

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

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In re	:	Chapter 9
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CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
	:	
Debtor.	:	Hon. Thomas J. Tucker
	:	
	X	

**MOTION OF THE CITY OF DETROIT, PURSUANT  
TO SECTIONS 105(a) AND 502(c) OF THE BANKRUPTCY  
CODE AND BANKRUPTCY RULE 3021, FOR AN ORDER  
APPROVING RESERVE AMOUNTS FOR CERTAIN DISPUTED OR  
UNLIQUIDATED UNSECURED CLAIMS IN CONNECTION WITH  
DISTRIBUTIONS TO BE MADE UNDER THE EIGHTH AMENDED  
PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT**

The City of Detroit, Michigan (the "City") hereby moves the Court, pursuant to sections 105(a) and 502(c) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 3021 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for the entry of an order<sup>1</sup> approving reserve amounts for certain disputed or unliquidated unsecured claims in connection with

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<sup>1</sup> This Motion includes certain attachments that are labeled in accordance with Rule 9014-1(b)(1) of the Local Rules of the Bankruptcy Court for the Eastern District of Michigan (the "Local Rules"). Consistent with Local Rule 9014-1(b), a copy of the proposed form of order granting this Motion is attached hereto as Exhibit 1 (the "Proposed Order"). A summary identifying each included attachment by exhibit number is appended to this Motion.



distributions to be made under the *Eighth Amended Plan for the Adjustment of Debts of the City of Detroit* (Docket No. 8045) (the "Plan").<sup>2</sup> In support of this Motion, the City respectfully represents as follows:

**Background Regarding the Claims Process  
and the Disputed Unsecured Claims Reserve**

1. On July 18, 2013 (the "Petition Date"), the City filed a petition for relief in this Court, thereby commencing the largest chapter 9 case in history. On December 5, 2013, the Court entered (a) the *Opinion Regarding Eligibility* (Docket No. 1945) finding that the City is eligible to be a debtor under chapter 9 of the Bankruptcy Code and (b) an order for relief (Docket No. 1946) with respect to the City.

2. On September 30, 2013, the City filed its *Second Amended List of Creditors and Claims, Pursuant to Sections 924 and 925 of the Bankruptcy Code* (Docket No. 1059) (the "List of Claims").

3. By an order dated November 21, 2013 (Docket No. 1782) (the "Bar Date Order"), the Court established February 21, 2014 at 5:00 p.m., Eastern Time, as the general bar date for creditors to file proofs of claim asserting prepetition liabilities against the City (the "General Bar Date"). The Bar Date

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<sup>2</sup> Capitalized terms not otherwise defined herein have the meanings given to them in the Plan.

Order also, among other things, established bar dates (collectively with the General Bar Date, the "Bar Dates") for the filing of proofs of claim (a) by any governmental units holding claims against the City, (b) in response to any amendments to the List of Claims and (c) with respect to any claims for damages arising from the rejection of executory contracts and unexpired leases ("Rejection Damages Claims").

4. After the entry of the Bar Date Order, the City provided notice of the Bar Dates to all known creditors and potential creditors in accordance with the requirements of the Bar Date Order.<sup>3</sup> As of February 28, 2015, a total of 3,830 proofs of claim have been filed against the City, many of which are disputed or unliquidated in whole or in part.

5. On October 22, 2014, the City filed the Plan. On November 12, 2014, the Court entered the *Order Confirming Eighth Amended Plan for the Adjustment of Debts of the City of Detroit* (Docket No. 8272) confirming the Plan. On December 10, 2014 (the "Effective Date"), the Plan became effective in accordance with its terms. See *Notice of (I) Entry of Order Confirming Eighth*

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<sup>3</sup> The City filed various certificates of service and affidavits of publication in this regard. See, e.g., Certificates of Service and Supplemental Certificates of Service (Docket Nos. 2337, 2387, 2432, 2449, 2485, 2624, 2647, 2676, 2716, 2761, 2818, 2822, 3341, 4328, 4963, 5176, 5187, 5189, 5269, 5655, 5861, 6043, 6346, 6531 and 7054); Affidavits of Publication (Docket Nos. 3007, 3008 and 3009).

*Amended Plan for the Adjustment of Debts of the City of Detroit and*

*(II) Occurrence of Effective Date (Docket No. 8649).*

6. The Plan provides a pro rata distribution of certain New B Notes to the holders of Allowed Other Unsecured Claims in Class 14. Specifically, the Plan provides that holders of Allowed Class 14 claims are entitled to receive, unless they agree otherwise and in full satisfaction of such claims, "on or as soon as reasonably practicable after the Effective Date, a Pro Rata share of approximately \$16.48 million in New B Notes" in addition to certain Excess New B Notes in the amount of \$4,116,429 provided in connection with the Plan COP Settlement. Plan § II.B.3.u.i.

7. To permit Distributions to holders of Allowed Class 14 claims as expeditiously as practicable following the Effective Date, the Plan provides for the establishment and maintenance of a reserve (the "Disputed Unsecured Claims Reserve") to provide a source of recovery to holders of Disputed Claims<sup>4</sup> in

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<sup>4</sup> The Plan defines the term "Disputed Claim" as "any Claim that is not an Allowed Claim." Plan § I.A.134. The Plan defines "Allowed Claims" as follows:

- (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

Class 14 that eventually become Allowed Claims. In particular, the Plan provides that:

On and after the Effective Date, until such time as all Disputed Claims have been compromised and settled or determined by Final Order and before making any Distributions, consistent with and subject to section 1123(a)(4) of the Bankruptcy Code, the City shall establish and maintain a reserve of property equal to (1) the Distributions to which Holders of Disputed Claims would be entitled under the Plan *if such Disputed Claims were Allowed Claims in the Face Amount of such Disputed Claims or* (2) *such lesser amount as required by an order of the Bankruptcy Court ....* Each Holder of a Disputed Claim that ultimately becomes an Allowed Claim will have recourse only to the assets held in the disputed claims reserve and not to any other assets held by the City, its property or any property previously distributed on account of any Allowed Claim.

Plan § VI.B (emphasis added).

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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.

Plan § I.A.19.

8. To that end, the Plan expressly provides that the Court may estimate the Face Amount of any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code.

"Face Amount" means either (a) the full stated amount claimed by the holder of such Claim in any proof of Claim Filed by the Bar Date or otherwise deemed timely Filed under applicable law, if the proof of Claim specifies only a liquidated amount; (b) if no proof of Claim is Filed by the Bar Date or otherwise deemed timely Filed under applicable law, the full amount of the Claim listed on the List of Creditors, provided that such amount is not listed as disputed, contingent or unliquidated; or (c) *the amount of the Claim* (i) acknowledged by the City in any objection Filed to such Claim, (ii) *estimated by the Bankruptcy Court for such purpose pursuant to section 502(c) of the Bankruptcy Code*, or (iii) proposed by City, if (A) no proof of Claim has been Filed by the Bar Date or has otherwise been deemed timely Filed under applicable law and such amount is not listed in the List of Creditors or is listed in List of Creditors as disputed, contingent or unliquidated or (B) the proof of Claim specifies an unliquidated amount (in whole or in part).

Plan § I.A.185 (emphasis added).

9. As of the Effective Date, the substantial majority of the claims in Class 14 under the Plan were Disputed Claims insofar as they remain subject to pending or potential claim objections, or adjudication in a nonbankruptcy forum, and had not yet been designated as Allowed Claims pursuant to Section I.A.19 of the Plan. As the City continues its evaluation of claims (and accelerates this review), it anticipates that more Class 14 claims will become Allowed Claims in the near term. Therefore, to permit interim distributions to these creditors, the City

must establish the Disputed Unsecured Claims Reserve in accordance with Sections I.A.185 and VI.B of the Plan.

### **Jurisdiction**

10. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334 and Article VII of the Plan. 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**

11. Pursuant to sections 105(a) and 502(c) of the Bankruptcy Code, Bankruptcy Rule 3021 and the terms of the Plan, the City hereby seeks the entry of an order approving the establishment of reserve amounts for inclusion in the Disputed Unsecured Claims Reserve on account of disputed or unliquidated Class 14 claims filed in the Chapter 9 Case, or any such potential claim, as described herein.

### **The Proposed Disputed Unsecured Claims Reserve Amounts**

12. Consistent with the terms of the Plan, this Motion seeks approval of the establishment of an initial Disputed Unsecured Claims Reserve reflecting aggregate potential Class 14 claim liabilities in the amount of \$1.035 billion as of the date of this Motion (subject to change over time as claims are allowed, expunged, filed, reclassified or liquidated). The components of this

initial reserve amount are described below. Consistent with the Plan, Allowed Claims will be included in the calculation of pro rata distributions in the full allowed amount of such claims.<sup>5</sup>

13. In reviewing the Disputed Claims in Class 14, the City identified three general categories of potential liability that must be accounted for in the Disputed Unsecured Claims Reserve. These categories consist of: (a) amounts that are liquidated within Class 14 Disputed Claims (the "Liquidated Class 14 Amounts"); (b) amounts that are unliquidated within Class 14 Disputed Claims (the "Unliquidated Class 14 Amounts"); and (c) claims that have not yet been asserted against the City (or that otherwise are not currently in Class 14), but that may in the future become valid Class 14 liabilities ("Unasserted Class 14 Claims").<sup>6</sup> For purposes of this Motion, the City has rounded proposed aggregate

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<sup>5</sup> Currently, the amount of Allowed Claims in Class 14 totals \$28,183,960. The City anticipates filing Designations of Allowed Claims in the near term with respect to additional claims that have been reconciled, resolved or adjudicated. At that time, the Disputed Claims Reserve will be adjusted consistent with the Reserve Administration Rules set forth below.

<sup>6</sup> Certain unsecured claims (including Unlimited Tax General Obligation Claims, Limited Tax General Obligation Claims, COP Claims, Pension Claims, OPEB Claims, Downtown Development Authority Claims, Convenience Claims, Subordinated Claims and Indirect 36th District Court Claims) are provided specific treatment under the Plan in Classes other than Class 14. See, e.g., Plan §§ II.B.3.n-t, v-x.

Certain unsecured claims (including, for example, certain Indirect Employee Indemnity Claims, workers' compensation claims, ordinary course



reserves for each category of claim to the nearest \$1 million. Additional rules for administering the Disputed Unsecured Claims Reserve also are described below.

***Initial Reserves for Liquidated Class 14 Amounts***

14. Consistent with the terms of the Plan, the City proposes that reserves for Liquidated Class 14 Amounts be established as the portion of such liquidated amounts that would be subject to treatment in Class 14 under the Plan if the relevant claim becomes an Allowed Claim. This rule would apply both to fully liquidated claims and to the liquidated portion of claims that also include unliquidated amounts. Under this rule, the City initially would reserve the full amount asserted by the claimant in Class 14 in the Disputed Unsecured Claims Reserve. The City reserves the right, however, to seek the Court's estimation of

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compensation claims, certain Claims relating to the operation of City motor vehicles, income and property tax refund claims, utility deposit claims and Pass-Through Obligations) are being satisfied in the ordinary course by the City or are otherwise not subject to impairment in Class 14 under the Plan (together, the "Unimpaired Claims"). See, e.g., *id.* at §§ IV.Q, S-V. Because such claims generally are not receiving a pro rata share of the "pot" of New B Notes to be distributed among the holders of Allowed Class 14 claims, the City does not intend to reserve any amount of New B Notes in the Disputed Unsecured Claims Reserve on account of such claims.

In certain cases, the holder of a Claim that otherwise would have been an Unimpaired Claim previously agreed, in connection with a settlement entered into between the City and the claimant, to accept treatment of the Claim as an Allowed Class 14 claim. In such cases, the City will reserve the applicable amount of New B Notes to provide the claimant with the agreed-upon treatment of the Claim.

any Liquidated Class 14 Amount at a lower amount for this purpose. To the extent identified by the City as of the date hereof, duplicate claims will be counted only once for purposes of these reserve calculations.

15. Certain of the Liquidated Class 14 Amounts are expressly identified as estimated in the applicable proofs of claim. Although lacking a definitive and final claim amount, for purposes of the Disputed Unsecured Claims Reserves, the City intends to utilize the amounts estimated by the applicable claimants (to the extent such amounts would be classified in Class 14 under the Plan), subject to the City's right to seek the Court's estimation of these claims at a different amount for reserve purposes.

16. On the General Bar Date, Michigan AFSCME Council 25 and its affiliated Detroit Locals ("AFSCME") filed a proof of claim (No. 2958) (the "AFSCME Claim") asserting liabilities in the aggregate amount of "not less than \$8,718,697,854.82." As of the date of this Motion, pursuant to admissions by AFSCME and orders of this Court, the City believes that AFSCME's liquidated Class 14 liability asserted in the AFSCME Claim is \$300 million.<sup>7</sup> Accordingly,

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<sup>7</sup> In particular, AFSCME has conceded that \$8.1 billion of the asserted amount of the AFSCME Claim constitutes a Pension Claim subject to treatment in Class 9 under the Plan. *See Order Dismissing Claims From Mediation* (Docket No. 7877). In addition, AFSCME concedes in the AFSCME Claim itself that approximately \$146 million of the AFSCME Claim (60% of the amount of the Coalition Claim, as defined below) is

although the City disputes substantially all of the Class 14 liabilities asserted in the AFSCME Claim, consistent with its approach with respect to other Liquidated Class 14 Amounts and the Reserve Administration Rules set forth below, the City initially will reserve for a maximum potential Class 14 liability in the amount of \$300 million on account of the AFSCME Claim.

17. Attached hereto as Exhibit 6.1 is a schedule of pending Class 14 Disputed Claims for which the City proposes to establish a specific reserve amount in the Disputed Unsecured Claims Reserve for Liquidated Class 14 Amounts. Exhibit 6.1 identifies, with respect to each such proof of claim: (a) the claim number; (b) the claimant; and (c) the applicable Liquidated Class 14 Amount after accounting for any adjustments, including amounts withdrawn, adjudicated or settled.<sup>8</sup>

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duplicative of AFSCME's share of the liabilities asserted in the Coalition Claim. See AFSCME Claim, at 2. This Court also has ruled that \$174 million in liquidated liabilities asserted in the AFSCME Claim arising from the City's elimination of the so-called "13th check program" constitutes a Pension Claim subject to treatment in Class 9 under the Plan. See Order Regarding City's Objection to Proof of Claim #2958 (Docket No. 8015). AFSCME has appealed this ruling. See Notice of Appeal (Docket No. 8139). Deducting these amounts from the total asserted amount of the AFSCME Claim leaves approximately \$298.7 million, which the City has rounded to \$300 million.

<sup>8</sup> The City's efforts to resolve claims are ongoing. As a result, certain settlements may not be reflected on Exhibit 6.1. The City reserves the right to update Exhibit 6.1 to reflect settlements and other developments in advance of the hearing on this matter.

18. As reflected on Exhibit 6.1, in the aggregate, the City proposes to reserve for a total potential Class 14 liability of \$968 million on account of Liquidated Class 14 Amounts (including with respect to the AFSCME Claim) as of the date of this Motion (the "Liquidated Claim Reserve").

19. Note that Allowed Claims as of the date of this Motion and wholly unliquidated claims are excluded from Exhibit 6.1. Likewise Unimpaired Claims that otherwise would be in Class 14 (as identified to date) are excluded from Exhibit 6.1 and will not be provided for in the Disputed Unsecured Claims Reserve. The City reserves the right to amend or supplement Exhibit 6.1 prior to the hearing on this Motion as necessary or appropriate to update the information therein.

***Initial Reserves for Unliquidated Class 14 Amounts***

20. Certain Disputed Claims in Class 14 are unliquidated in whole or in part. The City has evaluated these claims and has determined that it should reserve for a total potential Class 14 liability of \$47 million on account of the Unliquidated Class 14 Amounts asserted in such Disputed Claims (the "Unliquidated Claim Reserve"). The City made this determination in good faith, based on its review and analysis of the Class 14 Disputed Claims, including, to the extent feasible, appropriate and/or necessary: (a) the City's books and records; (b) the underlying proofs of claim; (c) the known, assumed or believed

facts and circumstances related to these claims; (d) the legal issues, if any, associated with these claims; (e) communications, if any, with the holders of these claims; (f) the City's historical experience with similar claims (both prior to and during the Chapter 9 Case); and (g) other factors the City deemed relevant.

21. The components of the Unliquidated Claim Reserve are as follows:

- (a) Litigation Claims Asserting Unliquidated Class 14 Amounts.  
The majority of Class 14 claims are litigation claims (including Tort Claims) in various stages of adjudication (collectively, "Litigation Claims").<sup>9</sup> Most of the Litigation Claims currently are asserted in the specific liquidated amounts reflected on Exhibit 6.1. Approximately 45 Litigation Claims, however, are asserted for Unliquidated Class 14 Amounts in whole or in part.<sup>10</sup> The City's Law Department has reviewed each of these Litigation Claims and, based on the factors described above and their experience in defending litigation against the City, has established a reserve for these claims. In many cases involving claims with liquidated and unliquidated components, the Law Department determined that any Liquidated Class 14 Amounts asserted in a claim significantly exceeded the City's estimated liability with respect to the claim even before considering the unliquidated amounts. As a result, the Law Department determined that no further

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<sup>9</sup> Many of these claims are Tort Claims that will be adjudicated in non-bankruptcy tribunals consistent with stay modification notices filed pursuant to 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).

<sup>10</sup> An additional approximately 400 Litigation Claims assert liabilities that, based upon the City's review of the applicable proofs of claim to date, would not be subject to treatment in Class 14 under the Plan because they constitute: (a) Convenience Claims, as resolved, subject to treatment in Class 15; or (b) Unimpaired Claims.

reserve over and above the Liquidated Class 14 Amount set forth on Exhibit 6.1 was necessary or appropriate. Because these Litigation Claims involve active litigation, the City determined that establishing and disclosing to claimants claim-by-claim reserve amounts would not be appropriate and could adversely impact settlement discussions. The total initial reserve for all Unliquidated Class 14 Amounts asserted in Litigation Claims is proposed to be \$1 million. A schedule of wholly unliquidated Litigation Claims asserting liabilities that, if liquidated, would be classified in Class 14 under the Plan, as identified by the City to date, is attached hereto as Exhibit 6.2. A similar schedule of partially unliquidated Litigation Claims is attached hereto as Exhibit 6.3.<sup>11</sup>

- (b) Unliquidated Employee Benefits Claims. Numerous City employees and several unions filed claims (collectively, the "Employee Benefit Claims") asserting liabilities against the City arising from the City's modification of employment terms and conditions of City employees prior to the Petition Date, including through the imposition of the so-called "City Employment Terms" (the "CETs"). In particular, the Coalition of Detroit Unions (the "Coalition") filed a liquidated Employee Benefit Claim in the total amount of approximately \$243 million (No. 2851) (the "Coalition Claim"), which is included in the Liquidated Claim Reserve as indicated on Exhibit 6.1.<sup>12</sup> The City disputes the liabilities asserted in the Employee Benefit Claims, including the Coalition Claim and the related portion of the AFSCME Claim,<sup>13</sup> and believes that many of the Employee Benefit Claims are

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<sup>11</sup> The applicable Liquidated Class 14 Amounts with respect to such partially liquidated Litigation Claims are set forth on Exhibit 6.1.

<sup>12</sup> As noted above, AFSCME is part of the Coalition. As such, the City did not separately reserve for the portion of the AFSCME Claim that it has acknowledged is duplicative of the Coalition Claim. See ¶ 16 n.7, supra.

<sup>13</sup> The City's objections to the Coalition Claim and the AFSCME Claim are currently pending before the Court. See *Objection of the City of Detroit, Pursuant to Sections 105 and 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1, to Proof of Claim Number 2851 Filed by the Coalition of Detroit Unions* (Docket No. 4874); *Objection of the City of Detroit, Pursuant to Sections 105 and 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1, to Proof of Claim*

duplicative of the Coalition Claim or other claims. Moreover, the City believes that the alleged liabilities asserted in the Coalition Claim – even if found to be valid – are substantially overstated.<sup>14</sup> Nevertheless, out of an abundance of caution, liquidated Employee Benefit Claims are reserved in their full amounts as set forth on Exhibit 6.1.

With respect to Employee Benefit Claims asserted for Unliquidated Class 14 Amounts in whole or in part (collectively, the "Unliquidated Employee Benefit Claims"), the City proposes to reserve for an additional \$45 million in alleged liabilities arising from the imposition of the CETs. This amount represents the portion of the \$102 million prepetition CET savings disclosed in the Creditor Presentation that is allocable to employees who were (a) subject to the CETs and (b) members of unions that were *not* members of the Coalition according to the Coalition Claim (*i.e.*, parties not already covered by the liquidated Coalition Claim).<sup>15</sup> A list of the Unliquidated Employee Benefit Claims is attached hereto as Exhibit 6.5.

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*Number 2958 Filed by Michigan AFSCME Council 25 and Its Affiliated Detroit Locals (Docket No. 4876).*

<sup>14</sup> The Emergency Manager's June 14, 2013 Proposal for Creditors (the "Creditor Presentation"), an excerpted copy of which is attached hereto as Exhibit 6.4, disclosed estimated savings in the amount of \$102 million realized on account of the CETs from their imposition on July 17, 2012 through the Petition Date. Although the City disputes all of the Employee Benefits Claims, it believes that the \$102 million disclosed in the Creditor Presentation would constitute the absolute maximum of potential liabilities for all of these Claims.

<sup>15</sup> Exhibit I to the Creditor Presentation identifies the number of employees that are subject to the CETs by bargaining unit. The bargaining unit identified as "AFSCME Non-Supervisory" was erroneously identified on Exhibit I to the Creditor Presentation as not being subject to the CETs. For purposes of establishing the Disputed Unsecured Claims Reserve, the City has included this bargaining unit among those that were in fact subject to the CETs.

- (c) Other Unliquidated Claims. A variety of other claims have been filed in the Chapter 9 Case asserting Unliquidated Class 14 Amounts in whole or in part (collectively, the "Other Unliquidated Claims"). These claims include, for example, (i) trade claims, (ii) other union claims, (iii) other employee claims, (iv) Rejection Damages Claims, (v) blank claims and (vi) other claims that assert unliquidated liabilities in whole or in part. The City proposes to reserve for an additional \$1 million in alleged liabilities arising from the Other Unliquidated Claims.

***Contingency Reserves, Including for Unasserted Class 14 Claims***

22. The General Bar Date for most claims passed on February 21, 2014; the Bar Date for governmental units was June 3, 2014; and the Bar Date for Rejection Damages Claims asserting damages arising from Executory Contracts and Unexpired Leases rejected under the Plan was January 26, 2015. Claims filed at this juncture generally would be untimely and, therefore, (a) automatically subordinated in Class 16 under the Plan and (b) subject to disallowance and discharge on that basis alone. Nevertheless, the City believes that it is appropriate and necessary to establish contingency reserves (the "Contingency Reserves") for liabilities that have not been specifically identified to date, but that could become Allowed Class 14 claims. Such Contingency Reserves would permit the City to satisfy currently unknown liabilities that become Allowed Class 14 claims on par with other holders of Allowed Claims in Class 14, even though the City is not aware of the liabilities at this time.



23. Liabilities subject to the Contingency Reserves potentially include Unasserted Class 14 claims, such as claims under section 502(h) of the Bankruptcy Code resulting from the avoidance and recovery of any avoidable transfers ("Section 502(h) Claims") and other new or amended claims that otherwise are determined to be properly filed and not disallowed as untimely. The Contingency Reserve also would account for any claims not identified to date that may be reclassified into Class 14 ("Unidentified Class 14 Claims"). Finally, the Contingency Reserve provides for the possibility that the City has under-reserved for any other Class 14 claims due to changed circumstances.

24. The City has determined in good faith to reserve for an additional \$20 million in Unasserted Class 14 Claims and Unidentified Class 14 Claims. Of this amount, the City has determined to reserve for approximately \$10 million in Section 502(h) Claims. The City is in the early stages of evaluating its prepetition transactions for the availability of potential avoidance actions. As of the date of filing of this Motion, the City cannot predict with confidence (a) the number of avoidance actions that may be asserted, (b) the amount of assets that the City may recover pursuant to such avoidance actions or (c) the extent to which such recoveries will result in the assertion of Section 502(h) Claims. As a result of these uncertainties, the City is unable to reserve with precision on account of Section 502(h) Claims. Nevertheless, in consultation with preference counsel, the

City believes that initially reserving for approximately \$10 million in Section 502(h) Claims will be ample to provide recoveries with respect to any such liabilities.<sup>16</sup>

25. In addition to Section 502(h) Claims, it may be necessary for the City to provide recoveries to holders of other Unasserted Class 14 Claims or Unidentified Class 14 Claims. The City cannot foresee the nature and aggregate amount of any such claims as of the date of this Motion. Nevertheless, the City believes that reserving for such liabilities in the amount of an additional \$10 million likely will be more than sufficient to provide recoveries to the holders of such claims.

***Additional Rules for Administration of  
the Disputed Unsecured Claims Reserve***

26. The City proposes the following additional rules to assist in the administration of the Disputed Unsecured Claims Reserve (the "Reserve Administration Rules"):

- (a) If a Class 14 Disputed Claim subject to the Disputed Unsecured Claims Reserve is allowed, liquidated, disallowed or reclassified out of Class 14 by an agreement of the parties or a Final Order of the Court, the Disputed Unsecured Claims Reserve will be modified accordingly (i.e., any specific reserve for such claim will be removed

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<sup>16</sup> Even if ultimate preference recoveries are greater than \$10 million, the City expects that the settlement of preference claims in many cases will include waivers of Section 502(h) Claims and that the proposed reserve will be sufficient.

from the Disputed Unsecured Claims Reserve). Similarly, if a Class 14 Disputed Claim subject to the Disputed Unsecured Claims Reserve is allowed, liquidated, disallowed or reclassified out of Class 14 only in part by an agreement of the parties or a Final Order of the Court, the Disputed Unsecured Claims Reserve will be modified accordingly.

- (b) Upon at least five Business Days advance written notice to the claimant, the City may eliminate any reserve identified on Exhibit 6.1 for any portion of a Class 14 Disputed Claim that is allowed, liquidated, disallowed or reclassified out of Class 14 by order of the Court before such order becomes a Final Order.
- (c) For the avoidance of doubt, claims that initially were classified as Class 14 claims in the City's claims database for noticing or other purposes and that relate to Unlimited Tax General Obligation Bonds, Limited Tax General Obligation Bonds, COP Documents, COP Swap Agreements, HUD Installment Notes or related insurance (collectively, the "Reclassification Claims") will be reserved at \$0.00 and will not be treated as Class 14 claims. A schedule of the Reclassification Claims identified by the City to date is attached hereto as Exhibit 6.6.
- (d) The City may add reserves for the liquidated amount of any new proof of claim filed.
- (e) Notwithstanding the foregoing, the City may adjust the Contingency Reserve in its discretion over time (either to increase or decrease the reserve), *provided that* the overall Disputed Unsecured Claims Reserve does not exceed the initial Disputed Unsecured Claims Reserve without further order of the Court.
- (f) Not fewer than ten Business Days prior to any Distribution Date for Class 14 claims, the City shall file with the Court a notice of the calculation of the then-current Disputed Unsecured Claims Reserve. This notice may be in addition to or part of the Disbursing Agent's report required by Section V.F of the Plan.
- (g) The City may seek Court relief on any issues or disputes that arise in connection with the administration of the Disputed Unsecured Claims

Reserve, including the implementation of the Reserve Administration Rules.

***No Admission of Liability***

27. The City has established the reserve amounts herein in good faith and on a reasonable basis, based on the information available as of the date of this Motion. These proposed reserve amounts are not a reflection or admission of actual liabilities that the City believes are owed. Nothing herein constitutes an admission as to the validity, nature, amount or priority of any claim, and the City reserves all of its rights to dispute the validity, nature, amount or priority of any claim reserved for in the Disputed Unsecured Claims Reserve. In addition, the inclusion or omission of any claim on the exhibits attached hereto does not constitute an admission by the City that such claim is, or is not, properly classified in Class 14 under the Plan in whole or in part, and the City reserves all of its rights with respect to such arguments.

28. Although no assurances can be made, the City believes that the reserve amounts (including those identified herein) may be reduced, perhaps materially, prior to the initial distributions in these cases as a result of additional efforts in the claims process.

## Argument

29. Section 105(a) of the Bankruptcy Code provides in part that "The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a).

30. Section 502(c) of the Bankruptcy Code ("Section 502(c)"), provides:

There shall be estimated for purpose of allowance under this section—

(1) any contingent or unliquidated claim, the fixing or liquidation of which, as the case may be, would unduly delay the administration of the case; or

(2) any right to payment arising from a right to an equitable remedy for breach of performance.

11 U.S.C. § 502(c).

31. Although Section 502(c) refers to the estimation of claims for the purposes of allowance, courts have estimated claims for other purposes, including to set reserves for plan distributions. See, e.g., In re Chemtura Corp., 448 B.R. 635, 649 (Bankr. S.D.N.Y. 2011) ("Claims estimation under Section 502(c)(1) ... can be used for a variety of purposes, including ... setting claim distribution reserves."); In re Adelphia Commc'ns Corp., 368 B.R. 140, 279 (Bankr. S.D.N.Y. 2007) (estimating a creditor's claim for future expenses for purposes of establishing a reserve); In re Enron Corp., No. 01-16034, 2006 WL 544463 (Bankr. S.D.N.Y. Jan. 17, 2006) (approving the debtors' motion

to estimate claims for purposes of establishing reserves, and setting the reserve amount as the maximum amount of recovery); In re Lomas Fin. Corp., 172 B.R. 3, 4 (S.D.N.Y. 1994) (noting that the court had estimated a claim to set a reserve and cap on the recovery on the claim).

32. Further, courts have recognized the ability to estimate disputed claims under Section 502(c). See In re Wallace's Bookstores, Inc., 317 B.R. 720, 724 (Bankr. E.D. Ky. 2004) (holding that a liquidating supervisor had the right under Section 502(c) to seek estimation of disputed claims pursuant to a plan of reorganization); Owens v. Murray, 365 B.R. 835, 848 (M.D. Tenn. 2007) ("[Section] 502(c) of the Bankruptcy Code concerns the estimation of disputed claims, that is, the estimation of the value of a right to payment."); In re Adelphia Bus. Solutions, Inc., 341 B.R. 415, 422-23 (Bankr. S.D.N.Y. 2003) (estimating, under Section 502(c), the disputed unliquidated amounts of an administrative claim). Consistent with this case law, the Plan expressly contemplates the estimation of claims for purposes of establishing the Disputed Unsecured Claims Reserve. In particular, the Plan (a) defines the "Face Amount" of any claim to include amounts estimated by the Court pursuant to section 502(c) of the Bankruptcy Code and (b) provides that the Disputed Unsecured Claims Reserve is calculated with reference to the Face Amount of the applicable claims. See Plan §§ I.A.185; VI.B.

33. Section 502(c) permits a bankruptcy court to utilize any valuation model that best suits the circumstances of the case at hand when estimating the value of claims. See, e.g., Owens, 365 B.R. at 839-40 (stating that bankruptcy courts "have broad discretion to employ a method that best fits the circumstances"); Wallace's Bookstores, 317 B.R. at 725 ("[T]he bankruptcy court has broad discretion to fashion estimation procedures using whatever method is best suited to the circumstances.") (quotation marks omitted) (collecting cases); Bruno v. Mona Lisa at Celebration, LLC (In re Mona Lisa at Celebration, LLC), 410 B.R. 710, 717 (Bankr. M.D. Fla. 2009) ("In outlining estimation procedures pursuant to Section 502(c)(1) of the Bankruptcy Code, a bankruptcy court should use whatever method is best suited to the circumstances of the case.") (citation omitted); Foster v. Granite Broad. Corp. (In re Granite Broad. Corp.), 385 B.R. 41, 49 (S.D.N.Y. 2008) ("Bankruptcy judges have wide discretion in selecting a method for estimating claims, and may use whatever method is best suited to the circumstances.") (citations and quotation marks omitted). The wide discretion afforded bankruptcy courts in their choice of claims estimation procedures "embodies Congress' determination that the bankruptcy courts are better equipped to evaluate the evidence supporting a particular claim within the context of a particular bankruptcy proceeding." Bittner v. Borne Chem. Co., 691 F.2d 134, 136 (3d Cir. 1982).

34. The City arrived at its potential liability estimates to calculate the Disputed Unsecured Claims Reserve in good faith based on appropriate review and analysis. In the majority of cases, the reserve is based on the asserted amounts provided by the claimant. In other cases, the reserve was determined based on an evaluation of relevant factors by the City in its business judgment and in good faith, as described above.

35. Prompt determinations in connection with establishing the Disputed Unsecured Claims Reserve are needed to prevent delay in the implementation and administration of the Plan and the distribution of New B Notes to the holders of Allowed Claims in Class 14. The City's proposed estimates for the Disputed Unsecured Claims Reserve seek to balance the need to make prompt and material distributions to holders of Allowed Claims in Class 14 while ensuring that sufficient New B Notes remain earmarked for the benefit of holders of Class 14 Disputed Claims, to the extent that such Disputed Claims may become Allowed Claims. Accordingly, the relief requested in this Motion is necessary and appropriate to facilitate distributions under the Plan.

36. Relief similar to that requested herein has been granted by bankruptcy courts in numerous cases. See, e.g., Chemtura, 448 B.R. at 668-69 (estimating claim for purposes of establishing reserve); *Order Estimating Maximum Amount of Certain Claims for Purposes of Establishing Claims Reserves*



*Under the Debtors' Amended Joint Chapter 11 Plan, In re Motors Liquidation Co., No. 09-50026 (Bankr. S.D.N.Y. Mar. 23, 2011) (Docket No. 9877) (estimating claims for purposes of establishing claims reserve); Order Approving (A) Disputed Unsecured Claims Reserves for Certain Unliquidated Claims in Connection with Distributions to Be Made Under the Debtors' Third Amended Joint Plan of Reorganization, as It May Be Amended; and (B) Additional Procedures Related to Plan Reserves, In re Dana Corp., No. 06-10354 (Bankr. S.D.N.Y. Nov. 28, 2007) (Docket No. 7236) (establishing plan distribution reserve and estimating claims in connection with same); Order Establishing a Distribution Reserve Amount in Connection with Confirmation of the Debtors' First Amended Joint and Consolidated Plan of Reorganization, In re N.W. Airlines Corp., No. 05-17930 (Bankr. S.D.N.Y. May 25, 2007) (Docket No. 7035) (establishing a plan distribution reserve based on the debtors' estimates of claims); Order Granting Reorganized Debtors' Motion to Estimate Claims for Reserve and Distribution Purposes, In re Delta Air Lines, Inc., No. 05-17923 (Bankr. S.D.N.Y. Dec. 6, 2010) (Docket No. 7605) (same).*

### **Notice**

37. Notice of this Motion has been given to all known Class 14 claimants, including the parties identified on Exhibits 6.1, 6.2, 6.3, 6.5 and 6.6 attached hereto, and to all entities that have requested notice pursuant to

Bankruptcy Rule 2002. The City submits that no other or further notice need be provided.

### **Statement of Concurrence**

38. Local Rule 9014-1(g) provides that "in a bankruptcy case unless it is unduly burdensome, the motion shall affirmatively state that concurrence of opposing counsel in the relief sought has been requested on a specified date and that the concurrence was denied." Local Rule 9014-1(g). The City submits that it would be unduly burdensome (and infeasible) to request and obtain the concurrence of each of the hundreds of parties potentially affected by relief requested herein. Accordingly, the City did not seek the concurrence of such parties.

### **No Prior Request**

39. No prior request for the relief sought in this Motion has been made to this or any other Court.

WHEREFORE, for the reasons set forth herein the City respectfully requests that this Court (a) enter the Proposed Order and (b) grant such other and further relief to the City as the Court may deem proper.

Dated: March 3, 2015

Respectfully submitted,

/s/ Heather Lennox

Heather Lennox (OH 0059649)

JONES DAY

North Point

901 Lakeside Avenue

Cleveland, Ohio 44114

Telephone: (216) 586-3939

Facsimile: (216) 579-0212

hlennox@jonesday.com

ATTORNEYS FOR THE CITY

## **SUMMARY OF ATTACHMENTS**

The following documents are attached to this Motion, labeled in accordance with Local Rule 9014-1(b).

Exhibit 1	Proposed Form of Order
Exhibit 2	Notice of Motion
Exhibit 3	None
Exhibit 4	Certificate of Service
Exhibit 5	None
Exhibit 6.1	Schedule of Liquidated Amounts of Class 14 Disputed Claims
Exhibit 6.2	Schedule of Wholly Unliquidated Class 14 Litigation Claims
Exhibit 6.3	Schedule of Partially Unliquidated Class 14 Litigation Claims
Exhibit 6.4	Excerpt of Creditor Presentation
Exhibit 6.5	Schedule of Employee Benefits Claims
Exhibit 6.6	Schedule of Reclassification Claims

**EXHIBIT 1**

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

-----X	:
In re	: Chapter 9
	:
CITY OF DETROIT, MICHIGAN,	: Case No. 13-53846
	:
Debtor.	: Hon. Thomas J. Tucker
	:
-----X	:

**ORDER, PURSUANT TO SECTIONS 105(a) AND 502(c)  
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3021,  
APPROVING RESERVE AMOUNTS FOR CERTAIN DISPUTED OR  
UNLIQUIDATED UNSECURED CLAIMS IN CONNECTION WITH  
DISTRIBUTIONS TO BE MADE UNDER THE EIGHTH AMENDED  
PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT**

This matter coming before the Court on the *Motion of the City of Detroit, Pursuant to Sections 105(a) and 502(c) of the Bankruptcy Code and Bankruptcy Rule 3021, for an Order Approving Reserve Amounts for Certain Disputed or Unliquidated Unsecured Claims in Connection with Distributions to Be Made Under the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit* (the "Motion"),<sup>1</sup> filed by the City of Detroit, Michigan (the "City"); the Court having reviewed the Motion and having considered the statements of

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Article VII of the Plan, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (c) notice of the Motion and the Hearing was sufficient under the circumstances, (d) the establishment of the Disputed Unsecured Claims Reserve based upon a total potential liability for Disputed Claims in Class 14, as described in the Motion, is necessary and appropriate to avoid undue delay to the administration of the City's chapter 9 case and the initial distributions to holders of Allowed Other Unsecured Claims in Class 14 under the Plan and (e) the relief requested in the Motion and granted herein is necessary and appropriate to carry out the provisions of the Bankruptcy Code and the Plan and is in the best interests of the City, its creditors and other parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The City's establishment of the Disputed Unsecured Claims Reserve, as set forth in the Motion, is hereby authorized and approved in all

respects. As such, the initial Disputed Unsecured Claims Reserve will be \$1.035 billion, subject to modification as set forth in the Motion.

3. The Reserve Administration Rules described in the Motion are hereby approved in all respects.

4. The City is authorized to take any and all actions that are necessary or appropriate to establish and administer the Disputed Unsecured Claims Reserve consistent with the Motion and the terms of the Plan.

5. Nothing herein or in the Motion, nor any action by the City to implement this Order, shall constitute an admission of the validity, nature, amount, classification or priority of any Claim, and all rights of the City to dispute the validity, nature, amount, classification or priority of any Claim included in the Disputed Unsecured Claims Reserve are hereby preserved.



## **EXHIBIT 2**

**UNITED STATES BANKRUPTCY COURT  
Eastern District of Michigan**

**In re:**

**CITY OF DETROIT, MICHIGAN,**

**Debtor.**

**Chapter: 9**

**Case No.: 13-53846**

**Judge: Hon. Thomas J. Tucker**

Address: 2 Woodward Avenue, Suite 1126  
Detroit, Michigan 48226

Last four digits of Social Security or  
Employer's Tax Identification (EIN) No(s).(if any): 38-6004606

**NOTICE OF MOTION OF THE CITY OF DETROIT, PURSUANT TO SECTIONS 105(a)  
AND 502(c) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3021, FOR AN  
ORDER APPROVING RESERVE AMOUNTS FOR CERTAIN DISPUTED OR UNLIQUIDATED  
UNSECURED CLAIMS IN CONNECTION WITH DISTRIBUTIONS TO BE MADE UNDER THE  
EIGHTH AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT**

The City of Detroit, Michigan (the "City") has filed papers with the Court seeking entry of an order, pursuant to sections 105(a) and 502(c) of title 11 of the United States Code and Rule 3021 of the Federal Rules of Bankruptcy Procedure, approving reserve amounts for certain disputed or unliquidated unsecured claims in connection with distributions to be made under the City's confirmed plan of adjustment.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)**

If you do not want the court to grant the relief sought in the motion, or if you want the court to consider your views on the motion, **on or by March 18, 2015**, you or your attorney must:

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

**United States Bankruptcy Court**  
United States Bankruptcy Court  
211 W. Fort Street, Suite 2100  
Detroit, Michigan 48226

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

If you mail your response to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above. All attorneys are required to file pleadings electronically. You must also mail a copy to:

Heather Lennox (OH 0059649)  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212

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

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

Dated: March 3, 2015

Respectfully submitted,

/s/ Heather Lennox

Heather Lennox (OH 0059649)  
JONES DAY  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
Telephone: (216) 586-3939  
Facsimile: (216) 579-0212  
hlennox@jonesday.com

ATTORNEYS FOR THE CITY

**EXHIBIT 4**

### **CERTIFICATE OF SERVICE**

I, Heather Lennox, hereby certify that the foregoing *Motion of the City of Detroit, Pursuant to Sections 105(a) and 502(c) of the Bankruptcy Code and Bankruptcy Rule 3021, for an Order Approving Reserve Amounts for Certain Disputed or Unliquidated Unsecured Claims in Connection with Distributions to Be Made Under the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit* was filed and served via the Court's electronic case filing and noticing system on this 3rd day of March, 2015.

/s/ Heather Lennox \_\_\_\_\_

**EXHIBIT 6.1**

# SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
1784	Poe, Cassandra E.	\$120,000.00
3316	Richmond, Farrad	\$50,000.00
1269	16600 Greenfield, LLC	\$58,365.18
1841	415 East Congress, LLC	\$1,563,107.76
880	Adams, Eddie	\$277,550.61
3577	Adams, Tanora	\$50,000.00
3208	Adedokun, Silifat	\$250,000.00
2534	Adler Stilman, PLLC	\$500,000.00
1062	ADP, INC.	\$29,644,827.50
909	Advance Digital Systems, LLC	\$65,747.50
910	Advance Digital Systems, LLC	\$115,330.03
1366	AdvisaCare Healthcare Solutions, Inc.	\$138,669.42
297	Affiliated Diagnostics	\$289,500.00
776	Agar Lawn Sprinkler Systems Inc	\$189,752.63
3066	Ahmad, Khadijah	\$209,085.85
3676	Airgas USA LLC	\$55,793.34
491	Aj & Associates At Law	\$50,000.00
1135	Albert, Randal	\$225,000.00
2192	Alford, Marlon	\$104,354.17
1743	Al-Talaqani, Ali	\$100,000.00
1742	Al-Talaqani, Jabir	\$100,000.00
3175	Amos, Seville	\$100,000.00
971	Anderson, Patrice	\$237,500.00
1258	Anderson, Patricia	\$300,000.00
551	Anderson, Perry	\$50,000.00
3578	Andrews, Renee	\$40,000.00
3579	Andrews, Sean Derrick	\$40,000.00
2852	Association of Prof. Construction Inspectors & Cleveland Gregory	\$40,000.00
1066	AT&T Services, Inc.	\$8,487,525.24
1649	Atkins, Faye	\$48,000.00
1811	Bagby, Lloyd	\$250,000.00
1129	Baker, Anthony	\$55,000.00
2926	Balfour, Delshone	\$29,176.02
1994	Banks, Ladonna	\$40,000.00
1018	Barrett Paving Materials Inc	\$45,394.51
1436	Barthel Contracting Co	\$26,304.97
586	Baugh, Laura J.	\$47,000.00
2260	Bell, Shelton (estate Of) P/r, Tammy Howard	\$75,000.00
2704	Benson, Terryton	\$110,900.00
1655	BeVelle, Glenn	\$60,000.00
201	Beydoun, Michael & his attorney- Raymond Guzall III	\$2,273,668.23
1790	Bishop Real Estate, L.L.C	\$55,667.53
758	Blaze Contracting Inc	\$354,143.68
2835	Boland, S.R.	\$25,914.21
2373	Bolton, Dinah Lynn	\$49,793.19
3259	Bonner, Michael	\$100,000.00
2051	Booker, Marie Cynthia	\$250,000.00
186	Boone, Therone	\$500,000.00
396	Borden, James	\$500,000.00
1211	Bradford Jr., Comit	\$1,000,000.00
2277	Brandt, Charlotte	\$75,000.00
1338	Brannon, Mitchell	\$100,000.00
999	Bratcher, Shannon	\$27,500.00
1608	Brazell, Gregory	\$300,000.00
1618	Brazell, Gregory	\$800,000.00
1246	Bricest, Ernest	\$100,000.00
1245	Bricest, Tammy	\$100,000.00
1007	Brooks, Christopher	\$35,000.00
1544	Brooks, I-chauntay	\$75,000.00
1643	Brooks, Latonya	\$150,000.00
345	Brooks, Ruth	\$60,000.00
398	Brooks, Ruth B.	\$60,000.00
2161	Brovold, Thor	\$350,000.00
1221	Brown, Jessica Et Al	\$30,000.00
3667	Brown, Johnathan (on behalf of himself and a class of others similarly situated)	\$143,437,440.00
1805	Brown, Ruffell	\$100,000.00
826	Burrell, Sharanda	\$320,000.00

# SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
1001	Burton, Jennifer	\$55,000.00
1537	Cade, Alyse	\$55,000.00
682	Cadoura, Richard	\$100,000.00
1438	Calloway, Lorraine	\$32,500.00
1832	Campbell, Taylor	\$2,000,000.00
1823	Cannon, Gladys M.	\$27,481.72
85	Canon Financial Services, Inc.	\$43,366.38
841	Carmichael, Jonathan	\$100,000.00
520	Cato, John	\$339,326.97
411	Cellco Partnership D/B/A Verizon Wireless	\$46,198.34
2532	Chandler, Albert W.	\$90,000.00
3026	Charter County of Wayne	\$700,000.06
3031	Charter County of Wayne	\$418,555.95
3035	Charter County of Wayne	\$132,790.00
3823	Charter County of Wayne	\$30,000,000.00
2625	Cherry, Jerome	\$33,201.00
2202	Childers, Debra	\$150,000.00
2790	Clark, Articia	\$1,000,000.00
3354	Clark, Bennie E.	\$350,000.00
3467	Clarke, Janice E.	\$38,000.00
3213	Clement, Fern	\$41,128.50
2851	Coalition Of Detroit Unions Et Al,	\$242,586,116.50
2278	Coalition of Public Safety Employees Health Trust	\$453,465.52
2819	Cohen, Lamont S.	\$200,000.00
2690	Coleman, Marcel	\$50,000.00
164	Collier, Anthony	\$200,000.00
2007	Collins, John	\$65,000.00
914	Conaway, Brenda	\$55,000.00
3646	Consolidated Rail Corporation	\$36,038.73
1893	Cook, Harriet A.	\$30,000.00
2180	Cook, William	\$100,000.00
2912	Cooney, Plunkett	\$72,288.74
1979	Cooper, Michael	\$30,000.00
395	Cooper, Monique	\$500,000.00
1967	Corbin-Johnson, Michele	\$28,000.00
2040	Corker, Katherine	\$140,000.00
1830	Craig, Kevin	\$75,000.00
1466	Crutcher, Leon	\$40,000.00
1059	Cummings, McClorey, Davis & Acho, PLC	\$106,524.94
1489	Cunningham, Darshay	\$75,000.00
3197	Curry, Jacqueline	\$100,000.00
3015	Dandridge, Doris B.	\$250,000.00
2911	Danforth Brown, Tara R.	\$27,665.46
1009	Daniels, Joyce	\$125,000.00
967	Davis, Diane	\$500,000.00
3387	Davis, Eduardo A.	\$28,926.10
3146	Davis, Marie A.	\$60,000.00
1156	Davis, Sherrod	\$150,000.00
1334	Davis, Susan K.	\$65,000.00
966	Davistion, Frank	\$60,000.00
397	Delfine, Robert T.	\$500,000.00
3074	Demoss, Donald Herman	\$50,000.00
1578	Denson, Velma	\$40,000.00
2217	Detroit Electrical Services, LLC	\$248,607.10
3487	Detroit Fire Fighters Association, IAFF Local 344	\$186,382.00
842	Dillard, James	\$200,000.00
1745	Dixon, Tiffany	\$300,000.00
1276	DTE Electric Company f/k/a/ the Detroit Edison Company	\$40,257.24
1274	DTE Energy Company	\$3,240,924.00
2330	Duff, Michelle	\$39,997.50
3345	Duncan, Warren T.	\$33,074.05
2894	Easley, Gloria	\$37,862.50
2014	Edwards, Brittany B/h/n/f Dwayne Witherington	\$1,500,000.00
846	Edwards, Brittany B/h/n/f Dwyane Witherington	\$300,000.00
627	Edwards, Darrick	\$150,000.00
603	Edwards, Vergiline	\$75,000.00
3685	Electrical Workers Fringe Benefit Funds of Local #58, IBEW	\$175,013.39



## SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
1965	Ellis, Belinda F.	\$500,000.00
2206	Ellis, Lunitrice	\$450,000.00
3169	Ellison, James	\$100,000.00
1033	Emerson Process Management Power & Water Solutions, Inc.	\$468,462.13
2031	Estes, Dominica	\$65,000.00
2716	Evans, Mary	\$100,000.00
759	Examworks Inc	\$38,820.78
559	Exander, Poe	\$50,000.00
665	Fakhoury Law Firm Pc	\$88,637.41
1131	Farris, Branda	\$400,000.00
2183	Fenroy, Tammy	\$125,000.00
227	Fields, Delta	\$300,000.00
552	Fields, Vincent	\$50,000.00
1484	Fletcher, Kim D.	\$25,914.21
2574	Frank Haron Weiner PLC	\$28,280.56
553	Freeman, Arnold	\$50,000.00
1335	Garcia, Ricardo	\$100,000.00
3195	Gardner, Edward D.	\$100,000.00
13	Gargalino, Shawn	\$75,000.00
1259	Garrett, Bobbie	\$250,000.00
1990	Garza, Kimberley A.	\$80,000.00
1075	General Shale Brock Company	\$27,271.94
3163	Gerhard, Eady	\$32,981.44
1600	Ghaleb, Theresa	\$200,000.00
2525	Gibson, Brian J.	\$80,000.00
976	Gilstrap, Jenniger	\$60,000.00
2032	Gjergji, Gjush	\$55,000.00
554	Glenn Jr., Ralph	\$50,000.00
3118	Godbott, Darrin	\$50,000.00
2346	Gonzalez, Carolyn T.	\$55,400.00
927	Goodwin, Philomena	\$637,500.00
1975	Gouch, Antoinette	\$27,000.00
1507	Goudy, Larentinna	\$200,000.00
2314	Governing Board of the City of Detroit Employee Benefit Plan	\$36,314.14
598	Government Jobs.Com	\$77,800.00
2727	Gowens, Shante	\$3,000,000.00
1910	Green, Glenn	\$55,000.00
1064	Greer, Abraham and Sandra	\$1,500,000.00
1932	Grice, Linda	\$130,000.00
699	Grier & Copeland Pc	\$89,049.35
928	Guest, Shuntina	\$40,000.00
2357	Guilbeaux, Debra F	\$50,000.00
177	Gustafson, Barbara, as Next Friend for Shawn Gustafson, a minor	\$35,000.00
1845	H.D.V. Greektown, LLC	\$1,563,107.76
1645	Hall, Angela	\$150,000.00
474	Hall, Richard	\$100,000.00
1097	Hall, Richard	\$1,000,000.00
1373	Hampton, Crystal	\$30,000.00
285	Hardricks, Elijah	\$750,000.00
3309	Harold W. Taylor	\$37,752.50
1420	Harper, Tony A.	\$30,000.00
2169	Harris, Jerry	\$400,000.00
2533	Harris, Kimberly	\$30,000.00
1928	Harris, Lord	\$1,000,000.00
3458	Harris, Lorraine	\$40,000.00
2733	Harris, Sammie Kevin	\$100,000.00
1575	Harris-Barnes, Jennifer	\$250,000.00
1375	Harvey, Gregory	\$75,000.00
108	Hassan Hassan	\$20,000,000.00
1574	Hassan, Henry	\$500,000.00
2908	Hawkins, Aisha	\$30,000.00
1771	Heard, Casadaria	\$45,000.00
3081	Heard, Darwin L.	\$35,000.00
2927	Hearn, Charlene	\$25,750.00
1389	Hill, Clark	\$45,000.00
1759	Holt, Kenneth	\$37,500.00
485	Horton, Akeila and Thornton, Anthony	\$490,000.00

## SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
2244	Houston Jr., Dwight	\$150,000.00
1068	Howard & Howard Attorneys PLLC	\$90,028.30
3405	Hubbard, Daniel	\$26,145.48
2232	Hunt, Scecella	\$300,000.00
2945	Hunter-Rosier, Elizabeth	\$500,000.00
2651	Hyde Park Co-Operative	\$5,000,000.00
89	IBM CORPORATION	\$119,726.23
1302	Inland Waters Pollution Control, Inc.	\$2,000,000.00
1367	Iron Mountain Information Management, Inc.	\$217,366.80
3825	Iron Mountain Information Management, LLC	\$227,430.78
2930	Ivory, Ebonie	\$500,000.00
3497	Jackies Transport, Inc.	\$53,725.50
2414	Jackson, Jacueline M.	\$45,287.29
1074	Jackson, Lue David	\$71,825.81
2042	Jackson, Vernell	\$75,000.00
2276	Jacob, Jessy S.	\$505,635.76
120	Jarrett,Zenda via her attorneys Gursten, Koltonow, Gursten, Christensen & Raitt PC	\$55,000.00
672	Jbahi, Ibrahim K.	\$103,151.20
2266	Jefferson, Wendy	\$75,000.00
670	Jenkins, Albert	\$90,000.00
467	Jenkins, Albert H.	\$90,000.00
555	Jennings, Jamal	\$50,000.00
673	Jiddou, Firas	\$202,755.00
3346	Joe-Davis, Stephanie	\$42,200.00
2030	Johnson, Brandy	\$33,000.00
2187	Johnson, Darton	\$100,000.00
3461	Johnson, Herman R.	\$30,000.00
3382	Johnson, Randy	\$50,000.00
1325	Johnson, Rosalind	\$40,000.00
1412	Johnson, Shawntay Marlo	\$1,000,000.00
3156	Johnson, William G.	\$500,000.00
402	Johnson, William L.	\$500,000.00
1257	Johnson,Timothy	\$250,000.00
1160	Jones, Elliot	\$250,000.00
556	Jones, Lee	\$50,000.00
1817	Jordan, Sharon K	\$29,039.40
2636	Joshua III, David	\$35,486.84
1925	K and P, Incorporated	\$1,563,107.76
1000	Karcher, Matthew	\$35,000.00
683	Kearns,Michael	\$100,000.00
2145	Kelso, Lana	\$500,000.00
3429	King, Aaron	\$30,000.00
1485	Knight, Deborah A.	\$25,914.21
1644	Knight, Roosevelt	\$30,000.00
3106	Koziara, Joseph S.	\$73,555.00
1922	Kuplicki, Stephen	\$181,495.19
2312	Larsen Melvin Lyle	\$30,000.00
539	Laze, Xhensila	\$500,000.00
2479	Leaks, Vanda M.	\$30,000.00
2114	Ledbetter, Joann	\$500,000.00
1002	Legette, Charnita	\$65,000.00
1150	Lewis, Antoine	\$100,000.00
766	Lewis, Walter	\$1,000,000.00
1901	Limbach Company LLC	\$186,837.50
3476	Living Arts	\$122,500.00
792	Llanes, James	\$60,000.00
2562	Loevy & Loevy	\$227,850.00
170	Lovati, Susan	\$250,000.00
2717	Loving, Courtney, Et Al	\$35,000.00
1617	Lowe, Veina	\$325,000.00
1008	Luckett, Moses	\$55,000.00
1482	Lukasik, Robert A.	\$32,218.82
1903	Lyons, George - Property Owner	\$99,712.72
2496	Mack, Donell	\$50,000.00
2372	Macuga, Liddle & Dubin P.C.	\$95,418.42
2372	Macuga, Liddle & Dubin P.C.	\$95,418.42
2374	Macuga, Liddle & Dubin P.C.	\$520,357.82

## SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
3067	Macuga, Liddle & Dubin, P.C.	\$395,622.09
2198	Malone, Mickey	\$125,000.00
151	Manos, Dino	\$30,000.00
567	Mansfield Patterson JR. as p.r.	\$100,000.00
3008	Mariners Inn	\$49,695.53
199	Marks, Robert, Sr.	\$32,500.00
2159	Martin, Rodney	\$100,731.27
1141	Mathis, James	\$40,000.00
2133	McCaa, Kennedy	\$500,000.00
3618	McClain, Archie	\$50,000.00
3379	McClain, Kanard D	\$30,000.00
557	McCloud, Anthony	\$50,000.00
685	McCracken, Thomas	\$100,000.00
3122	McCrary, Sarah M.	\$27,686.00
2769	McDonald, Kendra	\$55,393.00
1605	Mcdonald, Kevin	\$300,000.00
1640	McGee, Chantinique	\$200,000.00
3282	McGore, Sarina	\$25,669.44
2853	McIntosh, Rebecca	\$450,000.00
2848	McIntosh, Scott	\$125,000.00
1573	Mckay, Michael	\$42,500.00
2471	McKinney, Edgar	\$100,000.00
1133	McLemore, Tangela	\$175,000.00
3123	McMillon, Phyllis	\$33,971.13
2274	Mcpherson, Randall	\$30,000.00
2735	Members of Association of Professional & Technical Employees	\$3,585,000.00
1762	Mendelson Orthopedics, PC	\$27,964.80
2044	Mendez-Velez, Carmen	\$250,000.00
3041	Mercer, Terence Lamont	\$65,000.00
2958	Michigan AFSCME Council 25 and its affiliated Detroit Locals	\$300,000,000.00
852	Michigan Auto Recovery Service	\$48,525.00
187	Michigan Biotech Partners LLC	\$45,600.00
1464	Michigan Center for Physical Therapy	\$26,440.40
10	Michigan Community Action Agency Association	\$77,014.00
806	Michigan Economic Dev Corp	\$402,438.92
807	Michigan Economic Dev Corp	\$5,081,780.82
808	Michigan Economic Dev Corp	\$2,000,000.00
3733	Michigan State Police	\$194,079.00
2971	Mid America Evaluation Group Inc	\$72,872.00
630	Migliori, Sebastian	\$30,000.00
1930	Miles II, Shawn D.	\$40,000.00
3174	Milewski, Brendan J	\$190,000.09
3001	Miller, Jason E	\$55,000.00
1525	Milliner, Mary	\$36,479.01
1534	Milliner, Mary	\$245,000.00
3289	Minniefield, Cheryl	\$2,000,000.00
3294	Minniefield, Cheryl	\$500,000.00
2992	Mitchell Jr., Alvin J.	\$40,010.00
2632	Mitchell, LaQuitsha D	\$100,000.00
141	Mitchell, Vivian	\$250,000.00
440	Moore, Christopher	\$40,000.00
2098	Moore, JaJuan	\$50,000.00
1795	Moore, Nedria G.	\$30,000.00
3071	Moore, Sharon	\$50,000.00
2120	Moore, Woodrow	\$250,000.00
88	Morton Salt	\$288,483.55
843	Mosley, Shelia	\$2,750,000.00
654	Neal, Bridgette	\$52,500.00
1550	Nelson, Shira, by Guardian Equania Nelson	\$200,000.00
2686	New Grace Spinal Rehabilitation, PLLC	\$143,569.47
394	Newell, Jamal	\$500,000.00
3210	Nixon-Lewis, Serina	\$250,000.00
1271	Noblett, Michael	\$80,000.00
142	Norfolk Southern Railway Company	\$36,128.73
3416	Norman, Twain	\$75,000.00
2780	Nunley, Thomas M.	\$28,724.24
836	Ohakpo, Simeon	\$1,400,000.00

# SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
2979	Oliver Jr, Robert L	\$62,000.00
1740	Oliver Jr., Bill	\$100,000.00
3786	Omega Rehab Services, LLC	\$36,316.96
3203	Oneal, Sandra R.	\$56,685.84
2295	Onuigbo, Diane L	\$60,805.40
3211	Ortiz, Stacey, Personal Representative of the Estate of Jason D. Baker, Deceased	\$1,000,000.00
1604	Parnell, Taesean a minor by his next friend Corliss Thomas	\$350,000.00
12	Payne, Jessie	\$2,980,000.00
2194	Peagler, Norman	\$150,000.00
558	Peeples, Eric	\$50,000.00
1792	Pembroke-Brown, Teresa	\$40,298.06
2966	Pennington, Audrey	\$90,000.00
1520	Pennington, LaTonya	\$25,498.35
3079	Perry, Vivian S.	\$33,695.76
2091	Person, Rodney	\$500,000.00
2265	Peterson, Heidi (plaintiff in Wayne County Circuit Court)	\$205,043.77
2269	Peterson, Heidi (Plaintiff in Wayne County Circuit Suit Against Water Department/City et. al.)	\$250,000.00
2275	Peterson, Heidi (Plaintiff in Wayne County Circuit Suit Against Water Department/City et. al.)	\$40,000.00
2015	Peterson, Jeffrey	\$400,000.00
1465	Peterson, Ronnie	\$75,000.00
1732	Pettway, Sharon	\$55,000.00
1255	Pharr, Patricia	\$35,000.00
2221	Physiomatrix, Inc.	\$28,535.00
2225	Physiomatrix, Inc.	\$41,105.00
2313	Pitt McGehee Palmer & Rivers, PC	\$29,375.00
1006	Poindexter, Jessica	\$50,000.00
3378	Porter, Alphonso	\$90,000.00
849	Powell, Mary	\$75,000.00
1947	Prather II, Hayward R.	\$35,500.00
2458	Prodigy Spinal Rehabilitation Inc	\$177,810.80
2352	Property Owner	\$80,000.00
2965	Pryor, Gail	\$41,240.34
1882	Purcell, Demetira	\$30,000.00
2814	Purdue, Estate of Jo Ella	\$250,000.00
3	Quill.com	\$68,283.70
102	Rainbow Rehabilitation Center	\$32,082.00
1739	Ramirez, Patricia	\$1,500,000.00
1858	Randle, Zachary	\$29,733.58
1650	Rasnick, Donald	\$296,606.03
3131	Ratliff, Antonio D.	\$300,000.00
3583	Readous, Wendy n/f of Tamiah Green	\$50,000.00
889	Record Copy Services	\$56,291.95
2106	Rhone, Sidney	\$1,500,000.00
2181	Rias, Dwayne	\$195,000.00
669	Riggins, Robert	\$82,500.00
561	Rivera, David	\$50,000.00
2961	Robbins, Tanzia	\$93,525.00
864	Robertson, Ivas	\$300,000.00
2002	Robinson, Jennifer	\$45,000.00
2027	Robinson, Lucreasi	\$75,000.00
3395	Rogers Davis, Robert	\$90,578.00
1518	Rogers, Jason	\$40,000.00
694	Rose, Jonathan Thomas-gregory	\$500,000.00
3207	Ross, Gregory	\$250,000.00
609	Roulo, Thomas	\$250,000.00
922	Rubenstein Isaacs Pc	\$101,422.30
1729	Rupert, Erin	\$200,000.00
1405	Russell, Major L.	\$1,000,000.00
2859	SAAA Union - Members	\$198,734.00
1348	Sawsan, Mohamed	\$250,000.00
1776	Scaife, Thelma	\$50,000.00
1849	Schenburn, Edward	\$30,000.00
925	Scott, Marvella	\$100,000.00
1397	Scott, Tamesha, a minor by her litigation guardian, Shawntay Marlo Johnson	\$75,000.00
1395	Scott, Terry, a minor by his litigation guardian Shawntay Marlo Johnson	\$75,000.00
560	Shack, Samuel	\$50,000.00
1857	Shafer & Associates, P.C.	\$1,563,107.76

## SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
2203	Shahid, Mohamed	\$185,000.00
1974	Shelton, Dewitt	\$28,000.00
354	Shelton, Maxine	\$2,000,000.00
86	Siemens Water Technologies, LLC	\$70,000.00
3068	Simmons, Anthony	\$241,325.00
802	Sims, Alicia	\$225,000.00
145	Sisco, Lonciann	\$75,000.00
1208	Sky Group Grand, LLC	\$1,465,409.79
3816	Sky Group Grand, LLC	\$5,447,749.44
2403	Smith & Wesson Corp	\$113,811.88
2667	Smith II, Jermaine	\$30,000.00
1775	Smith, Anthony Derrick	\$60,805.40
2849	Smith, Autumn	\$450,000.00
2200	Smith, Clarence D.	\$137,500.00
2415	Smith, Gregory K.S.	\$25,914.21
2205	Smith, Gretchin	\$450,000.00
1827	Smith, Keenan	\$380,015.36
2424	Smith, Lisa	\$26,000.00
1440	Smith, Reno	\$75,000.00
1594	Smith, Taralyn	\$75,000.00
1818	Smith, Taralyn	\$150,000.00
693	Southeast Michigan Council of Governments (SEMCOG)	\$28,130.00
1632	Spencer, Yvette	\$300,000.00
3451	Spicer, Kim	\$204,272.75
628	Sprint Corp.	\$277,784.77
871	St. Martins Cooperative	\$390,940.75
2185	Stallworth, Lula	\$100,000.00
787	Stanley, Sherell S.	\$750,000.00
2603	Stanley, Sherell Shawnee	\$987,525.00
2329	Starkey, DeAndre	\$40,000.00
3697	State of Michigan	\$366,514.10
3712	State of Michigan, Department of Community Health	\$1,805,725.77
3767	State of Michigan, Department of Community Health	\$789,924.00
3764	State of Michigan, Department of Human Services	\$11,949,405.00
3766	State of Michigan, Department of Human Services	\$597,040.00
3709	State of Michigan, Department of Human Services, Bureau of Comm. Action & Economic Opp.	\$2,114,768.70
3731	State of Michigan, Department of Transportation	\$62,132.00
3742	State of Michigan, Department of Transportation	\$673,096.87
3750	State of Michigan, Dept. of Environmental Quality	\$203,810.63
3751	State of Michigan, Dept. of Environmental Quality	\$1,505,684.00
3283	Steele, Natasha	\$30,000.00
827	Stenbom, Maria	\$2,000,000.00
2094	Stewart, LaNeta	\$80,000.00
1772	Strange, Hope	\$39,698.06
844	Street-Gilbert, Joera	\$250,000.00
1454	Suell, Geraldine	\$45,000.00
3222	Sumo, Qewou	\$33,000.00
856	Superior Investment Group, Llc	\$44,960.00
1852	Synergy Spine and Orthopedic Surgery Center LLC	\$34,008.00
3048	Talbert, Sheree	\$30,302.50
2041	Taylor, Tamara	\$40,000.00
282	Tech Town	\$966,472.00
1599	Tharpe, Phyllis	\$500,000.00
894	The Detroit Medical Center, as agent for Harper-Hutzel Hospital	\$69,247.40
1390	The Realty Company	\$589,490.02
481	The Sam Bernstein Law Firm	\$165,000.00
1378	Thomas, Laverne	\$400,000.00
2323	Thomas, Randall	\$39,997.10
1646	Thompson, Keith	\$30,000.00
1641	Thompson, Raymond	\$150,000.00
2964	Thornton, Marvin	\$200,000.00
530	Todd, Jr., Ira Lee	\$3,297,471.00
2201	Torres, Daniel	\$100,000.00
3440	Townsend, Evangeline	\$30,000.00
1441	Tramel, Norman	\$36,350.00
3154	Trivedi, Ranna K.	\$27,437.00
2279	Tulik, Mark	\$40,000.00

# SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
3116	Turner, Christopher	\$100,000.00
848	Turner, Corey	\$350,000.00
496	Turner, Omar Jackson, Renette, AJ & Associates at Law	\$50,000.00
3464	Turner, Pamela	\$350,000.00
114	Turner, Rhonda	\$1,000,000.00
3657	U.S. Equal Employment Opportunity Commission	\$200,000.00
3658	U.S. Equal Employment Opportunity Commission	\$204,572.41
3659	U.S. Equal Employment Opportunity Commission	\$207,587.67
3660	U.S. Equal Employment Opportunity Commission	\$55,658.90
3661	U.S. Equal Employment Opportunity Commission	\$100,000.00
3662	U.S. Equal Employment Opportunity Commission	\$115,769.80
3663	U.S. Equal Employment Opportunity Commission	\$200,000.00
3664	U.S. Equal Employment Opportunity Commission	\$100,000.00
3665	U.S. Equal Employment Opportunity Commission	\$122,531.55
112	Uddin, Rafuth, a Minor, by His Next Friend, Rehan Uddin	\$50,000.00
3719	United States Department of Housing and Urban Development	\$112,384.28
3773	United States Department of Housing and Urban Development	\$2,670,774.06
23	USAA Insurance	\$47,079.29
2601	Van Dyke Spinal Rehabilitation	\$61,829.19
1003	Vann, Lolita	\$55,000.00
822	Varnum Riddering Schmidt	\$43,148.91
1798	Vaughn, Tamiko	\$75,000.00
2109	Walker, Kevin	\$500,000.00
3073	Walker, Laurie	\$60,000.00
2898	Walker, Lenetta	\$25,223.00
3381	Walker, Shirley W	\$29,000.00
132	Wallace, Wilda	\$50,000.00
996	Warren, Joy as next friend of Jalen Warren, a minor	\$100,000.00
1307	Washington, Jaylen	\$50,000.00
392	Washington, Johnnie	\$500,000.00
2497	Weaver, Daryl	\$50,000.00
2506	Weaver, Daryl	\$50,000.00
3097	Weber Block LLC	\$1,000,000.00
5	Wells Fargo Financial Leasing, Inc.	\$26,588.81
633	Weston, Cab C.	\$75,000.00
863	Wheeler, Fred Douglas	\$57,360.00
1589	White, Bernard	\$60,000.00
862	White, Ramona F.	\$50,000.00
1653	White, Terecia	\$175,000.00
2110	Whitfield, Carlton	\$130,000.00
1595	Wilburn, Tarita	\$170,000.00
1613	Wilburn-Little, Jenita	\$200,000.00
1802	William Acosta, PLLC	\$168,075.40
2282	Williams Acosta, PLLC	\$139,752.01
2184	Williams Jr., Charley	\$100,000.00
121	Williams, Angelia	\$5,000,000.00
393	Williams, Anthony	\$500,000.00
407	Williams, Charles W.	\$500,000.00
1898	Williams, Denise	\$30,000.00
2524	Williams, Gloria	\$2,000,000.00
3279	Williams, Keith	\$10,000,000.00
965	Williams, La-sheryl,	\$40,000.00
1689	Williams, Mark	\$50,000.00
1434	Williams, Michael A	\$26,500.00
3362	Williams, Shannon	\$75,000.00
3437	Williams, Shawn	\$50,000.00
2190	Williams, Troy	\$50,000.00
2182	Williams, Vashay	\$150,000.00
2045	Williams-Carter, Katrinia	\$80,000.00
573	Williamson, Decarlos	\$1,000,000.00
572	Williamson, Tracy (p.r. Of Williamson, Decarlos)	\$100,000.00
2118	Willis, Deborah	\$100,000.00
3596	Wilson, Reginald	\$90,000.00
1734	Wilson, Victoria	\$200,000.00
335	Winston, Quincy L.	\$1,900,000.00
2353	Wojnarski, Joanne	\$750,000.00
2397	Wojnarski, JoAnne, Personal Representative of the Estate of Jerry Willcockson, Deceased	\$150,000.00

### SCHEDULE OF LIQUIDATED AMOUNTS

*Note that, in most cases, the Liquidated Amounts set forth below reflect the amounts asserted in the applicable proofs of claim. These amounts may be reduced by any resolution or adjudication of such proofs of claim.*

Claim Number	Claimant	Liquidated Amount
3100	Wojnarski, JoAnne, Personal Representative of the Estate of Jerry Willcockson, Deceased	\$150,000.00
3232	Wolak, Steven, as Personal Representative of the Estate of Christopher Wolak, Deceased	\$3,000,000.00
2552	Wolf Jr., Cloyd	\$50,000.00
1039	Wolske, Michael Allen	\$2,000,000.00
1603	Woods, Jay	\$210,750.00
2546	Woody, John	\$125,473.00
3340	Wooten, Walter	\$80,000.00
2231	Worde, Mark	\$200,000.00
128	Wright, Anna c/o Leonard M. Koltonow	\$430,000.00
116	Xerox Corporation	\$106,507.79
3010	Yarborough, Shardaye, a Minor, by Her Mother and Next Friend Charmane Alvis	\$250,000.00
3121	Zyrron Demetric Collins	\$100,000.00
<b>TOTAL</b>		<b>\$967,107,874.39</b>

**EXHIBIT 6.2**



**SCHEDULE OF WHOLLY UNLIQUIDATED LITIGATION  
CLAIMS SUBJECT TO TREATMENT IN CLASS 14 UNDER THE PLAN**

<b>Claim Number</b>	<b>Claimant</b>
2259	Armstrong, Alexis
1728	Cannon, Vincent via his attorneys, Gursten, Koltonow, Gursten, Christensen & Raitt, P.C.
2273	Chambers, Theotrice
124	Charter Township of Plymouth
2833	Class Claimants
2994	Darrah, Lucinda J.
1735	Doe, K.S.
866	Fountain Court Consumer Housing Cooperative
2931	Johnson-woods, Linda
2822	Joliet Town Houses Cooperative Association
2490	Jones, Valine B/n/f Jones, Arnaz
1631	Kelly, Toyia Personal Rep of Estate of Kevin Ivie
2863	Lafayette Town Houses, Inc.
2825	Lasalle Town Houses Cooperative Association
2264	McCormick, Letha
3426	Miller, Kevin
2706	Moore Jr., David
3428	Moore, Jerome
3798	Murriel, Bridget
3799	Murriel, Bridget
2828	Nicolet Town Houses Cooperative Association
3468	Roseman, Mark and Luzater
1624	Soto, Daniel
2823	St. James Cooperative
2268	Stevenson, Kenyata
2263	Truelove, Omar
323	Whitaker, Mary
1468	Williams Jr., Ronald

**EXHIBIT 6.3**

**SCHEDULE OF PARTIALLY UNLIQUIDATED LITIGATION  
CLAIMS SUBJECT TO TREATMENT IN CLASS 14 UNDER THE PLAN**

<b>Claim Number</b>	<b>Claimant</b>
1135	Albert, Randal
201	Beydoun, Michael & his attorney- Raymond Guzall III
3667	Brown, Johnathan (on behalf of himself and a class of others similarly situated)
520	Cato, John
1131	Farris, Branda
1928	Harris, Lord
1160	Jones, Elliot
1133	McLemore, Tangela
141	Mitchell, Vivian
843	Mosley, Shelia
1740	Oliver Jr., Bill
3686	Porter, Cedric
1650	Rasnack, Donald
669	Riggins, Robert
2205	Smith, Gretchin
848	Turner, Corey
3787	Williams, Estate of Lilian Joan

**EXHIBIT 6.4**

CITY OF DETROIT  
**PROPOSAL FOR CREDITORS**

JUNE 14, 2013



CITY OF DETROIT  
**PROPOSAL FOR CREDITORS**

JUNE 14, 2013

This proposal is based on numerous projections and assumptions concerning future uncertain events including estimates of tax revenues and forecasts of future business and economic conditions in the city, all of which are beyond the control of the city. Actual results may differ from the assumptions and projections presented herein, and such differences could be material.

Additional data are being gathered or developed, and various critical financial and operational analyses remain in process. Thus, this proposal remains subject to material change.

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# THE CITY HAS TAKEN ACTION TO ADDRESS ITS FINANCIAL CHALLENGES

The City has already taken numerous steps to improve its financial position including expense savings and revenue increases. These initiatives save the City an estimated \$200 million per year but they also impose substantial burdens on the City's workforce and residents.

## **Headcount Reductions.**

- Since 2011, the City has reduced its headcount by more than 2,700 employees (from 12,302 employees as of close of FY 2010 to approximately 9,560 as of May 31, 2013).
- The City's headcount reductions have resulted in annual savings of over \$100 million.

## **Reductions of Labor Costs through Implementation of City Employment Terms.**

- On July 12, 2012, the Financial Advisory Board approved the CETs for (i) employees in unions with expired CBAs and (ii) nonunion employees, effective as of July 17, 2012.
- Among other things, the CETs provide for (i) wage reductions (implemented through imposition of furlough days); (ii) caps/reductions on vacation/holiday pay/overtime/sick days; (iii) the reduction of pension multipliers; and (iv) changes to healthcare coverage.
- Implementation of the CETs provides for an estimated \$102 million in annual savings.
  - \$25 million in savings attributable to wage reductions (24% of savings).
  - \$59 million in savings attributable to reduced active and retiree benefits (59% of savings).
  - \$9 million in savings attributable to reduced pension costs (9% of savings).
  - \$8 million in savings attributable to changes to work rules (8% of savings).



## APPENDIX I — City Bargaining Units

Category	Name of Bargaining Unit	Active CBA?	CBA Expiration	Subject to CETS?	No. of Employees Represented
Uniform	AFSCME - ESOs	Yes	6/30/13	No	93
	Detroit Fire Fighters Ass'n	Yes	6/30/13	No	927
	Detroit Police Command Officers Ass'n		As of 9/30/12	Yes	24
	Detroit Police Lieutenants and Sergeants Ass'n	Yes	6/30/13	No	530
	Detroit Police Officers Ass'n		6/30/12	Yes	1,991
	Emergency Medical Service Officers Ass'n (EMS)		As of 9/30/12	Yes	10
	Police Officers Ass'n of Michigan (EMS)		As of 9/30/12	Yes	187
Coalition and other nonuniform	AFSCME Crossing Guards		6/30/12	Yes	157
	AFSCME Forestry and Landscape Foreman		6/30/12	Yes	4
	AFSCME Motor City Seasonals		6/30/12	Yes	240
	AFSCME Non-Supervisory		6/30/12	No	1,656
	AFSCME Paving Foreperson's		6/30/12	Yes	9
	AFSCME Supervisory, Local 2394		6/30/12	Yes	47
	Assist. Supervisors of Street Maint. & Constr.		6/30/12	Yes	4
	Ass'n of Munic. Engineers (Supervisors of ADE)		6/30/12	Yes	15
	Ass'n of City of Detroit Supervisors		6/30/12	Yes	35
	Ass'n of Detroit Engineers		As of 9/30/12	Yes	82
	Ass'n of Municipal Inspectors		6/30/12	Yes	12
	Ass'n of Prof. & Technical Employees		As of 9/30/12	Yes	102
	Ass'n of Prof. Construction Inspectors		6/30/12	Yes	37
	Building Construction Trades – Foreman		6/30/12	Yes	14
	Building Construction Trades - Non-Supervisory		6/30/12	Yes	172
	Building Construction Trades - Special Service		6/30/12	Yes	26
	Buildings and Safety Inspectors – Tripartite		6/30/12	Yes	19
	Detroit Income Tax Investigators Ass'n		6/30/12	Yes	15
	Detroit License Investigators Ass'n		6/30/12	Yes	0
	Field Engineers Ass'n		6/30/12	Yes	2

**Appendix I — Continued**

<b>Category</b>	<b>Name of Bargaining Unit</b>	<b>Active CBA?</b>	<b>CBA Expiration</b>	<b>Subject to CETS?</b>	<b>No. of Employees Represented</b>
	International Union of Op. Engineers - Local 324		9/30/12	Yes	27
	Local 324 Park Management Ass'n		6/30/12	Yes	7
	Local 324 Principal Clerks Unit		6/30/12	Yes	64
	Police Officers Labor Council (Detroit Fac. Officers)		6/30/12	Yes	9
	Police Officers Labor Council (Health Department)		6/30/12	Yes	1
	SEIU Local 517M - Non-Supervisory		6/30/12	Yes	5
	SEIU Local 517M – Prof. & Tech. Unit		6/30/12	Yes	22
	SEIU Local 517M - Supervisory		6/30/12	Yes	11
	Senior Accountants, Analysts & Appraisers		6/30/12	Yes	141
	Teamsters, Local 214		6/30/12	Yes	430
	UAW Local 212 (Civilian Police Investigators)		6/30/12	Yes	14
	UAW Local 2211 (Public Attorneys Ass'n)		6/30/12	Yes	37
	UAW Local 412-Unit 86 (Law Dep't Paralegals)		6/30/12	Yes	8
13(c) protected employees	AFSCME Non-supervisory Locals 214 & 312		6/30/12	No	317
	Amalgamated Transit Union (ATU)		6/30/12	No	622
	Building Construction Trades – Non-supervisory		6/30/12	No	4
	DOT Foreman's Ass'n		6/30/12	No	6
	International Union of Op. Engineers		9/30/12	No	2
	Supervisor Chapter of DOT Foreman's Ass'n		6/30/12	No	24
	Teamsters, Local 214		6/30/12	No	9
<b>Total</b>					<b>8,270</b>

**EXHIBIT 6.5**

## SCHEDULE OF EMPLOYEE BENEFIT CLAIMS

Claim Number	Claimant
3206	Association of Detroit Engineers (ADE)
3125	Association Of Municipal Engineers (AME)
3337	Belk, Shawn M.
2704	Benson, Terryton
3522	Bolton, Dinah L
3339	Braziel, Karen
1805	Brown, Ruffell
3332	Buford, Darlena
3305	Canty, Darryl
1386	Carey, Anthony
3329	Coleman, Valeria Davis
2040	Corker, Katherine
3486	Detroit Fire Fighters Association, IAFF Local 344
1884	Detroit Police Command Officers Association (DPCOA)
3777	Detroit Police Command Officers Association (DPCOA)
1861	Detroit Police Lieutenants and Sergeants Association (DPLSA)
1864	Detroit Police Officers Association (DPOA)
3335	Dolley, Charnell L.
2031	Estes, Dominica
3449	Fayson, Eulie Lamar
1990	Garza, Kimberley A.
2615	Gray, Michael A
2616	Gray, Michael A
1896	Green, Deirdre
1932	Grice, Linda
2596	Hayes, Michael V.
2604	Hayes, Michael V.
2042	Jackson, Vernell
3488	Jenkins, Pamela D.
3382	Johnson, Randy
1817	Jordan, Sharon K.
2583	King, Aaron
3191	Koch, David G.
1457	Kwilas, Christopher E.
2462	Martin, Debra A.
3282	McGore, Sarina
2471	McKinney, Edgar
2575	Moore, Michelle
2576	Moore, Michelle
3413	Parker Jr., James E
3353	Patterson, Cynthia
1784	Poe, Cassandra E.
1676	Pratt, Michelle A.
2829	Rubio, Maria Elena
2830	Rubio, Maria Elena
2832	Rubio, Maria Elena
2834	Rubio, Maria Elena
2425	Sanitary Chemists and Technicians Association (SCATA)
1776	Scaife, Thelma
3366	Scott, Reginald
2935	Senior Accountants, Analysts, and Appraisers Association (SAAA)
1972	Shelton, Dewitt
1293	Spencer, Jerry E.
2623	Stewart, Carine M.
2643	Stewart, Carine M.
2094	Stewart, LaNeta
2041	Taylor, Tamara

**SCHEDULE OF EMPLOYEE BENEFIT CLAIMS**

<b>Claim Number</b>	<b>Claimant</b>
2760	Whitfield II, Bruce A.
3340	Wooten, Walter
2231	Worde, Mark

**EXHIBIT 6.6**

## SCHEDULE OF RECLASSIFICATION CLAIMS

Claim Number	Claimant	Claim Amount
1171	Assured Guaranty Corp	Unliquidated
1169	Assured Guaranty Municipal Corp.	\$2,037,867.00
2970	Dexia Credit Local	\$255,000,000.00
3592	Fitzgerald, Susan	\$50,000.00
806	Michigan Economic Dev Corp	\$402,438.92
807	Michigan Economic Dev Corp	\$5,081,780.82
808	Michigan Economic Dev Corp	\$2,000,000.00
3508	Morreale, Jerome	\$5,000.00
3652	Murowski, Marie C & Andrea Murowski JT	\$45,000.00
3496	Salgado-Galicia, Hector J.	\$8,695.00
3690	Shaw, James G.	\$50,000.00
3714	United States Department of Housing and Urban Development	\$1,837,217.00
3716	United States Department of Housing and Urban Development	\$10,371,138.25
3655	Westerbeck, Kent	\$30,000.00
1138	Wilmington Trust, National Association, as successor Contract Administrator	\$803,702,214.66