UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

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

DETROIT RETIREMENT SYSTEMS' INTERROGATORIES DIRECTED TO THE CITY OF DETROIT, MICHIGAN

Pursuant to Rules 26 and 33 of the Federal Rules of Civil Procedure, as made applicable to this proceeding by Rules 7026, 7033, and 9014(c) of the Federal Rules of Bankruptcy Procedure, the Police and Fire Retirement System of the City of Detroit ("PFRS") and the General Retirement System of the City of Detroit ("GRS," and together with PFRS, the "Retirement Systems") request that the City of Detroit, Michigan respond to the following interrogatories (the "Interrogatories") in writing:

DEFINITIONS Α.

All capitalized terms used herein that are not otherwise specifically 1. defined below shall be ascribed the same meaning as defined in the Amended Plan for the Adjustment of Debts for the City of Detroit (the "Plan") [Dkt. No. 3380].

- 2. "Accrued Financial Benefits" shall have the same meaning ascribed to that term in Article IX, section 24 of the Michigan Constitution.
- 3. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. § 101, et seq.
- 4. "<u>City</u>" means the City of Detroit, Michigan, and, as applicable, its officers, employees, representatives, attorneys, advisors and/or agents.
- 5. "<u>Communications</u>" is used in the broadest sense and means any transmission of information from one Person (defined below) to another Person, by any means.
 - 6. **"DIA"** means the Detroit Institute of Arts.
- 7. "<u>Disclosure Statement</u>" means the Disclosure Statement with Respect to Amended Plan for the Adjustment of Debts of the City of Detroit [Dkt. No. 3382], as may be amended or supplemented.
- 8. "**Document**" means, Communications, all writings of any nature or any medium upon which intelligence or information can be recorded, maintained or retrieved in the possession, custody or control of the City, including, without limitation, the original and each copy, regardless of the origin and location, of any correspondence, book, pamphlet, periodical, letter, e-mail, memorandum (including any memorandum or report of a meeting or conversation), contract, agreement, study, report, analysis, invoice, bill, time sheet, time cards, expense voucher,

receipt, book of account (including cash disbursement journal, cash receipt journal, income statement or reconciliation statement), financial statement, order form, record, bond, requisition, plan, drawing, specification, sound recording, minutes, diary, bylaws, articles of incorporation, calendar, telegram, message, handwritten note, draft working paper, photostat, microfilm, film, photograph, comparison, print, graph, drawing, sketch, chart, summary, data sheet, data processing card, tape, advertisement, and any other written, recorded, transcribed, punched, taped, filmed, or graphic, photographic, or electronic matter of any kind or nature (including marginal comments appearing on any documents or any other writing), however produced or reproduced, and any computer records (including any information on hardware or software).

- 9. "<u>GRS</u>" means the General Retirement System of the City of Detroit, and its agents and representatives.
- 10. "Pensions Clause" means Article IX, Section 24 of the Michigan Constitution.
- 11. "<u>Person</u>" means a natural person, a partnership, a corporation, an unincorporated association, a professional association, or other form of entity.
- 12. "<u>PFRS</u>" means the Police and Fire Retirement System of the City of Detroit, and its agents and representatives.
 - 13. "<u>Retirement Systems</u>" means the GRS together with the PFRS.

- 14. "<u>You</u>" or "<u>your</u>" means the City and its officers, employees, representatives, attorneys, and/or agents of each of them.
- 15. Miscellaneous. The singular includes the plural; the plural includes the singular; the masculine gender includes the feminine and neuter genders; the feminine gender includes the masculine and neuter genders; the neuter gender includes the masculine and feminine genders. "Including" is used in the sense of specification and is not to be construed as a word of limitation. "Relating to" and "regarding" mean in any way concerning or referring to, consisting of, respecting, involving, or otherwise connected with the subject matter of the information request; for a Document, this means the negotiation, drafting, execution and termination of the Document. "And" as well as "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of this discovery any information which might otherwise be construed to be outside of its scope.

B. Instructions

- 1. By April 25, 2014, you are to respond in writing to these Interrogatories.
- 2. These Interrogatories are to be read, interpreted, and answered in accordance with the Instructions and Definitions, and pursuant to the Federal Rules of Civil Procedure.

- 3. If you object, then you must provide the precise basis for your objection.
- 4. When referring to a Document or other report in lieu of answering an interrogatory, you must specify with sufficient detail the Document(s) from which the requested information may be ascertained. If you refer to a document in your response to any of the following interrogatories, then you must identify the document by Bates number.
- 5. If you object to any Interrogatory, whether in whole or in part, state the nature of the objection and the grounds for the objection with sufficient specificity to permit determination of the basis of such objection. Respond to any and all parts of that Interrogatory to which no objection is asserted.
- 6. In answering the Interrogatories, you are required to furnish all information, however obtained, including hearsay, that is available to you, including information in your actual or constructive possession or control, or in that of your attorneys or agents.
- 7. If any Interrogatory cannot be answered completely and fully, the Interrogatory shall be answered to the extent possible, and the nature of the answer's deficiency shall be stated with particularity.

- 8. Each answer shall clearly indicate the Interrogatory number and subpart to which it responds, and every subpart of every Interrogatory shall be answered individually.
- 9. If you claim a privilege to any communication or that the disclosure of information is protected by the work-product doctrine, then for each such response in which you claim privilege or protection, you must specify and identify (1) the specific privilege and/or protection claimed; (2) the communication and/or answer as to which the claim of privilege and/or protection is made; (3) the parties to the communication; (4) the general subject matter of the communication; and (5) the basis for your claim.
- 10. These Interrogatories are continuing in nature so as to require additional or supplemental responses if further information is obtained after the initial response is served. Such additional or supplemental responses shall be served promptly after such additional information is received. Objection will be made to the use and introduction into evidence of any information not previously and timely provided in response to the Interrogatories and to the testimony of any witness not previously and timely identified in response to the Interrogatories. If you are unable to answer any Interrogatory fully at this time, such Interrogatory is to be answered to the best of the answering person's ability. Any subsequently

acquired information called for by these Interrogatories is to be furnished immediately by you. *See* Fed. R. Civ. P. 26(e).

C. RESERVATION OF RIGHTS

The Retirement Systems reserve the right to request relief from or a modification of the Third Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment [Dkt. No. 3632] (the "Third Plan Scheduling Order") such that the Retirement Systems will be authorized to serve additional discovery requests if, and when, the City further amends the Plan.

D. INTERROGATORIES

- 1. If you have not unequivocally admitted each of the Detroit Retirement Systems' Requests for Admission Directed to the City of Detroit (the "Request for Admission"), then:
 - (a) identify all Person(s) who have or may have knowledge or information concerning the reason(s) why you failed to unequivocally admit any of the Requests for Admission.
- 2. Identify and describe in detail the claims that you contend that the City, the Holders of a PFRS Pension Claim, and the Holders of a GRS Pension Claim have against the State and/or the State Related Entities that will be deemed to be released if a settlement with the Holders of a PFRS Pension Claim and the Holders of a GRS Pension Claim is consummated or if the Plan is confirmed.

- 3. Explain in detail what right(s) of recourse, if any, the Retirement Systems and the Holders of PFRS Pension Claims and GRS Pension Claims have in the event of a default by the Foundations, the DIA Corp., or the State.
- 4. Explain in detail and quantify the additional benefits to be provided to those Holders of PFRS Pension Claims and GRS Pension Claims "who are most in need," and explain (i) the terms of the agreement between the City and the State, (ii) what the qualifying household income will be, (iii) when a determination of the same will be made between the City and the State, and (iv) whether the benefits of these Holders of Pension Claims will be impaired.
- 5. With respect the State Contribution, (i) what is the status of the agreement of the State to provide an aggregate amount up to \$350 million, (ii) what is the status of the State Legislature's approval of the allocation of an aggregate amount up to \$350 million, and (iii) what are the comprehensive terms of the State Contribution?
- 6. Describe the options considered by the City for maximizing the value of the DWSD, how and to what extent each option was and is being pursued, and how each option (if implemented) would affect recoveries for the various Classes under the Plan.
- 7. Describe the manner in which the PFRS Pension Claims and the GRS Pension Claims reflected in the Plan and the Disclosure Statement were calculated

and include in your response any methods, assumptions, or bases used in making these calculations.

- 8. Explain in detail why the City is moving pursuant to the Plan for waiver of the automatic stay of the Confirmation Order imposed by Bankruptcy Rule 3020(e).
- 9. Identify the amount, if any, of money owed to the City by the State of Michigan, when it became due, why it has not been paid, and describe any efforts made to collect these funds.

Respectfully submitted,

CLARK HILL PLC

/s/ Robert D. Gordon

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Dated: April 11, 2014

EXHIBIT A

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

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CERTIFICATE OF SERVICE

The undersigned certifies that on April 11, 2014, the Detroit Retirement Systems' Interrogatories Directed to the City of Detroit, Michigan was filed using the Court's CM/ECF system, which CM/ECF system will send notification of such filing to all parties of record.

CLARK HILL PLC

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Dated: April 11, 2014

Counsel to the Police and Fire Retirement

System of the City of Detroit and the General

Retirement System of the City of Detroit