

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION – DETROIT

FILED

2014 APR -1 P 2:11

In the matter of:

U.S. BANKRUPTCY COURT  
E.D. MICHIGAN-DETROIT

CITY OF DETROIT, MICHIGAN

Case No. 13-53846-swr

Chapter 9

Hon. STEVEN W. RHODES

\_\_\_\_\_  
Debtor \_\_\_\_\_/

**OBJECTION TO CITY OF DETROIT'S PLAN OF ADJUSTMENT [DOCKET 2708]**

FILED BY: Constance M. Phillips – City of Detroit Retiree; former General Manager

\_\_\_\_\_ hereby states his/her/their OBJECTION TO:

CITY OF DETROIT'S PLAN OF ADJUSTMENT

for the following reasons.

1. I / we am/are interested in the Bankruptcy of the City of Detroit because I am a recent Retiree from the Detroit Department of Human Services; now closed by City Administration , that was supported 100% with federal funds. \*I retired in February, 2012. My mother did not sacrifice and struggle to send me to college for me to be poor!

2. I / we object to the above filing because: I did not retire to receive a projected 34% reduction in a Detroit pension. I did not get an education at the Master's degree level to now potentially live at a federal poverty guideline level. I did not retire with a health benefit package provision available to no longer have benefits provided. I did not retire, in my opinion, to be held hostage, now, for a year with a bankruptcy process which may impact my ability to live independently as a single female!

3. I have/ have not attached additional sheets to explain and establish my position.

I hereby certify that the statements made herein are true and correct under penalty of perjury and contempt of Court under the laws of the United States of America.  
Wherefore I/ we request the Court will deny the relief sought in said filing.

Name: Constance Mary (M). Phillips

Signature: *Constance M. Phillips*

Address: 2720 E. Lafayette #103

Detroit, Michigan 48207

Email: cphillips25000@comcast.net

Dated: 3/31/2014







ARTICLE I. DEFINED TERMS, RULES, OF INTERPRETATION AND COMPUTATION OF TIME  
PG.#/120 PLAN OF ADJUSTMENT CONTENT REFERENCE

PG.8/120

**A. Defined Terms**

**1. 2005 COPS Agreement - Certificates of Participation - \$640 million**

**2. 2006 COPS Agreement - Certificates of Participation - \$ 148.5 million**

Why go back approximately nine years to define terms? Was using the retiree systems' Certificates of Participation legal and/or allowable?

**7. Adjusted Pension Amount**

Who agreed to an adjusted pension amount for persons currently participating in either retirement system? What are the specific dollar amounts for these referenced "adjusted pension amounts" for pensioners"?

Why is this group immediately identified with an adjustment? Why is this group affected?

PG.9/120

**A. Defined Terms**

**15. " Ballot"**

If retirees do not vote to accept the Plan what happens? If others/ other entities vote to accept when retirees do not, what bearing does that action have for the affected/afflicted retirees?

PG.10/120

**A. Defined Terms**

**21. Bond Agent**

Who are the current bond agents and what fee does this entity incur as a portion of the Bankruptcy process?

**31. "CFSEM Supporting Organization"**

Who are all the parties within the organization involved with the destiny of retirees as well as the DIA?

What are the final financial contributions to pensioners? This is referenced with very minimal detail!

**A. Defined Terms**

**36. Claims and Balloting Agent**

Why was this business concern located in El Segundo, California chosen? Was there no such resource available in the State of Michigan? What bill is this company charging? Will it amount to the level of millions as applicable to the Jones Day legal firm?

**48. " COP Service Contracts:**

Was accessing the Certificates of Participation Service Contracts truly legal? The use set a precedent leading to "supposed deficits" in GRS and PFRS funding?

PG. 12/120

**A. Defined Terms**

**56. " Creditor Representation"**

The language for this section is originally somewhat confusing to conclude with " a person or committee of persons" appointed by the Emergency Manager. It appears that such a representative/representatives will be selected irrespective of votes by selected classes. Why is that an impression without clarity?

**59."Current Accrued Annual Pension"**

" The Cost of Living Allowance" (COLA) eliminations are other reductions in the pension allowance. Please note: Social Security recipients receive COLA no matter how minimal the monthly check amount that a recipient receives.

**60. " Detroit VEBA - Voluntary Employees Beneficiary Association "**

What parameters will exist for this association; function and time references? This references types of insurance!

PG.13/120

**72. " Disbursing Agent"**

Who is this agent and/or his company? What is the verified level of expertise?

PG. 14/120

**81. " Document Website - <http://www.kcelle.net/Detroit>**

The Plan of Adjustment and The Disclosure Statement should be mailed to all pensioners as well as being available electronically. There should not be assumptions of all parties having access to computers!

**A. Defined Terms**

**108. "DWSD Transaction "**

The transfer of assets is implied. If the transaction does not occur what happens to pensions? An alternate plan is not identified. For consideration, it is a situation of either/or; how fair is this?

**110. " Electing GRS Holder" means any Holder of a GRS Pension Claim who elects to participate in the Plan GRS Settlement on a timely-retuned Ballot accepting the Plan.**

An either/or circumstance seems apparent! One can accept The Plan thus implying agreement with all of its components. No other options seem to be identified!

PG. 16/120

**113.,114., 115 - Employees Death Benefit Plan Informational References**

All references are made in all three areas to retired officers and employees of the City.  
Information does not clearly state that other "Retirees are to be included in the provision of benefits.

**122 " Fee Examiner"**

What is the expertise of Mr. Fishman and his company which is based in Chicago, Illinois?

PG. 17/120

**126. Fee Review Professionals"**

A reference to a capitation amount for expenditure reimbursement would be helpful to address reducing costs for the Bankruptcy; but it is not identified.

**131. " Foundation"**

A generic reference is given and negates the involvement of the DIA Corporation.

**136. " GLWA" - means the Great Lakes Water and Sewage Authority, to be formed pursuant to a DWSD Transaction to conduct the operations currently conducted by the DWSD as described in Section IV. A. 2.**

The GLWA Authority formation has not been crystallized but payments to the pension funds hinge on the projected formation. Nominal information is available!

**A. Defined Terms**

**138. "GRS Adjusted Pension Amount means, with respect to a Holder of a GRS Pension Claim, the Current Accrued Annual Pension**

A retired Holder is projected to be a recipient of a 34% reduction. This rate of reduction follows upon the heels of individual payments for health care for those persons who are under the age of 65.  
Thus one is slated to receive 66% of a pension for 10 years!

**142. GRS Restoration Payment**

An approximate 10 year time line is once again referenced to the year 2023. The restoration rate takes the payments to pensioners to 80%. What happens to the remaining 20% to take one to the 100% level?

PG. 20/120

**175. "New - GLWA Revolving Bond Documents"**

The Transaction has crucial bearing on the establishment of the new Water Authority. The bonds will provide resources only if the Authority is formed. No other option is afforded under this plan at this point.

PG. 22/120

**193. "PFRS Adjusted Pension Amount"**

The PFRS is projected to get a 10% reduction in pension benefit amounts. Why is this group the only sector of retirees slated for this type of reduction?

PG. 24/120

**218. "Retiree Committee"**

"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.

\*Why may this committee be reconstituted, i.e. reorganized as an entity working on behalf of Retirees? It is absolutely key to our well-being and should be retained at a minimum for five years until the components of bankruptcy are designed, developed, revised, and completed with full execution of the legal points as related to Retirees. The process thus far has been complex and needs to have a body that has been present from the onset.

**PLAN OF ADJUSTMENT - OBJECTIONS BY CONSTANCE M. PHILLIPS - DETROIT, MI. CHAP. 9**

**(3/31/2014 - Pg. #5)**

PG.24/120

**219. " 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.**

\*Information was initially secured and provided to Detroit Retirees about a potential health care provider option through Blue Cross Blue Shield. The negotiations are in process and not finalized but yet the service will only be available until December 2014. It is now 3/2014 . The communication pattern and progress on finalization is very poor and very slow.

PG.26/120

**247. " State GRS Consideration" means an amount up to \$ 175,000, 000 to be deposited by the State into the GRS in accordance with the Plan GRS Settlement and Section II. B3 u. ii.i; provided that the amount of the State GRS Consideration shall be reduced by certain amounts attributable to the payment of pension benefits owing to Holders of GRS Pension Claims with household income less than a threshold amount (a) tied to a percentage of federal poverty levels and (b) to be determined pursuant to further discussions between the City and the State.**

***THIS REFERENCE TO A PENSION NOW LINKED TO FEDERAL POVERTY LEVELS IS IRREPREHENSIBLE! ALSO VAGUE DETERMINATION REFERENCES ARE MADE ABOUT FUTURE DISCUSSIONS THAT CAN HAVE A BEARING ON THE PENSION AMOUNTS! HOW ARE WE PENSIONERS TO VOTE ON SUCH AN ENDEAVOR TO ACCEPT THIS COMPONENT OF THE PLAN?***

**248. " State PFRS Consideration" means an amount up to \$ 175,000, 000 to be deposited by the State into the PFRS in accordance with the Plan PFRS Settlement and Section II. B 3 T. ii.g; provided that the amount of the State PFRS Consideration shall be reduced by certain amounts attributable to the payment of pension benefits owing to Holders of GRS Pension Claims with household income less than a threshold amount (a) tied to a percentage of federal poverty levels and (b) to be determined pursuant to further discussions between the City and the State.**

***IN THIS CIRCUMSTANCE PFRS AND GRS ARE BEING TREATED ALIKE AND TOTALLY UNFAIRLY! NONE OF US WORKED TO BE INCOME RECIPIENTS AT THE FEDERAL GOVERNMENT POVERTY LEVELS.***

PG. 27/120

**262. " Voting Deadline:**

The Voting Deadline should have been determined when the Plan of Adjustment was developed and included in the documents which were available on the Internet - ( Plan & Disclosure Statement)!)



PGS. 29-30/120

**" B. Classified Claims - Unsecured Claims**

Unsecured Claims ( 10) PFRS - Police and Fire Retirement System and (11) GRS - General Retirement Systems  
Why are these Retiree Claims so very low on the classified list of 15 classes? It appears that these two groups are almost of no consequence; no regard for employees who completed tenures in the workforce for the City of Detroit!

PG. 31/120

**"A. Treatment if DWSD Transaction Consummated"**

The details of the/an actual transaction are needed thus current residents in addition to the Retirees can realize the potential impacts, i.e. costs for water service provisions and projected contributions to the Retiree Pension Systems.

PG. 35/120

**n. Class 4 HUD Installment Note Claims**

This information cross reference with Claims listing on pages 29-30. When does the City of Detroit through its recently appointed Emergency Manager plan to collect from the downtown hotels on the monies owed? Perhaps, some of these funds could assist with the Retiree Pension Payments. The tally due is noted.

Book Cadillac	\$7,486,218.00
Book Cadillac Note	\$10,938,812.00
Fort Shelby Note	<u>\$18,664,190.00</u>
Total	\$37,089,220.00

PG. 37/120

**t.. Class 10 - PFRS Claims**

**i. Allowance**

**ii. Treatment ( A-E)**

Several aspects as to how pension benefits for PFRS are addressed. Interestingly, no federal poverty level guidelines are noted here.

PG. 38/120

**G. Plan Settlement**

This plan settlement allows for pension availability for 20 years with State support only if Classes (10) and (11) accept the Plan for PFRS. Pensioners could conceivably live longer than 20 years.

**PLAN OF ADJUSTMENT - OBJECTIONS RE: CHAPTER 9 OF THE BANKRUPTCY CODE - DETROIT, MICHIGAN  
PREPARED BY: CONSTANCE M. PHILLIPS, RETIREE AS OF 2/2012**

PG. 38/120

**H. Establishment of VEBA**

(3/31/2014 - Pg. #7)

This entity to address life and death insurance benefits at the time of the plan is not formerly established. These key insurance benefits may be in jeopardy if the City is not responsible immediately at the time of the Confirmation Hearing.

PG. 39/120

**ii. B. Investment Return Assumption**

The timeline for GRS is once again June 30, 2023 about nine years from this point in time; prior to April 1, 2014. An approximate time of nine years is a shortfall as to longevity for pensioners!

**ii. G. Potential Transfer of DWSD-Related Pension Liabilities**

The non-established Water Authority will handle the pension for DWSD employees. This process seems very tenable!

PG. 40/120

**I. GRS Settlement**

An opportunity to receive benefits for 20 years seems to be identified if Classes (10) and (11) accept the Plan. Any or all Retirees, w/ regardless of the GRS/ PERS Pension System can live well beyond the 20 years noted in the documents for the Confirmation Order.

PG. 41/120

**C. Confirmation Without Acceptance By All Impaired Classes**

"The City request 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 Bankruptcy Code. The Plan shall constitute a motion for such relief."

**Confirmation as noted makes the ballot for approval process seem nullified!**

PG. 43/120

**ARTICLE III. - CONFIRMATION OF THE PLAN**

**A. Conditions Precedent to the Effective Date**

3. " The Confirmation Order shall not be stayed in any respect".  
**WHEN IN THIS COUNTRY CAN ONE NOT APPEAL A LEGAL PROCESS?**

7. " If Classes 10 and 11 accept the Plan, all conditions to the effectiveness of (a) the Plan PFRS Settlement set forth in the Plan PFRS Settlement Documents and (b) the Plan GRS Settlement set forth in the Plan GRS Settlement Documents have been satisfied".

If all parties do not agree the process of having votes on settlement documents will be void. What recourse will be undertaken to provide resolutions?

Pg. 44-120

All components of the Plan of Adjustment filed on February 21, 2014 were reviewed extensively. The document further contained references to the Bond Issues voted upon by the City Council and the budgetary descriptions for bond costs and projections for several years.

Pg. 88/120

**Schedule for HUD Installment Notes**

Information is listed for the monies owed specifically for the Book Cadillac Hotel's two projects and the Fort Shelby Hotel's project.

**ADDITIONAL INFORMATION:**

Additional information that is provided with this Objection includes information about my specific Retirement Enrollment documents completed in 2012.

Also, copies of the pages from the Plan of Adjustment that are referenced in the Objection are given for a quick review.

**BANKRUPTCY PLAN OF ADJUSTMENT**

***(SUPPORTING DOCUMENTATION***

***EXTRACTED PAGES FROM THE CITY OF DETROIT***

***PLAN OF ADJUSTMENT FILED, February 21, 2014)***

**PROVIDED BY CONSTANCE M. PHILLIPS**

**PLAN OF ADJUSTMENT OBJECTIONS ( FORM 2708)**

THE BANKRUPTCY COURT HAS NOT APPROVED THE PROPOSED DISCLOSURE STATEMENT TO ACCOMPANY THIS PLAN. THE DISTRIBUTION OF THIS PLAN AND THE DISCLOSURE STATEMENT IS NOT INTENDED TO BE, AND SHOULD NOT BE CONSTRUED AS, A SOLICITATION OF VOTES ON THIS PLAN. THE CITY OF DETROIT, MICHIGAN RESERVES THE RIGHT TO MODIFY, AMEND, SUPPLEMENT, RESTATE OR WITHDRAW THIS PLAN, THE DISCLOSURE STATEMENT AND ALL ANCILLARY DOCUMENTS AT ANY TIME.

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN

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	:	
In re	:	Chapter 9
	:	
CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
	:	
Debtor.	:	Hon. Steven W. Rhodes
	:	
-----	X	

PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT  
(February 21, 2014)

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ATTORNEYS FOR THE DEBTOR

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EASTERN DISTRICT OF MICHIGAN

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## 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 and certain related matters, is included in the Disclosure Statement. 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 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, as applicable.

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 that certain 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 instruments and agreements related thereto.

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 that certain 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 instruments and agreements related thereto.

5. "36th District Court" means the district court for the thirty-sixth judicial district of the State.

6. "Active Employee" means an active employee of the City on and after the Confirmation Date.

7. "Adjusted Pension Amount" means the GRS Adjusted Pension Amount and/or the PFRS Adjusted Pension Amount, as applicable.

8. "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; provided that any

claim for professional fees or any other costs or expenses incurred by the Creditors' Committee shall not be considered an Administrative Claim.

9. "ADR Injunction" means the injunction set forth at Section I.B of the ADR Procedures.

10. "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.

11. "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.

12. "Affiliate" shall have the meaning set forth in section 101(2) of the Bankruptcy Code.

13. "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.

14. "Annuity Savings Fund Account" means that sub-account and pension benefit arrangement that is part of the GRS and operated by the trustees of the GRS.

15. "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.

16. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as now in effect or hereafter amended.

17. "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 and/or the General Order of the District Court pursuant to § 151 of title 28 of the United States Code, the District Court.

18. "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.

19. "Bar Date" means the applicable bar date by which a proof of Claim must be or must have been Filed, as established by a Final Order of the Bankruptcy Court, including a Bar Date Order and the Confirmation Order.

20. "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.

21. "Bond Agent" means a trustee, paying agent or similar Entity, as applicable, under the Bond Documents.

22. "Bond Claims" means, collectively, the DWSD Class A Sewer Claims, the DWSD Class A Water Claims, the DWSD Class B Sewer Claims, the DWSD Class B Water Claims, the DWSD Revolving Bond Claims, the General Obligation Bond Claims, the HUD Installment Note Claims, the Parking Bond Claims and the Secured GO Bond Claims.

23. "Bond Documents" means, collectively, the DWSD Class A Sewer Documents, the DWSD Class A Water Documents, the DWSD Class B Sewer Documents, the DWSD Class B Water Documents, the DWSD Revolving Bond Documents, the General Obligation Bond Documents, the HUD Installment Note Documents, the Parking Bond Documents and the Secured GO Bond Documents.

24. "Bond(s)" means, individually or collectively, the DWSD Class A Sewer Bonds, the DWSD Class A Water Bonds, the DWSD Class B Sewer Bonds, the DWSD Class B Water Bonds, the DWSD Revolving Sewer Bonds, the DWSD Revolving Water Bonds, the General Obligation Bonds, the HUD Installment Notes, the Parking Bonds and/or the Secured GO Bonds.

25. "Bondholder" means any beneficial or record holder of a Bond.

26. "Bond Insurance Policies" means those policies and/or other instruments insuring certain Bonds and obligations related thereto.

27. "Bond Insurer" means any party, other than the City, that has issued a Bond Insurance Policy.

28. "Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

29. "Cash" means legal tender of the United States of America and equivalents thereof.

30. "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.

31. "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.

32. "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.

33. "City" means the City of Detroit, Michigan.

34. "City Council" means the duly-elected City Council of the City.

35. "Claim" means a claim, as defined in section 101(5) of the Bankruptcy Code, against the City.

36. "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.
37. "Claims Objection Bar Date" means the deadline for objecting to a Claim, which shall be on the date that is the later of (a) one year 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.
38. "Claims Register" means the official register of Claims maintained by the Claims and Balloting Agent.
39. "Class" means a class of Claims, as described in Section II.B.
40. "Confirmation" means the entry of the Confirmation Order by the Bankruptcy Court on the docket of the Chapter 9 Case.
41. "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.
42. "Confirmation Hearing" means the hearing held by the Bankruptcy Court on Confirmation of the Plan, as such hearing may be continued.
43. "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.
44. "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.
45. "COPs" means, collectively, the 2005 COPs and the 2006 COPs.
46. "COP Claim" means a Claim under or evidenced by the COP Service Contracts.
47. "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.
48. "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 instruments and agreements related thereto.
49. "COP Service Corporations" means, collectively, the Detroit General Retirement System Service Corporation and the Detroit Police and Fire Retirement System Service Corporation.

50. "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.50, together with all ancillary instruments and agreements related thereto, as the same may have been subsequently amended, restated, supplemented or otherwise modified.

51. "COP Swap Claim" means a Claim arising under the COP Swap Documents.

52. "COP Swap Collateral Agreement" means the Collateral Agreement among the City, the Service Corporations, the COP Swap Collateral Agreement Custodian and the COP Swap Counterparties, together with all ancillary instruments and agreements related thereto.

53. "COP Swap Counterparties" means UBS AG or Merrill Lynch Capital Services, Inc., as successor to SBS Financial Products Company LLC under the COP Swap Documents.

54. "COP Swap Documents" means the COP Swap Agreements and the COP Swap Collateral Agreement.

55. "Counties" means, collectively, Macomb County, Oakland County and Wayne County.

56. "Creditor Representative" means (a) if all Retiree Classes accept the plan, the Retiree Committee, (b) if any Retiree Class rejects the Plan and Class 7 accepts the Plan, a person or committee of persons appointed by the five largest beneficial holders of Class 7 Claims other than the LTGO Insurer and (c) if any Retiree Class rejects the plan and Class 7 rejects the plan, a person or committee of persons appointed by the Emergency Manager.

57. "Creditors' Committee" means the statutory official committee of unsecured creditors first appointed by the United States Trustee in the Chapter 9 Case on December 23, 2013 (Docket No. 2290), as such committee may be reconstituted.

58. "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.

59. "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 and receiving, or terminated from City employment and eligible to receive, a monthly pension as of such date or (b) would pay such Holder were such Holder to terminate active employment with the City on June 30, 2014 and defer his or her vested pension, in either case as reflected on the books and records of the applicable Retirement System as of such date, but in no case shall such Current Accrued Annual Pension include a right to supplemental pension benefits to be paid after July 1, 2014 in respect of cost of living allowances.

60. "Detroit VEBA" means a voluntary employees' beneficiary association established in accordance with section 501(c)(9) of the Internal Revenue Code of 1986 and regulations thereunder that provides life, sickness, accident or other similar benefits to Detroit VEBA Beneficiaries, certain of their dependents and future retirees of the City.

61. "Detroit VEBA Beneficiary" means a Holder of an OPEB Claim.

62. "Detroit VEBA Trust Agreement" means the definitive documentation to be executed in connection with the formation of the Detroit VEBA, in substantially the form attached hereto as Exhibit I.A.62.

63. "DIA" means The Detroit Institute of Arts, a museum and cultural facility located at 5200 Woodward Avenue, Detroit, Michigan 48202.

64. "DIA Assets" means the assets identified on Exhibit I.A.64, to the extent that the City holds title to any such assets as of the Effective Date.

65. "DIA Corp." means The Detroit Institute of Arts, a Michigan non-profit corporation.

66. "DIA Funding Parties" means the Foundations and DIA Corp.

67. "DIA Proceeds" means, collectively, the irrevocable funding commitments described in Section IV.F.1.

68. "DIA Proceeds Default Amount" means a reduction in the Adjusted Pension Amount of a Holder of a Pension Claim (or a surviving spouse thereof) by virtue of a DIA Proceeds Payment Default, as determined by the trustees of GRS or PFRS, or any successor plan or trust thereto, in an amount commensurate with the amounts scheduled to be paid to the City in accordance with the DIA Settlement but not received.

69. "DIA Proceeds Payment Default" means a default which has not been cured during any applicable grace period, as determined by the trustees of the GRS or the PFRS, or of any successor plan or trust thereto, by one or more DIA Funding Parties respecting material amounts scheduled to be paid to the City in accordance with the DIA Settlement, and which the City is required to pay over to the GRS or the PFRS in accordance with the terms and conditions of the Plan.

70. "DIA Settlement" means the comprehensive settlement regarding the DIA Assets, as described at Section IV.F and as definitively set forth in the DIA Settlement Documents.

71. "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.71.

72. "Disbursing Agent" means the disbursing agent(s) appointed pursuant to Section V.A.

73. "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 pursuant to section 1125 of the Bankruptcy Code, as the same may be amended, supplemented or otherwise modified.

74. "Disclosure Statement Order" means the [ ] (Docket No. [ ]), entered by the Bankruptcy Court on the docket of the Chapter 9 Case on [ ], 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.

75. "Disputed Claim" means any Claim that is not Allowed.

76. "Disputed COP Claims Reserve" means the reserve for Disputed COP Claims established pursuant to Section II.B.3.s.iii.B.1.

77. "Distribution" means any initial or subsequent payment or transfer made on account of an Allowed Claim under or in connection with the Plan.

78. "Distribution Date" means any date on which a Distribution is made.

79. "Distribution Record Date" means 5:00 p.m., Eastern Time, on the Confirmation Date.

80. "District Court" means the United States District Court for the Eastern District of Michigan.

481. "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.

82. "Downtown Development Authority Claims" means Claims in respect of the Downtown Development Authority Loans.

83. "Downtown Development Authority Loans" means loans made pursuant to that certain Loan Agreement, dated August 26, 1991, by and between the City and the City of Detroit Downtown Development Authority, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

84. "DWSD" means the Detroit Water and Sewerage Department, which is a department of the City.

85. "DWSD Bonds" means, collectively, the DWSD Class A Sewer Bonds, the DWSD Class B Sewer Bonds, the DWSD Class A Water Bonds and the DWSD Class B Water Bonds.

86. "DWSD Class A Sewer Bonds" means the secured notes issued pursuant to the DWSD Class A Sewer Documents, as set forth on Exhibit I.A.88.

87. "DWSD Class A Sewer Claims" means any Claim against the City arising under or evidenced by the DWSD Class A Sewer Documents, including a Claim for principal and interest on the DWSD Class A Sewer Bonds.

88. "DWSD Class A Sewer Documents" means the ordinances passed, resolutions adopted, orders issued and/or indentures executed with respect to the DWSD Class A Sewer Bonds, as set forth on Exhibit I.A.88, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

89. "DWSD Class A Water Bonds" means the secured notes issued pursuant to the DWSD Class A Water Documents, as set forth on Exhibit I.A.91.

90. "DWSD Class A Water Claims" means any Claim against the City arising under or evidenced by the DWSD Class A Water Documents, including a Claim for principal and interest on the DWSD Class A Water Bonds.

91. "DWSD Class A Water Documents" means the ordinances passed, resolutions adopted, orders issued and/or indentures executed with respect to the DWSD Class A Water Bonds, as set forth on Exhibit I.A.91, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

92. "DWSD Class B Sewer Bonds" means the secured notes issued pursuant to the DWSD Class B Sewer Documents, as set forth on Exhibit I.A.94.

93. "DWSD Class B Sewer Claims" means any Claim against the City arising under or evidenced by the DWSD Class B Sewer Documents, including a Claim for principal and interest on the DWSD Class B Sewer Bonds.

94. "DWSD Class B Sewer Documents" means the ordinances passed, resolutions adopted, orders issued and/or indentures executed with respect to the DWSD Class B Sewer Bonds, as set forth on Exhibit I.A.94, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

95. "DWSD Class B Water Bonds" means the secured notes issued pursuant to the DWSD Class B Water Documents, as set forth on Exhibit I.A.97.



96. "DWSD Class B Water Claims" means any Claim against the City arising under or evidenced by the DWSD Class B Water Documents, including a Claim for principal and interest on the DWSD Class B Water Bonds.

97. "DWSD Class B Water Documents" means the ordinances passed, resolutions adopted, orders and reports issued and/or indentures executed with respect to the DWSD Class B Water Bonds, as set forth on Exhibit I.A.97, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

98. "DWSD Revolving Bond Claims" means, collectively, the DWSD Revolving Sewer Bond Claims and the DWSD Revolving Water Bond Claims.

99. "DWSD Revolving Bond Documents" means, collectively, the DWSD Revolving Sewer Bond Documents and the DWSD Revolving Water Bond Documents.

100. "DWSD Revolving Bonds" means, collectively, the DWSD Revolving Sewer Bonds and the DWSD Revolving Water Bonds.

101. "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.

102. "DWSD Revolving Sewer Bond Documents" means the ordinances passed, resolutions adopted and/or indentures or agreements executed with respect to the DWSD Revolving Sewer Bonds, as set forth on Exhibit I.A.102, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

103. "DWSD Revolving Sewer Bonds" means the secured notes issued pursuant to the DWSD Revolving Sewer Bond Documents, as set forth on Exhibit I.A.102.

104. "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.

105. "DWSD Revolving Water Bond Documents" means the ordinances passed, resolutions adopted and/or indentures or agreements executed with respect to the DWSD Revolving Water Bonds, as set forth on Exhibit I.A.105, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

106. "DWSD Revolving Water Bonds" means the secured notes issued pursuant to the DWSD Revolving Water Bond Documents, as set forth on Exhibit I.A.105.

107. "DWSD Series" means an individual issue of DWSD Bonds or DWSD Revolving Bonds having the same lien priority, issue date and series designation.

108. "DWSD Transaction" means the potential formation (including the transfer of certain assets owned by the DWSD) and operation of the GLWA, as described in Section IV.A.2.

109. "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.

110. "Electing GRS Holder" means any Holder of a GRS Pension Claim who elects to participate in the Plan GRS Settlement on a timely-returned Ballot accepting the Plan.

111. "Electing PFRS Holder" means any Holder of a PFRS Pension Claim who elects to participate in the Plan PFRS Settlement on a timely-returned Ballot accepting the Plan.

112. "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.

113. "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 hospitalization, dental care, vision care and life insurance 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 continued in the employ of the City on and after the Effective Date and (b) substantially all retired officers and employees of the City.

114. "Employees Death Benefit Board of Trustees" means the governing board of the City of Detroit Employee Benefit Plan, which operates and administers the Employee Death Benefit Plan for retired officers and employees of the City.

115. "Employees Death Benefit Plan" means the City of Detroit Employee Death Benefit Plan, a pre-funded defined benefit plan and trust administered by the Employee Death Benefit Board of Trustees that provides supplemental death benefits to retired officers and employees of the City.

116. "Entity" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

117. "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.

118. "Exhibits" means, collectively, the documents listed on the "Table of Exhibits" included herein, which documents will be Filed no later than five days before the Confirmation Hearing, to the extent not Filed earlier; *provided, however*, that (a) Exhibits I.A.140, I.A.162, I.A.195, I.A.206, II.B.3.t.i, II.B.3.u.i, II.B.3.u.ii.D and II.D.6 will be Filed no later than five Business Days prior to the Voting Deadline; and (b) Exhibits I.A.64, I.A.71, I.A.119, I.A.203 and I.A.205 will be Filed only if the transactions related to and/or underlying such Exhibits are to be consummated by the City. All Exhibits 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.

119. "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.119.

120. "Exit Facility Agent" means the agent under the Exit Facility.

121. "Face Amount" means (a) if a proof of Claim has been Filed by the applicable Bar Date: (i) if only a liquidated amount is provided on the proof of Claim, the full stated amount claimed by the Holder in such proof of Claim, and (ii) if a portion of the Claim is stated as unliquidated, the liquidated amount claimed by the Holder in such proof of Claim; or (b) if a proof of Claim has not been Filed, the liquidated, undisputed, non-contingent amount, if any, set forth for a Claim in the List of Creditors.

122. "Fee Examiner" means Robert M. Fishman, in his capacity as the fee examiner appointed pursuant to the Fee Examiner Order.

123. "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.

124. "Fee Examiner Parties" means, collectively, (a) the Fee Examiner and (b) any counsel or other professional advising the Fee Examiner whose fees and expenses are subject to the Fee Review Order.

125. "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.

126. "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) the Fee Examiner Parties. For the avoidance of doubt, any professionals retained by the Creditors' Committee or any other official committee appointed in the Chapter 9 Case other than the Retiree Committee are not Fee Review Professionals.

127. "Fee Review Professional Fees" means the fees and expenses of the Fee Review Professionals incurred during the period beginning on the Petition Date and ending on the Effective Date.

128. "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.

129. "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 and/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.

130. "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.

131. "Foundation" means any Entity, other than DIA Corp., that is a contributing party to the DIA Settlement.

132. "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.

133. "General Obligation Bond Claims" means, collectively, the Limited Tax General Obligation Bond Claims and the Unlimited Tax General Obligation Bond Claims.

134. "General Obligation Bond Documents" means, collectively, the Limited Tax General Obligation Bond Documents and the Unlimited Tax General Obligation Bond Documents.

135. "General Obligation Bonds" means, collectively, the Limited Tax General Obligation Bonds and the Unlimited Tax General Obligation Bonds.

136. "GLWA" means the Great Lakes Water and Sewer Authority, to be formed pursuant to a DWSD Transaction to conduct the operations currently conducted by the DWSD as described in Section IV.A.2.

137. "GRS" means the General Retirement System for the City of Detroit.

138. "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 formula: (a) for such a Holder who is either retired and receiving a monthly pension or a surviving beneficiary, a 34% reduction in the monthly pension amount; and (b) for such a Holder who is an Active Employee, a 34% reduction in the monthly pension amount; provided 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 reduction in the monthly pension amount shall be increased to the extent necessary to ensure that there is no change in the amount of the underfunding between Fiscal Years 2013 and 2014.

139. "GRS Claim" means, with respect to any Holder of a GRS Pension Claim, (a) such GRS Pension Claim and (b) any OPEB Claim held by such Holder.

140. "GRS Hybrid Pension 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) such employee's average base compensation over an 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 GRS Hybrid Pension 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 and other material terms as set forth in Exhibit I.A.140.

141. "GRS 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 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 to be made by the GRS 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.

142. "GRS Restoration Payment" means an addition to the pension benefits that comprise the GRS Adjusted Pension Amount during the period ending June 30, 2023. A GRS Restoration Payment may be made and approved only by the trustees of the GRS, or of any successor trust or pension plan, and only in the event that the funding level of the GRS for Fiscal Year 2023 is projected to exceed 80%, based on the then-market value of assets projected forward at an assumed 6.25% investment return rate. For purposes of calculating a GRS Restoration Payment, market value of assets shall not include any City contributions other than those listed on Exhibit II.B.3.u.ii.A. A GRS Restoration Payment may be made in amounts, and only to the extent, that the projected funding level of the GRS for Fiscal Year 2023 as an immediate consequence of such GRS Restoration Payment is not less than 80%.

143. "GRS Settlement Benefit Amount" means, with respect to any Electing GRS Holder, an amount equal to such Holder's Pro Rata share (calculated by reference to the GRS Pension Claims held by Electing GRS Holders) of such percentage of the State GRS Consideration as is equal to the ratio of Electing GRS Holders to all Holders of GRS Pension Claims, which GRS Settlement Benefit Amount is estimated to equal 8.0% of such Electing GRS Holder's Current Accrued Annual Pension.

144. "Holder" means an Entity holding a Claim.

145. "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.

146. "HUD Installment Note Documents" means the promissory notes executed with respect to the HUD Installment Notes, as set forth on Exhibit I.A.146, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

162. "New B Notes Valuation" means the valuations of each of the New B Notes, as set forth on Exhibit I.A.162.

163. "New C Notes" means the unsecured notes to be issued by the City pursuant to the New C Notes Documents, substantially on the terms set forth on Exhibit I.A.163.

164. "New C Notes Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued and/or indentures to be executed with respect to the New C Notes, in substantially the form attached hereto as Exhibit I.A.164.

165. "New DWSD Bond Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued and/or indentures to be executed with respect to the New DWSD Bonds if a DWSD Transaction is not consummated, in substantially the form attached hereto as Exhibit I.A.165.

166. "New DWSD Bonds" means the secured notes to be issued by the City pursuant to the New DWSD Bond Documents if a DWSD Transaction is not consummated, substantially on the terms set forth on Exhibit I.A.166.

167. "New DWSD Revolving Bond Documents" means the ordinances to be passed, resolutions to be adopted and/or indentures or agreements to be executed with respect to the New DWSD Revolving Bonds if a DWSD Transaction is not consummated, in substantially the form attached hereto as Exhibit I.A.167.

168. "New DWSD Revolving Bonds" means the secured notes to be issued by the City pursuant to the New DWSD Revolving Bond Documents if a DWSD Transaction is not consummated, on substantially on the terms set forth on Exhibit I.A.168.

169. "New Existing Rate DWSD Bond Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued and/or indentures to be executed to be executed with respect to the New Existing Rate DWSD Bonds if a DWSD Transaction is not consummated, in substantially the form attached hereto as Exhibit I.A.169.

170. "New Existing Rate DWSD Bonds" means the secured notes to be issued by the City pursuant to the New Existing Rate DWSD Bond Documents if a DWSD Transaction is not consummated, substantially on the terms set forth on Exhibit I.A.170.

171. "New Existing Rate GLWA Bond Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued and/or indentures to be executed with respect to the New Existing Rate GLWA Bonds if a DWSD Transaction is consummated, in substantially the form attached hereto as Exhibit I.A.171.

172. "New Existing Rate GLWA Bonds" means the secured notes to be issued by the GLWA pursuant to the New Existing Rate GLWA Bond Documents if a DWSD Transaction is consummated, substantially on the terms set forth on Exhibit I.A.172.

173. "New GLWA Bond Documents" means the ordinances to be passed, resolutions to be adopted, orders to be issued and/or indentures to be executed with respect to the New GLWA Bonds if a DWSD Transaction is consummated, in substantially the form attached hereto as Exhibit I.A.173.

174. "New GLWA Bonds" means the secured notes to be issued by the GLWA pursuant to the New GLWA Bond Documents if a DWSD Transaction is consummated, substantially on the terms set forth on Exhibit I.A.174.

175. "New GLWA Revolving Bond Documents" means the ordinances to be passed, resolutions to be adopted and/or indentures or agreements to be executed with respect to the New GLWA Revolving Bonds if a DWSD Transaction is consummated, in substantially the form attached hereto as Exhibit I.A.175.

192. "PFRS" means the Police and Fire Retirement System for the City of Detroit.

193. "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 formula: (a) for such a Holder who is either retired and receiving a monthly pension or a surviving beneficiary, a 10% reduction in the monthly pension amount; and (b) for such a Holder who is an Active Employee, elimination of the deferred retirement option plan feature of PFRS and a 10% reduction in the monthly pension amount; 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 reduction in the monthly pension amount shall be increased to the extent necessary to ensure that there is no change in the amount of the underfunding between plan years ending 2013 and 2014.

194. "PFRS Claim" means, with respect to any Holder of a PFRS Pension Claim, (a) such PFRS Pension Claim and (b) any OPEB Claim held by such Holder.

195. "PFRS Hybrid Pension 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 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 mean the actual employee's base compensation and will exclude overtime, longevity or other bonuses, and unused sick leave, and the PFRS Hybrid Pension 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 and other material terms as set forth on Exhibit I.A.195.

196. "PFRS Pension Claim" means any Claims (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 to be made by the PFRS 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.

197. "PFRS Restoration Payment" means an addition to the pension benefits that comprise the PFRS Adjusted Pension Amount during the period ending June 30, 2023. A PFRS Restoration Payment may be made and approved only by the trustees of the PFRS, or of any successor trust or pension plan, and only in the event that the funding level of the PFRS for Fiscal Year 2023 is projected to exceed 80%, based on the then-market value of assets projected forward at an assumed 6.50% investment return rate. For purposes of calculating a PFRS Restoration Payment, market value of assets shall not include any City contributions other than those listed on Exhibit II.B.3.t.ii.A. A PFRS Restoration Payment may be made in amounts, and only to the extent, that the projected funding level of the PFRS for Fiscal Year 2023 as an immediate consequence of such PFRS Restoration Payment is not less than 80%.

198. "PFRS Settlement Benefit Amount" means, with respect to any Electing PFRS Holder, an amount equal to such Holder's Pro Rata share (calculated by reference to the PFRS Pension Claims held by Electing PFRS Holders) of such percentage of the State PFRS Consideration as is equal to the ratio of Electing PFRS Holders to all Holders of PFRS Pension Claims, which PFRS Settlement Benefit Amount is estimated to equal 4.0% of such Electing PFRS Holder's Current Accrued Annual Pension.

199. "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.

200. "Plan COP Settlement" means the comprehensive settlement regarding COP Claims on terms and conditions described in Section II.B.3.s.iii.A and definitively set forth in the Plan COP Settlement Documents.

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. "Reinstate" and "Reinstatement" shall have correlative meanings.

215. "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).

216. "Released Parties" means, collectively and individually, the State and the State Related Entities.

217. "Retiree Classes" means Classes 10 and 11, as set forth in Section II.B.

218. "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.

219. "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.

220. "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 changes to retiree health care proposed by the City, the principal terms of which agreement are set forth at Exhibit I.A.220.

221. "Retirement Systems" means, collectively, the GRS and the PFRS.

222. "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.

223. "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.

224. "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.

225. "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.

226. "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.

same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

240. "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.

241. "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.

242. "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.225, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary instruments and agreements related thereto.

243. "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.

244. "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.

245. "Settling COP Claimant" means a beneficial holder of a COP Claim that elects to participate in the Plan COP Settlement as to some or all COP Claims held by or assigned to it and its Affiliates by so indicating on a timely-returned Ballot.

246. "State" means the state of Michigan.

247. "State GRS Consideration" means an amount up to \$175,000,000.00 to be deposited by the State into the GRS in accordance with the Plan GRS Settlement and Section II.B.3.u.ii.I; provided that the amount of the State GRS Consideration shall be reduced by certain amounts attributable to the payment of pension benefits owing to Holders of GRS Pension Claims with household income less than a threshold amount (a) tied to a percentage of federal poverty levels and (b) to be determined pursuant to further discussions between the City and the State.

248. "State PFRS Consideration" means an amount up to \$175,000,000.00 to be deposited by the State into the PFRS in accordance with the Plan PFRS Settlement and Section II.B.3.t.ii.G; provided that the amount of the State PFRS Consideration shall be reduced by certain amounts attributable to the payment of pension benefits owing to Holders of PFRS Pension Claims with household income less than a threshold amount (a) tied to a percentage of federal poverty levels and (b) to be determined pursuant to further discussions between the City and the State.

249. "State Related Entities" means, collectively: (a) all officers, legislators, 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.

250. "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.



251. "Subordinated Claim" means a Claim of the kind described in sections 726(a)(3) or 726(a)(4) of the Bankruptcy Code and/or Claims subordinated under sections 510(b) or 510(c) of the Bankruptcy Code.

252. "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.

253. "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.

254. "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.

255. "Unimpaired" means, with respect to a Class or a Claim, that such Class or Claim is not Impaired.

256. "United States Trustee" means the Office of the United States Trustee for the Eastern District of Michigan.

257. "Unlimited Tax General Obligation Bond Claims" 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.

258. "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.258, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all instruments and agreements related thereto.

259. "Unlimited Tax General Obligation Bonds" means, collectively, the notes issued under the Unlimited Tax General Obligation Bond Documents, as set forth on Exhibit I.A.258.

260. "Unsecured Claim" means a Claim that is not a Secured Claim or an Administrative Claim.

261. "Unsecured Pro Rata Share" means, when used with reference to a Distribution of New B Notes to Holders of Allowed Claims within Classes 7, 9, 12 and 13 entitled to receive a distribution of New B Notes, the proportion that an Allowed Claim bears to the sum of all Allowed Claims and Disputed Claims within such Classes. Until all Disputed Claims in a Class are resolved, Disputed Claims shall be treated as Allowed Claims in their Face Amount for purposes of calculating the Unsecured Pro Rata Share of property to be distributed to Holders of Allowed Claims in such Class, unless otherwise ordered by the Bankruptcy Court.

262. "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.

263. "Voting Record Date" means the record date fixed by the Bankruptcy Court in the Disclosure Statement Order establishing the Holders of Claims entitled to vote to accept or reject the Plan.

264. "Wayne County" means the Charter County of Wayne, Michigan.

**b. Claims Under the Postpetition Financing Agreement.**

Unless otherwise agreed by the Postpetition Lenders pursuant to the Postpetition Financing Agreement, on or before the Effective Date, Postpetition Lender 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 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 pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order, no later than 30 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.

**b. Claims Under the Postpetition Financing Agreement.**

Holders of Administrative Claims that are Postpetition Lender 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.

**c. No Modification of Bar Date Order.**

The Plan does not modify any Bar Date Order already in place, 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 Class A Water Claims (One Class for each DWSD Series of DWSD Class A Water Bonds, as set forth on Exhibit I.A.91)	Impaired/Voting
1B	All Classes of DWSD Class B Water Claims (One Class for each DWSD Series of DWSD Class B Water Bonds, as set forth on Exhibit I.A.97)	Impaired/Voting
1C	All Classes of DWSD Class A Sewer Claims (One Class for each DWSD Series of DWSD Class A Sewer Bonds, as set forth on Exhibit I.A.88)	Impaired/Voting

CLASS	NAME	IMPAIRMENT
1D	All Classes of DWSD Class B Sewer Claims (One Class for each DWSD Series of DWSD Class B Sewer Bonds, as set forth on Exhibit I.A.94)	Impaired/Voting
1E	All Classes of DWSD Revolving Sewer Bond Claims (One Class for each DWSD Series of DWSD Revolving Sewer Bonds, as set forth on Exhibit I.A.102)	Impaired/Voting
1F	All Classes of DWSD Revolving Water Bond Claims (One Class for each DWSD Series of DWSD Revolving Water Bonds, as set forth on Exhibit I.A.105)	Impaired/Voting
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	To be determined
6	Parking Bond Claims	Unimpaired/Nonvoting
<b>Unsecured Claims</b>		
7	Limited Tax General Obligation Bond Claims	Impaired/Voting
8	Unlimited Tax General Obligation Bond Claims	Impaired/Voting
9	COP Claims	Impaired/Voting
10	PFRS Claims	Impaired/Voting
11	GRS Claims	Impaired/Voting
12	Downtown Development Authority Claims	Impaired/Voting
13	Other Unsecured Claims	Impaired/Voting
14	Convenience Claims	Impaired/Voting
15	Subordinated Claims	Impaired/Nonvoting

## 2. Subordination; Reservation of Rights to Reclassify 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. Pursuant to section 510 of the Bankruptcy Code, the City reserves the right to re-classify any Disputed Claim in accordance with any applicable contractual, legal or equitable subordination.

**3. Treatment of Claims.**

**a. Class 1A – DWSD Class A Water Claims.**

**i. Classification and Allowance.**

DWSD Class A Water Claims relating to each DWSD Series of DWSD Class A Water Bonds shall be separately classified, as reflected on Exhibit I.A.91, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Class A Water Claims shall be deemed Allowed in the amounts set forth on Exhibit I.A.91.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed DWSD Class A Water Claim, in full satisfaction of such Allowed Claim, shall receive on or as soon as reasonably practicable after the Effective Date:

**A. Treatment if DWSD Transaction Consummated.**

If a DWSD Transaction is consummated on the Effective Date, at the option of the City, either (1) New GLWA Bonds having a principal amount equal to the principal amount of the DWSD Class A Water Bonds held by such Holder; or (2) Cash in the full amount of such Allowed DWSD Class A Water Claim. Each Holder of an Allowed DWSD Class A Water Claim in a Class of DWSD Class A Water Claims that accepts the Plan may elect to receive New Existing Rate GLWA Bonds having a principal amount equal to the principal amount of the DWSD Class A Water Bonds held by such Holder in lieu of New GLWA Bonds.

**B. Treatment If DWSD Transaction Not Consummated.**

If a DWSD Transaction is not consummated on the Effective Date, New DWSD Bonds having a principal amount equal to the principal amount of the DWSD Class A Water Bonds held by such Holder; provided, that, in lieu of the foregoing treatment, the City alternatively may elect to Reinstate any DWSD Series of DWSD Class A Water Bonds by filing a notice of such Reinstatement prior to the commencement of the Confirmation Hearing. Each Holder of an Allowed DWSD Class A Water Claim in a Class of DWSD Class A Water Claims that accepts the Plan may elect to receive New Existing Rate DWSD Bonds having a principal amount equal to the principal amount of the DWSD Class A Water Bonds held by such Holder in lieu of New DWSD Bonds.

**b. Class 1B – DWSD Class B Water Claims.**

**i. Classification and Allowance.**

DWSD Class B Water Claims relating to each DWSD Series of DWSD Class B Water Bonds shall be separately classified, as reflected on Exhibit I.A.97, with each Class receiving the treatment set forth below. On the Effective Date, the DWSD Class B Water Claims shall be deemed Allowed in the amounts set forth on Exhibit I.A.97.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed DWSD Class B Water Claim, in full satisfaction of such Allowed Claim, shall receive on or as soon as reasonably practicable after the Effective Date:

**A. Treatment if DWSD Transaction Consummated.**

If a DWSD Transaction is consummated on the Effective Date, at the option of the City, either (1) New GLWA Bonds having a principal amount equal to the principal amount of the DWSD Class B Water Bonds

**m. 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.

**n. 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 \$90,075,002.00 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.

**o. Class 5 – COP Swap Claims.**

The Allowance of, and treatment to be accorded to, COP Swap Claims is the subject of continuing discussions between the City and the COP Swap Counterparties, is yet to be determined and will be supplied shortly.

**p. Class 6 – Parking Bond Claims.**

On the Effective Date, (i) the Parking Bond Claims shall be deemed Allowed in the amount of \$8,099,287.00 and (ii) each Holder of an Allowed Parking Bond Claim shall have its Allowed Parking Bond Claim Reinstated, unless such Holder agrees to a different treatment of such Claim.

**q. 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 \$163,543,187.86.

**ii. Treatment.**

Unless such Holder agrees to a different treatment of such Claim, each Holder of an Allowed Limited 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, Unsecured Pro Rata Shares of (A) New B Notes and (B) New C Notes.

**r. 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 \$374,661,332.97.

**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 its Pro Rata share of Plan UTGO Notes on or as soon as reasonably practicable after the Effective Date. The maturity(ies) of the Plan UTGO Notes shall be no longer than the existing maturity(ies) of each series of Unlimited Tax General Obligation Bonds receiving Plan UTGO Notes. The Plan UTGO Notes shall contain such other terms as will result in each Holder of an Allowed Unlimited Tax General Obligation Bond Claim receiving a payment stream the present value of which is equal to approximately 20% of such Holder's Allowed Unlimited Tax General Obligation Bond Claim as of the Effective Date.

distributed to holders of Claims entitled to receive New B Notes and New C Notes under the Plan, each of which shall receive their Unsecured Pro Rata Share of such property. The remaining 30% of any New B Notes, New C Notes and distributions thereon shall be cancelled (with respect to the New B Notes and New C Notes) or revert to the City and be transferred to the General Fund (with respect to the distributions on such portion of New B Notes and New C Notes).

**t. Class 10 – PFRS Claims.**

**i. Allowance.**

The PFRS Claims shall be allowed in an aggregate amount equal to the sum of approximately \$3,281,800,000. All OPEB Claims included in such PFRS Claims shall be allowed as general Unsecured Claims in an aggregate amount equal to approximately \$1,693,800,000; provided that the aggregate amounts of the Allowed OPEB Claims and, correspondingly, the Allowed PFRS Claims described in this Section II.B.3.t.i shall be reduced to reflect mitigation of damages resulting from the projected value of, as applicable, (A) federal governmental subsidies toward the payment of health benefit premiums provided under the Patient Protection and Affordable Care Act or (B) federal governmental health care plans, as set forth on Exhibit II.B.3.t.i.

**ii. Treatment.**

**A. Contributions to PFRS.**

During the Fiscal Years from the Effective Date through the Fiscal Year ending June 30, 2023, annual contributions shall be made to the PFRS only in the amounts identified on Exhibit II.B.3.t.ii.A. The exclusive source for such contributions shall be DIA Proceeds equal to \$175,000,000. After June 30, 2023, 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 Plan PFRS Settlement.

**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 not be higher than 6.50%.

**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 (a) the Plan PFRS Settlement (as set forth in Section II.B.3.t.ii.G) and (b) any PFRS Restoration Payment.

**D. 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 may be modified herein, such additional pension benefit for service on or after July 1, 2014 consistent with the terms and conditions of the PFRS Hybrid Pension Formula.

**E. Governance.**

The composition of the board of trustees of the PFRS and the manner in which it is operated and administered shall be consistent with such governance provisions as are (1) required by the DIA Settlement Documents and the Plan PFRS Settlement and (2) acceptable to the State and the DIA Funding Parties.

**F. No Changes in Terms for Ten Years.**

The Confirmation Order shall include an injunction against the subsequent amendment of the terms and conditions, and rules of operation, of the PFRS, or any successor plan or trust, that governs the calculation of pension benefits (including the PFRS Adjusted Pension Amount, accrual of additional benefits, the DIA Proceeds Default Amount, the PFRS Restoration Payment and the PFRS Hybrid Pension Formula and terms of the hybrid arrangement) or against any action that governs the selection of the investment return assumption described in Section II.B.3.t.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.

**G. Plan PFRS Settlement.**

If Classes 10 and 11 accept the Plan, Holders of PFRS Pension Claims who accept the Plan will have the option to enter into a settlement with the City and the State by electing to participate in the Plan PFRS Settlement on a timely-returned Ballot accepting the Plan. The Plan PFRS Settlement shall include the following principal terms: (1) the State will deposit the State PFRS Consideration into the PFRS in equal annual installments over a period of 20 years, (2) each Electing PFRS Holder shall be entitled to the PFRS Settlement Benefit Amount in addition to such Holder's PFRS Adjusted Pension Amount and (3) each Electing PFRS Holder will release the City and its Related Entities and the State and the State Related Entities from all PFRS Pension Claims, as more particularly described in the Plan PFRS Settlement Documents.

**H. Establishment of Detroit VEBA.**

On or as soon as practicable following the Effective Date, the City will establish the Detroit VEBA to provide health care, life and other legally authorized welfare benefits to Detroit VEBA Beneficiaries and certain of their dependents and future City retirees. The Detroit VEBA will be governed by a board of trustees that will be responsible for, among other things, management of property held by the Detroit VEBA, administration of the Detroit VEBA and determination of the level of and distribution of benefits to Detroit VEBA Beneficiaries. The Detroit VEBA Trust Agreement and related plan documentation will be substantially in the form set forth on Exhibit I.A.62, which shall, among other things, identify the members of the Detroit VEBA's initial board of trustees. Promptly after the Detroit VEBA is established, the City shall (1) distribute the OPEB Claims Note to the Detroit VEBA and (2) direct the trustees of the Employee Death Benefit Plan to terminate that plan and transfer all assets (net of expenses of termination) to the Detroit VEBA. The City shall have no responsibility following the Effective Date to provide life insurance or death benefits to retirees. Holders of PFRS Claims that also hold OPEB Claims shall be Detroit VEBA Beneficiaries.

**u. Class 11 – GRS Claims.**

**i. Allowance.**

The GRS Claims shall be allowed in an aggregate amount equal to the sum of approximately \$3,790,100,000. All OPEB Claims included in such GRS Claims shall be allowed as general Unsecured Claims in an aggregate amount equal to approximately \$1,491,100,00; provided that the aggregate amounts of the Allowed OPEB Claims and, correspondingly, the Allowed GRS Claims described in this Section II.B.3.u.i shall be reduced to reflect mitigation of damages resulting from the projected value of, as applicable, (A) federal governmental subsidies toward the payment of health benefit premiums provided under the Patient Protection and Affordable Care Act or (B) federal governmental health care plans, as set forth on Exhibit II.B.3.u.i.

**ii. Treatment.**

**A. Contributions to GRS. ✓**

During the Fiscal Years from the Effective Date through the Fiscal Year ending June 30, 2023, annual contributions shall be made to the GRS only in the amounts identified on Exhibit II.B.3.u.ii.A. The exclusive sources for such contributions shall be pension-related payments received by the City from the DWSD equal to approximately \$675,000,000, and proceeds received from the DIA Funding Parties in the amount of approximately \$50,000,000. After June 30, 2023, (1) approximately \$195,000,000 of proceeds contributed by the DIA Funding Parties in connection with the DIA Settlement 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 Plan GRS Settlement.

**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 not be higher than 6.25%.

**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 (a) the Plan GRS Settlement (as set forth in Section II.B.3.u.ii.I) and (b) any GRS Restoration Payment.

**D. Annuity Savings Fund Restitution.**

Excess allocations to Annuity Savings Fund Accounts during the period beginning January 1, 1999 and ending December 31, 2012 may be applied to reduce (1) Annuity Savings Fund Accounts of Active Employees who participate in the GRS and (2) the Current Accrued Annual Pension of former participants in the Annuity Savings Fund Account now receiving monthly pensions, in accordance with the formulae set forth on Exhibit II.B.3.u.ii.D. In the event of any such reduction, a Holder's GRS Adjusted Pension Amount shall be increased to take into account such Annuity Savings Fund Account restitution reduction.

**E. 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 may be modified herein, such additional pension benefit for service on or after July 1, 2014 consistent with the terms and conditions of the GRS Hybrid Pension Formula.

**F. Governance. ✓**

The composition of the board of trustees of the GRS and the manner in which it is operated and administered shall be consistent with such governance provisions as are (1) required by the DIA Settlement Documents and the Plan GRS Settlement and (2) acceptable to the State and the DIA Funding Parties.

**G. Potential Transfer of DWSD-Related Pension Liabilities.**

If the City consummates a DWSD Transaction on or prior to the Effective Date, the GLWA will assume the pension liability associated with DWSD employees and retirees as accrued through the closing date of the DWSD Transaction. A pro rata share of the existing GRS assets and liabilities will be transferred to a successor



pension fund managed by the GLWA. The successor pension plan will be closed to new GLWA employees and benefit levels frozen.

#### **H. No Changes in Terms for Ten Years.**

The Confirmation Order shall include an injunction against the subsequent amendment of the terms and 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, GRS Restoration Payment and the GRS Hybrid Pension Formula and terms of the hybrid arrangement) or against any action that governs the selection of the investment return assumption described in Section II.B.3.u.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. Plan GRS Settlement**

If Classes 10 and 11 accept the Plan, Holders of GRS Pension Claims who accept the Plan will have the option to enter into a settlement with the City and the State by electing to participate in the Plan GRS Settlement on a timely-returned Ballot accepting the Plan. The Plan GRS Settlement shall include the following principal terms: (1) the State will deposit the State GRS Consideration into the GRS in equal annual installments over a period of 20 years, (2) each Electing GRS Holder shall be entitled to the GRS Settlement Benefit Amount in addition to such Holder's GRS Adjusted Pension Amount and (3) each Electing GRS Holder will release the City and its Related Entities and the State and the State Related Entities from all GRS Pension Claims, as more particularly described in the Plan GRS Settlement Documents.

#### **J. GRS Claim Holders with OPEB Claims.**

Holders of GRS Claims that also hold OPEB Claims shall be Detroit VEBA Beneficiaries of the Detroit VEBA.

##### **v. Class 12 – 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, Unsecured Pro Rata Shares of (A) New B Notes and (B) New C Notes.

##### **w. Class 13 – 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, on or as soon as reasonably practicable after the Effective Date, Unsecured Pro Rata Shares of (A) New B Notes and (B) New C Notes.

**x. Class 14 – 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.44) on or as soon as reasonably practicable after the Effective Date, unless such Holder agrees to a different treatment of such Claim.

**y. Class 15 – 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 15 is deemed to have rejected the Plan and Holders of Subordinated Claims are not entitled to cast a Ballot in respect of such Claims.

**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 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.

**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 or Unexpired Leases pursuant to Section II.D.1 (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

**8. Preexisting Obligations to the City Under Rejected Executory Contracts and Unexpired Leases.**

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the City under such contract or lease. 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.

**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, 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. All actions and all contracts, instruments, 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.
5. All authorizations, consents and regulatory approvals, if any, required in connection with the consummation of the Plan have been obtained and not revoked.
6. 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.A.
- ~~7. If Classes 10 and 11 accept the Plan, all conditions to the effectiveness of (a) the Plan PFRS Settlement set forth in the Plan PFRS Settlement Documents and (b) the Plan GRS Settlement set forth in the Plan GRS Settlement Documents have been satisfied.~~
8. Sufficient value shall have been realized from the DIA Assets (through the DIA Settlement or otherwise) to fund contributions to the PFRS as set forth on Exhibit II.B.3.t.ii.A.

**BANKRUPTCY PLAN OF ADJUSTMENT**

***(SUPPORTING DOCUMENTATION***

***CITY OF DETROIT RETIREMENT FORMS)***

**COMPLETED AND EXECUTED FOR CONSTANCE M. PHILLIPS (2012)**

**SUBMITTED w/ CITY OF DETROIT**

**PLAN OF ADJUSTMENT OBJECTIONS (FORM 2708)**

**SUBMISSION DATE: Tuesday, April 1, 2014**

**City of Detroit**  
**GENERAL RETIREMENT SYSTEM**  
**APPLICATION FOR SERVICE RETIREMENT**

PENSION NUMBER

R-169106

SOCIAL SECURITY NUMBER

[REDACTED]

To the Board of Trustees, City of Detroit  
General Retirement System:

I, Constance Phillips

, a member of the Retirement System, hereby apply  
for service retirement in accordance with the provisions of the law and related rules and regulations.

My date of birth is:

Month 5 Day 30 Year 1950

I request my retirement to be effective:

Month 4 Day 10 Year 2012

I desire my retirement allowance benefits sent to:

No. 2720 Street E. Lafayette #103  
City Detroit State Mi 48207

My title on the payroll is:

General Manager  
Department employed in: Human Services

In connection with my application for retirement on 4-10-2012, I request a refund of \$ 100%  
from my Annuity Savings Fund.

I elect to receive my retirement allowance in the following form of payment:  
(place one X in a square on each line; a total of two X's.)

☒ STANDARD

EQUATED

☐ Increased to Age \_\_\_\_\_  
& Decreased Thereafter

If you selected  
this option please  
initial \_\_\_\_\_

☐ REGULAR  
STRAIGHT LIFE  
Allowance

☐ OPTION 1  
Cash Refund  
Annuity

☒ OPTION 2  
Joint and 100%  
Survivorship

☐ OPTION 3  
Joint and 50%  
Survivorship

☐ OPTION A  
Joint and 75%  
Survivorship

☐ OPTION B  
Joint and 25%  
Survivorship

(Write plan of retirement elected) Option 2-100% Survivorship

If option 2, 3, A or B elected, do you desire Pop-Up Plan Protection?

Yes ☐ No ☒

Constance M. Phillips  
Signature of Member

I nominate as my beneficiary:

Gail L. Phillips

Beneficiary's date of birth:

Month 6 Day 17 Year 1953

Beneficiary's Address

No. \_\_\_\_\_ Street \_\_\_\_\_

Beneficiary's place of birth:

Illinois

Beneficiary's Soc. Sec. Number:

[REDACTED]

City \_\_\_\_\_ State \_\_\_\_\_

Beneficiary's relationship to me:

Sister

Sex

Female

PROOF OF BIRTH DATE OF BENEFICIARY REQUIRED IF OPTION 2, 3 A OR B, IS ELECTED

Dated at Detroit Mich. this 15<sup>th</sup> day of March 20 12

Jayisha Moore-Carter  
Signature of Witness

Constance M. Phillips  
Signature of Retiring Member

Any balance under Option 2, 3, A or B is to be paid to my \_\_\_\_\_

Relationship

date of birth \_\_\_\_\_

Name of Beneficiary

Dated \_\_\_\_\_

Signature of Witness

Signature of Member



Name Constance PhillipsSSN [REDACTED]GENERAL RETIREMENT SYSTEM  
RETIREMENT APPLICATION CHECKLIST

Initial Selections

1. TYPE OF RETIREMENT

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> Service Retirement | <input type="checkbox"/> Duty Disability Retirement | <input type="checkbox"/> Widows Pension   |
| <input type="checkbox"/> Early Retirement              | <input type="checkbox"/> Non-Duty Disability        | <input type="checkbox"/> Vested Pension-Current Annuity Balance                 |
| <input type="checkbox"/> Conversion                    | <input type="checkbox"/> Survivors Pension          | <input type="checkbox"/> Vested Pension-Pension Retroactive to Eligibility Date |

2. OPTION SELECTION

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Straight Life      | <input type="checkbox"/> Option 1 (Cash Refund Annuity)      | <input type="checkbox"/> Option A (75% Survivor) |
| <input type="checkbox"/> No option required | <input checked="" type="checkbox"/> Option 2 (100% Survivor) | <input type="checkbox"/> Option B (25% Survivor) |
|   | <input type="checkbox"/> Option 3 (50% Survivor)             |  |

I understand that with selection of Straight Life or Option 1 there will be no spousal health care benefits after retiree's death.

3. UNUSED SICK PAY OPTION

- ☒
- YES
- ☐
- NO

4. POP-UP SELECTION

- ☐
- YES
- ☒
- NO

5. EQUATED SOCIAL SECURITY OPTION

- ☐
- AGE 62
- ☐
- AGE 65

I understand that my gross monthly pension will be reduced effective the first day of the month following my \_\_\_\_\_ birthday.

6. MATERNITY LEAVE (7-2-65 TO 9-19-72) ☐ YES ☐ NO7. DEFINED CONTRIBUTION PLAN (Annuity Fund)

- |   |  |
|---|--|
| <input type="checkbox"/> No Withdrawal        | <input type="checkbox"/> Partial Withdrawal            |
| <input type="checkbox"/> Previously Withdrawn | <input checked="" type="checkbox"/> Total Withdrawal   |
|   | <input type="checkbox"/> Rollover-Form to be submitted |

Annuity Withdrawal Forms and Interest Letter Received

~~Bonus Distribution Notice Reviewed~~

8. WITHHOLDING TAX

- |  |                                  |                     |
|--|----------------------------------|---------------------|
| <input type="checkbox"/> No withholding        | <input type="checkbox"/> Married | <u>1</u> Exemptions |
| <input type="checkbox"/> Fixed amount \$ _____ | <input type="checkbox"/> Single  | _____ Exemptions    |

STATE WITHHOLDING TAX

- |   |   |  |  |
|---|---|--|--|
| <input type="checkbox"/> 1. Not taxable | <input type="checkbox"/> 2. Before 1946 | <input checked="" type="checkbox"/> 3. Between 1946 and 1952 | <input type="checkbox"/> 4. After 1952 |
|---|---|--|--|

9. DIRECT DEPOSIT

- ☒
- YES
- ☐
- NO

GENERAL RETIREMENT SYSTEM  
RETIREMENT APPLICATION CHECKLIST  
(Page 2)

Initial Selections

10. HOSPITALIZATION

☐ Declined/Not Entitled

☐ Blue Cross

☐ Community Blue

☒ H.A.P.

☐ Blue Care Network

☐ COBRA

11. EYE CARE COVERAGE

☐ Declined/Not Entitled

☒ Heritage

☐ Spectera

12. DENTAL COVERAGE

☐ Declined/Not Entitled

☐ Blue Cross

☐ Golden Dental

☒ DenCap

13. DEATH BENEFIT

☒ YES

☐ NO

14. GROUP LIFE INSURANCE (Disability Only)

☐ YES

☐ NO

15. GROUP LIFE INSURANCE-WAIVER OF PREMIUM  
(TOTAL & PERMANENT DISABILITY)

☐ YES

☐ NO

16. PROOF OF BIRTH

EMPLOYEE

☒ Supplied

☐ To Be Supplied

BENEFICIARY

☒ Supplied

☐ To Be Supplied

17. MARRIAGE CERTIFICATE

☐ Not married

☐ Supplied

☐ To Be Supplied

18. DIVORCE/EDRO

☐ YES

☐ NO

19. BENEFICIARIES CONFIRMED

ANNUITY  
DEATH BENEFIT  
LIFE INSURANCE

20. MILITARY SERVICE PURCHASED

☐ YES

☐ NO

I acknowledge that any outstanding balance for the purchase of military service time must be paid in full before my retirement

\*\*\*\*\*  
I HEREBY CERTIFY THE FOLLOWING:

1. I have carefully read the above.
2. I understand the benefits and the options available.
3. I had the opportunity to ask questions.
4. I understand changes will not be allowed after I cash my first pension check or 180 days after my retirement date, whichever comes first.

Constance M. Phillips  
SIGNATURE

3/15/2012  
DATE

Larisha Koon-Carter  
WITNESS



REC'D FEB 06 2012

**CITY OF DETROIT  
Human Resources Department  
Employee Services**

**Date of Application:** 1/26/12

**Name:** Constance Phillips

**S.S.N** 3

**Title:** General Manager

**Pension Number:** 169106

**Department:** Human Services

**Last Day of Work:** 2/17/12

Your benefit banks are as follow: 240 Current Vacation Time, 0.0hrs  
Comp Time, 8.0 hrs Swing Holiday, and you will be prorated for 32.0 hrs  
of Vacation time.

Your last day on the payroll will be: 4/9/12

Your effective date of retirement will be: 4/10/12

Any change in the last date worked, or if fringe bank time is used outside of the calculations indicated above, could result in a delay in retirement processing. You must contact the Finance Department-Pension Bureau on 224-3362 for an appointment at least thirty (30) days prior to the projected retirement date. Additionally the employee must complete the "Unused Sick Leave Declaration Form" available from the Finance Department-Pension Bureau during the interview process. Failure to complete the "Unused Sick Leave Declaration Form" could result in a delay in retirement sick leave (RSL) payout.

I have reviewed all of the information indicated above and concur with the contents of this application:

Constance M. Phillips  
Employee Name-Print

Constance M. Phillips  
Employee Signature

Aisha Woods  
Aisha Woods

Sr. Personnel and Payroll Clerk  
Title

C: **HRM/HRC  
HR Payroll Manager  
Pension Bureau  
Payroll**



When coming in for your retirement interview the following documents are needed:

1. ~~Letter of Intent to retire.~~
2. Benefit Estimate
3. Proof of birth for yourself and your spouse/beneficiary  
Either  
(birth certificate, passport, DD 214, voter's certification, baptismal record, school record).
4. Spouse/beneficiary Social Security number.
5. Marriage License
6. Name of bank, account number and routing number if Direct Deposit is desired.

---

**LaTISHA MOON-CARTER**  
INTERVIEWER



RETIREMENT SYSTEM  
THE CITY OF DETROIT  
2 WOODWARD AVENUE, RM 908  
DETROIT, MICHIGAN 48226  
PHONE 313•224•3362 x 218  
FAX 313•224•3522  
E-mail: ldmoon@rscd.org  
www.rscd.org

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**PATRICIA L. WATKINS**  
PRINCIPAL CLERK



CITY OF DETROIT  
HUMAN RESOURCES DEPARTMENT  
HEARINGS & POLICY DEVELOPMENT  
COLEMAN A. YOUNG  
MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 310  
DETROIT, MICHIGAN 48226  
PHONE 313•224•3180 TTY:311  
FAX 313•224•9434  
watkinsp@pol.ci.detroit.mi.us

# HUMAN RESOURCES EMPLOYEE SERVICES GENERAL CITY PRE-RETIREMENT INFORMATION

DATE 1/26/2012

NAME PHILLIPS, CONSTANCE MARY SS# [REDACTED]  
(current) (last name) (first name) (middle initial) (as it appears on issued social security card)  
 PHONE (313) 884-1061 (313) 393-3241  
(work) (313) 370-3820 (home)

DEPARTMENT <u>HUMAN SERVICES</u> <small>(City of Detroit)</small>	Last-Day-Worked: <u>(2/14/2012)</u>	Amount of time you will use prior to your Last Day Worked:
DIVISION <u>1151 TAYLOR</u> <small>(work location)</small>	FOR HR-PAYROLL USE ONLY	Vac. Hrs/Days <u>(1)</u>
SUPERVISOR NAME <u>URSULA HOLLAND</u> <small>(immediate)</small>		Swing Holiday Hrs/Days <u>(0)</u>
CLASSIFICATION <u>GENERAL MGR.</u> <small>(job title)</small>		C-Time Hrs <u>(0)</u>

AGY# \_\_\_\_\_ P.U.# \_\_\_\_\_

## YOUR RETIREMENT TYPE IS:

- ☐ Service Retirement - 30-Yrs. or More  
☒ Service Retirement - 10-Yrs. & at least 60-Yrs of Age  
☐ Service Retirement - 8-Yrs. & 65-Yrs. Of Age  
☐ Early/Reduced Service Retirement - 25-Yrs. To 29-Yrs.

## IMPORTANT NOTES:

#1. Please be aware that any deviation from the information provided here, such as changing your last-day-worked, or an increase / decrease in usage of fringe bank time you have indicated above could result in a delay in your retirement processing.

#2. HR- Payroll will contact you within five (5) days prior to your LDW, to pick up your Letter of Intent to Retire:

**Your Payroll Clerk will contact you with-in 48 hours to acknowledge the receipt of this form**

EMPLOYEE SIGNATURE Constance M. Phillips DATE 1/26/2012

PAYROLL SUPERVISOR \_\_\_\_\_ PHONE # \_\_\_\_\_

REC'D JAN 26 2012

BENEFIT ESTIMATE REQUEST

Date 1/26/2012

SS# 371-56-2318 D.O.B. 5/30/1950

Name CONSTANCE M. PHILLIPS Service Date 11/11/1991

Dept HUMAN SERVICES Pen# 169106

Rank/Title GENERAL MANAGER

Spouse Name N/A APPLICABLE Spouse SS# N/A

Spouse D.O.B. N/A

Address 2428 E. LAFAYETTE DETROIT, MI. 48207 (#103) USE 2/17/2012 2/22/2012

Retire Date or LDW 2/17/2012

Y.O.S. (20 YEARS PLUS) 5/1/2012

Tel# (313) 393-3271 Military Service \_\_\_\_\_

AFC \_\_\_\_\_ TAC \_\_\_\_\_ Withdrawal Date \_\_\_\_\_

Retirement Systems Benefit Estimate



GENERAL RETIREMENT SYSTEM  
CITY OF DETROIT

WITHDRAWAL/DISTRIBUTION FROM DEFINED CONTRIBUTION PLAN  
(ANNUITY SAVINGS FUND)

DATE OF APPLICATION 3/15/2012  
EMPLOYEE NAME CONSTANCE M. PHILLIPS SOCIAL SECURITY # [REDACTED]  
DATE OF BIRTH MAY 30, 1950 TELEPHONE (313) 393-3241  
(313) 578-1320  
TO: BOARD OF TRUSTEES OF THE RETIREMENT SYSTEM

I attained or will attain eligibility for withdrawal of my Defined Contribution Plan (Annuity) amounts due to  
(Choose one)

☐ Service Retirement ☒ 25 Years OR Age 60/10 Years OR Age 65/8 Years  
☐ Separation from Service ☐ Duty or Non-Duty Disability  
☐ Laid-off ☐ Conversion from Disability  
☐ Death of employee (Date \_\_\_\_\_) ☐ EDRO (Eligible Domestic Relations Order)

If Death or EDRO, please complete:

RECIPIENT/BENEFICIARY NAME \_\_\_\_\_ SOCIAL SECURITY # \_\_\_\_\_  
DATE OF BIRTH \_\_\_\_\_ TELEPHONE (\_\_\_\_) \_\_\_\_\_

Pursuant to these provisions, I hereby request a withdrawal from my Defined Contribution Plan account as follows:

EMP Total withdrawal \_\_\_\_\_ Partial withdrawal of \$ \_\_\_\_\_  
(Initial) (Initial)

If partial withdrawal, write out dollar amount \_\_\_\_\_  
\_\_\_\_\_ Contributions prior to 8-14-1982 only.  
(Initial)

to be distributed as follows:

If requesting more than pre-1982 contributions you must select **EITHER 1, 2 or 2 and 3:**

1. EMP I request that full payment be made to me. I acknowledge that twenty (20%) percent of the  
(Initial) taxable portion will be withheld in accordance with applicable Internal Revenue Code requirements and regulations.

2. I request a direct rollover of the otherwise taxable portion as follows: **CHOOSE A or B**

<b>A</b> _____ All of the otherwise taxable portion (in (Initial) which case no withholding will apply to me)	<b>OR</b>	<b>B</b> _____ A portion totaling \$ _____ (Initial) of the otherwise taxable portion
---	-----------	--

of my Defined Contribution Plan distribution be forwarded to:

Agency and Account No.: \_\_\_\_\_

Address: \_\_\_\_\_

City, State & Zip Code: \_\_\_\_\_

as a direct rollover/direct transfer and the balance paid to me. Any taxable portion not rolled over/transferred will be subject to the required twenty (20%) percent withholding. Representatives of the above named company have assured me that the direct rollover amount will be deposited in either a 401(a) of the Internal Revenue Code Plan, including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403(a) annuity plan; a section 403(b) tax-sheltered annuity or an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan).

3. I request a direct rollover of the non-taxable portion as follows: **CHOOSE C or D**

<b>C</b>	All of the otherwise non-taxable (Initial) portion
----------	---

OR

<b>D</b>	A portion totaling \$ _____ (Initial) of the otherwise non-taxable portion
----------	--

of my Defined Contribution Plan distribution be forwarded to:

Agency and Account No.: \_\_\_\_\_

Address: \_\_\_\_\_

City, State & Zip Code: \_\_\_\_\_

as a direct rollover/direct transfer and the balance paid to me. Representatives of the above named company have assured me that the direct rollover amount will be deposited in either an IRC 403(a) (Individual Retirement Account) or IRC 403(b) (Individual Retirement Annuity).

I acknowledge receipt of a notice provided to me pursuant to Section 402 of the Internal Revenue Code. I acknowledge that 1099R(s) will be issued regarding the withdrawal from the defined contribution plan. I hereby release the Retirement System and its Board of Trustees and the City-employer from any and all liability relative to the aforesaid defined contribution plan amounts upon the forwarding of the amounts as directed by me. I acknowledge that a 1099R will be issued to indicate the otherwise taxable portions of the defined contribution plan amounts transferred in accordance with the foregoing direct rollover/direct transfer. I have made appropriate arrangements with the aforementioned financial institution to accept the transferred amount as a direct rollover, permitted by the Internal Revenue Code and applicable regulations. I hereby waive any and all claims relative to the aforesaid defined contribution plan amounts forwarded/ transferred consistent with this document. I acknowledge that the Retirement System, its employees and representatives do not give tax advice and I will consult with a tax advisor of my choice.

Signatures must be notarized if not witnessed by a Retirement Systems employee.

*Jisha Khan-Carter*  
Signature of Witness      Date  
3-15-2012

Address of Witness

City      State      Zip

*Constance M. Dullis* 3/15/2012  
Signature of Recipient      Date

2120 E. LAFAYETTE #703  
Address of Recipient

REXDALE, ME. 48207  
City      State      Zip

On this day of \_\_\_\_\_ the above named made oath that the answers are true to the best of his/her knowledge and belief.

(SEAL)

\_\_\_\_\_  
Notary Public  
County      State

My Commission expires: \_\_\_\_\_

DO NOT WRITE IN THIS SPACE

## Withholding Certificate for Michigan Pension or Annuity Payments

**INSTRUCTIONS:** Use Form MI W-4P to notify administrators of the correct amount of Michigan income tax to withhold from your pension or annuity payment(s). You may also use this form to choose not to have any Michigan income tax withheld from your payment(s). This does not apply to military pensions or certain pensions paid by the Railroad Retirement Board.

Significant income tax changes take effect for the 2012 tax year. Entities, over whom Michigan has jurisdiction, disbursing pension or annuity payments are required to collect withholding on those payments that are expected to be included in taxable income unless you choose to opt out by submitting this form (See instructions for line 1). Entities over which Michigan does not have jurisdiction are not required to withhold Michigan income tax from your pension or annuity payment(s). If your pension administrator does not withhold, you may need to make estimated income tax payments to avoid owing penalty and interest. For further information, see General Instructions on page two, the *Michigan Estimated Income Tax for Individuals* (MI-1040ES) or consult a tax advisor.

If you have more than one administrator, you will need to complete a form for each pension or annuity. If you do not file MI W-4P, the administrator may need to withhold even if you will not owe tax on your pension income. **See instructions on page two.**

GENERAL INFORMATION			
Name <i>CONSTANCE M. PHILLIPS</i>		Social Security Number <i>[REDACTED]</i>	
Mailing Address (Number, Street, PO Box) <i>2720 E. LAURELLE #100</i>			
City <i>GRAND RAPIDS, MI</i>		State <i>MICHIGAN</i>	Zip Code <i>49504</i>
Marital Status <input checked="" type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married (withhold the same as "Single")			

For joint filers, the age of the oldest spouse determines the age category. Check only ONE box.

- ☐ 1. Check here if your pension or annuity payments are not taxable. STOP HERE AND SIGN FORM.
- ☐ 2. Check here if you (or your spouse) were born before 1946. See instructions for line 2.
- ☐ 3. Check here if you (or your spouse) were born during the period 1946 through 1952. See instructions for line 3.
- ☐ 4. Check here if you (and your spouse) were born after 1952. See instructions for line 4.

Complete the following applicable lines:

5. Enter number of personal exemptions allowed on your *Michigan Income Tax Return* (MI-1040). Exemptions should only be claimed once on all MI W-4s (wages) or MI W-4P forms submitted.
6. Additional percentage amount, if any you want withheld from your pension or annuity payment. This amount must be a percentage.

5. <i>1 (NONE)</i>	
6. <i>0</i>	%

AUTHORIZATION	
Signature <i>Constance M. Phillips</i>	
Printed or Typed Name and Title <i>CONSTANCE M. PHILLIPS</i>	Date <i>3/15/2012</i>

Sign and return this completed form to the administrator of your pension or annuity. Keep a copy for your records.

Visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes) for additional information.





RETIREMENT SYSTEMS  
OF THE  
CITY OF DETROIT

2 WOODWARD AVE STE 908  
DETROIT, MICHIGAN 48226  
PHONE 313•224•3362  
TOLL FREE 800•339•8344  
FAX 313•224•3522

## Substitute Form W-4P

Withholding certificate for pension or annuity payments

### PART 1

#### MEMBER DATA

Name	Constance M. Phillips		
Street Address	2428 E. LAFAYETTE #103		
City	DETROIT	State	MI
		Zip	48204
Social Security Number	[REDACTED]		
<input type="checkbox"/> If this is a new address please check this box			

### PART 2

#### FEDERAL TAX WITHHOLDING INSTRUCTIONS

Please note:

- **Your City of Detroit retirement benefit is subject to federal income taxes.**  
Please use this form to instruct us whether you want us to withhold any amount from your monthly RSCD benefit for federal income taxes and, if so, how much.
- **You are liable for payment of federal income tax on the taxable portion of your pension.**  
If you elect not to have federal income tax withheld from your monthly benefit of if you do not have a sufficient amount withheld, you may be responsible for payment of estimated taxes. Additionally, if your withholding amount, if any, and/or payments of estimated taxes are not sufficient, you may be subject to tax penalties under the IRS's estimated tax rules.
- **Your tax withholding instructions, if any, will remain in effect until you change them, and you may change your instructions at any time during your retirement.**  
To change your withholding instructions, simply complete and submit a new Substitute Form W-4P, available on our website at [www.rscd.org](http://www.rscd.org), or call us and we will send you a form.
- **If you do not complete this form, RSCD must withhold federal income taxes as if you are married and claiming two withholding allowances.**  
If the taxable portion of your monthly benefit is more than the withholding level for a married person claiming two allowances, and you do not complete this form, we are required to withhold at the rate set for a married taxpayer with two allowances.
- **If you need help completing this form, please consult a tax expert or the IRS.**  
For more information on tax withholding, and the complete IRS Form W-4P which includes a step-by-step worksheet, please visit the IRS website at [www.irs.gov](http://www.irs.gov).

#### How to submit your completed form

Please make a photocopy of this form for your records, and then send the original to our office (address above).

Please be sure to submit your form so that we receive it by the 15<sup>th</sup> of the month that you want your withholding instructions to take effect (for example, by May 15<sup>th</sup> for your June 1 check).

Please indicate your federal tax withholding instructions by checking only **ONE** box below:

- ☐ I do **NOT** want any federal income taxes withheld from my monthly benefit.
- ☒ I want federal income taxes withheld from my monthly benefit based on the IRS tax tables and the marital status and number of exemptions claimed below, and I understand that the amount withheld will automatically change, if and when the federal tax rates are adjusted.
- a) Marital status (check one)..... ☒ Single ☐ Married
- b) Total number of exemptions claimed..... ☒ (if left blank, zero will be used)
- ☐ I want federal income taxes withheld from my monthly benefit in the flat amount of..... \$ /month

Signature

Constance M. Phillips

Date

3/15/2012



Instructions for Completing MI W-4P,  
Withholding Certificate for Michigan Pension or Annuity Payments

### General Instructions

Significant income tax changes take effect for the 2012 tax year. These changes may result in a balance due if the incorrect amount is withheld from pension or annuity payment(s).

There is no change in 2012 in the tax treatment of pension and retirement benefits for taxpayers born before 1946. Recipients born during the period 1946 through 1952 are eligible to deduct pension and retirement benefits up to \$20,000 for single taxpayers or married filing separate, or \$40,000 if married filing a joint return.

Recipients born after 1952 may not deduct pension and retirement benefits on the *Michigan Income Tax Return* (MI-1040). For joint filers, the age of the oldest spouse determines the age category.

**Multiple pensions:** If you (and your spouse) receive multiple pension payments, your withholding on those payments may not cover your entire tax liability. Married couples where each spouse receives payments on their own pension may choose to have withholding calculated as if they were single on the MI W-4P and select one personal exemption in order to have sufficient withholding to cover their tax liability. Taxpayers with multiple pensions may need to consult the MI-1040ES or a tax advisor to ensure the proper amount is withheld or paid in estimated income tax payments.

**Estimated Payments:** There are penalties for not paying enough state income tax during the year, either through withholding or estimated tax payments. Taxpayers who have chosen not to have tax withheld from their pension or annuity payments may be required to make estimated tax payments. Refer to Form MI-1040ES for estimated tax requirements.

**When should I complete this form?** Complete Form MI W-4P and give it to the administrator of your pension or annuity payments as soon as possible. Your tax situation may change from year to year; you may want to evaluate your withholding each year. You can change the amount to be withheld by submitting an updated Form MI W-4P to your pension or annuity administrator at any time.

**Is every pension administrator required to withhold Michigan tax?** Only companies over whom Michigan has taxing jurisdiction are required to withhold Michigan tax from your pension and/or annuity payment(s). If your pension administrator does not fall under Michigan jurisdiction, you may request to have Michigan tax withheld, but the company is not required to do so. If no taxes are withheld from your payments, it is likely you will be required to make estimated payments in place of the withholding. Contact your pension and/or annuity administrator to verify if tax will be withheld from your payments.

### Line-by-Line Instructions

**Line 1:** You may opt out of withholding tax from your pension and annuity benefits if you believe you will not have a balance due on your MI-1040. If you (and your spouse) opt to have no Michigan tax withheld from your pension or retirement benefits by checking the box on line 1, it may result in a balance due on your MI-1040 as well as penalty and/or interest. If you check the box on line 1, do not complete lines 6 and 7. **STOP HERE AND SIGN THE FORM.**

**Line 2:** If you (or your spouse) were born prior to 1946, all benefits from public sources are exempt and benefits from private sources may be subtracted up to for \$45,842 for a single filer or married filer filing separately or \$91,684 if married filing a joint return for the 2012 tax year. In addition, benefits that will be rolled into another qualified plan or IRA will not be taxable if the amount rolled over is not included in federal adjusted gross income (AGI). Any private pension payment in excess of the limits above is taxable.

**Line 3:** If you (or your spouse) were born during the period 1946 through 1952, the first \$20,000 for single filers or \$40,000 for joint filers of all private and public pension and annuity benefits may be subtracted from Michigan taxable income. Benefits in excess of these limits are taxable to Michigan.

**Line 4:** If you (and your spouse) were born after 1952, all private and public pension and annuity benefits are fully taxable and may not be subtracted from Michigan taxable income.

**Line 5:** Enter personal exemptions based on box checked on lines 1-4. The total number of exemptions you claim on line 6 may not exceed the number of exemptions you are entitled to claim when you file your MI-1040.

**Line 6:** You may designate additional withholding if you expect to owe more than the amount withheld. This amount must be a percentage.

**NOTE:** If you enter a number on line 5 and/or a percentage on line 6, do not check box 1. If box 1 is checked and line(s) 5 and/or 6 are completed, this will override line 1.

**Failure to have sufficient tax withheld from your pension and/or annuity payment(s) may result in a balance due on your MI-1040 as well as penalty and/or interest.**



City of Detroit General Retirement System  
Signature Card

Name Constance Phillips Pension No. 169106

Address 2720 E. Lafayette, #103  
Detroit, Mich. 48207  
City State Zip

Social Security Number [REDACTED]

Signature of member Constance M. Phillips

The above signature was executed in my presence on

13-15-2012  
Mo Day Year

Lajasha Moore-Carter  
Notary Public of 3-15-2012

My commission expires \_\_\_\_\_



**GENERAL RETIREMENT SYSTEM  
OF THE  
CITY OF DETROIT**

**UNUSED SICK LEAVE DECLARATION FORM**

Social Security Number                     

I, Constance Phillips, hereby elect to (select one)  
Print Name

☒ Have the value of 25% of my Unused Sick Leave On Retirement benefit included in my Average Final Compensation calculation.

☐ Have the applicable percentage of my Unused Sick Leave On Retirement paid to me in the usual manner. I understand that this will result in **NOT** having the value of 25% of my Unused Sick Leave On Retirement benefit included in my Average Final Compensation calculation.

I UNDERSTAND THAT THE ABOVE ELECTION IS FINAL AND BINDING.

<u>Constance M. Phillips</u> Signature	<u>3/15/2012</u> Date
<u>J. Isha Yoon-Caplan</u> Witness Signature	<u>3/15/2012</u> Date



# Conversion of Group Life Benefits to an Individual Policy

**MetLife®**

## Part A – Conversion Privilege Notice To Eligible Person

Date of this notice 3/15/2012

**To The Employee/Assignee:** The Group Term Life benefits in the amount(s) indicated below will be terminated on (Date)

You may apply for an Individual Life Insurance policy (other than Term Insurance), which will be issued without medical examination by Metropolitan Life Insurance Company (hereafter "MetLife"), if you apply for it and the required premium payment is made within:

- 31 days from the date benefits were terminated, or
  - 15 days from the date this notice is given, if notice is given more than 15 days from the date benefits were terminated.
- In no event will this period extend beyond 91 days from the date benefits were terminated.

Use one of the methods shown below to contact MetLife to apply for an individual policy. We will arrange for a Financial Services Representative to follow-up with you and assist you in the application process.

- Call MetLife's toll-free number 1-877-ASK MET7 (1-877-275-6387), or
- Contact us via the Internet at [solutions@metlife.com](mailto:solutions@metlife.com)

Name of Insured (Last, First) <u>Phillips, Constance</u>	Relationship to Employee <input checked="" type="checkbox"/> Self <input type="checkbox"/> Dependent	Male <input type="checkbox"/> Female <input checked="" type="checkbox"/>	Date of Birth <u>5/30/1950</u>
Name of Owner if Certificate is Assigned (Last, First)		Amount(s) of Group Life benefits that may be converted.	
Address of Insured/Owner <u>3720 E. Lafayette, #103</u>		\$ <u>12500</u> Basic Life Experience # _____	
City <u>Detroit</u>	State <u>Mich.</u>	\$ _____ Optional Life Experience # _____	
Zip Code <u>48207</u>		\$ _____ Spouse Life Experience # _____	
Name of Employee, if other than insured	Employee's Social Security Number <u>1 1 2310</u>	\$ _____ Child Life Experience # _____	
	Telephone (Include Area Code) <u>(313) 393-3271</u>	\$ _____ Survivor Experience # _____	
	Job Title <u>Gen Manager</u>		

## Part B – Employer Information To MetLife

(313) 510-3820

Date Group Life benefits became effective for insured <u>11/12/1991</u>	Reason for termination of Group Life benefits: <input type="checkbox"/> Termination of Employment <input checked="" type="checkbox"/> Retirement <input type="checkbox"/> No Longer an Eligible Dependent <input type="checkbox"/> Termination of Group Policy
Was an ABO claim paid? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, what is the claim amount? \$ _____ Subtract this amount from amount(s) in force prior to discontinuance.
Amount(s) in force prior to discontinuance: \$ <u>12500</u> Basic Life \$ _____ Optional Life \$ _____ Spouse Life \$ _____ Child Life \$ _____ Survivor	Amount(s) discontinued: \$ _____ Basic Life \$ _____ Optional Life \$ _____ Spouse Life \$ _____ Child Life \$ _____ Survivor
Amount(s) continued: \$ _____ Basic Life \$ _____ Optional Life \$ _____ Spouse Life \$ _____ Child Life \$ _____ Survivor	
Was the employee totally disabled on the date the benefits were discontinued? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Name of Employer <u>City of Detroit</u>	
Address Street <u>2 Woodward Ave</u> City <u>Detroit</u> State <u>MI</u> Zip Code <u>48226</u>	
Signed <u>J. Diana Green-Carter</u>	Date <u>3/15/2012</u> Telephone (Include Area Code) <u>(313) 1224-3362 x218</u>

### For Use Only By MetLife

#### To Be Completed By Group Department

- ☐ Issue a conversion policy in an amount up to \$ \_\_\_\_\_  
Person is not eligible for term insurance.
- ☐ Decline issue – conversion period expired.  
☐ Decline issue – 5 year Group coverage requirement not met.
- Are the Experience Number(s) indicated above correct? ☐ Yes ☐ No If "No," correct the Experience Number(s) shown above.

Approval to issue or decline furnished by Signature _____	Reg. Bus. Unit/Nat'l. Accts. _____	Telephone (Include Area Code) ( ) - _____	Date / /
--	---------------------------------------	--	-------------

#### To Be Completed By Individual Business

Type of Policy Issued: <input type="checkbox"/> Life Paid-up at 98 <input type="checkbox"/> Universal Life	Amount of Policy \$ _____	Effective Date of Policy / /	Policy Number _____
Completed by Signature _____	IB NB Processing Center _____	Telephone (Include Area Code) ( ) - _____	Date / /

#### Instructions to Employer

1. Complete both Parts A and B above immediately upon termination of Group Life benefits for an eligible employee and/or covered dependents.
2. Make copies of the completed form and give the original copy to the person eligible to convert or mail it to the last known address.
3. Mail a copy of the completed form to the MetLife office responsible for administering your Group contract.
4. Send a copy of the form via fax (1-888-422-4272) or Internet ([solutions@metlife.com](mailto:solutions@metlife.com)) to MetLife Advice Resource Center.

Social Security Number

Membership Number

CITY OF DETROIT EMPLOYEES BENEFIT PLAN-CHAPTER VIII OF TITLE IX  
of the  
CHARTER OF THE CITY OF DETROIT

Benefit Payable Upon Death of Member

NOMINATION OF BENEFICIARY

Constance M. Phillips hereby direct the  
Governing Board of the City of Detroit Employees Benefit Plan, of the City of Detroit, to pay the amount of death benefit  
due ( as specified under the terms of the City Charter and Ordinances relating to this Employees Benefit Plan ) to  
my Sister LAURA L. PHILLIPS  
(Give Relationship of Beneficiary) (Give Full Name of Beneficiary)

whose date of birth is \_\_\_\_\_ , whose residence address is \_\_\_\_\_

if living, otherwise to my \_\_\_\_\_  
(Contingent Beneficiary Relationship)

NOT APPLICABLE

\_\_\_\_\_ whose residence address is \_\_\_\_\_  
(Give Full Name of Contingent Beneficiary)

\_\_\_\_\_ if living; otherwise to my legal representatives.

Dated at DETROIT, MICHIGAN , this 25<sup>th</sup> day of MARCH 20 12 .

Jaisha Kora - Chapter  
(Signature of Witness)

Constance M. Phillips  
(Signature of Employee)

2720 E. LAFAYETTE #103  
No. Street  
DETROIT, MI. 48207  
City State Zip Code

May 30, 1950  
Member's Date of Birth

C of D 151 -NO (Rev. 12-81)



**AUTHORIZATION FOR DIRECT DEPOSIT OF RETIREMENT BENEFIT**

Constance M. Phillips hereby authorize the CITY OF DETROIT RETIREMENT SYSTEM to transmit my retirement benefit checks to my account # \_\_\_\_\_ at MICHIGAN FIRST CREDIT UNION.  
(Name of Financial Institution)

I authorize and direct the said Financial Institution to charge said account, or the account of my Estate, for any payment made subsequent to my death, and to refund any such payment to the CITY OF DETROIT RETIREMENT SYSTEM, 2 Woodward Avenue Ste 908, Detroit, MI 48226.

I agree - for myself - my heirs - executors and estate - to indemnify and save the said Financial institution harmless from any and all loss or damage of any nature whatsoever by reason of said bank having entered into the above-described arrangement.

I reserve the right to revoke or cancel this authorization and agreement by giving written notice thereof to the CITY OF DETROIT RETIREMENT SYSTEM, and the MICHIGAN FIRST CREDIT UNION  
(Name of Financial Institution)

3/15/2012

(Dated)

Constance M. Phillips  
(Signature of Payee)

Social Security No. [REDACTED]

MY ADDRESS FOR CORRESPONDENCE IS:

2720 E. LAFAYETTE

Street Address

DETROIT

City

MICHIGAN

State

48204

Zip

(313) 393-3277

(313) 570-3820

Telephone No.

\*\*\*\*\*

**FINANCIAL INSTITUTION TO COMPLETE THIS PART**

We agree to the above provisions and in consideration of the release by the CITY OF DETROIT RETIREMENT SYSTEM from the requirement to file periodic affidavits that the retirant-depositor is alive, we hereby agree: (1) to notify the CITY OF DETROIT RETIREMENT SYSTEM should the retirant - depositor cease to maintain said account with us or should we receive notification of death of said depositor; (2) to pay CITY OF DETROIT RETIREMENT SYSTEM any sums forwarded to this bank under the City of Detroit Charter Provisions, after the death of said retirant-depositor.

ROUTING NO 2 7 2 0 7 8 3 6 CK DIGIT 5

SAVINGS ☐ CHECKING ☒ DEPOSIT ACCT. NO. \_\_\_\_\_

Name of Financial Institution MICHIGAN FIRST CREDIT UNION

Office address 27000 EVERGREEN RD.

City LAFAYETTE State MI Zip 48076

Authorized Signature of Financial Officer \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_





Retirement Effective Date April 10, 2012

# CITY OF DETROIT RETIREE HEALTH BENEFITS ENROLLMENT/CHANGE FORM

USE BALLPOINT PEN

**Important:** Retirees and dependents who are Medicare-eligible typically at age 65, must enroll in Medicare Part A & B. Enrollment in Medicare Part A & B is proof of eligibility for Medicare. Please read reverse side of this form.

**Part I. Retiree Information**

☐ Initial Enrollment ☐ Open Enrollment ☐ COBRA

☐ Add Dependent(s) ☐ Remove Dependent(s) ☐ Terminate Contract

Social Security Number [Redacted] Last Name Phillips First Name Constance M.I.  Date of Birth Mo 5 Day 30 Yr 1957 Sex F

Street Address 2720 E. Lafayette, #103 Detroit City Detroit State Mi Zip Code 48207 Retiree Telephone Numbers: Daytime 313-393-3271 Evening 313-370-3828

What was your job title at the time of your retirement? Gen. Manager

Marital Status: ☒ Single ☐ Married

Does your spouse work for or is retired from the City of Detroit? ☐ Yes ☒ No

Do you or any of your dependents have other medical coverage, including Medicare? ☐ Yes ☒ No

**Reason for Change/Addition: Must submit this completed enrollment within 30 days of the event**

☐ New Dependent(s) ☐ Marriage ☐ Loss of Other Coverage ☐ Name Change

Date of Event:

**Part II. Coverage Selection** PLEASE READ RETIREE HEALTH CARE PLAN OPTIONS BOOKLET

**Medical Plan**

Your Current Plan: H.A.P. Check Box If You Want Same Plan ☒

New Plan: cbada100 \$119.63

Retiree: If you select an HMO, provide name of Primary Physician/Site/Code.

**Dental Plan**

Your Current Plan: Den Cap Check Box If You Want Same Plan ☒

New Plan: 50071 \$5.44

Retiree: If you select a network-based dental plan, provide dental office name and location.

**Vision Plan**

Your Current Plan: 60104 Check Box If You Want Same Plan ☐

New Plan: Heritage 40051 \$16

**Part III. Dependent Information (List all current and any new dependents)**

\* Action Code for Coverage: C-Continue A-Add R-Remove (M-Medical D-Dental V-Vision)

\*\*Relation Code: S-Spouse C-Natural /Adopted Child L-Legal Guardianship K-Stepchild P-Permanently Disabled Child D-Sponsored Dependent

Action Code*	Health Care Plans			First Name	Last Name	M.I.	Social Security Number	Sex	Relation Code**	Date of Birth		Primary Physician Name/Site/Code
	M	D	V							Mo	Day	
Spouse									S		/ /	
Dep - 1											/ /	
Dep - 2											/ /	
Dep - 3											/ /	

**Part IV. Authorization.** I have elected to enroll myself and my dependents in the above health care plans and authorize the City of Detroit to deduct the amount of any required premium-sharing contribution from my monthly retirement payment check. I also authorize my health care plans and the Benefits Administrative Office to obtain information from health care providers, hospitals and clinics necessary to administer the health care programs and provide services.

Retiree Signature Constance M. Phillips Date: 3/15/2012

**BAO USE ONLY**

Medical Codes: Old:  New:  Eff:  FM Date:

Dental Codes: Old:  New:  Eff:  FM Date:

Vision Codes: Old:  New:  Eff:  FM Date:

Proc Date

Group/Suffix

**GENERAL RETIREMENT  
SYSTEM  
OF THE CITY OF DETROIT  
BENEFIT ESTIMATE**

Calculated on: 03/15/2012  
(Service)



PHILLIPS, CONSTANCE  
2720 E. LAFAYETTE #103  
DETROIT MI 48207

Date of Birth: 05/30/1950  
Service Date 11/12/1991  
Retirement Date: 04/10/2012  
  
Member Age YR MO  
61 10  
Beneficiary Age 58 9

SSN: XXX - XX - 2310

Pension #: 169106

Survivor SSN  
XXX-XX-2310S

Survivor Name  
GAIL L PHILLIPS

Beneficiary Birth Date  
06/17/1953

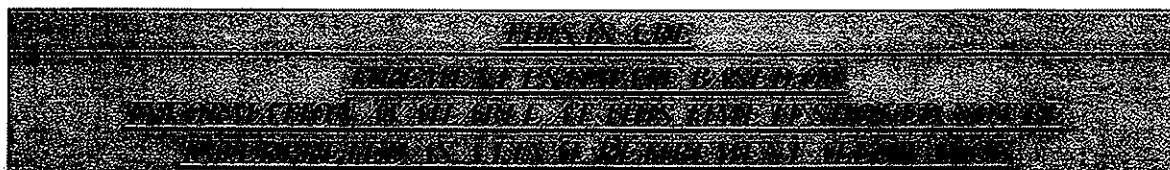
<u>Revenue Group</u>	<u>Service Credit Years</u>	<u>Service Credit Months</u>	(A F C)	
			<u>Average Final Compensation</u>	
1	14	6	AFC from Wages	\$70,660.73
Included Military			Sick Leave AFC	\$0.00
Service Credit	0	0	Total AFC	\$70,660.73

**TOTAL PENSION PRIOR TO OPTION SELECTION**

<u>Service Pension</u>	+	<u>Basic Pension</u>	=	<u>Total Pension</u>	<u>Annuity Balance</u>
\$17,029.24		\$120.00		\$17,149.24	\$8,569.10

**24.1% Pension Calculation Percentage Factor**

**FOR QUESTIONS AND/OR APPOINTMENTS, PHONE (313) 224-3362**



# **GENERAL RETIREMENT SYSTEM BENEFIT ESTIMATE**

**Calculated on: 03/15/2012**

**PHILLIPS, CONSTANCE**  
Pension #: 169106

Equated 62  
[0.983142]

Equated 65  
[0.703174]

	STANDARD	BEFORE 62	AFTER 62	BEFORE 65	AFTER 65
<u>Straight Life</u>					
0.008356	City Portion Annuity Total	\$1,429.10 \$71.60 \$1,500.70	\$2,191.04 \$71.60 \$2,262.64	\$2,111.18 \$71.60 \$2,182.78	\$1,141.18 \$71.60 \$1,212.78
<u>Cash Refund Ann.</u>					
0.008239	City Portion Annuity Total	\$1,429.10 \$70.60 \$1,499.70	\$2,191.04 \$70.60 \$2,261.64	\$2,111.18 \$70.60 \$2,181.78	\$1,141.18 \$70.60 \$1,211.78
<u>Joint &amp; 100% Surv.</u>					
0.808499	City Portion Annuity Total	\$1,155.43 \$57.89 \$1,213.31	\$1,771.45 \$57.89 \$1,829.34	\$1,706.89 \$57.89 \$1,764.78	\$922.64 \$57.89 \$980.53
<u>Joint &amp; 75% Surv.</u>					
0.849152	City Portion Annuity Total	\$1,213.52 \$60.80 \$1,274.32	\$1,860.53 \$60.80 \$1,921.33	\$1,792.71 \$60.80 \$1,853.51	\$969.04 \$60.80 \$1,029.84
<u>Joint &amp; 50% Surv.</u>					
0.89411	City Portion Annuity Total	\$1,277.77 \$64.02 \$1,341.79	\$1,959.03 \$64.02 \$2,023.05	\$1,887.63 \$64.02 \$1,951.65	\$1,020.34 \$64.02 \$1,084.36
<u>Joining &amp; 25% Surv.</u>					
0.944095	City Portion Annuity Total	\$1,349.21 \$67.60 \$1,416.81	\$2,068.55 \$67.60 \$2,136.15	\$1,993.15 \$67.60 \$2,060.75	\$1,077.38 \$67.60 \$1,144.98

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**GENERAL RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
BENEFIT ESTIMATE  
Calculated on:**

03/15/2012

**POP-UP OPTIONS**

PHILLIPS, CONSTANCE  
2720 E. LAFAYETTE #103  
DETROIT MI 48207

**Pension #:** 169106

Pursuant to applicable law, the pension provisions now provide for a benefit called the **POP-UP OPTION**. If you select the **POP-UP OPTION**, you would receive a reduced pension as indicated on the following page.

If you elect the **POP-UP OPTION** and your option beneficiary predeceases you, your monthly **JOINT AND SURVIVOR PENSION** would be automatically increased to a **STRAIGHT LIFE BENEFIT**, (as indicated on page 4 of this estimate) upon the **BOARD OF TRUSTEES** being provided a copy of the death certificate of your option beneficiary.

If you do not elect the **POP-UP OPTION**, your Joint and Survivor monthly Pension will remain the same even if your option beneficiary predeceases you.



**GENERAL RETIREMENT SYSTEM  
BENEFIT ESTIMATE  
POP-UP OPTIONS**

Calculated on: 03/15/2012

PHILLIPS, CONSTANCE  
Pension #: 169106

		<u>Equated 62</u> [0.983142]		<u>Equated 65</u> [0.703174]	
	POP-UP	BEFORE 62	AFTER 62	BEFORE 65	AFTER 65
<u>Joint &amp; 100% Surv.</u>					
0.796386	City Portion	\$1,138.12	\$1,127.71	\$1,681.31	\$908.82
	Annuity	\$57.02	\$57.02	\$57.02	\$57.02
	Total	\$1,195.14	\$1,184.73	\$1,738.33	\$965.84
<u>Joint &amp; 75% Surv.</u>					
0.839099	City Portion	\$1,199.16	\$1,188.20	\$1,771.49	\$957.56
	Annuity	\$60.08	\$60.08	\$60.08	\$60.08
	Total	\$1,259.24	\$1,248.28	\$1,831.57	\$1,017.64
<u>Joint &amp; 50% Surv.</u>					
0.886653	City Portion	\$1,267.12	\$1,255.54	\$1,871.88	\$1,011.83
	Annuity	\$63.48	\$63.48	\$63.48	\$63.48
	Total	\$1,330.60	\$1,319.02	\$1,935.36	\$1,075.31
<u>Joint &amp; 25% Surv.</u>					
0.939922	City Portion	\$1,343.24	\$1,330.97	\$1,984.34	\$1,072.62
	Annuity	\$67.30	\$67.30	\$67.30	\$67.30
	Total	\$1,410.54	\$1,398.27	\$2,051.64	\$1,139.92

M98

Page 4

**GENERAL RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
908 City-County Building  
DESCRIPTION OF OPTIONAL FORMS OF PAYMENT**

Each optional form of payment is the actuarial equivalent of the straight life level form of payment - which means that it has the same cost to the System at the time you retire - and the options are made available to you as a convenience in planning your personal retirement program.

**STRAIGHT LIFE.** You receive the indicated amount monthly. Should your death occur before you have received in monthly payments a total amount equal to your Annuity Fund, the balance will be paid in a single sum to your beneficiary (one or more persons nominated before your death). **THERE ARE NO MONTHLY BENEFITS OR FRINGE BENEFITS PAYABLE TO YOUR BENEFICIARY UNDER THIS PLAN WHEN YOU DIE.**

**CASH REFUND ANNUITY.** You receive the indicated amount monthly. Should your death occur before you receive in the monthly annuity portion a total equal to your Annuity Fund, the balance will be paid in a single sum to your beneficiary (one or more persons nominated before your death). **THERE ARE NO MONTHLY BENEFITS OR FRINGE BENEFITS PAYABLE TO YOUR BENEFICIARY UNDER THIS PLAN WHEN YOU DIE.**

**JOINT and 100% SURVIVOR.** You receive the indicated amount monthly, with the provision that after your death this monthly amount and fringe benefits will be continued throughout the life of your beneficiary (one person nominated before your retirement).

**JOINT and 75% SURVIVOR.** You receive the indicated amount monthly, with the provision that after your death seventy-five percent of this monthly amount and fringe benefits will be continued throughout the life of your beneficiary (one person nominated before your retirement).

**JOINT and 50% SURVIVOR.** You receive the indicated amount monthly, with the provision that after your death one-half of this monthly amount and fringe benefits will be continued throughout the life of your beneficiary (one person nominated before your retirement).

**JOINT and 25% SURVIVOR.** You receive the indicated amount monthly, with the provision that after your death twenty-five percent of this monthly amount and fringe benefits will be continued throughout the life of your beneficiary (one person nominated before your retirement).

**EQUATED PENSION.** If you retire before age 65, you may elect the Social Security Coordination Option (EQUATED). Under this option, you would receive an increased retirement allowance until you become eligible to receive Social Security benefits at either age 62 or 65, and a reduced retirement allowance thereafter.

If you do not withdraw your Defined contribution Plan (Annuity Fund) monies and you choose a Joint and Survivor Option, should you and your beneficiary die before having received in retirement allowance payments an aggregate amount equal to your Defined Contribution Plan (Annuity Fund), the balance shall be paid to your legal representative.

**VESTED RETIREES:** Fringe benefits may not be available to vested retirees or their beneficiaries. A determination will be made at the time of retirement concerning eligibility for coverage.

**PROOF OF BIRTH FOR MEMBER IS REQUIRED, AND IF JOINT AND SURVIVOR OPTIONS ARE CHOSEN, PROOF OF BIRTH FOR BENEFICIARY IS ALSO REQUIRED.**

**ALL MONTHLY AMOUNTS INDICATED DO NOT INCLUDE ANNUAL POST-RETIREMENT INCREASES, WHICH WILL BE ADDITIONAL.**

**NOTE: CHARTER PROVISIONS REQUIRE THAT A WRITTEN APPLICATION FOR RETIREMENT BE FILED WITH THE RETIREMENT BOARD NOT LESS THAN 30 DAYS NOR MORE THAN 90 DAYS PRIOR TO ACTUAL RETIREMENT DATE. APPOINTMENT FOR FILING OF RETIREMENT APPLICATION CAN BE MADE BY CALLING 224-3362.**

**ALL VACATION AND/OR OTHER TIME DUE MUST BE LIQUIDATED PRIOR TO YOUR EFFECTIVE DATE OF RETIREMENT.**

**BOARD OF TRUSTEES  
GENERAL RETIREMENT SYSTEM**

10/96

Page 2 of 2

# Retirement Systems City of Detroit

## Annuitant Balance Report

ANN-002

3/15/12 10:55 am

PHILLIPS, CONSTANCE

Pension Number 169106 Revenue Group General City

Vested? Yes Annuitant Status Active Payroll Status Active

Address 2720 E. LAFAYETTE #103 DETROIT, MI 48207

(Post Tax) Non-Taxable Contribution \$8,049.17 Last Annuity Date 03/09/2012

(Pre Tax) Taxable Contribution \$0.00

Total Contribution \$8,049.17

Taxable Interest \$519.93

Adjustments \$0.00

TOTAL ANNUITY \$8,569.10

## **RE: DIRECT DEPOSIT OF MONTHLY PENSION BENEFIT**

This document contains an authorization form for the direct deposit of your monthly retirement benefit into your Savings or Checking account. When you have completed the upper portion of the authorization and the financial institution has completed the lower part, the original is to be returned to this office.

**IF THE FORM IS NOT COMPLETED IN ITS ENTIRETY IT WILL NOT BE PROCESSED.**

It will be approximately 30 to 60 days before your first check will be processed directly to the bank. Until that time, you will receive your monthly checks by mail. Once your direct deposit begins, this office will forward to your correspondence address a record of the amount deposited, and a copy of your check stub showing any deductions taken from your pension amount. Your attention is directed to the line for your correspondence address on the authorization form. It is important that you complete this line and keep Pension Bureau notified of any future address changes.

## ATTENTION RETIREES

Your Death Benefit coverage has been increased effective July 1, 2002. The new coverage schedule, based on years of service is detailed below.

9¢  
per mo.

<u>SERVICE</u>	<u>BENEFIT</u>	<u>SERVICE</u>	<u>BENEFIT</u>
10 Years or Less .....	\$1,860	21 Years .....	\$2,883
11 Years .....	\$1,953	22 Years .....	\$2,976
12 Years .....	\$2,046	23 Years .....	\$3,069
13 Years .....	\$2,139	24 Years .....	\$3,162
14 Years .....	\$2,232	25 Years .....	\$3,255
15 Years .....	\$2,325	26 Years .....	\$3,348
16 Years .....	\$2,418	27 Years .....	\$3,441
17 Years .....	\$2,511	28 Years .....	\$3,534
18 Years .....	\$2,604	29 Years .....	\$3,627
19 Years .....	\$2,697	*30 Years .....	\$3,720
20 Years .....	\$2,790		

\* For years of service beyond 30 years, add \$93 per year for each additional year of service.

Form No. FTE 86586 (12/02)



**PENSION STATEMENT**

General Retirement System \*  
of the City of Detroit  
2 Woodward Ave Ste 908  
Detroit, MI 48226-3455

Page 001 of 001

Period Beginning: 12/01/2013  
Period Ending: 12/31/2013  
Advice Date: 01/01/2014  
Advice Number: 1100885588  
Batch Number: 000000000515

Retirement Code E-10-2-1

Tax Code Single 0 exemptions  
Pension No 169106  
Social Security No XXX-XX-2310

**PHILLIPS, CONSTANCE**  
**2720 E LAFAYETTE ST APT 103**  
**DETROIT MI 48207-3959**

EARNINGS	RATE	ADJUSTMENT	CURRENT	YTD	DEDUCTIONS	DEDUCTION CODE	CURRENT	YTD
Pension	1806.21	0.00	1806.21	23204.02	Federal Income Tax		206.28	206.28
Annuity	0.00	0.00	0.00	0.00	Michigan Income Tax		76.76	76.76
					Medical-HAP	EBRDA100	117.36	117.36
					Death Benefit	00040210	0.09	0.09
					Dental-Dencap Dental	00050071	5.99	5.99
					Vision-Heritage	00040051	1.07	1.07

Gross Pay 1806.21 23204.02 Total Deductions 407.55 407.55  
Net Pay \$1,398.66

**IMPORTANT NOTES**

© 2002 Automatic Data Processing (PCSUVO)

VERIFY DOCUMENT AUTHENTICITY: COLORED AREA MUST CHANGE IN TONE GRADUALLY AND EVENLY FROM DARK AT TOP TO LIGHTER AT BOTTOM



General Retirement System  
of the City of Detroit  
2 Woodward Ave Ste 908  
Detroit, MI 48226-3455

Advice Number: 1100885588

Advice Date: 01/01/2014

Deposited to the account of PHILLIPS, CONSTANCE Checking Account Number Transit ABA Amount \$1,398.66

**THIS IS NOT A CHECK**  
**NON-NEGOTIABLE**





## OFFICIAL CITY OF DETROIT NOTICE REGARDING NEW SETTLEMENT AGREEMENT

- IV. New Stipend for Lower Income Retirees Whose Spouses Are Non-Medicare Eligible and Acquire Health Coverage on a State Insurance Exchange:** The City will provide a \$125 stipend to married retirees whose spouses were enrolled in the City's retiree health program on December 31, 2013 (or later transitioned to retiree benefits) and who meet certain other requirements, including having a household income of \$75,000 or less. *Eligibility and payment dates will be outlined in the City's official open enrollment packet.*
- V. New Stipend for Non-Medicare Eligible Retirees in States that Have Not Expanded Medicaid:** The City will provide payments to retirees who reside in states that have not expanded Medicaid whose household income is below the federal poverty level in order to help them gain eligibility for Federal subsidies for coverage purchased in a State Insurance Exchange. *Eligibility and payment dates will be outlined in the City's official open enrollment packet.*
- VI. Catastrophic Drug Expenses Cap:** For Medicare-eligible retirees and spouses enrolled in one of the City-sponsored Medicare Advantage plans, the City will reimburse the retiree or spouse for drug expenses incurred in excess of \$4,550 out-of-pocket. *Eligibility and payment dates will be outlined in the City's official open enrollment packet.*
- VII. New Dental Plan Option:** A new dental plan option offered by Golden Dental Inc. will be available to benefit eligible retirees and their eligible spouses and dependents at full cost. *Eligibility and effective dates will be outlined in the City's official open enrollment packet.*
- VIII. New Vision Plan Option:** An additional vision plan option offered by Heritage Vision Plans, Inc. will be available to benefit eligible retirees and their eligible spouses and dependents at full cost. *Eligibility and effective dates will be outlined in the City's official open enrollment packet.*
- IX. New Health Reimbursement Account Option:** A new Health Reimbursement Account (HRA) option will be made available to Medicare-eligible retirees who opt out of the City-sponsored Medicare Advantage Plans. *Eligibility and effective dates will be outlined in the City's official open enrollment packet.*
- X. New Medical Plan Option:** A new medical plan option offered by Blue Cross Blue Shield of Michigan will be available at full cost to non-Medicare eligible retirees, who may also enroll their eligible spouses and dependents. The City will provide a monthly stipend in the amount of \$100 to each retiree who enrolls in this plan. *Eligibility and effective dates will be outlined in the City's official open enrollment packet.*



# OFFICIAL CITY OF DETROIT NOTICE REGARDING NEW SETTLEMENT AGREEMENT

## IMPORTANT NOTICE TO BENEFIT ELIGIBLE CITY OF DETROIT RETIREES

In a settlement agreement with the Official Committee of Retirees of the City of Detroit, Michigan, Detroit Retired City Employees Association, Retired Detroit Police and Fire Fighters Association, and AFSCME Sub-Chapter 98, City of Detroit Retirees, the City of Detroit has agreed to make changes to the health care benefit offerings implemented effective March 1, 2014. Some of these changes are automatic and some require an application; the City will provide an additional open enrollment period for benefit-eligible retirees to select one or more of the new options described below that require an application. When the open enrollment has been established, an official open enrollment packet will be mailed to your home address notifying you of the open enrollment period dates, the eligibility requirements and effective dates for the new plan options, and the eligibility requirements and effective dates for the automatic changes.

An official packet will be mailed to effected retirees when these new offerings are available. There is specific eligibility for each option listed below. Retirees who are interested in enrolling in any of the options must wait until they receive notice of the enrollment period and respond based on the enrollment instructions. You will be notified of the effective date for each of these options.

In brief description, the City has agreed to the following modifications as outlined in the settlement agreement:

- I. Increased Stipend for Non-Medicare Eligible Retirees Age 65 and Older:** The City will increase the monthly stipend for retirees who are age 65 or older and not eligible for Medicare from \$125/month to \$300/month. *Eligibility and payment dates will be outlined in the City's official open enrollment packet.*
- II. Increased Stipend for Lower Income Non-Medicare Eligible Retirees Who Acquire Health Coverage on a State Insurance Exchange:** The City will increase the stipend by \$50 for retirees who are not on a disability retirement and who meet certain other requirements, including having a household income of \$75,000 or less. *Eligibility and payment dates will be outlined in the City's official open enrollment packet.*
- III. New Stipend for Michigan Resident Retirees Eligible for Medicaid Coverage On or After April 1, 2014:** The City will provide a payment of \$100 to Michigan resident retirees whose household income is below the federal poverty level in order to bridge them to Michigan's Medicaid expansion in April or May, 2014. *Eligibility and payment dates will be outlined in the City's official open enrollment packet.*