do this, and you tell me  
10 why this doesn't take care of it.

11 I do want to keep an injunction in paragraph 3,  
12 but change the wording a bit, and perhaps this. Paragraph 3  
13 now instead would say, list the three individuals, and say,  
14 each is -- are each permanently, and we don't need barred and  
15 estopped, we'll just say permanently enjoined from asserting  
16 claims asserted in the lawsuit -- well, or the rest of it.

17 Or claims arising from or related to the lawsuit  
18 against the City of Detroit or the property of the City of  
19 Detroit. That seems to me narrow enough to not create a  
20 problem for you, but perhaps we can add a sentence that makes  
21 it absolutely clear.

22 MR. HARRINGTON: I would like that, Your Honor.

23 THE COURT: How would you propose to word a  
24 sentence to add to paragraph 3 to do that? What language  
25 would you like?

1 MR. HARRINGTON: Why don't we start with, any and  
2 all claims made by Plaintiff against the individual officers,  
3 David Pauch, Donald Stawiasz, S-T-A-W-I-A-S-Z, and Robert  
4 Wilson, are unaffected by this Court's ruling --

5 THE COURT: Hold on. Any and all claims made by?

6 MR. HARRINGTON: Plaintiffs against -- do you need  
7 the names of the officers again, Your Honor?

8 THE COURT: I can get the names from the first  
9 amended complaint.

10 MR. HARRINGTON: Thank you.

11 THE COURT: Right? It's the three that are listed  
12 in the caption of the first amended complaint, right?

13 MR. HARRINGTON: Are unaffected by this Court's  
14 ruling.

15 THE COURT: Or how about unaffected by this order?

16 MR. HARRINGTON: By this order.

17 THE COURT: Yes.

18 MR. HARRINGTON: And Plaintiffs may recover any  
19 proceeds that would be paid or payable by the City of Detroit  
20 through its appropriate collective bargaining agreement, or  
21 otherwise indemnity.

22 I mean, it's how it works in all of these 1983  
23 cases against the individual officer, because the only claim  
24 --

25 THE COURT: Wait a minute. Claims unaffected by

1 this order. I would want to say, any and all claims made by  
2 Plaintiffs against the three, and list the three individuals,  
3 comma, in their individual capacity, parentheses, as opposed  
4 to in their official capacity, are unaffected by this order,  
5 period.

6 Now, you want to say more than that, and what's  
7 the more than that? Why do we need to say Plaintiffs may  
8 recover anything under the collective bargaining?

9 MR. HARRINGTON: The only reason that I say that  
10 -- the only reason I feel the necessity to say that, is  
11 because of how broad paragraph 3 of that order reads by  
12 trying to say that we can't recover any City of Detroit  
13 property, because in essence the way that this works and the  
14 way that this case will go down the track is if we prevail,  
15 or if there's a settlement, or if there's any payment to come  
16 from these officers, it gets paid by the City.

17 THE COURT: But not because of -- again, not  
18 because the Plaintiffs have any right against the City for  
19 that.

20 Any right to indemnity is a right that's enjoyed  
21 by the individuals against the City, not a right that the  
22 Plaintiffs have against the City. That's the distinction,  
23 right?

24 MR. HARRINGTON: Right. Yeah. Because it's the  
25 bargaining agreement that the officers have by being a member

1 of the police force. It's like almost an insurance agreement  
2 that they're going to pay for, you know, if they're sued --

3 THE COURT: How about this? Add -- the sentence  
4 we've been talking about is fine up to the point where they  
5 aren't affected by this order.

6 And then add a sentence that says something like  
7 this, and we can play with the wording, but something like  
8 this. This order does not -- well, what I want to say is  
9 this order -- essentially, this order does not impair any  
10 right to indemnity that the individual officers may have  
11 against the City.

12 MR. HARRINGTON: Fine. Yeah. I'm fine with that.

13 THE COURT: Does that work?

14 MR. HARRINGTON: Something to that extent.

15 THE COURT: Does that work for you, Mr. Swanson?

16 MR. SWANSON: Yes.

17 THE COURT: All right. So let me let me get it  
18 down and I'll read it all to you and you guys can make sure  
19 it's good.

20 MR. SWANSON: Your Honor?

21 THE COURT: Just a second.

22 MR. SWANSON: Sure.

23 (Pause)

24 THE COURT: All right. So you want to say  
25 something before I read it back to you?

1 MR. SWANSON: Yes. Am I responsible for putting  
2 this in? I just want to make sure I take careful notes if I  
3 have --

4 THE COURT: I'm going to read it now --

5 MR. SWANSON: I will.

6 THE COURT: -- and then you can comment or  
7 question. How's that?

8 MR. SWANSON: All right.

9 THE COURT: Both of you.

10 All right. So now paragraph 3 will say, I'll try  
11 to go through it. It will say: Desmond Ricks, Akilah Cobb,  
12 and Desire'a Ricks, and then after that put a parenthesis and  
13 say the, quote, Plaintiffs with a capital P, because we're  
14 going to refer to that term later. Okay. Are each  
15 permanently enjoined from asserting claims asserted in the  
16 lawsuits or claims arising from or related to the lawsuit  
17 against the City of Detroit or property of the City of  
18 Detroit, period.

19 Then we add this sentence. Any and all claims  
20 made by the Plaintiffs against, and then we'll name the three  
21 individuals who are named as defendants in the -- individual  
22 defendants in the District Court, Pauch, Stawiasz, Wilson,  
23 whatever that is, their names, any and all claims made  
24 against, and list those three names, A, B, or C, comma, in  
25 their individual capacity, parentheses, rather than in their

1 official capacity, close paren, are unaffected by this order,  
2 period.

3 Let me make sure you got that much, Mr. Swanson.

4 (Pause)

5 THE COURT: Okay. Then the next sentence will  
6 say, it's still on paragraph 3, the next sentence will say,  
7 this order does not affect any right to indemnity that the  
8 individual officers -- not officers, let's say --

9 MR. HARRINGTON: The City may owe.

10 THE COURT: No. Hold on. In the sentence before  
11 when we list the individuals, the three names, let's define  
12 them with parentheses, the capital I, Individual --  
13 Individuals, put that in quotes, close paren. Okay. So  
14 after the three names put paren, the quote capital I,  
15 Individuals, close quote and close paren. All right.

16 Then in the next final sentence it'll say, this  
17 order does not affect any right to indemnity that the  
18 Individuals, capital I, may have against the City, period.

19 So I'll read through it one more time and then  
20 I'll ask for any questions or comments.

21 Paragraph 3. Desmond Ricks, Akilah Cobb, and  
22 Desire'a Ricks, paren capital P, Plaintiffs, in quotes, close  
23 paren, are each permanently enjoined from asserting claims  
24 asserted in the lawsuit or claims arising from or related to  
25 the lawsuit against the City of Detroit or property of the

1 City of Detroit, period. Any and all claims made by  
2 Plaintiffs against, then the three names, A, B, or C, paren,  
3 the capital I Individuals, in quotes, close paren, in their  
4 individual capacity, paren, as opposed to their official  
5 capacity, close paren, are unaffected by this order, period.  
6 This order does not affect any right to indemnity that the  
7 individuals may have against the City, period. End of  
8 paragraph 3.

9 Now, first question. Mr. Swanson, did you get all  
10 that down?

11 MR. SWANSON: Yes, Your Honor.

12 THE COURT: The second question is, did you have  
13 any comments or questions about form?

14 MR. SWANSON: The only comment that I would have  
15 is that the first added sentence we have paren, rather than  
16 official capacity, close paren. I would propose to, after  
17 that parentheses, define individuals there instead of after  
18 their names.

19 THE COURT: That's okay with me. What about you,  
20 Mr. Harrington?

21 MR. HARRINGTON: I don't really understand the  
22 change. I think we're all talking about the same thing.

23 And just so we're all a hundred percent clear that  
24 the spirit of all of this, whether we're saying potato or  
25 potato, the spirit of all of this is that in the event that

1 there is a verdict against any one of these officers that any  
2 issue of indemnity won't be encumbered or prohibited or  
3 precluded in any way, shape, or form by this Court's ruling  
4 on the City of Detroit claims. I just want to make sure that  
5 that's clear. Right, counsel?

6 THE COURT: So, Mr. Swanson, why do you need this  
7 change you've just asked for?

8 MR. SWANSON: I just thought it would -- it would  
9 make clear that we're talking about the individuals in their  
10 individual capacity and not their official capacity. If the  
11 Court prefers, it's like what --

12 THE COURT: Let's leave it as-is.

13 MR. SWANSON: Sure.

14 THE COURT: Anything else?

15 MR. SWANSON: No.

16 THE COURT: What about you, Mr. Harrington?  
17 Anything else?

18 MR. HARRINGTON: No, Your Honor.

19 THE COURT: All right. So the order, then, will  
20 have the change to paragraph 2 that I mentioned, the new  
21 paragraph -- the revised paragraph 3 that we talked about.  
22 Paragraph 4 comes out. Paragraph 5 stays in, retaining  
23 jurisdiction, that's fine.

24 And I'll ask Mr. Swanson to revise the order,  
25 submit it. I'll wait for the presentment of the revised

1 order, since we've discussed it in detail here. And of  
2 course before I sign it, I will make sure that it fully  
3 complies with my ruling and what we've talked about here, and  
4 I'll get that entered.

5 So that's it for today and for this matter. Thank  
6 you.

7 MR. HARRINGTON: Thank you, Your Honor.

8 THE COURT CLERK: All rise.

9 (Time Noted: 3:41 p.m.)

10 \* \* \* \* \*

11 CERTIFICATE

12 I, RANDEL RAISON, certify that the foregoing is a  
13 correct transcript from the official electronic sound  
14 recording of the proceedings in the above-entitled matter, to  
15 the best of my ability.

16 

17  
18 \_\_\_\_\_ October 24, 2023

19 Randel Raison

20

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

IN RE: . Case No. 2:13-53846-tjt  
. Chapter 9  
CITY OF DETROIT, MICHIGAN, .  
. Debtor. .  
. . . . .

**TRANSCRIPT OF HEARING ON CITY OF DETROIT'S MOTION FOR ENTRY  
OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION  
ORDER AGAINST DARELL CHANCELLOR**

BEFORE THE HONORABLE THOMAS J. TUCKER  
UNITED STATES BANKRUPTCY JUDGE

WEDNESDAY, OCTOBER 4, 2023  
DETROIT, MICHIGAN

## 1 APPEARANCES:

2 For the Debtor: Miller Canfield Paddock &  
3 Stone, PLC  
4 By: Marc N. Swanson\*  
5 150 West Jefferson Street  
6 Suite 2500  
7 Detroit, MI 48226  
8 (313) 496-7591

9 For Darell Chancellor: Ven Johnson Law, PLC  
10 By: Ven Johnson\*  
11 535 Griswold  
12 Suite 2600  
13 Detroit, MI 48226  
14 (313) 324-8300

15 Court Recorder: LaShonda Bryant  
16 Clerk's Office  
17 U.S. Bankruptcy Court  
18 211 West Fort Street  
19 Detroit, MI 48226

20 Transcription Service: Randel Raison  
21 APLST, Inc.  
22 6307 Amie Lane  
23 Pearland, TX 77584  
24 (713) 637-8864

25 \*Appeared via AT&T Conference Call.

Proceedings recorded by electronic sound recording;  
transcript produced by transcription service.

1 (Time Noted: 1:30 p.m.)

2 THE COURT CLERK: Judge Tucker presiding.

3 THE COURT: Good afternoon to everyone. This is  
4 Judge Tucker on the phone.

5 Let's call our case that's scheduled for 1:30  
6 p.m., please.

7 THE COURT CLERK: We'll call the matter of the  
8 City of Detroit, Michigan, case number 13-53846.

9 THE COURT: All right. Good afternoon again.  
10 Let's begin by having entries of appearance for today's  
11 hearing, first of all the attorney or attorneys for the City  
12 of Detroit.

13 MR. SWANSON: Good afternoon, Your Honor. Marc  
14 Swanson from Miller Canfield on behalf of the City of  
15 Detroit.

16 THE COURT: All right. Good afternoon to you.  
17 And the attorney for the Respondent, Darell  
18 Chancellor, please?

19 MR. JOHNSON: Good afternoon, Judge. Ven Johnson  
20 on behalf of Mr. Chancellor.

21 THE COURT: All right. Good afternoon to you.  
22 And let me ask for the record, is there anyone else on the  
23 phone who wants to enter an appearance in this case today?

24 (No response)

25 THE COURT: I hear nothing. So good afternoon.

1 This is the further continued hearing, continued from a week  
2 ago to today, Wednesday afternoon of last week, regarding the  
3 City of Detroit's motion for entry of an order enforcing the  
4 bar date order and confirmation order against Darell  
5 Chancellor.

6 For the record, that motion is filed at docket  
7 number 13691 on the Court's docket in this case.

8 I have reviewed the motion, the response filed to  
9 the motion by Mr. Chancellor, and the reply brief, or reply  
10 filed by the City in support of the motion, plus the exhibits  
11 that were filed with those papers.

12 So good afternoon. Let's hear from each side.  
13 I'll begin with counsel for the moving party, Mr. Swanson.

14 MR. SWANSON: Thank you, Your Honor. Marc  
15 Swanson, Miller Canfield, on behalf of the City.

16 Your Honor, the Plaintiff raises two arguments in  
17 response to the City's motion, both of which fail.

18 The first argument is that the claim arose pre-  
19 petition under the fair contemplation test. Plaintiff's  
20 response in paragraphs 43 and 44 are the only two substantive  
21 responses to the City's assertion that the fair contemplation  
22 test applies and that the claim arose under it prepetition.

23 Plaintiff's response, however, is based on the  
24 accrual test. In paragraphs 43 and 44 of the response,  
25 Plaintiff argues that the accrual test applies and that the

1 Plaintiff could not have filed a claim until the conviction  
2 was vacated in 2020.

3 Now, Plaintiff's argument for the accrual test,  
4 and the argument that a claim did not arise until a  
5 conviction was vacated, have been rejected by this Court in  
6 prior opinions and by the District Court here.

7 District Court Judge Michelson in *Monson*, District  
8 Court Judge Borman and Burton, District Court Judge Lawson  
9 and Sanford, and also in the *General Motors* bankruptcy case,  
10 which I believe was cited in the *Sanford* opinion.

11 In each of those cases, with very similar facts,  
12 the District Court held that the claim was discharged.

13 Now, with respect to the facts in this case, all  
14 of the key events occurred prior to the City's bankruptcy  
15 case.

16 On November 1 of 2011, Chancellor alleges that he  
17 was not there when surveillance was performed on, allegedly,  
18 his mother's house.

19 He also says on that date, you know, the  
20 description was way off. The person -- he weighed 180  
21 pounds. The person -- or the person allegedly surveilled  
22 weighed 180 pounds. He wore -- he weighed 245 pounds and had  
23 glasses on.

24 November 2, 2011, is the date of the alleged false  
25 affidavit.

1           May of 2012 is the date when Chancellor was  
2 arrested.

3           Chancellor was tried in November of 2012. He was  
4 convicted in November of 2012. He was sentenced in December  
5 of 2012. He began his sentence in December of 2012.

6           And in 2013, before the City filed for bankruptcy,  
7 Mr. Chancellor also filed an appeal.

8           All along the way, Chancellor was proclaiming his  
9 innocence, as evidenced by court filings and deposition  
10 testimony. And let's go through some of those court filings  
11 and some of that evidence.

12           So when Chancellor was arrested, Chancellor stated  
13 that he knew he was innocent. And how do we know that?  
14 Because we can go to his deposition transcript, which was  
15 attached as exhibit 6F to the City's motion.

16           He was asked during his deposition, "When you were  
17 arrested, did you believe that you were innocent?"

18           His response, "I know I was innocent."

19           This is on Page 49 of the deposition transcript,  
20 lines 16 through 18.

21           In that regard, during his deposition,  
22 Chancellor's attorney asked him:

23           Question, "Without belaboring the point, Darell,  
24 what did it feel like to go to trial and be accused of a  
25 crime that you didn't commit?"

1           Answer, "I mean, it felt terrible. It feels more  
2 terrible when you get found guilty of something you ain't  
3 commit because it's like the justice system has failed you."

4           And that's his deposition transcript page 78,  
5 lines 10 through 18.

6           During his trial, Chancellor testified and  
7 proclaimed his innocence. And how do we know that? We can  
8 turn to exhibit 6B, which is the trial transcript. He said  
9 that the drugs were not his. He said that the guns were not  
10 his. And he said it couldn't have been him because the  
11 person who was identified in the affidavit was not him  
12 because he was shorter and heavier. And that's page 78  
13 through 84 of the trial transcript.

14           Mr. Chancellor also sent a letter to the judge who  
15 was presiding over the State Court case, Judge Hathaway. In  
16 that letter he said he had, quote, "Been locked up for six  
17 months for something I know nothing about. The police got  
18 the wrong person. The evidence and the facts will show that  
19 I haven't did anything." That's exhibit 6H to the City's  
20 motion, Your Honor.

21           On November 12, 2012, Chancellor was found guilty  
22 of possession of cocaine. According to Chancellor, and in  
23 the second amended complaint in the Federal Court action,  
24 Judge Hathaway explicitly relied on Geelhood's false  
25 statement that identified Chancellor as the person who was

1 seen selling drugs from the target address. Chancellor, of  
2 course, denied during the trial and on appeal that Geelhood  
3 had correctly identified him.

4 Chancellor was then sentenced on December 12,  
5 2012, to a term of 14 years and 3 months to 30 years of  
6 imprisonment.

7 Chancellor's attorney asked him what it felt like  
8 to be, quote, "Wrongfully convicted." "Every single day, the  
9 question, every single day you're in that prison cell, jail  
10 cell, precinct cell, being accused and ultimately wrongfully  
11 convicted of doing something you didn't do, Darell, every  
12 day, all day. What did it feel like?"

13 Answer, "It felt terrible -- it feels terrible  
14 when you know you ain't do something but you convicted for  
15 it. It was."

16 And that is from Mr. Chancellor's deposition  
17 transcript on page 83 and 84.

18 On January 18, 2013, Chancellor appealed his  
19 conviction, and his conviction was later affirmed, and the  
20 Court of Appeals rejected his argument that he was a victim  
21 of a mistaken identity.

22 Your Honor, Chancellor's claim arose pre-petition  
23 long before his conviction was vacated.

24 Again, Chancellor argues that his claim against  
25 the City did not arise until his conviction was vacated in

1 March of 2020. That is the accrual test, Your Honor.

2 But as this Court has ruled, and the District  
3 Court has uniformly ruled, the accrual test is not the test  
4 to determine when a bankruptcy claim arises. The test to  
5 determine when a bankruptcy claim arises is the fair  
6 contemplation test.

7 Again, this exact same argument that Mr.  
8 Chancellor raises has been raised repeatedly, and denied.

9 With respect to the District Court cases. I think  
10 the *Sanford* case stated it quite well. In that case the  
11 Court said, referring to *Sanford*, he certainly contemplated  
12 the factual bases underlying the claims raised in the  
13 complaint since he attempted repeatedly to argue actual  
14 innocence before the State Courts since at least 2008  
15 insisting that his confession was falsely obtained,  
16 concocted, and coerced.

17 *Sanford* correctly points out that he could not  
18 have sued the City until his convictions were set aside,  
19 which did not happen until after the bankruptcy.

20 But the courts that have considered the question  
21 uniformly have concluded that claims based on pre-petition,  
22 malicious prosecutions, were barred, notwithstanding that the  
23 plaintiff could not file suit on his claims until his  
24 criminal conviction was overturned.

25 The Court in *Monson* and *Burton* and this Court have

1 all had very similar rulings and findings, and there are no  
2 facts in this case which could cause the Court to come to a  
3 different conclusion.

4 In short, Your Honor, under the fair contemplation  
5 test, Chancellor's claim arose before the City's bankruptcy  
6 filing, because prior to the City's filing Chancellor could  
7 have ascertained through the exercise of reasonable due  
8 diligence that he had a claim against the City.

9 Your Honor, the second argument that was raised by  
10 Mr. Chancellor in his response to the City's motion was  
11 regarding raising discharge as an affirmative defense.

12 Now, Chancellor cited a Sixth Circuit case,  
13 *Makowski*, for the proposition that the City had an  
14 affirmative obligation to cite bankruptcy discharge as an  
15 affirmative defense.

16 And Chancellor is wrong on a few levels here.

17 First, that decision was issued in 2005, and since  
18 then, the Federal Rules of Civil Procedure have been amended  
19 and they no longer require that discharge be raised as an  
20 affirmative defense.

21 The City cited and quoted the Advisory Committee  
22 notes which explain quite clearly why discharge and  
23 bankruptcy was deleted from the list of affirmative defenses  
24 and why discharge and bankruptcy does not need to be raised  
25 as an affirmative defense.

1           If that weren't enough, Your Honor, this Court has  
2 had the chance to consider a similar argument in a previous  
3 case.

4           And this court, citing to another Sixth Circuit  
5 case, decided later, *Hamilton v. Hertz*, 540 F. 3d 367. And  
6 this Court said, quote, "Even if the City had delayed raising  
7 the bankruptcy discharge until after suffering an adverse  
8 judgment on the Respondent's claims in the District Court  
9 case, the City could not be deprived of the benefit of the  
10 bankruptcy discharge. Any such adverse judgment would be  
11 deemed void *ab initio* under binding case law in the Sixth  
12 Circuit."

13           And, again, I don't think we need to go any  
14 further than that to see that the Plaintiff's argument that  
15 the City had to raise bankruptcy discharge as an affirmative  
16 defense fails, Your Honor.

17           In short, Your Honor, there were two arguments  
18 raised by the Plaintiff here, both of which have been  
19 rejected repeatedly.

20           No court that I'm aware of has applied the accrual  
21 test to these facts and I think many courts have commented  
22 that the accrual test has been uniformly rejected.

23           And the second argument that the Plaintiff makes  
24 is based on a Sixth Circuit case that is no longer applicable  
25 because the rule cited by that case has been revised.

1           And this Court has also had the opportunity to  
2 consider a similar argument, and based on the Sixth Circuit  
3 case, *Hamilton*, how that the City had no obligation to raise  
4 discharge as an affirmative defense.

5           And thus, both of these arguments fail and the  
6 City would respectfully request that the Court enter an order  
7 granting its motion.

8           THE COURT: All right. Thank you, Mr. Swanson.  
9           Mr. Johnson, I'll hear from you now, please.

10           MR. JOHNSON: Thank you, Judge. Good afternoon.  
11 We'll say that never did I think I would be arguing a motion  
12 in Bankruptcy Court, so I appreciate the Court's indulgence.

13           When I hear the City argue about fair  
14 contemplation tests it sounds so, under these circumstances,  
15 so unfair under the facts and circumstances that existed for  
16 Darell Chancellor.

17           It's "Darell," to correct the record. Darell  
18 Chancellor.

19           As the Court knows, my client's conviction was  
20 vacated on March 24, 2020. And I understand about what  
21 accrual test means.

22           And for the record, and I know the Court knows  
23 this probably, and that is for his lawsuit Darell Chancellor  
24 had no lawsuit, had no claim, had no recognizable injury,  
25 until his conviction was vacated; hence wrongful conviction.

1           How it works, and what would be inherently unfair  
2 and unjust, would be for someone to argue, or to be  
3 successful in arguing, that although my client did not have a  
4 valid cause of action, and while he is falsely in prison  
5 serving a wrongful sentence, like he was from December of  
6 2012 through even the petition date, Judge, of July 18, 2013.

7           So, in other words, for those eight months, if we  
8 were to use those dates, that somehow after his wrongful  
9 conviction he was suppose to know, while he's serving in  
10 state prison, that it was somehow fair that he should have  
11 contemplated to watch the City of Detroit's bankruptcy  
12 proceedings to know that no one, no layperson would ever  
13 know, let alone a convicted -- a wrongfully convicted person  
14 in state penitentiary, would ever know that he had to file a  
15 claim under the bankruptcy even though he hadn't been -- his  
16 conviction hadn't been acquitted -- or hadn't been entered  
17 yet.

18           So when I hear the term "fair contemplation test,"  
19 trying to attach that issue to this set of cases, is  
20 absolutely, from my perspective, legally laughable.

21           I can read these other opinions. I cannot believe  
22 -- and I read it, so I know it happened, what the other  
23 courts have said. I can't -- I wasn't there and I didn't  
24 argue it, and I'm really sad to see what they said, but that  
25 is not, in and of itself, binding on this Court, as I

1 understand it.

2           And so how was it that Mr. Chancellor, wrongfully  
3 serving a -- at that time for eight months a prison term on  
4 something that ultimately he was found acquitted of years  
5 later, yet he was supposed to know bankruptcy law. He was  
6 supposed to get notice of the City of Detroit's bankruptcy  
7 itself. It's not like the City sent it to him or that  
8 anybody in prison would ever know that.

9           So there is no fair contemplation test that passed  
10 here, Judge. It's not fair for this -- for the City to argue  
11 that his claim is barred before he had a claim, before he  
12 even would know of a bankruptcy, because he's removed from  
13 society. There's no showing by the City that he should have  
14 known about this, because there can be none.

15           And when we talk about fairness, then we can talk  
16 about affirmative defenses. And affirmative defenses, the  
17 way that they've always been interpreted as a 9 or 10-year  
18 former defense lawyer, they're legal defenses that should be  
19 raised immediately so that we can have these discussions and  
20 these fights, if you will, beforehand.

21           And then in the event that there's need for  
22 factual development, then we could -- we could have that  
23 during discovery. And in this particular case there is no  
24 other argument that a bankruptcy is a legal defense.

25           In a weird way, what I believe, going back to fair

1 contemplation test, Judge, of my client, notice that my  
2 client's lawyers, me and my firm, who do civil rights  
3 litigation, not just in Michigan, but across the country, we  
4 never filed a motion or any claim with the City of Detroit  
5 because we never, ever expected that such an argument would  
6 be made that something that happened, a petition while my  
7 client was in prison, wrongfully, seven years before he was  
8 -- his conviction was vacated, that we should do something on  
9 his behalf, because we never believed, nor should we, in my  
10 opinion, had believed that this claim was ever barred.

11           So to hold that my client had -- should have  
12 fairly contemplated such a thing when his pretty  
13 sophisticated lawyers didn't contemplate it, because no way  
14 would we think it could apply, is, again, I believe,  
15 something that the City fails to show as a matter of law.

16           And so we'd ask the Court under these  
17 circumstances, and not identical to other cases that I'm  
18 aware of, but obviously the City will say that they're  
19 similar, that's their opinion, but under these circumstances,  
20 Judge, we believe that as a matter of law to hold Mr.  
21 Chancellor that he fairly could contemplate the City's  
22 bankruptcy when he was pursuing his appeal -- which is what,  
23 by the way, his lawyer did, and I might add again on his  
24 behalf, lawyers involved in filing an appeal from SADO, just  
25 so the, so the Court knows, no one ever advised Mr.

1 Chancellor, nor should they have for that matter, that he  
2 should have filed a claim with the -- for the City's  
3 bankruptcy, if you will, with the Bankruptcy Court, while  
4 they're fighting an appeal.

5           And then there was another appeal even after that,  
6 I might add. And there was also a District Court action, a  
7 habeas corpus.

8           So you had multiple layers of lawyers involved, no  
9 one ever told him that, but somehow he's supposed to have  
10 figured out on his own while he is wrongfully serving prison  
11 time back in late 2012 and 2013.

12           So we ask the Court to please deny this motion.

13 Thanks, Judge.

14           THE COURT: Mr. Johnson, a question. You may have  
15 -- and I may understand this incorrectly, but I thought I  
16 heard you in your argument just now to suggest, among many  
17 other things, that Mr. Chancellor being in prison at the time  
18 the City filed its bankruptcy case in July of 2013, and in  
19 jail thereafter for some time, that he wouldn't have known of  
20 the City's bankruptcy.

21           If that -- if you're making that argument or that  
22 claim now, that's the very first time Mr. Chancellor has made  
23 that argument to this Court.

24           There's nothing at all about that in the written  
25 response filed to the City's motion here. Nothing. No

1 argument about that at all, no assertion of that at all. Are  
2 you saying -- are you trying to argue that now?

3 MR. JOHNSON: Well, absolutely, Judge. The City  
4 has failed, as the moving party, has to obviously prove that  
5 he did have notice. And they've shown nothing of what notice  
6 would have been made knowable to Mr. Chancellor, and that  
7 would be a crucial element of the fair contemplation test.

8 What has the City shown this Court to rule as a  
9 matter of law that my client knew or should have known about  
10 the City's petition and the bar date of 7/18/13? They've  
11 done nothing. They're simply arguing that. So their  
12 argument is, in essence, no different than mine.

13 THE COURT: All right. So I should -- you think I  
14 should accept that as one of your arguments and consider the  
15 merits of it even though it's being raised for the first time  
16 in this oral argument and wasn't raised in the written  
17 response?

18 MR. JOHNSON: Judge, we argued in our written  
19 response that, if you will, that there's no way that Mr.  
20 Chancellor knew about this or could know about this.

21 So I don't think -- maybe it wasn't stated exactly  
22 how I just stated it, but I think the argument is the same.  
23 So I don't believe it's being raised, if you will, for the  
24 first time.

25 But again, that's the City's burden, Judge, when

1 they're moving as a matter of law on this.

2 THE COURT: Mr. Johnson, where in your written  
3 response did you argue anywhere that there's no way that Mr.  
4 Chancellor knew or could have known of the bankruptcy? I  
5 didn't see that in there anywhere. Maybe I'm missing it.  
6 Where is it?

7 MR. JOHNSON: Well, I guess first and foremost,  
8 Judge, how would somebody in prison ever know about  
9 bankruptcy proceedings anywhere as a matter of common sense,  
10 first and foremost?

11 THE COURT: Mr. Johnson, excuse me.

12 MR. JOHNSON: Yes, sir.

13 THE COURT: Excuse me. That's not my question.  
14 Answer my question. Where is it in your written paper?  
15 Anywhere?

16 MR. JOHNSON: Well, on page 14, Judge, I'm looking  
17 at paragraph 47 of my brief.

18 THE COURT: Hold on.

19 MR. JOHNSON: Even if Chancellor could -- I'm  
20 sorry.

21 THE COURT: Hold on a minute.

22 MR. JOHNSON: Yes, sir.

23 THE COURT: Your response is filed, just for the  
24 record, as docket 13699. Where are you pointing to in there  
25 now?

1 MR. JOHNSON: On page 14, Judge, in paragraph 47.

2 THE COURT: Wait a minute. Page 14? There's no  
3 Page 14.

4 MR. JOHNSON: Sorry, Judge. I apologize to the  
5 Court. I was looking at the wrong thing. I apologize to the  
6 Court.

7 THE COURT: So what's the answer? Is it in there  
8 somewhere, or not?

9 MR. JOHNSON: Your Honor, I'm looking for it. As  
10 I said to the Court, I don't think it was stated exactly how  
11 I said it. But I'm reviewing it right now, Judge. I  
12 apologize to the Court.

13 THE COURT: That's fine. Take your time.

14 MR. JOHNSON: Thank you, sir.

15 (Brief pause)

16 MR. JOHNSON: Let me double check that I have the  
17 right thing now, Judge. Yes, Your Honor. In page 6, please,  
18 under Roman numeral III argument.

19 THE COURT: I see page 6. Go ahead.

20 MR. JOHNSON: Thank you, Judge. 43, of course  
21 these allegations are denied and Plaintiff's claim did not  
22 accrue until his conviction was vacated on March 24, 2020;  
23 44, it is undisputed -- it is disputed that under the fair  
24 contemplation test Mr. Chancellor could have ascertained  
25 through the exercise of reasonable due diligence that he had

1 a claim against the City. His claim did not accrue until it  
2 was found that Officer Geelhood had committed fraud obtaining  
3 the search warrant.

4 So what I said to this Court was exactly, fair --  
5 under the fair contemplation test it is not fair, nor  
6 established, that he could have ascertained through exercise  
7 of reasonable due diligence that he had a claim against the  
8 City.

9 And as the City told the Court in its argument,  
10 they knew that Mr. -- as it pertains to this proceeding, they  
11 knew that my client, Mr. Chancellor, was in prison starting  
12 in December of '12 is what counsel told the Court, December  
13 of 2012, which, of course, is about seven months before the  
14 petition.

15 So I believe, yes, Judge, that we did present this  
16 argument exactly in that fashion.

17 And I'm looking on Page 7 --

18 THE COURT: I don't -- I'm sorry. I'm sorry, I  
19 don't see how paragraph 43 or 44 contains an argument or  
20 asserts that Mr. Chancellor did not know of the City's  
21 bankruptcy case.

22 MR. JOHNSON: Page 7, if I could, Judge, please,  
23 in paragraph 45.

24 THE COURT: Well, all right. So now we're moving  
25 to paragraph 45. Go ahead.

1 MR. JOHNSON: It is denied that the plan's  
2 discharge provision applies to Mr. Chancellor as he did not  
3 have a responsibility to file a proof of claim, as he did  
4 not, under the fair contemplation test, have a reason to file  
5 such a claim.

6 THE COURT: Yes.

7 MR. JOHNSON: So we were specifically arguing  
8 about the fair contemplation test at the time when the  
9 petition date was filed, 7/18/13, Judge.

10 THE COURT: Well, I think at least it's arguable,  
11 anyway, that the fair contemplation test concerns whether in  
12 this case Mr. Chancellor could have ascertained through the  
13 exercise of reasonable diligence, due diligence, that he had  
14 a claim against the City of Detroit having to do with this  
15 wrongful conviction that he's been -- that he's alleged, not  
16 whether he could have exercised, through reasonable due  
17 diligence or otherwise, he could have ascertained that the  
18 City had filed bankruptcy. That's a -- that's really a  
19 different issue, isn't it?

20 MR. JOHNSON: I see it, Your Honor, as in an  
21 exercise of due diligence did Mr. -- or should Mr. Chancellor  
22 have known that he had a claim? He did not have a claim at  
23 that time.

24 His claim that he had never materialized until  
25 3/24/20, when his conviction was vacated. So he had no

1 claim. There was no claim to assert yet, and that's why the  
2 accrual test is important under the facts and the  
3 circumstances of this analysis.

4           It does matter because it absolutely, definitively  
5 goes to what a normal person, or in this case, forgive me, a  
6 reasonable person, with a good caveat again of this person  
7 being in a federal penitentiary, wrongfully, should know  
8 relative to what claim was he supposed to have filed when he  
9 didn't have a claim, yet.

10           So in other words, he's supposed to file a  
11 bankruptcy claim while he's in federal -- or state prison, in  
12 July or so of 2013, even though he does not have a valid  
13 cause of action, nor does he know that he's going to get one,  
14 because many people obviously believe, and I guess I think  
15 the evidence shows that many people are innocent yet  
16 convicted, and yet, under this area of law he has nothing, no  
17 claim until he gets it vacated, which is a huge process, as  
18 the Court probably knows.

19           But he ultimately is -- his claim does accrue on  
20 3/24/20, yet again, seven years before that, he's supposed to  
21 know to file a bankruptcy.

22           I think that that flies in the face of truth and  
23 logic. Most lay people don't know this, let alone somebody  
24 who's now in a prison sentence for serving something for a  
25 crime they didn't commit, that they're now supposed to figure

1 that out on their own.

2 THE COURT: All right. I think, you know, you're  
3 going over ground you've already tread, and we got onto this  
4 discussion when I was asking about an apparent argument  
5 you're making today for the first time, I think, that Mr.  
6 Chancellor did not have notice or knowledge of the City's  
7 bankruptcy case.

8 Is there anything more you want to say about that  
9 specific issue?

10 MR. JOHNSON: No, Judge. Thank you.

11 THE COURT: All right. Well, thank you, Mr.  
12 Johnson.

13 Mr. Swanson, as I normally do, I'll give you a  
14 brief opportunity as the moving party here to reply in  
15 support of the motion, if you want.

16 MR. SWANSON: Thank you, Your Honor. Marc Swanson  
17 on behalf of the City.

18 There was no argument about notice in the  
19 Plaintiff's response. If Chancellor wanted to make an  
20 argument about notice, you would think that at least once in  
21 the response he would have used the word "notice," and notice  
22 is not used at all in the response.

23 You know, similar arguments were made in *Burton*  
24 and *Monson*, and in each of those cases the Court found that  
25 plaintiff was an unknown creditor and the constructive notice

1 that was provided during the City's bankruptcy case with  
2 respect to the bar date order, the plan, and the confirmation  
3 order, which this Court has found time and time again to have  
4 been valid, to constitute adequate notice.

5           With respect to fair contemplation. Mr. Johnson  
6 said, you know, there was no lawsuit, there was no claim.  
7 And I can agree, perhaps, that there wasn't a lawsuit until  
8 2020, but there certainly was a claim. There was a  
9 contingent claim.

10           One of the orders that we cited in our papers was  
11 this Court's order in the Desmond Ricks matter, which the  
12 Court held an oral argument on in 2019.

13           And during that oral argument a very similar  
14 argument was asserted by the plaintiff's counsel and the  
15 Court correctly said that that it was a contingent claim,  
16 that even if under applicable state or federal law a claim  
17 did not accrue until a conviction was vacated. For  
18 bankruptcy purposes that's not the test.

19           The test is when the claim was fairly  
20 contemplated, and it was fairly contemplated far before, and  
21 at that point the plaintiff had a contingent claim, and that  
22 should be what the Court finds here.

23           With respect to Plaintiff's argument on  
24 affirmative defenses. Plaintiff raised nothing new.  
25 Plaintiff didn't distinguish this Court's prior opinion,

1 didn't distinguish the Sixth Circuit's opinion in *Hamilton*,  
2 and didn't attempt to rescue the citation to a old Sixth  
3 Circuit case which cited a prior version of a rule which is  
4 no longer applicable.

5           For those reasons, Your Honor, the City would  
6 respectfully request that the Court enter an order granting  
7 its motion.

8           THE COURT: All right. Thank you. One moment,  
9 please.

10           (Pause)

11           THE COURT: All right. Thank you, both. I'm  
12 going to do what I hope is a fairly brief and concise oral  
13 ruling now on this motion. One moment.

14           (Pause)

15           THE COURT: All right. Thank you.

16           The motion has been argued both in writing and  
17 orally in today's hearing, the motion by the City of Detroit,  
18 for entry of an order enforcing the bar date order and  
19 confirmation order against Darell Chancellor, or Darell  
20 Chancellor, I think it might be pronounced.

21           For the record, again, that motion is docket  
22 number 13691.

23           The respondent, Mr. Chancellor, through counsel,  
24 filed a response to the motion, written response. The  
25 response was filed at docket number 13699 on the Court's

1 docket.

2           The Court has reviewed that response, the exhibits  
3 that were filed with it, as well as the exhibits filed with  
4 the City's papers, as well as the City's reply brief at  
5 docket 13714, and I have considered the arguments in today's  
6 -- made in today's hearing.

7           The first thing I'll cover and I'll say is that  
8 this Court, the Bankruptcy Court here, has subject matter  
9 jurisdiction over this matter, and this matter is a core  
10 proceeding in which this Court has authority and jurisdiction  
11 to make a final decision on the motion.

12           The authority for that I won't go into great  
13 detail about. What I'll do is cite and incorporate by  
14 reference what I said in a couple of prior opinions in this  
15 case about the subject of jurisdiction, core proceedings, and  
16 those subjects, and also about the -- in these opinions about  
17 the fact that this Court, in the plan of adjustment that was  
18 confirmed by the Court, this Court retained jurisdiction to  
19 rule on the very types of motions and disputes that's before  
20 me with this motion and if necessary to enter injunctions to  
21 further enforcing the confirmed plan of adjustment and other  
22 orders of the Court in this case.

23           The earlier opinions of mine that cover this are,  
24 first of all, the case of *In re City of Detroit, Michigan*,  
25 548 Bankruptcy Reporter 748, a decision of mine from 2016

1 that's published, and that -- in particular, pages 753 and  
2 754 of that opinion.

3           Again, I incorporate that discussion in the  
4 section called Roman numeral II, Jurisdiction, in that  
5 opinion by reference here and adopted and applied it in this  
6 case, as well.

7           A second opinion on this subject is the decision  
8 the Court made just a couple weeks ago, on September 18,  
9 2023. That's the case -- again it's *In re City of Detroit,*  
10 *Michigan.* It's not yet published in the Bankruptcy Reporter  
11 as far as I know, but it is published. It's reported at 2023  
12 WestLaw 6131465. It's also an opinion that is filed in this  
13 bankruptcy case. It's at docket number 13738. Again, it's  
14 September 18 of 2023.

15           The WestLaw citation for the jurisdictional  
16 provisions is star pages 6 to 7. The citation of the version  
17 that's published, or that's filed on the Court's docket at  
18 13738, is .pdf pages 13 to 14 of that opinion.

19           Again, I incorporate by reference what the Court  
20 said there about subject matter jurisdiction, core  
21 proceedings, the Court's authority to make a final  
22 determination in this kind of matter.

23           Moving to the merits now of this dispute.

24           First of all, I do find and conclude that the --  
25 from the undisputed facts that the claims alleged against the

1 City of Detroit and against Officer Steven Geelhood in his  
2 representative capacity, in the cases that are now pending in  
3 the U.S. District Court for this District, those cases, the  
4 two cases are the ones cited in the City's motion at page 5,  
5 paragraphs 12 and 13, copies of complaints from those cases  
6 are Exhibit 6B and 6C of the City's motion.

7           Those claims alleged against the City and against  
8 Officer Geelhood in his representative capacity in those  
9 cases were, in fact, discharged by the discharge in the  
10 City's confirmed plan of adjustment, and Mr. Chancellor is,  
11 in fact, barred and enjoined from filing and prosecuting  
12 those claims.

13           That is distinct from the claims, any claims  
14 alleged against Officer Geelhood in his -- solely in his  
15 individual capacity. Those were not -- they were not  
16 discharged and are not enjoined. So there is that  
17 distinction, and that's a distinction that was raised in the  
18 written response filed by Mr. Chancellor.

19           These claims against the City and Mr. Geelhood in  
20 his representative capacity all arose before the bankruptcy  
21 petition was filed in this Chapter 9 case on July 18, 2013,  
22 and, therefore, were discharged.

23           First of all, the fair contemplation test that the  
24 parties have argued about does indeed apply, as opposed to  
25 the so-called accrual test. I have already ruled that way in

1 prior opinions, and I reiterate that ruling now that the fair  
2 contemplation test is the appropriate test to determine  
3 whether a claim arose before or after the filing of a  
4 bankruptcy petition.

5           A couple of places where I have ruled that way is,  
6 first of all, in the City of Detroit case that I cited  
7 earlier. The one that's 548 Bankruptcy Reporter 748, at page  
8 763 of the Court's opinion.

9           In that case I ruled that the fair contemplation  
10 test is the appropriate test to apply, and I discussed what  
11 that test meant, and I incorporate that discussion and the  
12 authority cited in that opinion by reference.

13           And the Court has applied that test in other -- in  
14 deciding other motions in this bankruptcy case. But that's  
15 really the leading case, by me at least, on that subject.

16           The fair contemplation test raises -- sets the  
17 standard as being that a claim is considered to have arisen  
18 pre-petition if the creditor could have ascertained through  
19 the exercise of reasonable due diligence that it had a claim  
20 at the time the bankruptcy petition is filed.

21           In my view, the answer here is clearly that, yes,  
22 indeed, Mr. Chancellor could have, with the exercise of  
23 reasonable diligence, ascertained that he had a claim against  
24 the City of Detroit and against Mr. Geelhood in at least in  
25 his representative capacity, before the City filed its

1 bankruptcy petition on July 18, 2013.

2           That's based upon the facts and events that  
3 occurred that contribute to give rise to Mr. Chancellor's  
4 claims.

5           The events that occurred in November 2011, May  
6 2012, November 2012, including the conviction in the state  
7 court, criminal conviction of Mr. Chancellor that occurred on  
8 November 12 of 2012 for which he was sentenced to prison on  
9 December 12 of 2012 and promptly thereafter did go to prison.

10           These events are described in detail, and I think  
11 accurately so, in the City's motion. Again, docket 13691 at  
12 paragraphs 20 to 38 of the motion.

13           Given those facts and events, all of which  
14 occurred well before the City filed its bankruptcy petition  
15 in July of 2013, it's clear to me that under the fair  
16 contemplation test Mr. Chancellor could have ascertained  
17 through the exercise of reasonable due diligence that he had  
18 a claim against the City and against Mr. Geelhood in his  
19 representative capacity before the petition was filed in this  
20 bankruptcy case.

21           This test and this issue, that is whether the  
22 claim arose pre-petition or not, is a distinct test and a  
23 distinct issue from the question of whether or not a claimant  
24 like Mr. Chancellor knew, or should have known, about the  
25 City having filed bankruptcy, which is a different issue, and

1 I'm going to talk about that in a little bit.

2           This test -- this issue focuses on not that issue  
3 but whether, rather, on whether the claimant, like Mr.  
4 Chancellor here, could have ascertained with the --  
5 reasonably ascertained or ascertained through the exercise of  
6 reasonable due diligence that he had a claim at the time the  
7 petition was filed.

8           The answer to that here is, yes, it's clear that  
9 Mr. Chancellor knew of and believed to be true all the facts  
10 that are recited in the City's motion that occurred before  
11 the petition date.

12           He certainly knew, or thought he knew, and he  
13 believed, that he was the victim of a wrongful conviction,  
14 that he was the victim of a conviction that was obtained  
15 through what he viewed at the time as false testimony by  
16 Officer Geelhood, both in an affidavit that gave rise to --  
17 that was used to get a search warrant at Mr. Chancellor's  
18 mother's house in November of 2012, all the way through the  
19 trial testimony of Officer Geelhood, that Mr. Chancellor  
20 viewed as false.

21           He not only knew that and thought these things at  
22 the time, but he also argued these things vociferously to the  
23 courts, the state trial court, the State Court of Appeals, on  
24 the appeal that he filed shortly after he filed his  
25 conviction, and before -- and that appeal was filed before

1 the bankruptcy case was filed, as well.

2           The claims arose pre-petition here under the fair  
3 contemplation test even though Mr. Chancellor's 2012  
4 conviction, criminal conviction, was not vacated until March  
5 24, 2020, and which, of course, was the date that was well  
6 after the filing of the City's bankruptcy case in 2013.

7           Mr. Chancellor argues that his claims at issue did  
8 not arise until his conviction was vacated in March of 2020  
9 because his claims or cause of action under applicable law  
10 did not accrue until that conviction was vacated in March of  
11 2020.

12           This is, in effect, an argument seeking to --  
13 asking the Court to apply the so-called right to payment or  
14 accrual test for determining when a bankruptcy claim arose.

15           That accrual test is discussed by this Court in  
16 its decision -- or opinion that I just cited a moment ago  
17 about the fair contemplation test, 548 Bankruptcy Reporter,  
18 at page 762.

19           And as the Court notes there, I think accurately  
20 so, and it's still accurate, that test has been widely  
21 rejected by the courts as not an appropriate test for -- not  
22 the appropriate test for determining when a claim arises,  
23 whether it arises before or after the bankruptcy.

24           As the City, I think, has correctly argued, as of  
25 the bankruptcy petition date in this case, July 18, 2013, Mr.

1 Chancellor had a claim as that claim -- the term claim is  
2 defined under the Bankruptcy Code, it's Section 101 of the  
3 Bankruptcy Code, even though the claim at that time was  
4 contingent, or unmatured, or both, because the claim could  
5 not be pursued until the conviction was vacated later.

6           Contingent claims, unmatured claims, are expressly  
7 part of what is a claim within the meaning of the Bankruptcy  
8 Code for purposes of determining whether a claim arose pre-  
9 petition or post-petition.

10           And the cases in which I've discussed that include  
11 the case I cited a moment ago, 548 Bankruptcy Reporter, this  
12 time at page 761, and also at page 762 of that opinion.

13           So even though the claim was -- excuse me. Even  
14 though the claim was contingent and unmatured as of the  
15 bankruptcy petition date, there still was a claim, and it  
16 arose pre-petition under the appropriate test, which is the  
17 fair contemplation test.

18           There are, as the City points out, a number of  
19 similar cases that have applied the fair contemplation test  
20 to find in cases and situations very similar to this one that  
21 the claimant's claim arose before the filing of the  
22 bankruptcy case and, therefore, it was barred and discharged.

23           Perhaps the closest case in terms of facts and the  
24 discussion by the Court is the *Sanford* case cited by the  
25 City, a decision of the District Court from this District

1 from 2018. That's *Sanford v. City of Detroit*, 2018 WestLaw  
2 6331342, a decision from December 4, 2018, by the U.S.  
3 District Court, Judge Lawson. It's star page 5 in the  
4 WestLaw version of that opinion.

5           The Court discusses this subject, and I think the  
6 discussion is applicable equally in this case, and fully  
7 supports the Court's ruling now in this case.

8           I do want to talk about this notice issue that was  
9 raised for the first time in today's hearing, in my view.

10           There seemed to be an argument or suggestion by  
11 counsel for Mr. Chancellor in today's hearing that Mr.  
12 Chancellor, who was in state prison, incarcerated in state  
13 prison, when the City filed its bankruptcy case, may not have  
14 had notice or knowledge of the City's bankruptcy case in time  
15 to file a proof of claim, in time to pursue the claim through  
16 the bankruptcy process, and at least certainly not as of the  
17 bankruptcy petition date, July of 2013.

18           That argument, first of all, is an argument that's  
19 made for the very first time in oral argument in the hearing  
20 today by Mr. Chancellor. There's no hint of such an  
21 argument, in my view, in the written response filed by Mr.  
22 Chancellor to the motion.

23           That argument, in my view, then, has been  
24 forfeited by Mr. Chancellor.

25           But even if not forfeited, in my view the argument

1 is without merit because of the unknown creditor concept.

2           Now, the City didn't brief this. They have argued  
3 it in the hearing today in response to the new argument about  
4 notice of the bankruptcy, but this concept and this -- the  
5 concept of the unknown creditor is one that's out there in  
6 the case law and it's in one of the reported published  
7 opinions of this court in this very case. It was published a  
8 little more than a year ago now and that is -- one moment.  
9 That's the -- that's the case of *In re City of Detroit,*  
10 *Michigan*, 642 Bankruptcy Reporter 807, a decision of this  
11 Court from August 26, 2022.

12           In that case the Court talked about the unknown  
13 creditor concept, beginning at page 810, 642 Bankruptcy  
14 Reporter at 810.

15           There, the Court held, as numerous other courts  
16 have held, that a creditor in a bankruptcy case that was an  
17 unknown creditor, as the concept is defined by the case law,  
18 at the time of the bankruptcy filing, is a creditor for which  
19 the debtor has no duty to serve notice specifically, of the  
20 bankruptcy specifically, upon.

21           But rather, one for whom notice of the bankruptcy  
22 case by publication only is sufficient to put the creditor on  
23 notice of the bankruptcy case for purposes of due process and  
24 other concerns under the law.

25           At pages 810 to 811, at 642 Bankruptcy Reporter, I

1 talk about this concept and applied it in that case. It  
2 applies equally here.

3           The concept of an unknown creditor is, one, a  
4 creditor in which the claim against the City was readily  
5 ascertainable by the City during the relevant time. That is,  
6 during the time period as of the filing and thereafter in the  
7 bankruptcy case.

8           And by readily ascertainable the case law requires  
9 there whether the respondent, the creditor, communicated any  
10 demand for payment or otherwise communicated to the City  
11 before the bankruptcy was filed, the existence of a claim  
12 against the City.

13           If not, then the creditor is deemed an unknown  
14 creditor unless -- well, is deemed an unknown creditor and  
15 the City may provide sufficient notice of the bankruptcy  
16 filing for due process purposes and otherwise by publication.

17           This case of Mr. Chancellor's is a case of an  
18 unknown creditor, and that at the time of the City's  
19 bankruptcy filing, and at least until 2020 when Mr.  
20 Chancellor's conviction was vacated that he filed, first  
21 filed suit against the City for wrongful conviction related  
22 claims.

23           Until then, he was not a known creditor to the  
24 City. His claim, or claims, or existence of claims, were not  
25 readily ascertainable by the City during that relevant time

1 period, and that is because there's simply no evidence or  
2 argument made in the papers, or even today in the hearing by  
3 Mr. Chancellor's counsel that Mr. Chancellor did anything to  
4 communicate to the City that he believed he had a claim for a  
5 wrongful conviction or wrongful conviction related claim  
6 against the City at the time of the bankruptcy filing or any  
7 time thereafter until 2020.

8           And so, being an unknown creditor he must be  
9 deemed to have been given adequate notice of the City's  
10 bankruptcy case by publication.

11           The Court noted in its decision in the earlier  
12 case, 640 Bankruptcy -- 642 Bankruptcy Reporter, at 810, 811,  
13 the fact the City did provide notice of its bankruptcy case  
14 by publication properly.

15           And, of course, the City of Detroit filing  
16 bankruptcy was no secret to anyone. It was very widely known  
17 throughout the Detroit area, throughout Michigan, throughout  
18 the United States, and beyond, at the time. It was the  
19 largest municipal bankruptcy ever filed, I think still is,  
20 the largest municipal bankruptcy ever filed in this country  
21 and received enormous publicity.

22           And so given all of that -- and I should also  
23 note, in the absence of any evidence provided by Mr.  
24 Chancellor which he alleges or asserts that he didn't know of  
25 the City's bankruptcy filing when it occurred, the argument

1 about notice, as I perceive it to have been made today, even  
2 if not forfeited, is without merit and I must reject it for  
3 the reasons that I have just stated.

4           So given that Mr. Chancellor's claims arose pre-  
5 petition under the fair contemplation test, the claims  
6 against the City and against Officer Geelhood in his  
7 representative capacity were filed -- arose pre-petition  
8 here. Those claims were discharged under the City's  
9 confirmed plan of adjustment, both under the terms of the  
10 plan and the order confirming that plan, that confirmed the  
11 plan in November of 2013 -- I'm sorry, no, November 2014.

12           And those provisions are cited and quoted in  
13 detail in a prior opinion of this court in the opinion I've  
14 just been citing, the 642 Bankruptcy Reporter 807 opinion, in  
15 particular at page 812. So I incorporate that reference --  
16 that by reference.

17           The claims of Mr. Chancellor against the City and  
18 Officer Geelhood in his representative capacity are barred  
19 and enjoined under the bar date order that the City has  
20 cited, the City's plan, and the order confirming plan. All  
21 of that is confirmed by what I wrote at 642 Bankruptcy  
22 Reporter, at page 812, among other places in the published  
23 opinions of mine, citing those particular provisions in the  
24 bar date order of the plan and the order confirming plan.

25           And so the claims are discharged and Mr.

1 Chancellor is barred and enjoined already from pursuing them.

2 I will address briefly the argument of Mr.  
3 Chancellor arguing that the City did not assert its  
4 bankruptcy discharge as an affirmative defense in either of  
5 the cases that are now pending in U.S. District Court, and I  
6 presume also an argument that the City unreasonably delayed  
7 in raising the issue of the bankruptcy discharge and  
8 injunctions in the filing of this motion, and compared to the  
9 timing and the time that the U.S. District Court cases have  
10 been pending.

11 The City is correct, in my view, in everything  
12 that it says and argues in its reply brief at docket 13714,  
13 at pages 4 to 6, .pdf pages 4 to 6, of that -- of that brief  
14 in responding to and refuting these arguments.

15 This Court held in the 642 Bankruptcy Reporter  
16 case, at pages 812 to 813, citing the Sixth Circuit's  
17 decision of *Hamilton v. Hertz*, that a bankruptcy debtor, like  
18 the City of Detroit, has no duty to raise any sort of  
19 affirmative defense or defense, or to do anything, in  
20 response to claims being brought against it in a non-  
21 bankruptcy court that have been discharged.

22 Any such action and any judgment, adverse judgment  
23 suffered on such claims is void *ab initio* under the case law  
24 and because of the bankruptcy discharge.

25 And so, it is simply not a valid argument to argue

1 anything like that the City's motion here is barred in any  
2 way by the City's failure to plead as an affirmative defense  
3 or otherwise raise, timely or otherwise, in the pending U.S.  
4 District Court cases the discharge and bar date order and  
5 injunction provisions that it's argued in this motion in this  
6 Court.

7           And the City is also right that the 2010  
8 amendments to Federal Rule of Civil Procedure 8(c)(1) did  
9 eliminate from the list of affirmative defenses that had to  
10 be pled in federal court actions generally the discharge, a  
11 bankruptcy discharge. That's no longer in the rule as an  
12 affirmative defense that must be pled for the reasons that  
13 I've discussed.

14           And so the Court is bound to reject those  
15 arguments by Mr. Chancellor.

16           This Court, this Bankruptcy Court, does have  
17 jurisdiction and authority to specifically enjoin Mr.  
18 Chancellor's continued prosecution of the claims against the  
19 City and the claim against Officer Geelhood in his  
20 representative capacity.

21           The Court's opinion from September 18 that I cited  
22 -- this year that I cited earlier points that out. It cites  
23 chapter and verse in the City's plan of adjustment, confirmed  
24 plan of adjustment documents. The plan and the order  
25 confirming plan.



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE

I, RANDEL RAISON, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter, to the best of my ability.

*Randel Raison*

\_\_\_\_\_

October 25, 2023

Randel Raison

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**SUPPLEMENT TO CITY OF DETROIT’S COUNTER-DESIGNATION OF  
THE CONTENTS OF THE RECORD ON APPEAL OF THE ORDER  
GRANTING THE CITY OF DETROIT’S MOTION FOR THE ENTRY OF  
AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DARELL CHANCELLOR**

Pursuant to Rule 8009(a)(2) of the Federal Rules of Bankruptcy Procedure, Appellee, the City of Detroit (“City”) hereby submits this supplement to the counter-designation of the contents of the record on appeal (this “Supplemental Counter-Designation”) that the City filed at docket number 13814 from the *Order Granting the City’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor*. In addition to the items designated in the Appellant’s designation at docket number 13801 and the counter-designation filed by the City at docket number 13814, the City designates the following additional items:

**Supplemental Counter-Designation of items to be included in the record on appeal:**

| <b>Item Number</b> | <b>Docket Number</b> | <b>Description</b>  | <b>Date</b> |
|--------------------|----------------------|---|-------------|
| 22                 | 3007                 | <i>Affidavit Re: Affidavit of Publication of the Notice of Deadlines for Filing of Proofs of Claim in the Detroit News and Detroit Free Press</i>   | 3/13/2014   |
| 23                 | 3008                 | <i>Affidavit Re: Affidavit of Publication of the Notice of Deadlines for Filing of Proofs of Claim in USA Today</i>   | 3/13/2014   |
| 24                 | 3009                 | <i>Affidavit Re: Affidavit of Publication of the Notice of Deadlines for Filing of Proofs of Claim in the Wall Street Journal.</i>  | 3/13/2014   |
| 25                 | 6209                 | <i>Affidavit Re: Affidavit Of Publication Of The Notice Of (I) Approval Of Disclosure Statement, (Ii) Hearing To Consider Confirmation Of The Plan For The Adjustment Of Debts Of The City Of Detroit And (Iii) Procedures And Deadlines Regarding Confirmation For The Plan In The Detroit News And Detroit Free Press</i> | 7/22/2014   |
| 26                 | 6211                 | <i>Affidavit Re: Affidavit Of Publication Of The Notice Of (I) Approval Of Disclosure Statement, (II) Hearing To Consider Confirmation Of The Plan For The Adjustment Of Debts Of The City Of Detroit And (III) Procedures And Deadlines Regarding Confirmation For The Plan In USA Today</i>                               | 7/22/2014   |
| 27                 | 6253                 | <i>Affidavit Re: Affidavit Of Publication Of The Notice Of (I) Approval Of Disclosure Statement, (II) Hearing To Consider Confirmation Of The Plan For The Adjustment Of Debts Of The City Of Detroit And (III) Procedures And Deadlines Regarding Confirmation For The Plan In The Wall Street Journal</i>                 | 7/24/2014   |

| <b>Item Number</b> | <b>Docket Number</b> | <b>Description</b>   | <b>Date</b> |
|--------------------|----------------------|--|-------------|
| 28                 | 8971                 | <i>Affidavit Re: Affidavit Of Publication Of The Notice Of (I) Entry Of Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit And (II) Occurrence Of Effective Date In The Detroit News &amp; The Detroit Free Press</i> | 12/29/2014  |
| 29                 | 8972                 | <i>Affidavit Re: Affidavit Of Publication Of The Notice Of (I) Entry Of Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit And (II) Occurrence Of Effective Date In USA Today</i>                                     | 12/29/2014  |
| 30                 | 8973                 | <i>Affidavit Re: Affidavit Of Publication Of The Notice Of (I) Entry Of Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit And (II) Occurrence Of Effective Date In The Wall Street Journal</i>                       | 12/29/2014  |

November 9, 2023

Respectfully submitted,

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)

Ronald A. Spinner (P73198)

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 963-6420

Facsimile: (313) 496-7500

swansonm@millercanfield.com

ATTORNEYS FOR THE CITY OF DETROIT

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Bankruptcy Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**CERTIFICATE OF SERVICE**

I, Marc N. Swanson, hereby certify that on November 9, 2023, the foregoing **SUPPLMEN TO CITY OF DETROIT’S COUNTER-DESIGNATION OF THE CONTENTS OF THE RECORD ON APPEAL OF THE ORDER GRANTING THE CITY OF DETROIT’S MOTION FOR THE ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND CONFIRMATION ORDER AGAINST DARELL CHANCELLOR** was filed and served via the Court’s electronic case filing and noticing system.

November 9, 2023

Respectfully submitted,

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)  
Ronald A. Spinner (P73198)  
MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 963-6420  
Facsimile: (313) 496-7500  
swansonm@millercanfield.com

ATTORNEYS FOR THE CITY OF DETROIT

**U.S. Bankruptcy Court  
Eastern District of Michigan (Detroit)  
Bankruptcy Petition #: 13-53846-tjt**

Assigned to: Judge Thomas J. Tucker  
Chapter 9  
Voluntary  
No asset

Date filed: 07/18/2013  
Plan confirmed: 11/12/2014

**Debtor In Possession**  
**City of Detroit, Michigan**  
2 Woodward Avenue  
Suite 1126  
Detroit, MI 48226  
WAYNE-MI  
Tax ID / EIN: 38-6004606

represented by **Megan R.I. Baxter**  
150 West Jefferson Avenue  
Suite 2500  
Detroit, MI 48226  
(313) 496-8459  
Email: [baxter@millercanfield.com](mailto:baxter@millercanfield.com)

**Bruce Bennett**  
555 S. Flower Street  
50th Floor  
Los Angeles, CA 90071  
(213) 489-3939  
Email: [bbennett@jonesday.com](mailto:bbennett@jonesday.com)

**Eric D. Carlson**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7567  
*TERMINATED: 07/06/2020*

**Mary Beth Cobbs**  
2 Woodward Avenue  
Suite 500  
Detroit, MI 48226  
313-237-3075  
Fax : 313-224-5505  
Email: [cobbm@detroitmi.gov](mailto:cobbm@detroitmi.gov)

**Tamar Dolcourt**  
500 Woodward Ave.  
Suite 2700  
Detroit, MI 48226  
313-234-7161  
Email: [tdolcourt@foley.com](mailto:tdolcourt@foley.com)

**Timothy A. Fusco**  
150 West Jefferson  
Suite 2500  
Detroit, MI 48226-4415  
(313) 496-8435  
*TERMINATED: 07/06/2020*

**Eric B. Gaabo**  
2 Woodward Avenue

Ste. 500  
Detroit, MI 48226  
313-237-3052  
Email: [gaabe@detroitmi.gov](mailto:gaabe@detroitmi.gov)

**Jonathan S. Green**  
150 W. Jefferson  
Ste. 2500  
Detroit, MI 48226  
(313) 963-6420  
Email: [green@millercanfield.com](mailto:green@millercanfield.com)

**David Gilbert Heiman**  
901 Lakeside Avenue  
Cleveland, OH 44114  
(216) 586-7175  
*TERMINATED: 03/18/2019*

**Robert S. Hertzberg**  
4000 Town Center  
Suite 1800  
Southfield, MI 48075-1505  
248-359-7300  
Fax : 248-359-7700  
Email: [hertzbergr@pepperlaw.com](mailto:hertzbergr@pepperlaw.com)

**Kelly Houk**  
400 Renaissance Center  
Detroit, MI 48243  
313-568-6530  
Email: [khok@dykema.com](mailto:khok@dykema.com)  
*TERMINATED: 08/23/2017*

**Jeffrey S. Kopp**  
Foley & Lardner LLP  
500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Fax : (313) 234-2800  
Email: [jkopp@foley.com](mailto:jkopp@foley.com)

**Deborah Kovsky-Apap**  
Pepper Hamilton LLP  
4000 Town Center  
Suite 1800  
Southfield, MI 48075  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kovskyd@pepperlaw.com](mailto:kovskyd@pepperlaw.com)

**Kay Standridge Kress**  
4000 Town Center  
Southfield, MI 48075-1505  
(248) 359-7300  
Fax : (248) 359-7700  
Email: [kay.kress@troutman.com](mailto:kay.kress@troutman.com)

**Stephen S. LaPlante**  
150 W. Jefferson Ave.  
Suite 2500  
Detroit, MI 48226  
(313) 496-8478

Email: [laplante@millercanfield.com](mailto:laplante@millercanfield.com)

**Heather Lennox**

901 Lakeside Avenue  
Cleveland, OH 44114-1190  
(216) 586-7111  
Email: [hlennox@jonesday.com](mailto:hlennox@jonesday.com)

**John D. Mulvihill**

20 W. Washington  
Suite 2  
Clarkston, MI 48346  
(248) 625-3131  
Email: [jdmassistant@sbcglobal.net](mailto:jdmassistant@sbcglobal.net)

**Scott Eric Ratner**

One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John A. Simon**

500 Woodward Avenue  
Suite 2700  
Detroit, MI 48226  
(313) 234-7100  
Email: [jsimon@foley.com](mailto:jsimon@foley.com)

**Ronald A. Spinner**

150 West Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7829  
Email: [spinner@millercanfield.com](mailto:spinner@millercanfield.com)

**Marc N. Swanson**

Miller Canfield Paddock and Stone, P.L.C  
150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
(313) 496-7591  
Email: [swansonm@millercanfield.com](mailto:swansonm@millercanfield.com)

**Albert Togut**

One Penn Plaza  
Suite 3335  
New York, NY 10119  
212-594-5000  
Email: [dperson@teamtogut.com](mailto:dperson@teamtogut.com)

**John H. Willems**

150 W. Jefferson  
Suite 2500  
Detroit, MI 48226  
313-496-7544  
Email: [willems@millercanfield.com](mailto:willems@millercanfield.com)

**Stanley L. de Jongh**

Two Woodward Ave., 5th Floor  
Suite 500  
Detroit, MI 48226  
313-237-5031

Fax : 313-224-5505  
Email: [jongsl@detroitmi.gov](mailto:jongsl@detroitmi.gov)

**U.S. Trustee**  
**Daniel M. McDermott**  
*TERMINATED: 12/23/2019*

represented by **Sean M. Cowley (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-3432  
Email: [Sean.cowley@usdoj.gov](mailto:Sean.cowley@usdoj.gov)

**Richard A. Roble (UST)**  
United States Trustee  
211 West Fort Street  
Suite 700  
Detroit, MI 48226  
(313) 226-6769  
Email: [Richard.A.Roble@usdoj.gov](mailto:Richard.A.Roble@usdoj.gov)

**U.S. Trustee**  
**Andrew R. Vara**

represented by **Sean M. Cowley (UST)**  
(See above for address)

**Richard A. Roble (UST)**  
(See above for address)

**Creditor Committee**  
**Committee of Unsecured**  
**Creditors**  
*TERMINATED: 03/03/2014*

represented by **Brett Howard Miller**  
1290 Avenue of the Americas  
40th Floor  
New York, NY 10104  
(212) 468-8051  
Email: [bmiller@mofocom.whildbold@mofocom](mailto:bmiller@mofocom.whildbold@mofocom)  
*TERMINATED: 03/03/2014*

**Geoffrey T. Pavlic**  
AF Group  
200 N. Grand River Ave.  
Lansing, MI 48933  
(517) 708-5146  
Fax : (248) 352-4488  
Email: [Geoffrey.Pavlic@afgroup.com](mailto:Geoffrey.Pavlic@afgroup.com)  
*SELF- TERMINATED: 11/19/2014*

**Mark H. Shapiro**  
25925 Telegraph Rd.  
Suite 203  
Southfield, MI 48033-2518  
(248) 352-4700  
Fax : (248) 352-4488  
Email: [shapiro@steinbergshapiro.com](mailto:shapiro@steinbergshapiro.com)  
*SELF- TERMINATED: 10/27/2023*

**Creditor Committee**  
**Charlene Hearn**  
PO Box 6612  
Detroit, MI 48206

**Creditor Committee**  
**Craig Steele**

**Retiree Committee**  
**Official Committee of Retirees**

represented by **Sam J. Alberts**  
1301 K Street, NW

Suite 600, East Tower  
 Washington, DC 20005-3364  
 (202) 408-7004  
 Email: [sam.alberts@dentons.com](mailto:sam.alberts@dentons.com)  
 SELF- TERMINATED: 03/13/2015

**Paula A. Hall**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [hall@bwst-law.com](mailto:hall@bwst-law.com)

**Claude D. Montgomery**  
 620 Fifth Avenue  
 New York, NY 10020  
 (212) 632-8390  
 Email: [claudio.montgomery@dentons.com](mailto:claudio.montgomery@dentons.com), [docketny@dentons.com](mailto:docketny@dentons.com)

**Carole Neville**  
 1221 Avenue of the Americas  
 25th Floor  
 New York, NY 10020  
 (212) 768-6889  
 Email: [carole.neville@dentons.com](mailto:carole.neville@dentons.com)

**Matthew Wilkins**  
 401 S. Old Woodward Ave.  
 Suite 400  
 Birmingham, MI 48009  
 (248) 971-1800  
 Email: [wilkins@bwst-law.com](mailto:wilkins@bwst-law.com)

| Filing Date | #           | Docket Text  |
|-------------|-------------|--|
| 03/13/2014  | <u>3007</u> | Affidavit Re: <i>Affidavit of Publication of the Notice of Deadlines for Filing of Proofs of Claim in the Detroit News and Detroit Free Press.</i> (Nguyen, Angela) (Entered: 03/13/2014)  |
| 03/13/2014  | <u>3008</u> | Affidavit Re: <i>Affidavit of Publication of the Notice of Deadlines for Filing of Proofs of Claim in USA Today.</i> (Nguyen, Angela) (Entered: 03/13/2014)  |
| 03/13/2014  | <u>3009</u> | Affidavit Re: <i>Affidavit of Publication of the Notice of Deadlines for Filing of Proofs of Claim in the Wall Street Journal.</i> (Nguyen, Angela) (Entered: 03/13/2014)  |
| 07/22/2014  | <u>6209</u> | Affidavit Re: <i>Affidavit Of Publication Of The Notice Of (I) Approval Of Disclosure Statement, (II) Hearing To Consider Confirmation Of The Plan For The Adjustment Of Debts Of The City Of Detroit And (Iii) Procedures And Deadlines Regarding Confirmation For The Plan In The Detroit News And Detroit Free Press (RE: related document(s)<u>2984</u> Order (Generic), Order To Set Hearing, <u>4401</u> Order Approving Disclosure Statement).</i> (Nguyen, Angela) (Entered: 07/22/2014) |
| 07/22/2014  | <u>6211</u> | Affidavit Re: <i>Affidavit Of Publication Of The Notice Of (I) Approval Of Disclosure Statement, (II) Hearing To Consider Confirmation Of The Plan For The Adjustment Of Debts Of The City Of Detroit And (III) Procedures And Deadlines Regarding Confirmation For The Plan In USA Today (RE: related document(s)<u>2984</u> Order (Generic), Order To</i>  |

|            |  |             |   |
|------------|--|-------------|---|
|            |  |             | Set Hearing, <u>4401</u> Order Approving Disclosure Statement). (Nguyen, Angela) (Entered: 07/22/2014)  |
| 07/24/2014 |  | <u>6253</u> | Affidavit Re: <i>Affidavit Of Publication Of The Notice Of (I) Approval Of Disclosure Statement, (II) Hearing To Consider Confirmation Of The Plan For The Adjustment Of Debts Of The City Of Detroit And (III) Procedures And Deadlines Regarding Confirmation For The Plan In The Wall Street Journal</i> (RE: related document(s) <u>2984</u> Order (Generic), Order To Set Hearing, <u>4401</u> Order Approving Disclosure Statement). (Nguyen, Angela) (Entered: 07/24/2014) |
| 12/29/2014 |  | <u>8971</u> | Affidavit Re: <i>Affidavit Of Publication Of The Notice Of (I) Entry Of Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit And (II) Occurrence Of Effective Date In The Detroit News &amp; The Detroit Free Press</i> (RE: related document(s) <u>8649</u> Notice of Entry of Order Confirming Plan and Notice of Effective Date). (Nguyen, Angela) (Entered: 12/29/2014)  |
| 12/29/2014 |  | <u>8972</u> | Affidavit Re: <i>Affidavit Of Publication Of The Notice Of (I) Entry Of Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit And (II) Occurrence Of Effective Date In USA Today</i> (RE: related document(s) <u>8649</u> Notice of Entry of Order Confirming Plan and Notice of Effective Date). (Nguyen, Angela) (Entered: 12/29/2014)  |
| 12/29/2014 |  | <u>8973</u> | Affidavit Re: <i>Affidavit Of Publication Of The Notice Of (I) Entry Of Order Confirming Eighth Amended Plan For The Adjustment Of Debts Of The City Of Detroit And (II) Occurrence Of Effective Date In The Wall Street Journal</i> (RE: related document(s) <u>8649</u> Notice of Entry of Order Confirming Plan and Notice of Effective Date). (Nguyen, Angela) (Entered: 12/29/2014)  |

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steve W. Rhodes

---

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF DEADLINES FOR FILING OF PROOFS OF  
CLAIM IN THE DETROIT NEWS AND DETROIT FREE PRESS**

**AFFIDAVIT OF DISTRIBUTION**

STATE OF MI

COUNTY OF Wayne

I Shana Harman being duly sworn on oath say he/she is and during all times herein stated has been the publisher of the publisher's designated agent in charge of the publication known as

THE DETROIT NEWS / FREE PRESS ("Publisher")

And has full knowledge of the facts herein stated as follows:

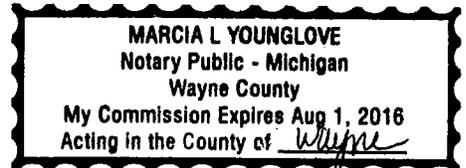
The Insert for CITY OF DETROIT ("Advertiser") was distributed to Publisher's full circulation on the 23 day of JANUARY, 2014

By: Shana Harman

Subscribed and sworn to before me  
this 24th day of January, 2014.

Marcia L. Younglove  
Notary Public

Notary Seal:





**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

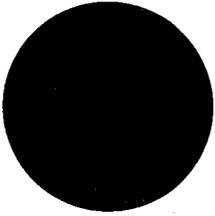
Case No. 13-53846

Debtor.

Hon. Steve W. Rhodes

---

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF DEADLINES FOR FILING OF PROOFS OF  
CLAIM IN USA TODAY**



**USA  
TODAY**  
A GANNETT COMPANY

**VERIFICATION OF PUBLICATION**

**COMMONWEALTH OF VIRGINIA  
COUNTY OF FAIRFAX**

---

Being duly sworn, Toussaint Hutchinson says that he is the principal clerk of USA TODAY, and is duly authorized by USA TODAY to make this affidavit, and is fully acquainted with the facts stated herein: on Wednesday, January 22, 2014 the following legal advertisement - In re: CITY OF DETROIT, MICHIGAN - was published in the national edition of USA TODAY.

  
Principal Clerk of USA TODAY  
January 28, 2014

This 28<sup>th</sup> day of January month  
2014 year.

  
Notary Public

**JULIE ROTH  
NOTARY PUBLIC  
REG. #7573317  
COMMONWEALTH OF VIRGINIA  
MY COMMISSION EXPIRES DECEMBER 31, 2017**

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION

Chapter 9 - Case No. 13-53846 Debtor: Steven W. Rhodes

NOTICE OF DEADLINES FOR FILING OF PROOFS OF CLAIM

GENERAL BAR DATE IS FEBRUARY 21, 2014 AT 4:00 P.M., EASTERN TIME TO ALL PERSONS AND OTHER ENTITIES WITH CLAIMS AGAINST THE CITY OF DETROIT, MICHIGAN (THE "CITY").

On November 21, 2013, the United States Bankruptcy Court for the Eastern District of Michigan (the "Court") entered an order (Docket No. 1782) (the "Bar Date Order") establishing certain deadlines for the filing of proofs of claim in the chapter 9 bankruptcy case of the City.

By the Bar Date Order, the Court established February 21, 2014 at 4:00 p.m., Eastern Time (the "General Bar Date"), as the general bar date for filing proofs of claim in the City's case. As described below, certain claimants are not required to file proofs of claim with respect to their claims, and the Bar Date Order also establishes different bar dates with respect to certain categories of claims. See Section 1 for more information. To determine if you need to file a proof of claim, visit case and the applicable deadline and instructions for filing proof of claim, please read this notice carefully.

List of Claims. On September 30, 2013, the City filed its Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code (Docket No. 1039), which constitutes the City's List of Claims as amended or supplemented from time to time (the "List of Claims"). Pursuant to section 925 of Title 11 of the United States Code (the "Bankruptcy Code"), any claim identified on the List of Claims is referred to herein as a "Scheduled Claim."

Proof of Claim Form. For the convenience of potential claimants, a proof of claim form prepared for use in the City's chapter 9 case (the "Claim Form"), along with all other documents filed in the City's bankruptcy case, is available on the City's restructuring website at www.kccfile.net/detroit.

Certain Definitions. The following definitions come from the Bankruptcy Code and are provided for your convenience. As used in this Notice the term "entity" has the meaning given in section 101(15) of the Bankruptcy Code and includes, among other things, individuals, partnerships, corporations, joint ventures and trusts.

As used in this Notice, the term "claim" means, as to or against the City and in accordance with section 101(5) of the Bankruptcy Code, (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance which gives rise to a claim to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

SECTION 1 - WHO IS NOT REQUIRED TO FILE A PROOF OF CLAIM. The Bar Date Order provides that entities holding the following claims are not required to file the proof of claim on account of such claims to preserve any rights they may have to receive distributions from the City and vote on any chapter 9 plan of adjustment ("Plan") proposed by the City:

- (a) Claims of retirees, employees or other beneficiaries for (a) post-employment benefits under the City's Health and Life Insurance Benefit Plan, the Supplemental Death Benefit Plan or other non-pension post-employment welfare benefits, including unfunded actuarially accrued liabilities (any such claim, a "Retirement Healthcare Claim") and (b) pension benefits (any such claim, a "Pension Claim") under the City's retirement systems, the General Retirement System and the Police and Fire Retirement System (together, the "Retirement Systems"). In consultation with the Official Committee of Retirees appointed in the Chapter 9 Case (the "Retiree Committee") other groups representing the interests of current or former employees of the City may have certain pension benefits and, in the case of Pension Claims, the Retirement Systems, the City intends to establish an appropriate mechanism for such retirees, employees or other beneficiaries to vote on any Plan with respect to any Pension Claims and Retirement Healthcare Claims they may possess.
- (c) Claims of active employees for ordinary course compensation and employment benefits including, without limitation, wages, salaries, employee medical benefits and insurance benefits ("Ordinary Course Compensation Claims"). The City intends to continue to pay Ordinary Course Compensation Claims in the normal course. Accordingly, active employees need not file proofs of claim on account of Ordinary Course Compensation Claims. For the avoidance of doubt, claims asserted or to be asserted in any lawsuit or proceeding are not Ordinary Course Compensation Claims even where the claimant asserts as damages an entitlement to wages, salaries, employee medical benefits and/or insurance benefits.

(c) Any claim by a holder for the repayment of principal, interest and/or other applicable fees and charges on or under (i) the bonds identified on the "Schedule of Secured Bonds" at the end of this Notice (collectively, the "Secured Bonds") or (ii) any certificates of participation issued by the City (collectively, the "COPs"). In each case, the trustee or similar entity with respect to the applicable series of Secured Bonds or COPs has informed the City that, consistent with Bankruptcy Rule 3003(c), it intends to file any proofs of claim against the City on behalf of the holders of the Secured Bonds and the COPs; and (d) provide notice to the holders of the Secured Bonds and the COPs.

(d) Any claim by a holder for the repayment of principal or interest on or under the City's unlimited tax general obligation bonds, limited tax general obligation bonds and general fund bonds (collectively, the "GO Bonds") to preserve its right to a pro rata share of payments on account of the amount of principal and interest under such bonds listed in the List of Claims. Holders of GO Bonds with claims for amounts beyond principal and interest under these bonds are required to file claims for those additional amounts unless another exception applies. Also, the insurers of the GO Bonds must file any claims relating to the GO Bonds by the General Bar Date. The classification, priority and treatment of claims for principal and interest under the GO Bonds pursuant to any Plan shall not be affected by any provision of the Bar Date Order or by whether or not the holders of GO Bonds file or do not file proofs of claim.

(e) Any claim arising from an ordinary course entitlement to an income tax refund (to the extent of such claimed entitlement) asserted through the City's established income tax refund procedures, provided, however, that entities holding any other Prepetition Claims or causes of action related to income tax matters that are not properly asserted through the City's established income tax refund procedures must file a proof of claim with the General Bar Date.

(f) Any claim with respect to which the holder already has filed a signed proof of claim against the City with the Clerk of the Court in a form substantially similar to Official Bankruptcy Form No. 10.

(g) Any claim that is listed on the List of Claims (i) if the claimant is not listed as "disputed," "contingent" or "unliquidated;" and (ii) if such entity agrees with the amount, nature and priority of the claim set forth in the List of Claims.

(h) Any claim that previously has been allowed by or under the Court.

(i) Any claim that has been paid in full by the City.

(j) Any claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration, other than claims asserting administrative expense priority (a) under section 503(b)(9) of the Bankruptcy Code ("503(b)(9) Claims") or (b) as a portion of a Rejection Damages Claim (as defined below).

For the avoidance of doubt, nothing herein or in the Bar Date Order affects any right that the claimants identified in subsections (a) through (f) of this Section 1 may have to vote on and receive distributions under any Plan proposed by the City. Further, nothing herein or in the Bar Date Order should be construed as an agreement by the City or a determination by the Court that any particular party is the proper holder of any specific claim against the City with the right to vote on any Plan proposed by the City and receive distributions from the City on account of such claim.

Nothing in this Section 1 limits the right of any entity (including, without limitation, the City, the Retiree Committee, the Retirement Systems or the City's unions, employees, retirees, bondholders, bond insurers, trustees, paying agents or any other entity) to (a) assert any proof of claim authorized under the Bankruptcy Code or (b) object to any proof of claim on any grounds to the extent permitted under the Bankruptcy Code.

SECTION 2 - WHO MUST FILE A PROOF OF CLAIM. If none of the exceptions described in Section 1 applies, and you have a claim that arose or is deemed to have arisen

prior to the commencement of the City's bankruptcy case on July 18, 2013 (any such claim, a "Prepetition Claim"), you MUST file a proof of claim to share in distributions from the City's bankruptcy case and to vote on a Plan. Claims based on acts or omissions of the City that occurred before the Filing Date must be filed on or prior to the applicable Bar Date. Even if such claims are not now fixed, liquidated or certain or did not mature or become fixed, liquidated or certain before the Filing Date.

Except where one of the exceptions described in Section 1 applies (or where the Rejection Damages Bar Date, the Amended Claims List Bar Date or the Governmental Bar Date applies to establish a different deadline), the following entities must file proofs of claim on or before the General Bar Date:

- (a) any entity (i) whose Prepetition Claim against the City is not listed in the City's List of Claims or is listed as "disputed," "contingent" or "unliquidated" and (ii) that desires to share in any distribution in this bankruptcy case and/or otherwise participate in the proceedings in this bankruptcy case associated with the confirmation of any Plan; and
- (b) any entity that believes its Prepetition Claim is improperly classified in the List of Claims or is listed in an incorrect amount or priority and that desires to have its claim allowed in a classification, priority or amount other than that identified in the List of Claims, provided that any holder of GO Bonds asserting a claim for principal and interest in connection with such bonds must file a proof of claim to preserve its right to a pro rata share of distributions on account of the amount of principal and interest under such bonds listed in the City's List of Claims.

Note that the Bar Date Order should not be construed as an agreement by the City or a determination by the Court that any particular party is the proper holder of any specific claim against the City with the right to vote on any Plan proposed by the City and receive distributions from the City on account of such claim.

SECTION 3 - THE BAR DATES. The Bar Date Order establishes the following bar dates for filing proofs of claim in this case (collectively, the "Bar Dates"):

(a) The General Bar Date. Pursuant to the Bar Date Order, except as described below, all entities holding claims against the City that arose or are deemed to have arisen prior to the commencement of this case are required to file proofs of claim by the General Bar Date (i.e., by February 21, 2014 at 4:00 p.m., Eastern Time). This case was commenced on July 18, 2013 (the "Filing Date"). The General Bar Date applies to all types of claims against the City that arose prior to the Filing Date, including secured claims, unsecured priority claims and unsecured nonpriority claims. For the avoidance of doubt, the General Bar Date applies to all 503(b)(9) Claims subject to Section 4 below.

(b) The Rejection Damages Bar Date. Pursuant to the Bar Date Order, any entity asserting claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to an order entered prior to the confirmation and effectiveness of a Plan (any such order, a "Rejection Order"), or claims otherwise related to such rejected agreements, including (i) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Filing Date; and (ii) administrative claims under section 503(b) of the Bankruptcy Code (collectively, "Rejection Damages Claims") are required to file proofs of claim by the later of (a) the General Bar Date and (b) 4:00 p.m., Eastern Time, on the first business day that is at least 30 days after the entry of the relevant Rejection Order. The later of these times are required to file proofs of claim by the General Bar Date. For the avoidance of doubt, all prepetition claims of any kind or nature arising from or relating to executory contracts or unexpired leases rejected by a Rejection Order must be filed by the Rejection Damages Bar Date. In accordance with the Bar Date Order, any Rejection Order entered by the Bankruptcy Court will specify the Rejection Damages Bar Date that applies to each such claim.

(c) The Amended Claims List Bar Date. Pursuant to the Bar Date Order, (i) subsequent to the date of this Notice, the City amends or supplements its List of Claims; (ii) to reduce the undisputed, noncontingent and liquidated amount of a claim; (iii) change the nature, classification or priority of a Scheduled Claim in a manner adverse to the listed creditor; or (iv) file a claim with respect to a claim that was not previously included in the City's List of Claims with respect to a party that was not previously served with notice of the Bar Dates (in each case, a "Modified Claim"), the affected claimant shall be permitted to file a proof of claim, or amend any previously filed proof of claim, in respect of the Modified Claim in accordance with the procedures described herein by the later of (i) the General Bar Date; and (ii) 4:00 p.m., Eastern Time, on the first business day that is at least 30 days after the date that notice of the applicable amendment to the List of Claims is served on the claimant (the "Amended Claims List Bar Date"). The City will provide notice of any Amended Claims List Bar Date to affected claimants. Affected claimants that previously filed a proof of claim (any such claim, a "Filed Claim") with respect to the liabilities giving rise to any Modified Claim need not refile their proof of claim because the Filed Claim is deemed to supersede and replace the original Scheduled Claim. The Modified Claim. In addition, if the City's amendment to the List of Claims improves the amount or treatment of a Scheduled Claim or a Filed Claim, a claimant that previously was served with notice of the Bar Dates is not permitted to file additional claims by the Amended Claims List Bar Date; provided, however, that nothing contained in the Bar Date Order shall be construed to enhance or otherwise affect a claimant's right to amend a previously filed proof of claim. In addition, notwithstanding the foregoing, nothing contained herein precludes the City from objecting to any Scheduled Claim or Filed Claim on any grounds.

(d) The Governmental Bar Date. On December 5, 2013, the Court entered the Order for Relief Under Chapter 9 of the Bankruptcy Code (Docket No. 1946) (the "Order for Relief"). Governmental units as defined in section 101(2) of the Bankruptcy Code are not subject to the General Bar Date. Pursuant to Bankruptcy Rule 2007(c)(1), the date by which governmental units must file proofs of claim in this case (the "Governmental Unit Bar Date") is the later of (i) June 4, 2014 (i.e., the first business day that is at least 180 days following the date of the entry of the Order for Relief); and (ii) any Rejection Damages Bar Date or Amended Claims List Bar Date applicable to the governmental unit.

SECTION 4 - WHAT TO FILE. To file your claim, you may use (a) the Claim Form specifically prepared for this chapter 9 case, which is available at www.kccfile.net/detroit; or (b) another proof of claim form that conforms substantially to Official Bankruptcy Form No. 10 (which forms are available at www.uscourts.gov/forms).

All proof of claim forms must be signed by the claimant or by an authorized agent of the claimant. The proof of claim form must be written in English and be denominated in United States currency. You should attach to your completed proof of claim form any documents on which the claim is based (the "Supporting Documents") (or, if the Supporting Documents are voluminous, you may attach a summary) or an explanation as to why the documents are not available. If you file a summary of the Supporting Documents because they are voluminous, you must transmit the Supporting Documents to (a) the City of Detroit Claims Processing Center (as defined below) and (b) the City within ten days after the date of a written request by the City for such documents.

Each entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, a detailed statement describing the nature and basis of the portion of the Rejection Damages Claim asserting an administrative priority under section 503(b) of the Bankruptcy Code (the "Administrative Claim Supplement").

Under the Bar Date Order, the filing of a proof of claim satisfies the procedural requirements for the assertion of any 503(b)(9) Claims. Likewise, the filing of a proof of claim form, along with an attached Administrative Claim Supplement, if applicable, satisfies the procedural requirements for the assertion of a Rejection Damages Claim (including any administrative claim included therein). All 503(b)(9) Claims and claims asserting administrative expense priority as a portion of a Rejection Damages Claim must be filed by the General Bar Date and the Rejection Damages Bar Date, respectively.

All other administrative claims under sections 503(b) and 507(a)(2) of the Bankruptcy Code will not be deemed proved if asserted by proof of claim. The City intends to establish a process for the assertion of such claims at a future date, and to the extent necessary and appropriate. Note that the claim priorities provided under subsections (a)(1) and (a)(3) through (a)(10) of section 507 of the Bankruptcy Code are inapplicable in chapter 9 pursuant to section 901(c) of the Bankruptcy Code.

SECTION 5 - WHEN AND WHERE TO FILE. All proofs of claim must be mailed or delivered so as to be received on or before the applicable Bar Date, at either one of the following two locations: (a) the City of Detroit Claims Processing Center at the following address: City of Detroit Claims Processing Center, c/o Kurtzman Carson Consultants, LLC, 2335 Alaska Avenue, #1500, Detroit, MI 48224; or (b) the Clerk's Office at the Court (the "Clerk's Office") at the following address: Office of the Clerk of Court, United States Bankruptcy Court for the Eastern District of Michigan, 211 West Fort Street, Suite 1700, Detroit, MI 48226.

Proofs of claim will be deemed filed only when actually received by the City of Detroit Claims Processing Center or the Clerk's Office on or before the applicable Bar Date. Proofs of claim may NOT be delivered by facsimile or electronic mail transmission. Proofs of claim may be filed by electronic means, but only if submitted by the applicable Bar Date and concurrently with submitting your original proof of claim (a copy of the original proof of claim must be submitted with the electronic proof of claim). Proofs of claim submitted by electronic means will not be deemed filed until a proof of claim is submitted by one of the methods described above.

Proof of claim forms will be collected from the City of Detroit Claims Processing Center and the Clerk's Office, docketed and maintained by the City's claims agent, KCC. If you wish to receive acknowledgment of receipt of proof of claim, you may submit your original proof of claim and concurrently with submitting your original proof of claim (a copy of the original proof of claim must be submitted with the electronic proof of claim).

SECTION 6 - ADDITIONAL INFORMATION. Copies of the City's List of Claims, the Bar Date Order and other information and documents regarding the City's chapter 9 case are available free of charge on KCC's website at www.kccfile.net/detroit or for a fee at the Court's website at www.uscourts.gov. A login identification and password to the Court's Public Access to Court Electronic Records ("PACER") are required to access this information through the Court's website and can be obtained through the PACER Service Center at www.psc.uscourts.gov. The List of Claims and other documents filed in this case may be accessed electronically between the hours of 8:30 a.m. and 4:00 p.m., Eastern Time, Monday through Friday, at the public access terminals located in the Clerk's Office on the 17th Floor of the courthouse at 211 West Fort Street, Detroit, Michigan 48226. Copies of documents may be printed at the Clerk's Office for a charge.

If you require additional information regarding the filing of a proof of claim, you may contact the City of Detroit Claims Hotline toll-free at (877) 298-6236 between 10:00 a.m. and 6:00 p.m., Eastern Time, Monday through Friday. You also may contact the City's claims agent, KCC, directly by writing to: City of Detroit Claims Processing Center, c/o Kurtzman Carson Consultants, LLC, 2335 Alaska Avenue, #1500, Detroit, MI 48224.

PLEASE NOTE THAT KCC IS NOT PERMITTED TO PROVIDE LEGAL ADVICE. YOU CANNOT GET LEGAL ADVICE BY CALLING THE CITY OF DETROIT CLAIMS HOTLINE OR BY WRITING TO THE CITY OF DETROIT CLAIMS PROCESSING CENTER. YOU SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE OR FOR ANY LEGAL ADVICE, SUCH AS WHETHER YOU SHOULD FILE A PROOF OF CLAIM.

SCHEDULE OF SECURED BONDS. The applicable trustee or similar entity with respect to the following series of bonds has informed the City that it intends to (a) file any proofs of claim against the City on behalf of the holders of these bonds; and (b) provide notice to the holders of the bonds.

- Sewage Disposal System Revenue Bond Series 1998-A; Sewage Disposal System Revenue Bond Series 1998-B; Sewage Disposal System Revenue Bond Series 1999-A; Sewage Disposal System Revenue Bond Series 2001-B; Sewage Disposal System Revenue Bond Series 2001-C; Sewage Disposal System Revenue Bond Series 2001-D; Sewage Disposal System Revenue Bond Series 2001-E; Sewage Disposal System Revenue Bond Series 2003-A; Sewage Disposal System Revenue Bond Series 2003-B; Sewage Disposal System Revenue Bond Series 2004-A; Sewage Disposal System Revenue Bond Series 2005-A; Sewage Disposal System Revenue Bond Series 2005-B; Sewage Disposal System Revenue Bond Series 2005-C; Sewage Disposal System Revenue Bond Series 2006-A; Sewage Disposal System Revenue Bond Series 2006-B; Sewage Disposal System Revenue Bond Series 2006-C; Sewage Disposal System Revenue Bond Series 2006-D; Sewage Disposal System Revenue Bond Series 2006-E; Sewage Disposal System Revenue Bond Series 2006-F; Sewage Disposal System Revenue Bond Series 2006-G; Sewage Disposal System Revenue Bond Series 2006-H; Sewage Disposal System Revenue Bond Series 2006-I; Sewage Disposal System Revenue Bond Series 2006-J; Sewage Disposal System Revenue Bond Series 2006-K; Sewage Disposal System Revenue Bond Series 2006-L; Sewage Disposal System Revenue Bond Series 2006-M; Sewage Disposal System Revenue Bond Series 2006-N; Sewage Disposal System Revenue Bond Series 2006-O; Sewage Disposal System Revenue Bond Series 2006-P; Sewage Disposal System Revenue Bond Series 2006-Q; Sewage Disposal System Revenue Bond Series 2006-R; Sewage Disposal System Revenue Bond Series 2006-S; Sewage Disposal System Revenue Bond Series 2006-T; Sewage Disposal System Revenue Bond Series 2006-U; Sewage Disposal System Revenue Bond Series 2006-V; Sewage Disposal System Revenue Bond Series 2006-W; Sewage Disposal System Revenue Bond Series 2006-X; Sewage Disposal System Revenue Bond Series 2006-Y; Sewage Disposal System Revenue Bond Series 2006-Z; Sewage Disposal System Revenue Bond Series 2007-A; Sewage Disposal System Revenue Bond Series 2007-B; Sewage Disposal System Revenue Bond Series 2007-C; Sewage Disposal System Revenue Bond Series 2007-D; Sewage Disposal System Revenue Bond Series 2007-E; Sewage Disposal System Revenue Bond Series 2007-F; Sewage Disposal System Revenue Bond Series 2007-G; Sewage Disposal System Revenue Bond Series 2007-H; Sewage Disposal System Revenue Bond Series 2007-I; Sewage Disposal System Revenue Bond Series 2007-J; Sewage Disposal System Revenue Bond Series 2007-K; Sewage Disposal System Revenue Bond Series 2007-L; Sewage Disposal System Revenue Bond Series 2007-M; Sewage Disposal System Revenue Bond Series 2007-N; Sewage Disposal System Revenue Bond Series 2007-O; Sewage Disposal System Revenue Bond Series 2007-P; Sewage Disposal System Revenue Bond Series 2007-Q; Sewage Disposal System Revenue Bond Series 2007-R; Sewage Disposal System Revenue Bond Series 2007-S; Sewage Disposal System Revenue Bond Series 2007-T; Sewage Disposal System Revenue Bond Series 2007-U; Sewage Disposal System Revenue Bond Series 2007-V; Sewage Disposal System Revenue Bond Series 2007-W; Sewage Disposal System Revenue Bond Series 2007-X; Sewage Disposal System Revenue Bond Series 2007-Y; Sewage Disposal System Revenue Bond Series 2007-Z; Sewage Disposal System Revenue Bond Series 2008-A; Sewage Disposal System Revenue Bond Series 2008-B; Sewage Disposal System Revenue Bond Series 2008-C; Sewage Disposal System Revenue Bond Series 2008-D; Sewage Disposal System Revenue Bond Series 2008-E; Sewage Disposal System Revenue Bond Series 2008-F; Sewage Disposal System Revenue Bond Series 2008-G; Sewage Disposal System Revenue Bond Series 2008-H; Sewage Disposal System Revenue Bond Series 2008-I; Sewage Disposal System Revenue Bond Series 2008-J; Sewage Disposal System Revenue Bond Series 2008-K; Sewage Disposal System Revenue Bond Series 2008-L; Sewage Disposal System Revenue Bond Series 2008-M; Sewage Disposal System Revenue Bond Series 2008-N; Sewage Disposal System Revenue Bond Series 2008-O; Sewage Disposal System Revenue Bond Series 2008-P; Sewage Disposal System Revenue Bond Series 2008-Q; Sewage Disposal System Revenue Bond Series 2008-R; Sewage Disposal System Revenue Bond Series 2008-S; Sewage Disposal System Revenue Bond Series 2008-T; Sewage Disposal System Revenue Bond Series 2008-U; Sewage Disposal System Revenue Bond Series 2008-V; Sewage Disposal System Revenue Bond Series 2008-W; Sewage Disposal System Revenue Bond Series 2008-X; Sewage Disposal System Revenue Bond Series 2008-Y; Sewage Disposal System Revenue Bond Series 2008-Z; Sewage Disposal System Revenue Bond Series 2009-A; Sewage Disposal System Revenue Bond Series 2009-B; Sewage Disposal System Revenue Bond Series 2009-C; Sewage Disposal System Revenue Bond Series 2009-D; Sewage Disposal System Revenue Bond Series 2009-E; Sewage Disposal System Revenue Bond Series 2009-F; Sewage Disposal System Revenue Bond Series 2009-G; Sewage Disposal System Revenue Bond Series 2009-H; Sewage Disposal System Revenue Bond Series 2009-I; Sewage Disposal System Revenue Bond Series 2009-J; Sewage Disposal System Revenue Bond Series 2009-K; Sewage Disposal System Revenue Bond Series 2009-L; Sewage Disposal System Revenue Bond Series 2009-M; Sewage Disposal System Revenue Bond Series 2009-N; Sewage Disposal System Revenue Bond Series 2009-O; Sewage Disposal System Revenue Bond Series 2009-P; Sewage Disposal System Revenue Bond Series 2009-Q; Sewage Disposal System Revenue Bond Series 2009-R; Sewage Disposal System Revenue Bond Series 2009-S; Sewage Disposal System Revenue Bond Series 2009-T; Sewage Disposal System Revenue Bond Series 2009-U; Sewage Disposal System Revenue Bond Series 2009-V; Sewage Disposal System Revenue Bond Series 2009-W; Sewage Disposal System Revenue Bond Series 2009-X; Sewage Disposal System Revenue Bond Series 2009-Y; Sewage Disposal System Revenue Bond Series 2009-Z; Sewage Disposal System Revenue Bond Series 2010-A; Sewage Disposal System Revenue Bond Series 2010-B; Sewage Disposal System Revenue Bond Series 2010-C; Sewage Disposal System Revenue Bond Series 2010-D; Sewage Disposal System Revenue Bond Series 2010-E; Sewage Disposal System Revenue Bond Series 2010-F; Sewage Disposal System Revenue Bond Series 2010-G; Sewage Disposal System Revenue Bond Series 2010-H; Sewage Disposal System Revenue Bond Series 2010-I; Sewage Disposal System Revenue Bond Series 2010-J; Sewage Disposal System Revenue Bond Series 2010-K; Sewage Disposal System Revenue Bond Series 2010-L; Sewage Disposal System Revenue Bond Series 2010-M; Sewage Disposal System Revenue Bond Series 2010-N; Sewage Disposal System Revenue Bond Series 2010-O; Sewage Disposal System Revenue Bond Series 2010-P; Sewage Disposal System Revenue Bond Series 2010-Q; Sewage Disposal System Revenue Bond Series 2010-R; Sewage Disposal System Revenue Bond Series 2010-S; Sewage Disposal System Revenue Bond Series 2010-T; Sewage Disposal System Revenue Bond Series 2010-U; Sewage Disposal System Revenue Bond Series 2010-V; Sewage Disposal System Revenue Bond Series 2010-W; Sewage Disposal System Revenue Bond Series 2010-X; Sewage Disposal System Revenue Bond Series 2010-Y; Sewage Disposal System Revenue Bond Series 2010-Z; Sewage Disposal System Revenue Bond Series 2011-A; Sewage Disposal System Revenue Bond Series 2011-B; Sewage Disposal System Revenue Bond Series 2011-C; Sewage Disposal System Revenue Bond Series 2011-D; Sewage Disposal System Revenue Bond Series 2011-E; Sewage Disposal System Revenue Bond Series 2011-F; Sewage Disposal System Revenue Bond Series 2011-G; Sewage Disposal System Revenue Bond Series 2011-H; Sewage Disposal System Revenue Bond Series 2011-I; Sewage Disposal System Revenue Bond Series 2011-J; Sewage Disposal System Revenue Bond Series 2011-K; Sewage Disposal System Revenue Bond Series 2011-L; Sewage Disposal System Revenue Bond Series 2011-M; Sewage Disposal System Revenue Bond Series 2011-N; Sewage Disposal System Revenue Bond Series 2011-O; Sewage Disposal System Revenue Bond Series 2011-P; Sewage Disposal System Revenue Bond Series 2011-Q; Sewage Disposal System Revenue Bond Series 2011-R; Sewage Disposal System Revenue Bond Series 2011-S; Sewage Disposal System Revenue Bond Series 2011-T; Sewage Disposal System Revenue Bond Series 2011-U; Sewage Disposal System Revenue Bond Series 2011-V; Sewage Disposal System Revenue Bond Series 2011-W; Sewage Disposal System Revenue Bond Series 2011-X; Sewage Disposal System Revenue Bond Series 2011-Y; Sewage Disposal System Revenue Bond Series 2011-Z; Sewage Disposal System Revenue Bond Series 2012-A; Sewage Disposal System Revenue Bond Series 2012-B; Sewage Disposal System Revenue Bond Series 2012-C; Sewage Disposal System Revenue Bond Series 2012-D; Sewage Disposal System Revenue Bond Series 2012-E; Sewage Disposal System Revenue Bond Series 2012-F; Sewage Disposal System Revenue Bond Series 2012-G; Sewage Disposal System Revenue Bond Series 2012-H; Sewage Disposal System Revenue Bond Series 2012-I; Sewage Disposal System Revenue Bond Series 2012-J; Sewage Disposal System Revenue Bond Series 2012-K; Sewage Disposal System Revenue Bond Series 2012-L; Sewage Disposal System Revenue Bond Series 2012-M; Sewage Disposal System Revenue Bond Series 2012-N; Sewage Disposal System Revenue Bond Series 2012-O; Sewage Disposal System Revenue Bond Series 2012-P; Sewage Disposal System Revenue Bond Series 2012-Q; Sewage Disposal System Revenue Bond Series 2012-R; Sewage Disposal System Revenue Bond Series 2012-S; Sewage Disposal System Revenue Bond Series 2012-T; Sewage Disposal System Revenue Bond Series 2012-U; Sewage Disposal System Revenue Bond Series 2012-V; Sewage Disposal System Revenue Bond Series 2012-W; Sewage Disposal System Revenue Bond Series 2012-X; Sewage Disposal System Revenue Bond Series 2012-Y; Sewage Disposal System Revenue Bond Series 2012-Z; Sewage Disposal System Revenue Bond Series 2013-A; Sewage Disposal System Revenue Bond Series 2013-B; Sewage Disposal System Revenue Bond Series 2013-C; Sewage Disposal System Revenue Bond Series 2013-D; Sewage Disposal System Revenue Bond Series 2013-E; Sewage Disposal System Revenue Bond Series 2013-F; Sewage Disposal System Revenue Bond Series 2013-G; Sewage Disposal System Revenue Bond Series 2013-H; Sewage Disposal System Revenue Bond Series 2013-I; Sewage Disposal System Revenue Bond Series 2013-J; Sewage Disposal System Revenue Bond Series 2013-K; Sewage Disposal System Revenue Bond Series 2013-L; Sewage Disposal System Revenue Bond Series 2013-M; Sewage Disposal System Revenue Bond Series 2013-N; Sewage Disposal System Revenue Bond Series 2013-O; Sewage Disposal System Revenue Bond Series 2013-P; Sewage Disposal System Revenue Bond Series 2013-Q; Sewage Disposal System Revenue Bond Series 2013-R; Sewage Disposal System Revenue Bond Series 2013-S; Sewage Disposal System Revenue Bond Series 2013-T; Sewage Disposal System Revenue Bond Series 2013-U; Sewage Disposal System Revenue Bond Series 2013-V; Sewage Disposal System Revenue Bond Series 2013-W; Sewage Disposal System Revenue Bond Series 2013-X; Sewage Disposal System Revenue Bond Series 2013-Y; Sewage Disposal System Revenue Bond Series 2013-Z; Sewage Disposal System Revenue Bond Series 2014-A; Sewage Disposal System Revenue Bond Series 2014-B; Sewage Disposal System Revenue Bond Series 2014-C; Sewage Disposal System Revenue Bond Series 2014-D; Sewage Disposal System Revenue Bond Series 2014-E; Sewage Disposal System Revenue Bond Series 2014-F; Sewage Disposal System Revenue Bond Series 2014-G; Sewage Disposal System Revenue Bond Series 2014-H; Sewage Disposal System Revenue Bond Series 2014-I; Sewage Disposal System Revenue Bond Series 2014-J; Sewage Disposal System Revenue Bond Series 2014-K; Sewage Disposal System Revenue Bond Series 2014-L; Sewage Disposal System Revenue Bond Series 2014-M; Sewage Disposal System Revenue Bond Series 2014-N; Sewage Disposal System Revenue Bond Series 2014-O; Sewage Disposal System Revenue Bond Series 2014-P; Sewage Disposal System Revenue Bond Series 2014-Q; Sewage Disposal System Revenue Bond Series 2014-R; Sewage Disposal System Revenue Bond Series 2014-S; Sewage Disposal System Revenue Bond Series 2014-T; Sewage Disposal System Revenue Bond Series 2014-U; Sewage Disposal System Revenue Bond Series 2014-V; Sewage Disposal System Revenue Bond Series 2014-W; Sewage Disposal System Revenue Bond Series 2014-X; Sewage Disposal System Revenue Bond Series 2014-Y; Sewage Disposal System Revenue Bond Series 2014-Z; Sewage Disposal System Revenue Bond Series 2015-A; Sewage Disposal System Revenue Bond Series 2015-B; Sewage Disposal System Revenue Bond Series 2015-C; Sewage Disposal System Revenue Bond Series 2015-D; Sewage Disposal System Revenue Bond Series 2015-E; Sewage Disposal System Revenue Bond Series 2015-F; Sewage Disposal System Revenue Bond Series 2015-G; Sewage Disposal System Revenue Bond Series 2015-H; Sewage Disposal System Revenue Bond Series 2015-I; Sewage Disposal System Revenue Bond Series 2015-J; Sewage Disposal System Revenue Bond Series 2015-K; Sewage Disposal System Revenue Bond Series 2015-L; Sewage Disposal System Revenue Bond Series 2015-M; Sewage Disposal System Revenue Bond Series 2015-N; Sewage Disposal System Revenue Bond Series 2015-O; Sewage Disposal System Revenue Bond Series 2015-P; Sewage Disposal System Revenue Bond Series 2015-Q; Sewage Disposal System Revenue Bond Series 2015-R; Sewage Disposal System Revenue Bond Series 2015-S; Sewage Disposal System Revenue Bond Series 2015-T; Sewage Disposal System Revenue Bond Series 2015-U; Sewage Disposal System Revenue Bond Series 2015-V; Sewage Disposal System Revenue Bond Series 2015-W; Sewage Disposal System Revenue Bond Series 2015-X; Sewage Disposal System Revenue Bond Series 2015-Y; Sewage Disposal System Revenue Bond Series 2015-Z; Sewage Disposal System Revenue Bond Series 2016-A; Sewage Disposal System Revenue Bond Series 2016-B; Sewage Disposal System Revenue Bond Series 2016-C; Sewage Disposal System Revenue Bond Series 2016-D; Sewage Disposal System Revenue Bond Series 2016-E; Sewage Disposal System Revenue Bond Series 2016-F; Sewage Disposal System Revenue Bond Series 2016-G; Sewage Disposal System Revenue Bond Series 2016-H; Sewage Disposal System Revenue Bond Series 2016-I; Sewage Disposal System Revenue Bond Series 2016-J; Sewage Disposal System Revenue Bond Series 2016-K; Sewage Disposal System Revenue Bond Series 2016-L; Sewage Disposal System Revenue Bond Series 2016-M; Sewage Disposal System Revenue Bond Series 2016-N; Sewage Disposal System Revenue Bond Series 2016-O; Sewage Disposal System Revenue Bond Series 2016-P; Sewage Disposal System Revenue Bond Series 2016-Q; Sewage Disposal System Revenue Bond Series 2016-R; Sewage Disposal System Revenue Bond Series 2016-S; Sewage Disposal System Revenue Bond Series 2016-T; Sewage Disposal System Revenue Bond Series 2016-U; Sewage Disposal System Revenue Bond Series 2016-V; Sewage Disposal System Revenue Bond Series 2016-W; Sewage Disposal System Revenue Bond Series 2016-X; Sewage Disposal System Revenue Bond Series 2016-Y; Sewage Disposal System Revenue Bond Series 2016-Z; Sewage Disposal System Revenue Bond Series 2017-A; Sewage Disposal System Revenue Bond Series 2017-B; Sewage Disposal System Revenue Bond Series 2017-C; Sewage Disposal System Revenue Bond Series 2017-D; Sewage Disposal System Revenue Bond Series 2017-E; Sewage Disposal System Revenue Bond Series 2017-F; Sewage Disposal System Revenue Bond Series 2017-G; Sewage Disposal System Revenue Bond Series 2017-H; Sewage Disposal System Revenue Bond Series 2017-I; Sewage Disposal System Revenue Bond Series 2017-J; Sewage Disposal System Revenue Bond Series 2017-K; Sewage Disposal System Revenue Bond Series 2017-L; Sewage Disposal System Revenue Bond Series 2017-M; Sewage Disposal System Revenue Bond Series 2017-N; Sewage Disposal System Revenue Bond Series 2017-O; Sewage Disposal System Revenue Bond Series 2017-P; Sewage Disposal System Revenue Bond Series 2017-Q; Sewage Disposal System Revenue Bond Series 2017-R; Sewage Disposal System Revenue Bond Series 2017-S; Sewage Disposal System Revenue Bond Series 2017-T; Sewage Disposal System Revenue Bond Series 2017-U; Sewage Disposal System Revenue Bond Series 2017-V; Sewage Disposal System Revenue Bond Series 2017-W; Sewage Disposal System Revenue Bond Series 2017-X; Sewage Disposal System Revenue Bond Series 2017-Y; Sewage Disposal System Revenue Bond Series 2017-Z; Sewage Disposal System Revenue Bond Series 2018-A; Sewage Disposal System Revenue Bond Series 2018-B; Sewage Disposal System Revenue Bond Series 2018-C; Sewage Disposal System Revenue Bond Series 2018-D; Sewage Disposal System Revenue Bond Series 2018-E; Sewage Disposal System Revenue Bond Series 2018-F; Sewage Disposal System Revenue Bond Series 2018-G; Sewage Disposal System Revenue Bond Series 2018-H; Sewage Disposal System Revenue Bond Series 2018-I; Sewage Disposal System Revenue Bond Series 2018-J; Sewage Disposal System Revenue Bond Series 2018-K; Sewage Disposal System Revenue Bond Series 2018-L; Sewage Disposal System Revenue Bond Series 2018-M; Sewage Disposal System Revenue Bond Series 2018-N; Sewage Disposal System Revenue Bond Series 2018-O; Sewage Disposal System Revenue Bond Series 2018-P; Sewage Disposal System Revenue Bond Series 2018-Q; Sewage Disposal System Revenue Bond Series 2018-R; Sewage Disposal System Revenue Bond Series 2018-S; Sewage Disposal System Revenue Bond Series 2018-T; Sewage Disposal System Revenue Bond Series 2018-U; Sewage Disposal System Revenue Bond Series 2018-V; Sewage Disposal System Revenue Bond Series 2018-W; Sewage Disposal System Revenue Bond Series 2018-X; Sewage Disposal System Revenue Bond Series 2018-Y; Sewage Disposal System Revenue Bond Series 2018-Z; Sewage Disposal System Revenue Bond Series 2019-A; Sewage Disposal System Revenue Bond Series 2019-B; Sewage Disposal System Revenue Bond Series 2019-C; Sewage Disposal System Revenue Bond Series 2019-D; Sewage Disposal System Revenue Bond Series 2019-E; Sewage Disposal System Revenue Bond Series 2019-F; Sewage Disposal System Revenue Bond Series 2019-G; Sewage Disposal System Revenue Bond Series 2019-H; Sewage Disposal System Revenue Bond Series 2019-I; Sewage Disposal System Revenue Bond Series 2019-J; Sewage Disposal System Revenue Bond Series 2019-K; Sewage Disposal System Revenue Bond Series 2019-L; Sewage Disposal System Revenue Bond Series 2019-M; Sewage Disposal System Revenue Bond Series 2019-N; Sewage Disposal System Revenue Bond Series 2019-O; Sewage Disposal System Revenue Bond Series 2019-P; Sewage Disposal System Revenue Bond Series 2019-Q; Sewage Disposal System Revenue Bond Series 2019-R; Sewage Disposal System Revenue Bond Series 2019-S; Sewage Disposal System Revenue Bond Series 2019-T; Sewage Disposal System Revenue Bond Series 2019-U; Sewage Disposal System Revenue Bond Series 2019-V; Sewage Disposal System Revenue Bond Series 2019-W; Sewage Disposal System Revenue Bond Series 2019-X; Sewage Disposal System Revenue Bond Series 2019-Y; Sewage Disposal System Revenue Bond Series 2019-Z; Sewage Disposal System Revenue Bond Series 2020-A; Sewage Disposal System Revenue Bond Series 2020-B; Sewage Disposal System Revenue Bond Series 2020-C; Sewage Disposal System Revenue Bond Series 2020-D; Sewage Disposal System Revenue Bond Series 2020-E; Sewage Disposal System Revenue Bond Series 2020-F; Sewage Disposal System Revenue Bond Series 2020-G; Sewage Disposal System Revenue Bond Series 2020-H; Sewage Disposal System Revenue Bond Series 2020-I; Sewage Disposal System Revenue Bond Series 2020-J; Sewage Disposal System Revenue Bond Series 2020-K; Sewage Disposal System Revenue Bond Series 2020-L; Sewage Disposal System Revenue Bond Series 2020-M; Sewage Disposal System Revenue Bond Series 2020-N; Sewage Disposal System Revenue Bond Series 2020-O; Sewage Disposal System Revenue Bond Series 2020-P

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steve W. Rhodes

---

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF DEADLINES FOR FILING OF PROOFS OF  
CLAIM IN THE WALL STREET JOURNAL**





**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

---

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF (I) APPROVAL OF DISCLOSURE  
STATEMENT, (II) HEARING TO CONSIDER CONFIRMATION OF THE PLAN FOR THE  
ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND  
DEADLINES REGARDING CONFIRMATION FOR THE PLAN IN THE  
DETROIT NEWS AND DETROIT FREE PRESS**

**AFFIDAVIT OF DISTRIBUTION**

STATE OF Michigan

COUNTY OF Wayne

I, Jennifer Blonde, being duly sworn on oath say he/she is and during all times herein stated has been the publisher of the publisher's designated agent in charge of the publication known as

The Detroit News & The Detroit Free Press ("Publisher")

And has full knowledge of the facts herein stated as follows:

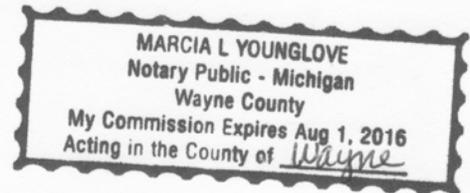
The Ad for City of Detroit, Michigan ("Advertiser") was distributed to Publisher's full circulation on the 9th day of May, 2014.

By: Jennifer Blonde

Subscribed and sworn to before me this 12th day of May, 2014.

Notary Seal:

Marcia L Younglove  
Notary Public



National Call Center 800-WESLEYS Open 24/7  
www.800wesleys.com

Downtown Detroit - 150W Congress - Penobscot Building  
Detroit Northwest - 15305 Schoolcraft - 2 blocks east of Greenfield  
West Bloomfield - 6677 Orchard Lake Rd. - Just south of Maple  
Commerce - 2985 Haggerty Rd - North of Pontiac Trail  
Canton - 42531 Ford Road - at Lilly.

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION

In re CITY OF DETROIT, MICHIGAN, Chapter 9, Case No. 13-53846  
Debtor, Hon. Steven W. Rhodes

NOTICE OF (I) APPROVAL OF DISCLOSURE STATEMENT, (II) HEARING  
TO CONSIDER CONFIRMATION OF THE PLAN FOR THE ADJUSTMENT OF  
DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND DEADLINES  
REGARDING CONFIRMATION OF THE PLAN

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. **Approval of the Disclosure Statement.** On May 5, 2014, the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") entered an order (Docket No. 4401) (the "Disclosure Statement Order") approving the Fourth Amended Disclosure Statement with Respect to Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 4391) (as it may be amended, modified or supplemented, the "Disclosure Statement") filed by the City of Detroit, Michigan (the "City"). Accordingly, the City is authorized to solicit votes to approve or reject the Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (May 5, 2014) (Docket No. 4392) (as it may be amended, modified or supplemented, the "Plan").

2. **Approval of Solicitation Procedures.** On March 11, the Bankruptcy Court entered an order (Docket No. 2984) (the "Primary Solicitation Procedures Order") granting the Motion of the City of Detroit for Entry of an Order (i) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (ii) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (the "Primary Solicitation Procedures Motion"). On May 5, 2014, the Bankruptcy Court entered an order (Docket No. 4400) (the "Supplemental Solicitation Procedures Order") granting the Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 3943) (the "Supplemental Solicitation Procedures Motion"). The Supplemental Solicitation Procedures Order modifies, in part, and supplements the procedures approved by the Primary Solicitation Procedures Order, solely as such procedures apply to claims in Classes 10, 11 and 12 under the Plan. Claims in Classes 10 and 11 under the Plan are called "Pension Claims," and claims in Class 12 under the Plan are called "OPEB Claims."

3. **Confirmation Hearing.** A hearing to consider confirmation of the Plan (the "Confirmation Hearing") will be held on **July 24, 2014 at 9:00 a.m.**, Eastern Time, before the Honorable Steven W. Rhodes, United States Bankruptcy Judge, in the United States District Court, 231 W. Lafayette Blvd., Detroit, Michigan 48226. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Court of the adjourned date at the Confirmation Hearing or any continued hearing. The Plan may be modified or supplemented prior to, during or as a result of the Confirmation Hearing in accordance with the terms of the Plan and section 942 and other applicable sections of the Bankruptcy Code, without further notice.

4. **Objections to the Plan.** Objections, if any, to confirmation of the Plan must be filed with the Bankruptcy Court on or before **May 12, 2014** by all parties other than (a) holders of Pension Claims (each such holder, a "Pension Claimant"), (b) holders of OPEB Claims (each such holder, an "OPEB Claimant") and (c) individual bondholders. Objections, if any, to confirmation of the Plan by Pension Claimants, OPEB Claimants and individual bondholders must be filed with the Bankruptcy Court on or before **July 11, 2014**. Supplemental objections to the Plan (by all claimants) arising as a result of discovery or the result of Plan voting must be filed with the Bankruptcy Court on or before **July 18, 2014**. All evidence in support of objections to the Plan must be submitted at or prior to the completion of the Confirmation Hearing. If a party files an objection to confirmation of the Plan that is not timely or otherwise does not comply with the procedures set forth herein, the objection will be denied and the party will not be heard at the Confirmation Hearing.

5. **Pension/OPEB Record Date.** The Bankruptcy Court has set **March 1, 2014** as the "Pension/OPEB Record Date" for purposes of voting on the Plan by Pension Claimants and OPEB Claimants. A Pension Claimant or OPEB Claimant is only entitled to vote his or her Pension Claim or OPEB Claim if such claim was held by such claimant as of the Pension/OPEB Record Date.

6. **Voting Record Date.** The Bankruptcy Court has set **April 14, 2014** as the "Voting Record Date" for voting on the Plan with respect to all parties entitled to vote other than Pension Claimants and OPEB Claimants. A creditor other than a Pension Claimant or OPEB Claimant is only entitled to vote on the Plan if it held claims against the City as of the Voting Record Date and is a member of a class of claims under the Plan that is entitled to vote on the Plan.

7. **Transferred Claims.** Please note: This paragraph does not apply to Pension Claims and OPEB Claims. With respect to any claim that is transferred prior to the Voting Record Date, the transferee will be entitled to vote on the Plan on account of the transferred claim only if, prior to the Voting Record Date, (a) the transferee files a notice of the transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) and (b) (i) the objection deadline with respect to such transfer has passed and no party has objected to the transfer, (ii) if there are any objections to the transfer, such objections have been resolved or (iii) the transferee fails to satisfy these requirements prior to the Voting Record Date, then the transferee will be entitled to vote to accept or reject the Plan on account of the claims in question.

8. **Voting Deadline.** Votes to accept or reject the Plan must be received by Kurtzman Carson Consultants LLC, as balloting agent, by **5:00 p.m. Eastern Time on July 11, 2014**. Ballots that are received after the deadline will not be counted. Ballots submitted by email, fax or any other electronic means will not be counted. Ballots submitted by mail, overnight delivery or by hand, must be delivered to the balloting agent via U.S. Mail, overnight delivery or by hand.

9. **Tabulation Rules.** Certain procedures for the tabulation of Ballots (the "Primary Tabulation Rules") are set forth in Exhibit 6C to the Primary Solicitation Procedures Motion. The Primary Tabulation Rules are supplemented and modified, solely with respect to Pension Claims and OPEB Claims, by the tabulation rules (the "Pension/OPEB Tabulation Rules") attached as Exhibit 6B to the Notice of Final Exhibits in Connection with Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 4378).

10. **Rule 3018 Motions.** Please note: This paragraph does not apply to Pension Claims and OPEB Claims. If any claimant seeks treatment of its claim for voting purposes, other than in accordance with the Primary Tabulation Rules, the claimant shall be required to file a motion pursuant to Federal Rule of Bankruptcy Procedure 3018(a) for an order temporarily allowing its claim in a different amount, or classification for purposes of voting on the Plan (a "Rule 3018 Motion"). Any such Rule 3018 Motion shall be served on counsel for the City so that it is received by the later of May 1, 2014 or 10 days after the date of service of a notice of objection, if any, to the applicable claim. Any Ballot submitted by a claimant that files a Rule 3018 Motion shall be counted solely in accordance with the Primary Tabulation Rules until the underlying claim is temporarily allowed by order of the Court for voting purposes in a different amount or classification.

11. **Parties not Entitled to Vote.** Claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4 and 6 under the Plan, and certain Claims in Classes 1A-1 through 1A-337 under the Plan, are unpaired, and thus, holders of claims in those classes are deemed to accept the Plan and are not entitled to vote on the Plan. Claims in Class 16 will be disallowed under the Plan, and thus, holders of claims in Class 16 are deemed to reject the Plan and are not entitled to vote on the Plan. Accordingly, holders of claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4 and 6 under the Plan, and certain Claims in Classes 1A-1 through 1A-337 under the Plan, and holders of claims in Class 16 will not receive solicitation packages or Ballots. Instead, Non-Voting Creditors will receive a notice of non-voting status, and they may obtain

copies of the Plan, Disclosure Statement and other documents as set forth in paragraph 13 below. Non-Voting Creditors remain entitled to file objections to the Plan as set forth in paragraph 4 above.

12. **PLAN INJUNCTIONS AND RELEASES.** The Plan provides for the following injunctive relief:

a. **Plan Section III.D.5.** Section III.D.5 of the Plan provides: On the Effective Date, except as otherwise provided herein or in the Confirmation Order,

a. all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims, along with their Related Entities, shall be permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):

1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims, and (C) Indirect Employee Indemnity Claims);

2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property;

3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property;

4. asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property;

5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and

6. taking any actions to interfere with the implementation or consummation of the Plan.

b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

b. **Plan Section III.D.7.** Section III.D.7 of the Plan provides: Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge all Liabilities in any way relating to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, the Exhibits or the Disclosure Statement that such entity has, had or may have against the City, its Related Entities, the State, the State Related Entities and the Released Parties (which release will be in addition to the discharge of Claims provided herein and under the Confirmation Order and the Bankruptcy Code), provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further that this Section III.D.7.a shall not apply to any Exculpated Party; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties, which conditions may not be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; and

b. if the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees and/or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law and/or the Plan.

13. **Additional Information.** Requests for copies of the Disclosure Statement and the Plan by parties in interest may be made in writing to the Balloting Agent at Detroit Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245 or by telephone at (877) 298-6236. In addition, any party may review the Plan, the Disclosure Statement, the Primary Solicitation Procedures Motion, the Primary Solicitation Procedures Order, the Supplemental Solicitation Procedures Motion, the Supplemental Solicitation Procedures Order and other relevant documents filed in this case, without charge, at <http://www.kcccllc.net/Detroit>.

Dated: May 9, 2014  
BY ORDER OF THE COURT  
/s/ Heather Lennox, David G. Heiman (OH 0038271), Heather Lennox (OH 0059649), JONES DAY, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114, Telephone: (216) 586-3939, Facsimile: (216) 579-0212, [dghelman@jonesday.com](mailto:dghelman@jonesday.com), [helennox@jonesday.com](mailto:helennox@jonesday.com) and Bruce Bennett (CA 105430), JONES DAY, 555 South Flower Street, Fiftieth Floor, Los Angeles, California 90071, Telephone: (213) 243-2382, Facsimile: (213) 243-2539, [bbennett@jonesday.com](mailto:bbennett@jonesday.com) and Jonathan S. Green (MI P33140), Stephen S. LaPlante (MI P48063), MILLER, CANFIELD, 48226, Telephone: (313) 963-9420, Facsimile: (313) 456-2222, [millercanfield.com](mailto:millercanfield.com), [www.millercanfield.com](http://www.millercanfield.com), ATTORNEYS FOR THE CITY

which also advocates for unilateral U.S. nuclear disarmament.

The government's report is full of alarms claiming America is already experiencing the ef-

ment's own climate observers at NOAA (National Oceanic and Atmospheric Administration) reported a record low number of tornadoes and the longest pause ever in the occurrence of big hurricanes.

Meantime, the mild temperature increase late last year has been replaced by 17 years - almost two decades - of pauses and mild cooling, despite increasing levels of harmless CO2 in the atmosphere and despite the doctored U.S. temperature record created over the past two decades by activist James Hansen of NASA.

Add to that verified scientific observations of increasing polar sea ice and incontrovertible facts showing droughts and floods in the past - as long as a thousand years ago and more, long before our reliance on cheap fossil fuels - were far worse.

The Obama administration points to Hurricane Sandy as the greatest recent climate disaster which supposedly moved Obama to decide on quicker presidential action on the environment - headlined in a way that moved the Benghazi and Obamacare debacles off the front page.

Know this: environmental extremists are trying to attribute every major weather event -

Is Presi climate Hurrica number  
regular format Earth t manna. claims not sci accor enviro the He tank.  
The who ea vidual could wider The latest admin ization again Ameri Bengh the co on Am energ espec North boom tion., Ag becau

# MARTY FELDMAN CHEVROLET SUPERSTORE

## 2014 CHEVY CRUZE LT 20



STK# MR142065

LEASE \$99/MO  
36 MONTH LEASE \$1995 DOWN.  
AUTO, AIR, PW/PL, TILT, CRUISE & MUCH MORE!



# FELDMAN AUTOMOTIVE

Feldman Automotive Price If You Find The And Options. For Le  
The vehicle must be in dealer stock and ready to ship. We will pay you 110% of the difference in price level changes. The dealer's reserves the r

13-53846-1111 Doc 13209-25 Filed 05/09/14 Entered 05/09/14 12:02:23 Page 6 of 12



erson  
ze Winner  
e city of Detroit.

on and a stirring sense  
one in their critique."  
Committee

[freep.com/abettermichigan](http://freep.com/abettermichigan)

Detroit Free Press

A GANNETT COMPANY  
[www.freep.com](http://www.freep.com)

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION  
In re CITY OF DETROIT, MICHIGAN, Chapter 9, Case No. 13-53846  
Debtor. Hon. Steven W. Rhodes

NOTICE OF (I) APPROVAL OF DISCLOSURE STATEMENT, (II) HEARING TO CONSIDER CONFIRMATION OF THE PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND DEADLINES REGARDING CONFIRMATION OF THE PLAN

PLEASE TAKE NOTICE OF THE FOLLOWING:

**1. Approval of the Disclosure Statement.** On May 5, 2014, the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") entered an order (Docket No. 4401) (the "Disclosure Statement Order") approving the *Fourth Amended Disclosure Statement with Respect to Fourth Amended Plan for the Adjustment of Debts of the City of Detroit* (Docket No. 4391) (as it may be amended, modified or supplemented, the "Disclosure Statement") filed by the City of Detroit, Michigan (the "City"). Accordingly, the City is authorized to solicit votes to approve or reject the *Fourth Amended Plan for the Adjustment of Debts of the City of Detroit* (May 5, 2014) (Docket No. 4392) (as it may be amended, modified or supplemented, the "Plan").

**2. Approval of Solicitation Procedures.** On March 11, the Bankruptcy Court entered an order (Docket No. 2984) (the "Primary Solicitation Procedures Order") granting the *Motion of the City of Detroit for Entry of an Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment* (the "Primary Solicitation Procedures Motion"). On May 5, 2014, the Bankruptcy Court entered an order (Docket No. 4400) (the "Supplemental Solicitation Procedures Order") granting the *Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims* (Docket No. 3943) (the "Supplemental Solicitation Procedures Motion"). The Supplemental Solicitation Procedures Order modifies, in part, and supplements the procedures approved by the Primary Solicitation Procedures Order, solely as such procedures apply to claims in Classes 10, 11 and 12 under the Plan. Claims in Classes 10 and 11 under the Plan are called "Pension Claims," and claims in Class 12 under the Plan are called "OPEB Claims."

**3. Confirmation Hearing.** A hearing to consider confirmation of the Plan (the "Confirmation Hearing") will be held on **July 24, 2014 at 9:00 a.m.**, Eastern Time, before the Honorable Steven W. Rhodes, United States Bankruptcy Judge, in the United States District Court, 231 W. Lafayette Blvd., Detroit, Michigan 48226. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Court of the adjourned date at the Confirmation Hearing or any continued hearing. The Plan may be modified or supplemented prior to, during or as a result of the Confirmation Hearing in accordance with the terms of the Plan and section 942 and other applicable sections of the Bankruptcy Code, without further notice.

**4. Objections to the Plan.** Objections, if any, to confirmation of the Plan must be filed with the Bankruptcy Court on or before **May 12, 2014** by all parties other than (a) holders of Pension Claims (each such holder, a "Pension Claimant"), (b) holders of OPEB Claims (each such holder, an "OPEB Claimant") and (c) individual bondholders. Objections, if any, to confirmation of the Plan by Pension Claimants, OPEB Claimants and individual bondholders must be filed with the Bankruptcy Court on or before **July 11, 2014**. Supplemental objections to the Plan (by all claimants) arising as a result of discovery or the result of Plan voting must be filed with the Bankruptcy Court on or before **July 18, 2014**. All evidence in support of objections to the Plan must be submitted at or prior to the completion of the Confirmation Hearing. If a party files an objection to confirmation of the Plan that is not timely or otherwise does not comply with the procedures set forth herein, the objection will be denied and the party will not be heard at the Confirmation Hearing.

**5. Pension/OPEB Record Date.** The Bankruptcy Court has set **March 1, 2014** as the "Pension/OPEB Record Date" for purposes of voting on the Plan by Pension Claimants and OPEB Claimants. A Pension Claimant or OPEB Claimant is only entitled to vote his or her Pension Claim or OPEB Claim if such claim was held by such claimant as of the Pension/OPEB Record Date.

**6. Voting Record Date.** The Bankruptcy Court has set **April 14, 2014** as the "Voting Record Date" for voting on the Plan with respect to all parties entitled to vote other than Pension Claimants and OPEB Claimants. A creditor other than a Pension Claimant or OPEB Claimant is only entitled to vote on the Plan if it held claims against the City as of the Voting Record Date and is a member of a class of claims under the Plan that is entitled to vote on the Plan.

**7. Transferred Claims.** Please note: *This paragraph does not apply to Pension Claims and OPEB Claims.* With respect to any claim that is transferred prior to the Voting Record Date, the transferee will be entitled to vote on the Plan on account of the transferred claim only if, prior to the Voting Record Date, (a) the transferee files a notice of the transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) and (b) (i) the objection deadline with respect to such transfer has passed and no party has objected to the transfer, (ii) if there are any objections to the transfer, such objections have been resolved or (iii) the transferor has signed a sworn statement confirming the validity of the transfer. If the transferee fails to satisfy these requirements prior to the Voting Record Date, then the transferor will be entitled to vote to accept or reject the Plan on account of the claims in question.

**8. Voting Deadline.** Votes to accept or reject the Plan must be received by Kurtzman Carson Consultants LLC, as balloting agent, by **5:00 p.m. Eastern Time on July 11, 2014**. Ballots that are received after the deadline will not be counted. Ballots must be delivered to the balloting agent via U.S. Mail, overnight delivery or by hand. Ballots submitted by email, fax or any other electronic means will not be counted.

**9. Tabulation Rules.** Certain procedures for the tabulation of Ballots (the "Primary Tabulation Rules") are set forth in Exhibit 6C to the Primary Solicitation Procedures Motion. The Primary Tabulation Rules are supplemented and modified, solely with respect to Pension Claims and OPEB Claims, by the tabulation rules (the "Pension/OPEB Tabulation Rules") attached as Exhibit 6B to the *Notice of Final Exhibits in Connection with Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims* (Docket No. 4378).

**10. Rule 3018 Motions.** Please note: *This paragraph does not apply to Pension Claims and OPEB Claims.* If any claimant seeks treatment of its claim for voting purposes, other than in accordance with the Primary Tabulation Rules, the claimant shall be required to file a motion pursuant to Federal Rule of Bankruptcy Procedure 3018(a) for an order temporarily allowing its claim in a different amount or classification for purposes of voting on the Plan (a "Rule 3018 Motion"). Any such Rule 3018 Motion shall be served on counsel for the City so that it is received by the later of May 1, 2014 or 10 days after the date of service of a notice of objection, if any, to the applicable claim. Any Ballot submitted by a claimant that files a Rule 3018 Motion shall be counted solely in accordance with the Primary Tabulation Rules until the underlying claim is temporarily allowed by order of the Court for voting purposes in a different amount of classification.

**11. Parties not Entitled to Vote.** Claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4 and 6 under the Plan, and certain Claims in Classes 1A-1 through 1A-337 under the Plan, are unpaired, and thus, holders of claims in those classes are deemed to accept the Plan and are not entitled to vote on the Plan. Claims in Class 1B will be disallowed under the Plan, and thus, holders of claims in Class 1B are deemed to reject the Plan and are not entitled to vote on the Plan. Accordingly, holders of claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4, 6, 16 and the unpaired Classes among Classes 1A-1 through 1A-337 (collectively, the "Non-Voting Creditors") will not receive solicitation packages or Ballots. Instead, Non-Voting Creditors will receive a notice of non-voting status, and they may obtain

copies of the Plan, Disclosure Statement and other documents as set forth in paragraph 13 below. Non-Voting Creditors remain entitled to file objections to the Plan as set forth in paragraph 4 above.

**12. PLAN INJUNCTIONS AND RELEASES.** The Plan provides for the following injunctive relief:

a. **Plan Section III.D.5. Section III.D.5 of the Plan provides:** On the Effective Date, except as otherwise provided herein or in the Confirmation Order,

a. all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims, along with their Related Entities, shall be permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):

1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims, and (C) Indirect Employee Indemnity Claims);

2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property;

3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property;

4. asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property;

5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and

6. taking any actions to interfere with the implementation or consummation of the Plan.

b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

b. **Plan Section III.D.7. Section III.D.7 of the Plan provides:** Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge all Liabilities in any way relating to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, the Exhibits or the Disclosure Statement that such entity has, had or may have against the City, its Related Entities, the State, the State Related Entities and the Released Parties (which release will be in addition to the discharge of Claims provided herein and under the Confirmation Order and the Bankruptcy Code), provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further that this Section III.D.7.a shall not apply to any Exculpated Party; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties, which conditions may not be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; and

b. If the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees and/or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law and/or the Plan.

**13. Additional Information.** Requests for copies of the Disclosure Statement and the Plan by parties in interest may be made in writing to the Balloting Agent at Detroit Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245 or by telephone at (877) 298-6236. In addition, any party may review the Plan, the Disclosure Statement, the Primary Solicitation Procedures Motion, the Primary Solicitation Procedures Order, the Supplemental Solicitation Procedures Motion, the Supplemental Solicitation Procedures Order and other relevant documents filed in this case, without charge, at <http://www.kccclc.net/Detroit>.

BY ORDER OF THE COURT

Dated: May 9, 2014  
/s/ Heather Lennox, David G. Heiman (OH 0038271), Heather Lennox (OH 0059649), JONES DAY, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114, Telephone: (216) 586-3939, Facsimile: (216) 579-0212, [dghelman@jonesday.com](mailto:dghelman@jonesday.com), [hlennox@jonesday.com](mailto:hlennox@jonesday.com) and Bruce Bennett (CA 105430), JONES DAY, 555 South Flower Street, Fiftieth Floor, Los Angeles, California 90071, Telephone: (213) 243-2382, Facsimile: (213) 243-2539, [bbennett@jonesday.com](mailto:bbennett@jonesday.com) and Jonathan S. Green (MI P33140), Stephen S. LaPlante (MI P48063), MILLER, CANFIELD, PADDOCK AND STONE, P.L.C., 150 West Jefferson, Suite 2500, Detroit, Michigan 48226, Telephone: (313) 963-6420, Facsimile: (313) 496-7500, [green@millercanfield.com](mailto:green@millercanfield.com), [lapiante@millercanfield.com](mailto:lapiante@millercanfield.com), ATTORNEYS FOR THE CITY

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

---

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF (I) APPROVAL OF DISCLOSURE  
STATEMENT, (II) HEARING TO CONSIDER CONFIRMATION OF THE PLAN FOR THE  
ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND  
DEADLINES REGARDING CONFIRMATION FOR THE PLAN IN USA TODAY**



**USA  
TODAY**  
A GANNETT COMPANY

**VERIFICATION OF PUBLICATION**

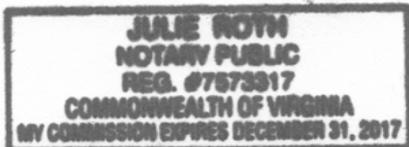
**COMMONWEALTH OF VIRGINIA  
COUNTY OF FAIRFAX**

Being duly sworn, Toussaint Hutchinson says that he is the principal clerk of USA TODAY, and is duly authorized by USA TODAY to make this affidavit, and is fully acquainted with the facts stated herein: on **Friday, May 9, 2014** the following legal advertisement - **In re CITY OF DETROIT, MICHIGAN** - was published in the national edition of USA TODAY.

Principal Clerk of USA TODAY  
May 9, 2014

This 9<sup>th</sup> day of May month  
2014 year.

Notary Public



# MARKETPLACE TODAY

For advertising information: 1.800.397.0070 www.russelljohns.com/usat

## NOTICES

### LEGAL NOTICE

**UNITED STATES BANKRUPTCY COURT, EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION**  
In re CITY OF DETROIT, MICHIGAN, Chapter 9, Case No. 13-53846  
Debtor, Hon. Steven W. Rhodes

**NOTICE OF (I) APPROVAL OF DISCLOSURE STATEMENT, (II) HEARING TO CONSIDER CONFIRMATION OF THE PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND DEADLINES REGARDING CONFIRMATION OF THE PLAN**  
PLEASE TAKE NOTICE OF THE FOLLOWING:

**1. Approval of the Disclosure Statement.** On May 5, 2014, the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") entered an order (Docket No. 4401) (the "Disclosure Statement Order") approving the Fourth Amended Disclosure Statement with Respect to Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 4391) (as it may be amended, modified or supplemented, the "Disclosure Statement") filed by the City of Detroit, Michigan (the "City"). Accordingly, the City is authorized to solicit votes to approve or reject the Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (May 5, 2014) (Docket No. 4392) (as it may be amended, modified or supplemented, the "Plan").

**2. Approval of Solicitation Procedures.** On March 11, the Bankruptcy Court entered an order (Docket No. 2984) (the "Primary Solicitation Procedures Order") granting the Motion of the City of Detroit for Entry of an Order (i) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (ii) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (the "Primary Solicitation Procedures Motion"). On May 5, 2014, the Bankruptcy Court entered an order (Docket No. 4400) (the "Supplemental Solicitation Procedures Order") granting the Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 3943) (the "Supplemental Solicitation Procedures Motion"). The Supplemental Solicitation Procedures Order modifies, in part, and supplements the procedures approved by the Primary Solicitation Procedures Order, solely as such procedures apply to claims in Classes 10, 11 and 12 under the Plan. Claims in Classes 10 and 11 under the Plan are called "Pension Claims," and claims in Class 12 under the Plan are called "OPEB Claims."

**3. Confirmation Hearing.** A hearing to consider confirmation of the Plan (the "Confirmation Hearing") will be held on **July 24, 2014 at 9:00 a.m.**, Eastern Time, before the Honorable Steven W. Rhodes, United States Bankruptcy Judge, in the United States District Court, 231 W. Lafayette Blvd., Detroit, Michigan 48226. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Court of the adjourned date at the Confirmation Hearing or any continued hearing. The Plan may be modified or supplemented prior to, during or as a result of the Confirmation Hearing in accordance with the terms of the Plan and section 942 and other applicable sections of the Bankruptcy Code, without further notice.

**4. Objections to the Plan.** Objections, if any, to confirmation of the Plan must be filed with the Bankruptcy Court on or before **May 12, 2014** by all parties other than (a) holders of Pension Claims (each such holder, a "Pension Claimant"), (b) holders of OPEB Claims (each such holder, an "OPEB Claimant") and (c) individual bondholders. Objections, if any, to confirmation of the Plan by Pension Claimants, OPEB Claimants and individual bondholders must be filed with the Bankruptcy Court on or before **July 11, 2014**. Supplemental objections to the Plan (by all claimants) arising as a result of discovery or the result of Plan voting must be filed with the Bankruptcy Court on or before **July 16, 2014**. All evidence in support of objections to the Plan must be submitted at or prior to the completion of the Confirmation Hearing. If a party files an objection to confirmation of the Plan that is not timely or otherwise does not comply with the procedures set forth herein, the objection will be denied and the party will not be heard at the Confirmation Hearing.

**5. Pension/OPEB Record Date.** The Bankruptcy Court has set **March 1, 2014** as the "Pension/OPEB Record Date" for purposes of voting on the Plan by Pension Claimants and OPEB Claimants. A Pension Claimant or OPEB Claimant is only entitled to vote his or her Pension Claim or OPEB Claim if such claim was held by such claimant as of the Pension/OPEB Record Date.

**6. Voting Record Date.** The Bankruptcy Court has set **April 14, 2014** as the "Voting Record Date" for voting on the Plan with respect to all parties entitled to vote other than Pension Claimants and OPEB Claimants. A creditor other than a Pension Claimant or OPEB Claimant is only entitled to vote on the Plan if it held claims against the City as of the Voting Record Date and is a member of a class of claims under the Plan that is entitled to vote on the Plan.

**7. Transferred Claims.** Please note: This paragraph does not apply to Pension Claims and OPEB Claims. With respect to any claim that is transferred prior to the Voting Record Date, the transferee will be entitled to vote on the Plan on account of the transferred claim only if, prior to the Voting Record Date, (a) the transferee files a notice of the transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) and (b) (i) the objection deadline with respect to such transfer has passed and no party has objected to the transfer; (ii) if there are any objections to the transfer, such objections have been resolved or (iii) the transferor has signed a sworn statement confirming the validity of the transfer. If the transferee fails to satisfy these requirements prior to the Voting Record Date, then the transferor will be entitled to vote to accept or reject the Plan on account of the claims in question.

**8. Voting Deadline.** Votes to accept or reject the Plan must be received by Kurtzman Carson Consultants LLC, as balloting agent, by **5:00 p.m. Eastern Time on July 11, 2014**. Ballots that are received after the deadline will not be counted. Ballots must be delivered to the balloting agent via U.S. Mail, overnight delivery or by hand. Ballots submitted by email, fax or any other electronic means will not be counted.

**9. Tabulation Rules.** Certain procedures for the tabulation of Ballots (the "Primary Tabulation Rules") are set forth in Exhibit 6C to the Primary Solicitation Procedures Motion. The Primary Tabulation Rules are supplemented and modified, solely with respect to Pension Claims and OPEB Claims, by the tabulation rules (the "Pension/OPEB Tabulation Rules") attached as Exhibit 6B to the Notice of Final Exhibits in Connection with Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 4378).

**10. Rule 3018 Motions.** Please note: This paragraph does not apply to Pension Claims and OPEB Claims. If any claimant seeks treatment of its claim for voting purposes, other than in accordance with the Primary Tabulation Rules, the claimant shall be required to file a motion pursuant to Federal Rule of Bankruptcy Procedure 3018(a) for an order temporarily allowing its claim in a different amount or classification for purposes of voting on the Plan (a "Rule 3018 Motion"). Any such Rule 3018 Motion shall be served on counsel for the City so that it is received by the later of May 1, 2014 or 10 days after the date of service of a notice of objection, if any, to the applicable claim. Any Ballot submitted by a claimant that files a Rule 3018 Motion shall be counted solely in accordance with the Primary Tabulation Rules until the underlying claim is temporarily allowed by order of the Court for voting purposes in a different amount of classification.

**11. Parties Not Entitled to Vote.** Claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4 and 6 under the Plan, and certain Claims in Classes 1A-1 through 1A-337 under the Plan, are unpaired, and thus, holders of claims in those classes are deemed to accept the Plan and are not entitled to vote on the Plan. Claims in Class 16 will be dissolved under the Plan, and thus, holders of claims in Class 16 are deemed to reject the Plan and are not entitled to vote on the Plan. Accordingly, holders of claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4, 6, 16 and the unpaired Classes among Classes 1A-1 through 1A-337 (collectively, the "Non-Voting Creditors") will not receive solicitation packages or Ballots. Instead, Non-Voting Creditors will receive a notice of non-voting status, and they may obtain copies of the Plan, Disclosure Statement and other documents as set forth in paragraph 13 below. Non-Voting Creditors remain entitled to file objections to the Plan as set forth in paragraph 4 above.

**12. PLAN INJUNCTIONS AND RELEASES.** The Plan provides for the following injunctive relief:

a. **Plan Section III.D.5.** Section III.D.5 of the Plan provides: On the Effective Date, except as otherwise provided herein or in the Confirmation Order,

a. all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims, along with their Related Entities, shall be permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):

1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims, and (C) Indirect Employee Indemnity Claims);

2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property;

3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property;

4. asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property;

5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and

6. taking any actions to interfere with the implementation or consummation of the Plan.

b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

b. **Plan Section III.D.7.** Section III.D.7 of the Plan provides: Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge all Liabilities in any way relating to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, the Exhibits or the Disclosure Statement that such entity has, had or may have against the City, its Related Entities, the State, the State Related Entities and the Released Parties (which release will be in addition to the discharge of Claims provided herein and under the Confirmation Order and the Bankruptcy Code), provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further that this Section III.D.7.a shall not apply to any Exculpated Party; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties, which conditions may not be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; and

b. if the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees and/or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law and/or the Plan.

**13. Additional Information.** Requests for copies of the Disclosure Statement and the Plan by parties in interest may be made in writing to the Balloting Agent at Detroit Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90245 or by telephone at (877) 298-6236. In addition, any party may review the Plan, the Disclosure Statement, the Primary Solicitation Procedures Motion, the Primary Solicitation Procedures Order, the Supplemental Solicitation Procedures Motion, the Supplemental Solicitation Procedures Order and other relevant documents filed in this case, without charge, at <http://www.kcccl.net/Detroit>.

Dated: May 9, 2014 BY ORDER OF THE COURT /s/ Heather Lennox, David G. Heiman (OH 0038271), Heather Lennox (OH 0059649), JONES DAY, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114, Telephone: (216) 586-3939, Facsimile: (216) 579-0212, dgheman@jonesday.com, hlennox@jonesday.com -and- Bruce Bennett (CA 105430), JONES DAY, 555 South Flower Street, Fifteenth Floor, Los Angeles, California 90071, Telephone: (213) 243-2382, Facsimile: (213) 243-2539, bbennett@jonesday.com -and- Jonathan S. Green (MI P33140), Stephen S. LaPlante (MI P48063), MILLER, CANFIELD, PADDOCK AND STONE, P.L.C., 150 West Jefferson, Suite 2500, Detroit, Michigan 48226, Telephone: (313) 963-6420, Facsimile: (313) 496-7500, green@millercaanfield.com, laplante@millercaanfield.com, ATTORNEYS FOR THE CITY

### LEGAL NOTICE

13-53846-1111 Doc 13-218-25 Filed 11/20/13 Entered 01/20/14 23:05:20 Page 31 of 38

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steve W. Rhodes

\_\_\_\_\_ /

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF (I) APPROVAL OF DISCLOSURE  
STATEMENT, (II) HEARING TO CONSIDER CONFIRMATION OF THE PLAN FOR THE  
ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND  
DEADLINES REGARDING CONFIRMATION FOR THE PLAN IN THE WALL STREET JOURNAL**

**AFFIDAVIT**

STATE OF TEXAS )  
 ) ss:  
CITY AND COUNTY OF DALLAS)

I, Vinod Srinivasan, being duly sworn, depose and say that I am the Advertising Clerk of the Publisher of THE WALL STREET JOURNAL, a daily national newspaper of general circulation throughout the United States, and that the notice attached to this Affidavit has been regularly published in THE WALL STREET JOURNAL for National distribution for 1 insertion(s) on the following date(s):

MAY-09-2014;

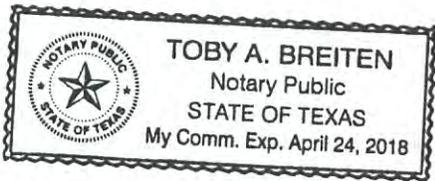
ADVERTISER: City of Detroit;

and that the foregoing statements are true and correct to the best of my knowledge.

  
\_\_\_\_\_

Sworn to before me this  
23 day of July 2014

  
\_\_\_\_\_  
Notary Public



**NOTICE OF (I) APPROVAL OF DISCLOSURE STATEMENT, (II) HEARING TO CONSIDER CONFIRMATION OF THE PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (III) PROCEDURES AND DEADLINES REGARDING CONFIRMATION OF THE PLAN**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. **Approval of the Disclosure Statement.** On May 5, 2014, the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") entered an order (Docket No. 4401) (the "Disclosure Statement Order") approving the *Fourth Amended Disclosure Statement with Respect to Fourth Amended Plan for the Adjustment of Debts of the City of Detroit* (Docket No. 4391) (as it may be amended, modified or supplemented, the "Disclosure Statement") filed by the City of Detroit, Michigan (the "City"). Accordingly, the City is authorized to solicit votes to approve or reject the *Fourth Amended Plan for the Adjustment of Debts of the City of Detroit* (May 5, 2014) (Docket No. 4392) (as it may be amended, modified or supplemented, the "Plan").

2. **Approval of Solicitation Procedures.** On March 11, the Bankruptcy Court entered an order (Docket No. 2984) (the "Primary Solicitation Procedures Order") granting the Motion of the City of Detroit for Entry of an Order (i) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (ii) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (the "Primary Solicitation Procedures Motion"). On May 5, 2014, the Bankruptcy Court entered an order (Docket No. 4400) (the "Supplemental Solicitation Procedures Order") granting the Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 3943) (the "Supplemental Solicitation Procedures Motion"). The Supplemental Solicitation Procedures Order modifies, in part, and supplements the procedures approved by the Primary Solicitation Procedures Order, solely as such procedures apply to claims in Classes 10, 11 and 12 under the Plan. Claims in Classes 10 and 11 under the Plan are called "Pension Claims," and claims in Class 12 under the Plan are called "OPEB Claims."

3. **Confirmation Hearing.** A hearing to consider confirmation of the Plan (the "Confirmation Hearing") will be held on July 24, 2014 at 9:00 a.m., Eastern Time, before the Honorable Steven W. Rhodes, United States Bankruptcy Judge, in the United States District Court, 231 W. Lafayette Blvd., Detroit, Michigan 48226. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Court of the adjourned date at the Confirmation Hearing or any continued hearing. The Plan may be modified or supplemented prior to, during or as a result of the Confirmation Hearing in accordance with the terms of the Plan and section 942 and other applicable sections of the Bankruptcy Code, without further notice.

4. **Objections to the Plan.** Objections, if any, to confirmation of the Plan must be filed with the Bankruptcy Court on or before July 12, 2014 by all parties other than (a) holders of Pension Claims (each such holder, a "Pension Claimant"), (b) holders of OPEB Claims (each such holder, an "OPEB Claimant") and (c) individual bondholders. Objections, if any, to confirmation of the Plan by Pension Claimants, OPEB Claimants and individual bondholders must be filed with the Bankruptcy Court on or before July 11, 2014. Supplemental objections to the Plan (by all claimants) arising as a result of discovery or the result of Plan voting must be filed with the Bankruptcy Court on or before July 18, 2014. All evidence in support of objections to the Plan must be submitted at or prior to the completion of the Confirmation Hearing. If a party files an objection to confirmation of the Plan that is not timely or otherwise does not comply with the procedures set forth herein, the objection will be denied and the party will not be heard at the Confirmation Hearing.

5. **Pension/OPEB Record Date.** The Bankruptcy Court has set the date July 1, 2014 as the "Pension/OPEB Record Date" for purposes of voting on the Plan by Pension Claimants and OPEB Claimants. A Pension Claimant or OPEB Claimant is only entitled to vote his or her Pension Claim or OPEB Claim if such claim was held by such claimant as of the Pension/OPEB Record Date.

6. **Voting Record Date.** The Bankruptcy Court has set April 14, 2014 as the "Voting Record Date" for voting on the Plan with respect to all parties entitled to vote other than Pension Claimants and OPEB Claimants. A creditor other than a Pension Claimant or OPEB Claimant is only entitled to vote on the Plan if it held claims against the City as of the Voting Record Date and is a member of a class of claims under the Plan that is entitled to vote on the Plan.

7. **Transferred Claims.** Please note: This paragraph does not apply to Pension Claims and OPEB Claims. With respect to any claim that is transferred prior to the Voting Record Date, the transferee will be entitled to vote on the Plan on account of the transferred claim only if, prior to the Voting Record Date, (a) the transferee files a notice of the transfer with the Bankruptcy Court pursuant to Bankruptcy Rule 3001(e) and (b) (i) the objection deadline with respect to such transfer has passed and no party has objected to the transfer, (ii) if there are any objections to the transfer, such objections have been resolved or (iii) the transferor has signed a sworn statement confirming the validity of the transfer. If the transferee fails to satisfy these requirements prior to the Voting Record Date, then the transferor will be entitled to vote to accept or reject the Plan on account of the claims in question.

8. **Voting Deadline.** Votes to accept or reject the Plan must be received by Kurtzman Carson Consultants LLC, as balloting agent, by 5:00 p.m. Eastern Time on July 11, 2014. Ballots that are received after the deadline will not be counted. Ballots must be delivered to the balloting agent via U.S. Mail, overnight delivery or by hand. Ballots submitted by email, fax or any other electronic means will not be counted.

9. **Tabulation Rules.** Certain procedures for the tabulation of Ballots (the "Primary Tabulation Rules") are set forth in Exhibit 6C to the Primary Solicitation Procedures Motion. The Primary Tabulation Rules are supplemented and modified, solely with respect to Pension Claims and OPEB Claims, by the tabulation rules (the "Pension/OPEB Tabulation Rules") attached as Exhibit 6B to the Notice of Final Exhibits in Connection with Corrected Motion of the City of Detroit for Entry of an Order Establishing Supplemental Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment with Respect to Pension and OPEB Claims (Docket No. 4378).

10. **Rule 3018 Motions.** Please note: This paragraph does not apply to Pension Claims and OPEB Claims. If any claimant seeks treatment of its claim for voting purposes other than in accordance with the Primary Tabulation Rules, the claimant shall be required to file a motion pursuant to Federal Rule of Bankruptcy Procedure 3018(a) for an order temporarily allowing its claim in a different amount or classification for purposes of voting on the Plan (a "Rule 3018 Motion"). Any such Rule 3018 Motion shall be served on counsel for the City so that it is received by the later of May 1, 2014 or 10 days after the date of service of a notice of objection, if any, to the applicable claim. Any Ballot submitted by a claimant that files a Rule 3018 Motion shall be counted solely in accordance with the Primary Tabulation Rules until the underlying claim is temporarily allowed by order of the Court for voting purposes in a different amount or classification.

11. **Parties not Entitled to Vote.** Claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4 and 6 under the Plan, and certain Claims in Classes 1A-1 through 1A-37 under the Plan, are unimpaired, and thus, holders of claims in those classes are deemed to accept the Plan and are not entitled to vote on the Plan. Claims in Class 16 will be disallowed under the Plan, and thus, holders of claims in Class 16 are deemed to reject the Plan and are not entitled to vote on the Plan. Accordingly, holders of claims in Classes 1B, 1C, 2A, 2B, 2C, 2D, 2E, 2F, 3, 4, 6, 16 and the unimpaired Classes among Classes 1A-1 through 1A-37 (collectively, the "Non-Voting Creditors") will not receive solicitation

packages or Ballots. Instead, Non-Voting Creditors will receive a notice of non-voting status, and they may obtain copies of the Plan, Disclosure Statement and other documents as set forth in paragraph 13 below. Non-Voting Creditors remain entitled to file objections to the Plan as set forth in paragraph 4 above.

12. **PLAN INJUNCTIONS AND RELEASES.** The Plan provides for the following Injunctive Relief:

a. **Plan Section III.D.5.** Section III.D.5 of the Plan provides: On the Effective Date, except as otherwise provided herein or in the Confirmation Order, a. all Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims, along with their Related Entities, shall be permanently enjoined from taking any of the following actions against or affecting the City or its property, DIA Corp. or its property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order):

1. commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims, and (C) Indirect Employee Indemnity Claims);
2. enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order against the City or its property;
3. creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its property;
4. asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its property;
5. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth herein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and
6. taking any actions to interfere with the implementation or consummation of the Plan.

b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan will be permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

b. **Plan Section III.D.7.** Section III.D.7 of the Plan provides: Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement):

a. each holder of a Claim that votes in favor of the Plan, to the fullest extent permissible under law, will be deemed to forever release, waive and discharge all Liabilities in any way relating to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, the Exhibits or the Disclosure Statement that such entity has, had or may have against the City, its Related Entities, the State, the State Related Entities and the Released Parties (which release will be in addition to the discharge of Claims provided herein and under the Confirmation Order and the Bankruptcy Code), provided, however, that the foregoing provisions shall not affect the liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further that this Section III.D.7.a shall not apply to any Excluded Party; and provided further, however, that if Classes 10 and 11 vote to accept the Plan, but any necessary conditions precedent to the receipt of the Initial funding from the State (pursuant to the State Contribution Agreement) and the DIA Funding Parties (pursuant to the DIA Settlement) that can be satisfied or waived by the applicable funding party prior to the Confirmation Hearing (including, but not limited to, adoption of relevant legislation and appropriations by the State and execution of necessary and irrevocable agreements for their funding commitments by each of the DIA Funding Parties, which conditions may be waived) are not satisfied or waived by the applicable funding party prior to the Confirmation Hearing, then Holders of Claims in Classes 10 and 11 that voted to accept the Plan shall be deemed to have voted to reject the Plan, and the voluntary release set forth in the first sentence of this Section III.D.7.a shall not apply to Holders of Claims in Classes 10 and 11; and

b. If the State Contribution Agreement is consummated, each holder of a Pension Claim will be deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees and/or their collective bargaining representatives to the extent permitted by applicable non-Bankruptcy law and/or the Plan.

13. **Additional Information.** Requests for copies of the Disclosure Statement and the Plan by parties in Interest may be made in writing to the Balloting Agent at Detroit Ballot Processing, c/o Kurtzman Carson Consultants LLC, 235 Alaska Avenue, El Segundo, CA 90245 or by telephone at (877) 298-6236. In addition, any party may review the Plan, the Disclosure Statement, the Primary Solicitation Procedures Motion, the Disclosure Solicitation Procedures Order, the Supplemental Solicitation Procedures Motion, the Supplemental Solicitation Procedures Order and other relevant documents filed in this case, without charge, at <http://www.kccclc.net/Detroit>. Dated: May 9, 2014 BY ORDER OF THE COURT /s/ Heather Lennox, David G. Helman (OH 0038271), Heather Lennox (OH 0059649), JONES DAY, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114, Telephone: (216) 586-3939, Facsimile: (216) 579-0212, [dghelman@jonesday.com](mailto:dghelman@jonesday.com), [hlennox@jonesday.com](mailto:hlennox@jonesday.com) and Bruce Bennett (CA 105430), JONES DAY, 555 South Flower Street, Fifth Floor, Los Angeles, California 90071, Telephone: (213) 243-2382, Facsimile: (213) 243-2539, [bbennett@jonesday.com](mailto:bbennett@jonesday.com) and Jonathan S. Green (MI P33140), Stephen S. LaPlante (MI P48063), MILLER, CANFIELD, PADDOCK AND STONE, P.L.C., 150 West Jefferson, Suite 2500, Detroit, Michigan 48226, Telephone: (313) 963-6420, Facsimile: (313) 496-7500, [green@millercanfield.com](mailto:green@millercanfield.com), [laplante@millercanfield.com](mailto:laplante@millercanfield.com), ATTORNEYS FOR THE CITY

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

\_\_\_\_\_ /

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF (I) ENTRY OF ORDER CONFIRMING  
EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
AND (II) OCCURRENCE OF EFFECTIVE DATE IN THE DETROIT NEWS & THE DETROIT FREE  
PRESS**

**AFFIDAVIT OF DISTRIBUTION**

STATE OF Michigan

COUNTY OF Wayne

I, Jennifer Blonde, being duly sworn on oath say he/she is and during all times herein stated has been the publisher of the publisher's designated agent in charge of the publication known as

The Detroit News & The Detroit Free Press ("Publisher")

And has full knowledge of the facts herein stated as follows:

The ad for City of Detroit ("Advertiser") was distributed to Publisher's full circulation on the 18th day of December, 2014.

By: Jennifer Blonde

Subscribed and sworn to before me  
this 19 day of DECEMBER, 2014.

Notary Seal:

K.A. Marzolf  
Notary Public

K.A. MARZOLF  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF MACOMB  
MY COMMISSION EXPIRES Dec 9, 2020  
ACTING IN COUNTY OF WAYNE



**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

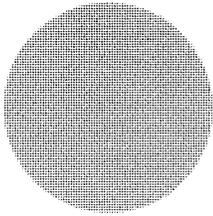
Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

\_\_\_\_\_ /

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF (I) ENTRY OF ORDER CONFIRMING  
EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
AND (II) OCCURRENCE OF EFFECTIVE DATE IN USA TODAY**



**USA  
TODAY™**  
A GANNETT COMPANY

**VERIFICATION OF PUBLICATION**

**COMMONWEALTH OF VIRGINIA  
COUNTY OF FAIRFAX**

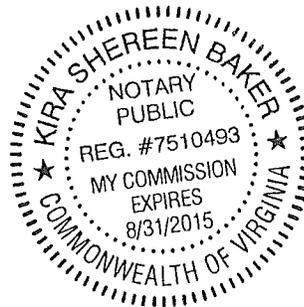
---

Being duly sworn, Toussaint Hutchinson says that he is the principal clerk of USA TODAY, and is duly authorized by USA TODAY to make this affidavit, and is fully acquainted with the facts stated herein: on **Thursday, December 18, 2014** the following legal advertisement – **CITY OF DETROIT** – was published in the national edition of USA TODAY.

Principal Clerk of USA TODAY  
December 18, 2014

This 18<sup>th</sup> day of December month  
2015 year.

Notary Public



## LEGAL NOTICE

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION

In re  
CITY OF DETROIT, MICHIGAN, Chapter 9  
Case No. 13-53846  
Debtor. Hon. Steven W. Rhoades

**NOTICE OF (I) ENTRY OF ORDER CONFIRMING EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT AND (II) OCCURRENCE OF EFFECTIVE DATE. PLEASE TAKE NOTICE OF THE FOLLOWING:**

1. **Confirmation of the Plan and Occurrence of the Effective Date.** On November 12, 2014, the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") entered an order (Docket No. 8272) (the "Confirmation Order") confirming the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (as it may have been amended, supplemented or modified, the "Plan"), in the above-captioned chapter 9 case of the City of Detroit, Michigan (the "City"). The Effective Date of the Plan occurred on December 10, 2014. Unless otherwise defined in this Notice, capitalized terms and phrases used herein have the meanings given to them in the Plan and the Confirmation Order.

**2. Discharge of Claims.**

a. Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims under the Plan are in exchange for and in complete satisfaction, discharge and release of all Claims arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, as of the Effective Date, the City is discharged from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt was filed or deemed filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt was allowed pursuant to section 502 of the Bankruptcy Code or (iii) the Holder of a Claim based on such debt accepted the Plan.

b. In accordance with the foregoing, except as expressly provided otherwise in the Plan or the Confirmation Order, the Confirmation Order is a judicial determination, as of the Effective Date, of a discharge of all debts of the City, pursuant to sections 524(a)(1), 524(a)(2) and 944(b) of the Bankruptcy Code, and such discharge voids any judgment obtained against the City at any time, to the extent that such judgment relates to a discharged debt; provided that, in accordance with section 944(c)(1) of the Bankruptcy Code, such discharge does not apply to (i) debts specifically exempted from discharge under the Plan; (ii) debts held by an Entity that, before the Confirmation Date, had neither notice nor actual knowledge of the Chapter 9 Case; (iii) claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983; or (iv) Claims of (A) T&T Management, Inc., (B) HRT Enterprises and (C) the John W. and Vivian M. Denis Trust related to condemnation or inverse condemnation actions against the City alleging that the City has taken private property without just compensation in violation of the Takings Clause of the Fifth Amendment to the United States Constitution.

**3. Releases.**

a. **General Releases by Holders of Claims.** Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement), each holder of a Claim that voted in favor of the Plan, to the fullest extent permissible under law, is deemed to forever release, waive and discharge (which release will be in addition to the release and discharge of Claims otherwise provided herein and under the Confirmation Order and the Bankruptcy Code):

i. all Liabilities in any way relating to the City, the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), the Plan, the Exhibits or the Disclosure Statement, in each case that such holder has, had or may have against the City or its current and former officials, officers, directors, employees, managers, attorneys, advisors and professionals, each acting in such capacity (and, in addition to and without limiting the foregoing, in the case of any Emergency Manager, in such Emergency Manager's capacity as an appointee under PA 436); provided further, for the avoidance of doubt, that any person or entity designated to manage the Chapter 9 Case for the City after the Emergency Manager's term is terminated, whether such person or entity acts as an employee, advisor or contractor to the City or acts as an employee, agent, contractor or appointee of the State under any applicable state law, shall be treated the same as an employee of the City hereunder; and

ii. all Liabilities in any way relating to (A) Claims that are compromised, settled or discharged under or in connection with the Plan, (B) the Chapter 9 Case (including the authorization given to file the Chapter 9 Case), (C) the Plan, (D) the Exhibits, (E) the Disclosure Statement or (F) the DIA Settlement, in each case that such holder has, had or may have against the City's Related Entities, the State, the State Related Entities and the Released Parties; provided, however, that any such Liability of the Foundations, the DIA Funders and the CFSEJ Supporting Organization and their Related Entities are released only to the extent that such Liability, if any, arises from any such entity's participation in the DIA Settlement; provided, however, that the foregoing provisions shall not affect the Liability of the City, its Related Entities and the Released Parties that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct; provided further, that nothing in Section II.D.7 of the Plan shall release (i) the City's obligations under the Plan or (ii) any defenses that any party may have against the City, its Related Entities, the State, the State Related Entities or the Released Parties. Notwithstanding anything in the Plan or the Confirmation Order to the contrary, claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 shall not be released.

b. **Release by Holders of Pension Claims.** Without limiting any other applicable provisions of, or releases contained in, the Plan or any contracts, instruments, releases, agreements or documents entered into or delivered in connection with the Plan, as of the Effective Date, in consideration for the obligations of the City under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan (including the State Contribution Agreement), if the State Contribution Agreement is consummated, each holder of a Pension Claim is deemed to forever release, waive and discharge all Liabilities arising from or related to the City, the Chapter 9 Case, including the authorization given to file the Chapter 9 Case, the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution that such party has, had or may have against the State and any State Related Entities. For the avoidance of doubt, the Plan does not release, waive or discharge obligations of the City that are established in the Plan

or that arise from and after the Effective Date with respect to (i) pensions as modified by the Plan or (ii) labor-related obligations. Such post-Effective Date obligations shall be enforceable against the City or its representatives by active or retired employees or their collective bargaining representatives to the extent permitted by applicable non-bankruptcy law or the Plan, or, with respect to pensions only, GRS or PFRS.

Notwithstanding Sections III.D.5-7 and IV.L of the Plan, except as set forth in the COP Swap Settlement, nothing in the Plan or the Confirmation Order shall or shall be deemed to provide a release by the COP Swap Counterparties of any Liabilities related to the COPs, the COP Service Corporations, the Transaction Documents (as defined in the COP Swap Settlement), the COP Swap Settlement or the COP Swap Settlement Approval Order. For the avoidance of doubt, notwithstanding Section III.D.6 of the Plan, a vote of DWSD Bond Claims or DWSD Revolving Bond Claims in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to Section III.D.7 of the Plan by a Holder of any such DWSD Bond Claims, a Holder of any such DWSD Revolving Bond Claims or the Bond Insurer insuring any such Claims of any Liabilities against the City or its Related Entities that do not arise in connection with the DWSD Bonds or the DWSD Revolving Bonds. For the further avoidance of doubt, notwithstanding anything in the Plan to the contrary, a vote of a Claim other than a DWSD Bond Claim or DWSD Revolving Bond Claim in favor of the Plan shall not, and shall not be deemed to, effect a release pursuant to Section III.D.7 of the Plan by a Holder of any such voted Claim or the Bond Insurer insuring such voted Claim of any Liabilities against the City or any other Entity arising in connection with the DWSD Bonds or DWSD Revolving Bonds.

4. **Injunctions.** On the Effective Date, except as otherwise provided in the Plan or in the Confirmation Order:

a. All Entities that have been, are or may be holders of Claims against the City, Indirect 36th District Court Claims or Indirect Employee Indemnity Claims asserted against officers or employees of the City in their official capacity, along with their Related Entities, are permanently enjoined from taking any of the following actions against or affecting the City or its Property, DIA Corp. or its Property, the DIA Assets, the Released Parties or their respective property and the Related Entities of each of the foregoing, with respect to such claims (other than actions brought to enforce any rights or obligations under the Plan and appeals, if any, from the Confirmation Order): (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against or affecting the City or its Property (including (A) all suits, actions and proceedings that are pending as of the Effective Date, which must be withdrawn or dismissed with prejudice, (B) Indirect 36th District Court Claims and (C) Indirect Employee Indemnity Claims asserted against officers or employees of the City in their official capacity); (ii) enforcing, levying, attaching, collecting or otherwise recovering by any means or means, directly or indirectly, any judgment, award, decree or order against the City or its Property; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the City or its Property; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the City or its Property; (v) proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan or the settlements set forth therein to the extent such settlements have been approved by the Bankruptcy Court in connection with Confirmation of the Plan; and (vi) taking any actions to interfere with the implementation or consummation of the Plan. Notwithstanding anything in the Plan or the Confirmation Order to the contrary, claims against officers or employees of the City in their individual capacity under 42 U.S.C. § 1983 are not enjoined. In addition, all individuals affected by the ASF Recoupment are enjoined from commencing any proceeding against the GRS and its trustees, officers, employees or professionals arising from the GRS's compliance with the Plan or the Confirmation Order.

b. All Entities that have held, currently hold or may hold any Liabilities released pursuant to the Plan are permanently enjoined from taking any of the following actions against the State, the State Related Entities, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, and the Released Parties or any of their respective property on account of such released Liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any means or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the State, a State Related Entity, the officers, board of trustees/directors, attorneys, advisors and professionals of the RDPFFA or the DRCEA, or a Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. Notwithstanding the foregoing and without limiting the injunctions in sub-paragraph 4(a) above, the Holders of Indirect 36th District Court Claims shall not be enjoined from taking any of the foregoing actions against the State or the State Related Entities with respect to Indirect 36th District Court Claims to the extent such Claims are not satisfied pursuant to the Plan.

**5. Treatment of Executory Contracts and Unexpired Leases.**

a. **Assumption.** Except for Executory Contracts and Unexpired Leases rejected in the Plan or by other court order, or as requested in any motion filed by the City on or prior to the Effective Date, as of the Effective Date, pursuant to section 365 of the Bankruptcy Code, the City has been deemed to assume all Executory Contracts and Unexpired Leases to which it is a party. Notwithstanding the foregoing, Retirement System Indemnity Obligations have not been assumed under the Plan and have been discharged. For the avoidance of doubt, the City has assumed the Tunnel Lease pursuant to Section II.D.1 of the Plan.

b. **Assumption of Ancillary Agreements.** Each Executory Contract and Unexpired Lease assumed pursuant to Section II.D.1 of the Plan includes any modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such Executory Contract or Unexpired Lease, unless any such modification, amendment, supplement, restatement or other agreement is rejected pursuant to Section II.D.6 of the Plan or designated for rejection in accordance with Section II.D.3 of the Plan.

c. **Approval of Assumptions and Assignments.** The Confirmation Order constitutes an order of the Bankruptcy Court approving the assumption of Executory

Contracts and Unexpired Leases pursuant to Sections II.D.1 and II.D.2 of the Plan (and any related assignment) as of the Effective Date, except for Executory Contracts or Unexpired Leases that (a) have been rejected pursuant to a Final Order of the Bankruptcy Court, (b) are subject to a pending motion for reconsideration or appeal of a final order authorizing the rejection of such Executory Contract or Unexpired Lease, (c) are subject to a motion to reject such Executory Contract or Unexpired Lease filed on or prior to the Effective Date, (d) are rejected pursuant to Section II.D.6 of the Plan or (e) are designated for rejection in accordance with the last sentence of this paragraph. On November 21, 2014, in accordance with the Contract Procedures Order, the City filed with the Bankruptcy Court a non-exclusive list (Docket No. 8387) (the "Non-Exclusive Plan Assumption List") of Executory Contracts and Unexpired Leases to be assumed pursuant to the Plan. On December 5, 2014, the City filed a notice of amendment to the Non-Exclusive Plan Assumption List (Docket No. 8573). The City has provided separate notice to each party whose Executory Contract or Unexpired Lease is identified on the Non-Exclusive Plan Assumption List of: (a) the Executory Contract or Unexpired Lease being assumed; (b) the Cure Amount Claim, if any, that the City believes it would be obligated to pay in connection with such assumption; (c) any assignment of an Executory Contract or Unexpired Lease; and (d) the procedures for such party to object to the assumption of the applicable Executory Contract or Unexpired Lease, the amount of the proposed Cure Amount Claim or any assignment of an Executory Contract or Unexpired Lease as set forth in the Contract Procedures Order (Docket No. 6512). For Executory Contracts or Unexpired Leases assumed under the Plan but not identified in the Non-Exclusive Plan Assumption List, the counterparty to such an agreement must file any written objection, setting forth the basis for opposing assumption or assignment of the applicable agreement or the proposed Cure Amount Claim, no later than 20 days after the Effective Date of the Plan, i.e., December 30, 2014. If an objection to a proposed assumption, assignment and assignment or Cure Amount Claim is not resolved in favor of the City, the applicable Executory Contract or Unexpired Lease may be designated by the City for rejection, which shall be deemed effective as of the Effective Date.

d. **Payments Related to the Assumption of Executory Contracts and Unexpired Leases.** To the extent that such Claims constitute monetary defaults, the Cure Amount Claims associated with each Executory Contract or Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, at the option of the City: (a) by payment of the Cure Amount Claim in Cash on the Effective Date or (b) on such other terms as are agreed to by the parties to such Executory Contract or Unexpired Lease. If there is a dispute regarding: (a) the amount of any Cure Amount Claim, (b) the ability of the City or any assignee to provide adequate assurance of future performance (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (c) any other matter pertaining to the assumption of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code will be made within 30 days following the entry of a Final Order resolving the dispute and approving the assumption.

e. **Contracts and Leases Entered Into After the Petition Date.** Contracts, leases and other agreements entered into after the Petition Date by the City, including (a) any Executory Contracts or Unexpired Leases assumed by the City and (b) the collective bargaining agreements identified on Exhibit II.D.5 to the Plan, will be performed by the City in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts or Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

f. **Rejection of Executory Contracts and Unexpired Leases.** Each Executory Contract and Unexpired Lease that is listed on Exhibit II.D.6 to the Plan was deemed rejected as of the Effective Date pursuant to section 365 of the Bankruptcy Code. The Confirmation Order constitutes an order of the Bankruptcy Court approving such rejections, pursuant to section 365 of the Bankruptcy Code, as of the later of: (a) the Effective Date or (b) the resolution of any objection to the proposed rejection of an Executory Contract or Unexpired Lease. Each contract or lease listed on Exhibit II.D.6 to the Plan is rejected only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit II.D.6 to the Plan does not constitute an admission by the City that such contract or lease is an Executory Contract or Unexpired Lease or that the City has any liability thereunder. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan shall be treated as Class 14 Claims (Other Unsecured Claims), subject to the provisions of section 502 of the Bankruptcy Code.

g. **Rejection Damages Bar Date.** Except as otherwise provided in a Final Order of the Bankruptcy Court approving the rejection of an Executory Contract or Unexpired Lease, Claims arising out of the rejection of an Executory Contract or Unexpired Lease must be filed with the Bankruptcy Court and served upon counsel to the City on or before the later of: (a) 45 days after the Effective Date, i.e., January 26, 2015; or (b) 45 days after such Executory Contract or Unexpired Lease is rejected pursuant to a Final Order or designated for rejection in accordance with Section II.D.3 of the Plan. Any Claims not filed within such applicable time periods will be forever barred from receiving a Distribution from, and shall not be enforceable against, the City. Proof of claim forms and instructions for filing claims can be found at the City's restructuring website, <https://www.kccllc.net/detroit>.

h. **Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases.** Pursuant to section 365(g) of the Bankruptcy Code, rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall constitute a breach of such contract or lease and not a termination thereof, and all obligations owing to the City under such contract or lease as of the date of such breach shall remain owing to the City upon rejection. Notwithstanding any applicable non-bankruptcy law to the contrary, the City expressly reserves and does not waive any right to receive, or any continuing obligation of a non-city party to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased, or services previously received, by the City from non-city parties to rejected Executory Contracts or Unexpired Leases, and any such rights shall remain vested in the City as of the Effective Date.

i. **Insurance Policies.** From and after the Effective Date, each of the City's insurance policies (other than welfare benefits insurance policies) in existence as of or prior to the Effective Date are reinstated and continue in full force and effect in accordance with their terms and, to the extent applicable, are deemed assumed by the City pursuant to section 365 of the Bankruptcy Code and Section II.D.1 of the Plan. Nothing contained in the Plan shall constitute or be deemed a waiver of any Causes of Action that the City may hold against any Entity, including any insurer under any of the City's insurance policies. For the avoidance of doubt, nothing in the Confirmation Order shall constitute an order of the Bankruptcy Court approving the assumption of Executory

**6. Payment of Administrative Claims.**

a. **Administrative Claims in General.** Except as specified in Section II.A.1 of the Plan, and subject to the bar date provisions therein, unless otherwise agreed by the Holder of an Administrative Claim and the City, or ordered by the Bankruptcy Court, each Holder of an Allowed Administrative Claim will receive, in full satisfaction of such Allowed Administrative Claim, Cash in an amount equal to such Allowed Administrative Claim either: (1) on the Effective Date or as soon as reasonably practicable thereafter; or (2) if the Administrative Claim is not Allowed as of the Effective Date, 30 days after the date on which such Administrative Claim becomes an Allowed Claim. No Claim of any official or unofficial creditors' committee or any member thereof for professionals' fees or other costs and expenses incurred by such creditors' committee or by a member of such creditors' committee shall constitute an Allowed Administrative Claim, except that the Retiree Committee's members and the Retiree Committee Professionals shall be entitled to payment in accordance with the Fee Review Order and any additional fee process established by the Court.

**7. Bar Dates for Administrative Claims.**

a. **General Bar Date Provisions.** Except as otherwise provided in subparagraphs 7(b) or 7(c) below or in a Bar Date Order or other order of the Bankruptcy Court, unless previously filed, requests for payment of Administrative Claims must be filed and served on the City no later than 45 days after the Effective Date, i.e., January 26, 2015. Holders of Administrative Claims that are required to file and serve a request for payment of such Administrative Claims and that do not file and serve such a request by the applicable Bar Date will be forever barred from asserting such Administrative Claims against the City or its Property, and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests must be filed and served on the City and the requesting party by the later of (i) 150 days after the Effective Date, i.e., May 11, 2015, (ii) 60 days after the filing of the applicable request for payment of Administrative Claims or (iii) such other period of limitation as may be specifically fixed by a Final Order for objecting to such Administrative Claims.

b. **Ordinary Course Claims.** Holders of Claims based on Liabilities incurred by the City after the Petition Date in the ordinary course of its operations are not required to file or serve any request for payment or application for allowance of such Claims. Such Claims will be paid by the City, pursuant to the terms and conditions of the particular transaction giving rise to such Claims, without further action by the Holders of such Claims or further action or approval of the Bankruptcy Court.

c. **Claims Under the Postpetition Financing Agreement.** Holders of Administrative Claims that are Postpetition Financing Claims are not required to file or serve any request for payment or application for allowance of such Claims. Such Administrative Claims will be satisfied as set forth in subparagraph 7(b) above.

d. **No Modification of Bar Date Order.** The Plan does not modify any other Bar Date Order, including Bar Dates for Claims entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code.

**8. ASF Recoupment Cash Option.**

a. **ASF Recoupment Cash Option Election.** No later than seven days following the Effective Date, i.e., December 17, 2014, the City, through its Claims and Balloting Agent, will send the ASF Election Notice and the ASF Election Form by first-class U.S. mail to each ASF Distribution Recipient. The ASF Election Notice will notify ASF Distribution Recipients that each ASF Distribution Recipient may elect to pay the total amount of his or her ASF Recoupment in a single lump sum by timely returning a properly-completed ASF Election Form. The ASF Election Form will explain that the amount of the ASF Recoupment Cash Payment shall be equal to the total amount of ASF Recoupment shown on the ASF Distribution Recipient's Ballot, unless the aggregate amount of ASF Recoupment for all ASF Distribution Recipients electing the ASF Recoupment Cash Option exceeds \$30,000,000, in which case (i) the ASF Recoupment Cash Payment will be the ASF Distribution Recipient's Pro Rata portion of \$30,000,000, and (ii) the remaining portion of the ASF Distribution Recipient's ASF Recoupment will be annuitized and deducted from the ASF Distribution Recipient's monthly pension check, as provided for in Section II.B.3.i.ii.D.2 of the Plan. An ASF Distribution Recipient must return his or her ASF Election Form to the Claims and Balloting Agent so that it is actually received by the Claims and Balloting Agent by the ASF Election Date, i.e., 35 days after the date on which the ASF Election Form is mailed.

b. **ASF Recoupment Cash Payment.** GRS will mail the ASF Final Cash Payment Notice no later than 14 days after the ASF Election Date. The ASF Final Cash Payment Notice is a notice that will be sent to each ASF Distribution Recipient who timely elects the ASF Recoupment Cash Option, and will indicate the amount of such ASF Distribution Recipient's ASF Recoupment Cash Payment. ASF Distribution Recipients shall have until the ASF Final Cash Payment Date - i.e., the later of (i) 90 days after the Effective Date, i.e., March 10, 2015 or (ii) 50 days after the date of mailing of an ASF Final Cash Payment Notice - to make the ASF Recoupment Cash Payment, which payment must be made by cashier's check or wire transfer and may not be made by personal check. If an ASF Distribution Recipient's ASF Recoupment Cash Payment is not received by the ASF Final Cash Payment Date, GRS will notify the ASF Distribution Recipient of the failure to timely pay, and ASF Recoupment will be effected through diminution of such recipient's monthly pension check, as provided for in Section II.B.3.i.ii.D.2 of the Plan. The calculation of each electing ASF Distribution Recipient's ASF Recoupment Cash Payment shall not be adjusted under any circumstances, including as a result of default by any other electing ASF Distribution Recipient to remit his or her ASF Recoupment Cash Payment by the ASF Final Cash Payment Date.

9. **Copies of the Plan and Confirmation Order.** Copies of the Plan, Confirmation Order and all other documents filed in the Chapter 9 Case may be obtained, free of charge, from the City's restructuring website at <https://www.kccllc.net/detroit> or from Kurtzman Carson Consultants LLC by calling (877) 298-6236 (toll-free).

BY ORDER OF THE COURT

David G. Heiman (OH 0038271), Heather Lennox (OH 0059649), Thomas A. Wilson (OH 0077047), JONES DAY, North Point, 201 Lakeside Avenue, Cleveland, OH 44114, Telephone: (216) 586-3939, Facsimile: (216) 579-0212, dgh@jonesday.com, hlennox@jonesday.com, twilson@jonesday.com -and- Bruce Bennett (CA 105430), JONES DAY, 555 South Flower Street, Fifth Floor, Los Angeles, California 90071, Telephone: (213) 243-2382, Facsimile: (213) 243-2539, bbennett@jonesday.com -and- Jonathan S. Green (MI P33140), Stephen S. LaPlante (MI PA8063), MILLER, CANFIELD, P.A., 10000 Greenfield, Detroit, Michigan 48226, Telephone: (313) 963-6120, Facsimile: (313) 496-7500, green@millercanfield.com, laplante@millercanfield.com, ATTORNEYS FOR THE CITY

13-53846-0011-0000-0002-25 Filed 12/10/14 Entered 12/10/14 14:20:00  
Michigan 48226, telephone: (313) 963-6120, facsimile: (313) 496-7500, green@millercanfield.com, laplante@millercanfield.com, ATTORNEYS FOR THE CITY

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steve W. Rhodes

---

**AFFIDAVIT OF PUBLICATION OF THE NOTICE OF (I) ENTRY OF ORDER CONFIRMING  
EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
AND (II) OCCURRENCE OF EFFECTIVE DATE IN THE WALL STREET JOURNAL**

**AFFIDAVIT**

STATE OF TEXAS )  
 ) ss:  
CITY AND COUNTY OF DALLAS)

I, Vinod Srinivasan, being duly sworn, depose and say that I am the Advertising Clerk of the Publisher of THE WALL STREET JOURNAL, a daily national newspaper of general circulation throughout the United States, and that the notice attached to this Affidavit has been regularly published in THE WALL STREET JOURNAL for National distribution for

1 insertion(s) on the following date(s):

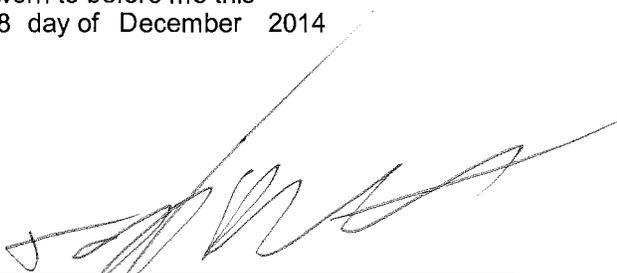
DEC-18-2014;

ADVERTISER: City of Detroit;

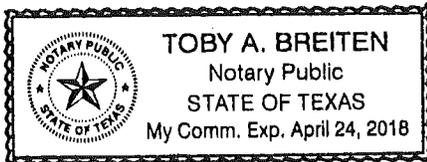
and that the foregoing statements are true and correct to the best of my knowledge.

  
\_\_\_\_\_

Sworn to before me this  
18 day of December 2014



Notary Public





**Form 416B CAPTION (Short Title)**

*(May be used if 11 U.S.C. § 342(c) is not applicable)*

United States Bankruptcy Court

Eastern District Of Michigan

In re City of Detroit, Michigan,

Debtor

Case No. 13-53846

Chapter 9

NOTICE OF APPEAL AND STATEMENT OF ELECTION

[Caption as in Form 416A, 416B, or 416D, as appropriate]

### NOTICE OF APPEAL AND STATEMENT OF ELECTION

#### Part 1: Identify the appellant(s)

- Name(s) of appellant(s): Darell Chancellor
- Position of appellant(s) in the adversary proceeding or bankruptcy case that is the subject of this appeal:
 

|  |  |
|--|--|
| For appeals in an adversary proceeding.<br><input type="checkbox"/> Plaintiff<br><input type="checkbox"/> Defendant<br><input type="checkbox"/> Other (describe) _____ | For appeals in a bankruptcy case and not in an adversary proceeding.<br><input type="checkbox"/> Debtor<br><input type="checkbox"/> Creditor<br><input type="checkbox"/> Trustee<br><input checked="" type="checkbox"/> Other (describe) <u>Interested Party</u> |
|--|--|

#### Part 2: Identify the subject of this appeal

Order Granting City of Detroit's Motion for Entry of an Order Enforcing the Bar Date (Doc. # 13751)

- Describe the judgment, order, or decree appealed from: \_\_\_\_\_
- State the date on which the judgment, order, or decree was entered: October 4, 2023

#### Part 3: Identify the other parties to the appeal

List the names of all parties to the judgment, order, or decree appealed from and the names, addresses, and telephone numbers of their attorneys (attach additional pages if necessary):

- Party: City of Detroit, Michigan Attorney: Patrick M. Cunningham (P67643)  
& Stephen Geelhood City of Detroit Law Department  
Two Woodward Ave., Ste. 500  
Detroit, MI 48226  
(313) 237-5032
- Party: Darell Chancellor Attorney: Christopher P. Desmond (P71493)  
Ven R. Johnson (P39219)  
Johnson Law, PLC  
535 Griswold St., Ste. 2600  
Detroit, MI 48226  
(313) 324-8300

**Part 4: Optional election to have appeal heard by District Court (applicable only in certain districts)**

If a Bankruptcy Appellate Panel is available in this judicial district, the Bankruptcy Appellate Panel will hear this appeal unless, pursuant to 28 U.S.C. § 158(c)(1), a party elects to have the appeal heard by the United States District Court. If an appellant filing this notice wishes to have the appeal heard by the United States District Court, check below. Do not check the box if the appellant wishes the Bankruptcy Appellate Panel to hear the appeal.

Appellant(s) elect to have the appeal heard by the United States District Court rather than by the Bankruptcy Appellate Panel.

**Part 5: Sign below**

*Is/ Paul F. Doherty (P36579)*

Date: October 18, 2023

Signature of attorney for appellant(s) (or appellant(s) if not represented by an attorney)

Name, address, and telephone number of attorney (or appellant(s) if not represented by an attorney):

Paul F. Doherty (P36579)  
Johnson Law, PLC  
535 Griswold Street, Suite 2600  
Detroit, Michigan 48226  
(313) 324-8300

Fee waiver notice: If appellant is a child support creditor or its representative and appellant has filed the form specified in § 304(g) of the Bankruptcy Reform Act of 1994, no fee is required.

**[Note to inmate filers:** If you are an inmate filer in an institution and you seek the timing benefit of Fed. R. Bankr. P. 8002(c)(1), complete Director’s Form 4170 (Declaration of Inmate Filing) and file that declaration along with the Notice of Appeal.]

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

|   |
|---|
| In re:<br>City of Detroit, Michigan,<br>Debtor. |
|---|

Case No. 13-53846  
Judge Thomas J. Tucker  
Chapter 9

**ORDER GRANTING CITY OF DETROIT’S MOTION FOR THE  
ENTRY OF AN ORDER ENFORCING THE BAR DATE ORDER AND  
CONFIRMATION ORDER AGAINST DARELL CHANCELLOR**

This case is before the Court on the motion entitled “City of Detroit’s Motion for the Entry of an Order Enforcing the Bar Date Order and Confirmation Order Against Darell Chancellor” (Docket # 13691, the “Motion”).<sup>1</sup> The Court held a telephonic hearing on the Motion on October 4, 2023. For the reasons stated by the Court on the record during the hearing, the Court enters this Order.

**IT IS ORDERED THAT:**

1. The Motion is granted.
2. No later than October 12, 2023, Darell Chancellor must dismiss, or cause to be dismissed, the City of Detroit and Officer Stephen Geelhood in his representative capacity with prejudice from the cases captioned as: (a) *Darell Deon Chancellor, Chancellor, v Officer Stephen Geelhood in his Individual and Representative Capacity, and the City of Detroit, a municipal entity, Defendants,*

---

<sup>1</sup> Capitalized terms used but not otherwise defined in this Order have the meanings given to them in the Motion.

filed in the United States District Court for the Eastern District of Michigan and assigned Case No. 20-cv-11616 (the “Federal Lawsuit”); and (b) *Darell Chancellor, Chancellor, v Officer Stephen Geelhood in his Individual and Representative Capacity, and the City of Detroit, a municipal entity, Defendants*, as removed to the United States District Court for the Eastern District of Michigan and assigned Case No. 20-cv-11992 (the “Removed Lawsuit”, and together with the Federal Lawsuit, the “Lawsuits”).

3. Darell Chancellor is permanently barred, estopped and enjoined from asserting claims asserted in the Lawsuits or claims arising from or related to the Lawsuits against Officer Geelhood in his representative capacity, the City of Detroit, or property of the City of Detroit.

4. Darell Chancellor is prohibited from sharing in any distribution in this bankruptcy case.

5. This Order does not apply to the assertion or prosecution by Darell Chancellor of any claims against Officer Geelhood solely in his individual capacity.

6. The Court will retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

Signed on October 4, 2023



/s/ Thomas J. Tucker

---

**Thomas J. Tucker**  
**United States Bankruptcy Judge**

**Form 416B CAPTION (Short Title)**

*(May be used if 11 U.S.C. § 342(c) is not applicable)*

**United States Bankruptcy Court**

Eastern District Of Michigan  
Southern Division

In re City of Detroit, Michigan  
Debtor

Case No. 13-53846

Chapter 9

CERTIFICATION OF SERVICE

## CERTIFICATION OF SERVICE

I certify that on October 18, 2023, I electronically filed Notice of Appeal and Statement of Election with the Clerk of the Court using the CM/ECF system which will send notifications of this filing to all registered parties including:

PATRICK M. CUNNINGHAM (P67643)  
**CITY OF DETROIT LAW DEPARTMENT**  
*Counsel for Defendants City of Detroit and Stephen Geelhood*  
Two Woodward Ave, Suite 500  
Detroit, Michigan 48226  
(313) 237.5032  
cunninghamp@detroitmi.gov

By: /s/ Paul F. Doherty  
Paul F. Doherty (P36579)  
Christopher P. Desmond (P71493)  
Attorneys for Darell Chancellor  
Buhl Building  
535 Griswold Street, Suite 2600  
Detroit, Michigan 48226  
(313) 324-8300  
[pdoherty@venjohnsonlaw.com](mailto:pdoherty@venjohnsonlaw.com)

Date: October 18, 2023

In re: City of Detroit, Michigan

Case No.: 13-53846

Debtor.

\_\_\_\_\_ /

Adv. No.:

Darell Chancellor  
**Appellant,**

v.

City of Detroit, Michigan  
**Appellee.**

**CAUSE OF ACTION/NATURE OF SUIT:** (This matter is referred to the district court for the following reasons)

|              |                             |  |
|--------------|-----------------------------|--|
| <u>  X  </u> | [422] 28 U.S.C. 158         | Bankruptcy Appeal                                |
| _____        | [422] 28 U.S.C. 158         | Motion for Leave to Appeal                       |
| _____        | [423] 28 U.S.C. 157(d)      | Motion for Withdrawal of Reference               |
| _____        | [423] 28 U.S.C. 157(c) (1)  | Proposed Findings of Fact and Conclusions of Law |
| _____        | [423] 28 U.S.C. 158 (c) (a) | Order of Contempt                                |

Date: 10/18/2023

Name: /s/ Paul F. Doherty (P36579)

Name and Address of Interested Parties

*City of Detroit, Michigan*  
*Stephen Geelhood*

REPRESENTED BY:  
PATRICK M. CUNNINGHAM (P67643)  
**CITY OF DETROIT LAW DEPARTMENT**  
Two Woodward Ave, Suite 500  
Detroit, Michigan 48226  
(313) 237.5032  
cunninghamp@detroitmi.gov

*Darell Chancellor*

REPRESENTED BY:  
CHRISTOPHER P. DESMOND (P71493)  
VEN R. JOHNSON (P39219)  
**JOHNSON LAW, PLC**  
535 Griswold, Suite 2600  
Detroit, Michigan 48226  
(313) 324-8300/Fax:(313) 324-8300  
vjohnson@venjohnsonlaw.com  
cdesmond@venjohnsonlaw.com