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

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

EX PARTE JOINT MOTION FOR AN ORDER SHORTENING NOTICE AND SCHEDULING AN EXPEDITED HEARING WITH RESPECT TO MOTION TO AMEND THE SOLICITATION PROCEDURES ORDER

Assured Guaranty Municipal Corp., formerly known as Financial Security Assurance Inc. ("Assured"),[1] and Berkshire Hathaway Assurance Corporation ("BHAC" and, together with Assured, the "Movants")[2] move the Court for the entry of an *ex parte* order pursuant to Rules 9006(c)(1) and 9007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 9006-1(b) of the Local Rules of the Bankruptcy Court for the Eastern District of Michigan (the "Local Rules") (a) shortening the notice period with respect to the Joint Motion to

[1] Assured is a monoline insurer that provides financial guarantees to the U.S. public finance market. Assured and its affiliates insure or reinsure approximately $2.24 billion in gross aggregate principal amount of outstanding bonds issued by the City, including water supply system bonds, sewage disposal system bonds, and unlimited tax general obligation bonds.

[2] BHAC is a secondary insurer of the payment when due of regularly scheduled principal and interest payments for three series of DWSD Sewer Bonds and two series of DWSD Water Bonds issued by the City, with an aggregate principal total of approximately $760 million.

Amend the Solicitation Procedures Order (the "Motion to Amend") and, (b) pursuant to Paragraph 7 of this Court's Order (I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment [Docket No. 2984] (the "Solicitation Procedures Order"), scheduling a hearing on the Motion to Amend to be held in conjunction with the hearing to consider approval of the Amended Disclosure Statement with respect to the Amended Plan of the City of Detroit, Michigan (the "City"),[3] which is currently scheduled for April 17, 2014.[4]

PRELIMINARY STATEMENT

By this e*x parte* joint motion, the Movants seek nothing more than the opportunity to resolve an issue regarding the form of ballots to be used by creditors in accordance with the schedule previously established by order of this Court. The Solicitation Procedures Order, which was heavily negotiated, unambiguously provides that the form of ballots will be determined in connection with the Disclosure Statement Hearing. The Solicitation Procedures Order also provides that motions to amend the Solicitations Procedure Order, such as the Motion to

[3] Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion to Amend.

[4] In the event that the date of the hearing to consider approval of the Amended Disclosure Statement is adjourned, the Movants request that the hearing on the Motion to Amend also be adjourned to the same date and time.

Amend, should be brought on an expedited basis if the Plan or Disclosure Statement are materially modified. Accordingly, the Movants request that the Motion to Amend be heard, as this Court always contemplated, in conjunction with the Disclosure Statement Hearing, which is currently scheduled for April 17, 2014.

JURISDICTION

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

RELIEF REQUESTED

2. The Movants filed the Motion to Amend contemporaneously with the filing of the instant e*x parte* joint motion. In the Motion to Amend, the Movants seek the entry of an order amending the Solicitation Procedures Order.

3. The Solicitation Procedures Order provides, in relevant part, that upon the occurrence of any material modification or filing of an alternative plan of adjustment under chapter 9 of the Bankruptcy Code, a creditor or party-in-interest "shall be entitled to file a motion with this Court requesting any appropriate relief on an expedited basis." Solicitation Procedures Order, at ¶ 21. The Solicitation Procedures Order further provides that the form of ballots "will be determined in connection with the Disclosure Statement Hearing . . . ." *See* Solicitation Procedures Order, at ¶ 7.

4. Pursuant to the Solicitation Procedures Order, Bankruptcy Rules 9006(c)(1) and 9007 and Local Rule 9006-1(b), the Movants seek the entry of an order (a) shortening the notice period with respect to the Motion to Amend and (b) pursuant to Paragraph 7 of the Solicitations Procedure Order, scheduling a hearing on the Motion to Amend to be held in conjunction with the hearing to consider approval of the Amended Disclosure Statement, which is currently scheduled for April 17, 2014.

BASIS FOR RELIEF

5. Bankruptcy Rule 9006(c)(1) provides that "when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced." Local Rule 9006-1(b) permits a party to "file a motion for an *ex parte* order reducing or enlarging the time for a party to take any action or file any paper." Bankruptcy Rule 9007 further provides that "[w]hen notice is to be given under the [Bankruptcy Rules], the court shall designate, if not otherwise specified herein, the time within which, the entities to whom, and the form and manner in which the notice shall be given." Together, these rules provide the Court with the authority to enter an *ex parte* order scheduling a hearing on the Motion to Amend on shortened notice and to approve the manner of notice of such hearing.

6. The Solicitation Procedures Order, which was entered by this Court after heavy negotiations among the parties as to its precise terms, unambiguously provides that the form of the ballots "will be determined in connection with the Disclosure Statement Hearing . . . ." *See* Solicitation Procedures Order, at ¶ 7. The Movants seek only to adhere to this schedule and therefore request that a hearing on the Motion to Amend be scheduled in conjunction with the hearing to consider approval of the Amended Disclosure Statement, which is currently scheduled for April 17, 2014.

7. This Court has previously determined that the Movants are entitled to request expedited relief under these circumstances. *See* Solicitation Procedures Order, ¶ 21 ("Upon the occurrence of any material modification . . . of the proposed Plan . . . any creditor . . . shall be entitled to file a motion with this Court requesting any appropriate relief on an expedited basis, including, without limitation, entry of an order modifying . . . this Order . . . ."). The City is required to finalize and mail solicitation packages with respect to the Amended Plan, which will include the ballots containing the language that is the subject of the Motion to Amend, by May 1, 2014. Much of the intervening time will likely be necessary to print and prepare the solicitation packages, including the ballots, for mailing. Thus, if the Motion to Amend is not considered contemporaneously with the City's motion to approve the Amended Disclosure Statement, it is likely that the Movants

will lose their opportunity to challenge the offending language before it is distributed to creditors. Accordingly, expedited relief is appropriate.

8. The only party likely to object to the Motion to Amend is the City, the party that unilaterally acted to alter the status quo and introduce confusion and uncertainty. Thus, no party will be prejudiced by shortened notice of the Motion to Amend and the scheduling of the hearing to consider the Motion to Amend in conjunction with the scheduled hearing on the Amended Disclosure Statement. Indeed, the hearing on the Amended Disclosure Statement is the proper time and place to address this issue because, according to the Solicitation Procedures Order, the form of the amended ballots was always intended to be determined at that hearing.

9. For the reasons set forth above, the Movants submit that cause exists to: (a) shorten the notice period with respect to the Motion to Amend and (b) pursuant to Paragraph 7 of the Solicitations Procedure Order, scheduling a hearing on the Motion to Amend to be held in conjunction with the hearing to consider approval of the Amended Disclosure Statement, which is currently scheduled for April 17, 2014.

10. The Movants will serve this *ex parte* joint motion via the Court's ECF system to the parties who have requested notice and will provide notice of the *ex parte* order promptly upon issuance.

WHEREFORE, the Movants respectfully request that the Court enter an order, substantially in the form attached as Exhibit 1, granting the relief requested in this e*x parte* joint motion.

Dated: New York, New York
April 11, 2014

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EXHIBIT 1

Proposed Order

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

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

ORDER (I) ESTABLISHING PROCEDURES FOR SOLICITATION AND TABULATION OF VOTES TO ACCEPT OR REJECT PLAN OF ADJUSTMENT AND (II) APPROVING NOTICE PROCEDURES RELATED TO CONFIRMATION OF THE PLAN OF ADJUSTMENT

This matter came before the Court on the Ex Parte *Joint Motion for an Order Shortening Notice and Scheduling an Expedited Hearing with Respect to Motion to Amend the Solicitation Procedures Order* (Docket No. ___) (the "*Ex Parte* Motion"). The Court has determined, after due deliberation, that (a) it has jurisdiction over this matter, (b) this is a core proceeding, (c) pursuant to Federal Rule of Bankruptcy Procedure 9006(b), cause exists for the relief requested in the *Ex Parte Motion* and (d) the relief requested in the *Ex Parte* Motion is fair, equitable, and in the best interests of the City, its creditors and other parties in interest.[1]

[1] To the extent any finding of fact in this order constitutes a conclusion of law, it is adopted as such. To the extent any conclusion of law in this order constitutes a finding of fact, it is adopted as such.

Accordingly, it is hereby ORDERED that:

1. The *Ex Parte* Motion is granted as set forth in this Order.

2. An objection to the *Ex Parte* Motion shall be filed and served no later than _____ Eastern Time on April ____, 2014.

3. A hearing with respect to the *Joint Motion to Amend the Solicitation Procedures Order* shall be held in conjunction with the hearing to consider approval of the Amended Disclosure Statement, which is currently scheduled for April 17, 2014 at 9:00 a.m. Eastern Time before the Honorable Steven Rhodes in Courtroom ___ at 231 W. Lafayette Blvd., Detroit, Michigan 48226.

EXHIBIT 4

Certificate of Service

I hereby certify that on this 11th day of April 2014, I caused the *Ex Parte Joint Motion for an Order Shortening Notice and Scheduling an Expedited Hearing with Respect to Motion to Amend the Solicitation Procedures Order* to be filed with the Clerk of the Court using the CM/ECF system, which provides electronic notification of such filing to all counsel of record.

Dated: April 11, 2014
New York, New York

CHADBOURNE & PARKE LLP

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