

**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. Steven W. Rhodes
: **Expedited Consideration Requested**
-----X

**EX PARTE MOTION FOR AN ORDER SHORTENING
NOTICE AND SCHEDULING AN EXPEDITED HEARING WITH
RESPECT TO MOTION FOR AN ORDER APPROVING
SETTLEMENT AND PLAN SUPPORT AGREEMENT**

The City of Detroit (the “City”) moves the Court for the entry of an *ex parte* order pursuant to Rules 9006(c)(1) and 9007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9006-1(b) of the Local Rules of the Bankruptcy Court for the Eastern District of Michigan (the “Local Rules”) (i) shortening the notice period with respect to the *Motion Of Debtor For Entry Of An Order, Pursuant To Section 105(a) Of The Bankruptcy Code And Bankruptcy Rule 9019, Approving Settlement and Plan Support Agreement And Granting Related Relief* (the “Motion”), and (ii) scheduling a hearing on the Motion on or before March 20, 2014.

Jurisdiction

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

Relief Requested

2. The City filed the Motion contemporaneously with the filing of the instant *Ex Parte* Motion. In the Motion, the City seeks entry of an order (i) approving the Settlement and Plan Support Agreement pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019 and (ii) granting related relief. Pursuant to Bankruptcy Rules 9006(c)(1) and 9007 and Local Rule 9006-1(b), the City seeks entry of an order (i) shortening the notice period with respect to the Motion to require any objections to be filed no later than 5:00 p.m. Eastern time on March 14, 2014 and any replies to such objections to be filed no later than 5:00 p.m. Eastern time on March 18, 2014, and (ii) scheduling a hearing on the Motion on or before March 20, 2014.

Basis for Relief

3. Bankruptcy Rule 9006(c)(1) provides that “when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion

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

4. The City respectfully submits that it is important for the Motion to be heard on an expedited basis. The City desires to put the swap and related transactions behind it and believes that doing so will allow the City and its leadership to focus on the upcoming plan of adjustment process and emergence from bankruptcy. One way or the other, expedited consideration of the Motion will provide interested parties with much needed certainty regarding how the City’s swap related obligations will be treated. Indeed, resolution of the Motion may significantly facilitate plan negotiations with creditors and other parties in interest. At the same time, expedited consideration may reduce objections to the City’s plan of adjustment and, for example, avoid the need for certain parties, such

as the Swap Counterparties, to file potentially unnecessary protective objections to the plan.

5. Moreover, through the four-day evidentiary hearing and closing argument and more than a half-dozen pre-trial hearings and status conferences on the Forbearance and Optional Termination Agreement, along with literally hundreds of pages and numerous briefs on the merits relating to the City's potential claims and defenses against the Swap Counterparties, this Court and all parties in interest are already familiar with all material issues relating to the Motion. Further, all parties in interest will be given eleven days to object, which is more than ample time given the general sophistication of the parties and their prior participation in the hearings regarding the Forbearance and Optional Termination Agreement. Thus, there exists little concern that the Court's consideration of the Motion on an expedited basis will cause any prejudice to any party in interest in this case.

6. The City will serve this *Ex Parte* Motion via the Court's ECF system to the parties who have requested electronic notice and will provide notice of the *ex parte* order promptly upon issuance.

7. For the reasons set forth above, the City submits that cause exists to:
(a) shorten the notice period with respect to the Motion to require any objections to be filed no later than 5:00 p.m. Eastern time on March 14, 2014 and any replies to

such objections to be filed no later than 5:00 p.m. Eastern time on March 18, 2014; and (b) schedule a hearing on the Motion on or before March 20, 2014.

8. The Swap Counterparties concur in the relief sought by this *Ex Parte* Motion.

WHEREFORE, the City respectfully requests that the Court enter an order, substantially in the form attached as Exhibit 1, granting the relief requested in this *Ex Parte* Motion.

Dated: March 3, 2014

Respectfully submitted,

Robert S. Hertzberg
Robert S. Hertzberg (P30261)
Deborah Kovsky-Apap (P68258)
PEPPER HAMILTON LLP
4000 Town Center, Suite 1800
Southfield, MI 48075
(248) 359-7300 - Telephone
(248) 359-7700 - Fax
hertzbergr@pepperlaw.com
kovskyd@pepperlaw.com

Corinne Ball
JONES DAY
222 East 41st Street
New York, New York 10017
Telephone: (212) 326-3939
Facsimile: (212) 755-7306
cball@jonesday.com

Thomas F. Cullen, Jr.
Gregory M. Shumaker
Geoffrey S. Stewart
JONES DAY
51 Louisiana Avenue, N.W.
Washington, D.C. 20001.2113
Telephone: (202) 879-3939
Facsimile: (202) 626-1700
tfcullen@jonesday.com
gshumaker@jonesday.com
gstewart@jonesday.com

ATTORNEYS FOR THE CITY

EXHIBIT 1

Proposed Order

**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. Steven W. Rhodes
-----X

**ORDER SHORTENING NOTICE AND SCHEDULING AN EXPEDITED
HEARING WITH RESPECT TO MOTION FOR AN ORDER
APPROVING SETTLEMENT AND PLAN SUPPORT AGREEMENT**

This matter came before the Court on the *Ex Parte Motion For An Order Shortening Notice And Scheduling An Expedited Hearing With Respect To Motion For An Order Approving Settlement And Plan Support Agreement* (Docket No. _____) (the “Ex Parte Motion”). The Court reviewed the *Ex Parte Motion* and has determined, after due deliberation, that (i) it has jurisdiction over this matter, (ii) this matter is a core proceeding, and (iii) the relief requested in the *Ex Parte Motion* is fair, equitable, and in the best interests of the City, its creditors, and other parties in interest.

Accordingly, it is hereby ORDERED that:

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

2. Any objection to the *Motion Of Debtor For Entry Of An Order, Pursuant To Section 105(a) Of The Bankruptcy Code And Bankruptcy Rule 9019, Approving Settlement And Plan Support Agreement And Granting Related Relief* (the “Motion”) shall be filed and served no later than 5:00 p.m. Eastern time on March 14, 2014.

3. Any replies to such objections shall be filed and served no later than 5:00 p.m. Eastern time on March 18, 2014.

4. A hearing with respect to the Motion be held on March 20, 2014 at _____ Eastern time before the Honorable Steven Rhodes in Courtroom _____ at 231 W. Lafayette Blvd, Detroit, Michigan 48226.