

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

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In re :
 : Chapter 9
 :
CITY OF DETROIT, MICHIGAN, :
 : Case No. 13-53846
 :
Debtor. : Hon. Steven W. Rhodes
 :
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**STIPULATION FOR AN ORDER MODIFYING CERTAIN DEADLINES
FOR AFSCME REGARDING PLAN CONFIRMATION**

The City of Detroit, Michigan (the “City”) and Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees and its affiliated Detroit Locals (collectively, “AFSCME”; and, together with the City, the “Parties”), by and through each of their undersigned counsel, stipulate as follows:

1. The City has reached an agreement with AFSCME regarding the treatment of “Pension Claims” and/or “OPEB Claims” (as such terms are defined in the Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (May 5, 2014) [Docket No. 4392] (the “Plan”))¹ as described in the Plan and/or the Disclosure Statement, provided that (1) Classes 10, 11 and 12 vote to

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Plan, the Scheduling Orders or in the June Stipulation (defined below).

accept the Plan; and (2) the funding contemplated by the State Contribution Agreement and the DIA Settlement is actually committed, subject to the fulfillment of the conditions that accompany such funding (the “Funding Commitments”). The Parties have also reached collective bargaining agreements, approved by the City and ratified by the AFSCME locals.

2. The City and, *inter alia*, AFSCME executed a stipulation dated May 9, 2014 (the “Original Stipulation”) that modified certain deadlines established by this Court’s *Fourth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor’s Plan of Adjustment* (Docket No. 4202) (the “Fourth Amended Scheduling Order”). The Original Stipulation was approved by Order of the Court entered on May 9, 2014 [Docket No. 4587]. The Original Stipulation contained dates for AFSCME to file and serve various papers and pleadings, including objections to confirmation and expert reports, which dates varied depending on certain contingencies, including the Funding Commitments and Classes 10, 11 and 12 voting for the Plan.

3. On June 9, 2014, the Court entered its *Fifth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor’s Plan of Adjustment* [Docket No. 5259] (the “Fifth Amended Scheduling Order”).

4. Pursuant to the *First Amended Stipulation Modifying Certain Plan Discovery and Pleading Deadlines for Certain Non-Debtor Parties* filed on

June 20, 2014 [Docket No. 5473] (the “June Stipulation”), the City and, *inter alia*, AFSCME agreed that if on or before July 21, 2014, a tally of votes is filed in the Court showing that (a) Classes 10, 11, or 12 have voted to reject the Plan or (b) the Plan has been materially modified to the detriment of Holders of Claims in Classes 10, 11, or 12, then AFSCME may file in Court and serve on July 22, 2014 its brief objecting to confirmation and witness lists opposing confirmation. The Court entered an Order approving the Stipulation on June 20, 2014 [Docket No. 5482].

5. At present, voting on acceptance or rejection of the Plan by all creditor classes, including Classes 10, 11, and 12 has been substantially completed, and the official tally of such vote was filed with the Court on July 21, 2014.

6. On July 25, 2014 the City filed its Fifth Amended Plan (the “Amended Plan”) for the Adjustment of Debts of the City of Detroit [Docket No. 6257], thereby amending the Plan.

7. The City’s implementation of the Plan, as amended by the Amended Plan, may affect pension, annuity and/or retiree health benefits held by AFSCME employees and retirees of certain non-City entities including the Detroit Library Commission (the “DLC”) that participate in the City’s General Retirement System and the City’s other retiree benefit programs (the “Impairment Issue”). AFSCME is engaged in discussions with the DLC and the City regarding the Impairment Issue.

8. AFSCME has agreed to support, and has issued support for, the Plan with respect to City employees and retirees.

9. On July 23, 2014, the Court entered an order [Docket No. 6226] approving a stipulation (the "July 22 Stipulation") entered between the Parties [Docket No. 6212] modifying the June Stipulation and permitting AFSCME additional time to file in Court a confirmation objection brief and AFSCME's witness lists (if any) until July 29, 2014, solely with regard to the Impairment Issue

10. In light of the (i) continued settlement discussions between the Parties involving the Impairment Issue and (ii) the filing of the Amended Plan (including modifications therein that may impact on the Impairment Issue), the Parties have agreed to seek a modification of the July 22 Stipulation and to permit AFSCME additional time to file in Court a confirmation objection brief and AFSCME's witness lists (if any) until August 1, 2014, solely with regard to the Impairment Issue.

STIPULATION

NOW, THEREFORE, it is hereby stipulated and agreed by and among the Parties, through their undersigned counsel:

1. AFSCME may file and serve its confirmation objection brief and witness lists, if any, but solely with regard to the Impairment Issue, on or before August 1, 2014.

2. The provisions of the Fifth Amended Scheduling Order and the June Stipulation remain in full force and effect, except as modified by this Stipulation.
3. The Parties request that the Court enter the proposed Order attached hereto as Exhibit 1 approving this Stipulation.

Dated: July 29, 2014

/s/ Sharon L. Levine

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ATTORNEYS FOR THE CITY

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
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: Chapter 9
: CITY OF DETROIT, MICHIGAN, :
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**ORDER MODIFYING CERTAIN DEADLINES FOR AFSCME
REGARDING PLAN CONFIRMATION**

This matter came before the Court on the Stipulation for an Order Modifying Certain Deadlines for AFSCME Regarding Plan Confirmation, dated July 29, 2014 (the “Stipulation”)¹; the Court having reviewed the Stipulation; the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court being fully advised in the premises;

IT IS HEREBY ORDERED THAT:

1. The Stipulation is APPROVED.

¹ Capitalized terms not defined herein have the meanings given to them in the Stipulation.

2. AFSCME may file and serve its confirmation objection brief and witness lists, if any, but solely with regard to the Impairment Issue, on or before August 1, 2014.

3. The provisions of the Fifth Amended Scheduling Order and the June Stipulation remain in full force and effect, except as modified by this Stipulation.

CERTIFICATE OF SERVICE

I, Sharon L. Levine, hereby certify that the foregoing Stipulation for an Order Modifying Certain Deadlines for AFSCME Regarding Plan Confirmation was filed and served via the Court's electronic case filing and noticing system on this 30th day of July, 2014.

/s/ Sharon L. Levine _____