UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

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In re:

CITY OF DETROIT, MICHIGAN,

Chapter 9

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

CONCURRENCE OF THE MICHIGAN COUNCIL 25 OF THE AMERICAN FEDERATION OF STATE, COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO AND SUB-CHAPTER 98, CITY OF DETROIT RETIREES IN SYNCORA'S EX PARTE EMERGENCY MOTION TO EXTEND DISCLOSURE STATEMENT APPROVAL SCHEDULE

Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees (the AFSCME retiree chapter for City of Detroit retirees) (collectively, "<u>AFSCME</u>") through its counsel, hereby respectfully concurs and joins in the relief sought in the *Ex Parte Emergency Motion to Extend Disclosure Statement Approval Schedule* [Docket No. 3317] (collectively, the "<u>Motion</u>") filed by Syncora Guarantee Inc. and Syncora Capital Assurance Inc. AFSCME further respectfully states as follows in response to the City of Detroit's (the "<u>City</u>") objection to the Motion [Docket No. 3329] (the "<u>City Objection</u>"):

1. The City claims, via the City Objection, that the Motion is an attempt to "delay and disrupt the City's restructuring." City Objection, at p. 1.

Not so. The Motion simply stands for basic concepts of fundamental fairness and due process embodied in Fed. R. Bankr. P. 2002(b) which the City brushes off as "scorched earth litigation strategy." AFSCME does not believe it has pursued a "scorched earth litigation strategy", and has at every turn sought to proceed in a reasonable manner and will continue to do so. AFSCME fails to see how a one or two week eminently reasonable delay sought via the Motion to give parties sufficient time to digest what will no doubt be significantly revised Disclosure Statement and Plan pleadings will prejudice the City.

2. The City has spent over 30 days revising, modifying, and materially changing aspects of the Disclosure Statement and Plan, and intends to "spring" what will undoubtedly be a materially revised Disclosure Statement and Plan likely less than 72 hours prior to the new Disclosure Statement objection deadline. AFSCME has in good faith circulated to the City timely information requests, continued negotiations with the City, while at the same time prepared a Disclosure Statement objection. AFSCME intends to continue on the dual path of negotiation and the Plan confirmation adversarial process, but simply seeks the due process that all parties to these proceedings – particularly City employees that face the harshest possible result in the event of a confirmed cramdown Plan in this case – deserve.

WHEREFORE, for the reasons set forth in the Motion and herein, AFSCME respectfully requests that the Court grant the relief sought in the Motion and grant such other and further relief as the Court may deem just and proper.

Dated: March 31, 2014

LOWENSTEIN SANDLER LLP

By: <u>/s/ Sharon L. Levine</u> Sharon L. Levine, Esq. Philip J. Gross, Esq. 65 Livingston Avenue Roseland, New Jersey 07068 (973) 597-2500 (Telephone) (973) 597-6247 (Facsimile) <u>slevine@lowenstein.com</u> <u>pgross@lowenstein.com</u>

-and-

Herbert A. Sanders, Esq. THE SANDERS LAW FIRM PC 615 Griswold St., Suite 913 Detroit, MI 48226 (313) 962-0099 (Telephone) (313) 962-0044 (Facsimile) hsanders@miafscme.org

-and-

Richard G. Mack, Jr., Esq. MILLER COHEN PLC 600 West Lafayette Boulevard 4th Floor Detroit, MI 48226-3191 (313) 566-4787 (Telephone) (313) 964-4490 (Facsimile) richardmack@millercohen.com

Counsel to Michigan Council 25 of the American Federation of State, County and Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees

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CERTIFICATE OF SERVICE

The undersigned certifies that on March 31, 2014, the foregoing document

was filed with the Clerk of the Court using the CM/ECF system, which provides

electronic notification of such filing to all counsel of record.

Dated: March 31, 2014

/s/ Philip J. Gross

Philip J. Gross **LOWENSTEIN SANDLER LLP** 65 Livingston Avenue Roseland, New Jersey 07068 (973) 597-2500 (Telephone) pgross@lowenstein.com