

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

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

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**JOINT MOTION OF APPELLANTS AND APPELLEE TO STAY APPEAL**

Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively “Syncora”) and the City respectfully move to stay Syncora’s appeal of this Court’s *Order Denying Motion for Clarification of Post-Confirmation Procedures*. See Dkt. No. 7080 (Notice of Appeal). In support of this motion, Syncora and the City state as follows:

1. Syncora and the City move to stay this appeal until the effective date of the City’s proposed plan of adjustment.
2. Deciding this appeal would significantly undermine a sensitive settlement that, if approved and consummated, resolves all litigation between Syncora and the City.
3. The City’s proposed plan of adjustment reflects significant settlements with most of the City’s creditors. But even with these settlements, the proposed

plan of adjustment will not become final until the bankruptcy court confirms the plan under 11 U.S.C. § 943(b).

4. Syncora accordingly intends to dismiss this appeal pursuant to its settlement agreement with the City if and when the City's proposed plan of adjustment (which incorporates the settlement between Syncora and the City) becomes effective.

5. If this Court does not stay this appeal, any decision by this Court, regardless of outcome, seriously threatens to destabilize the plan process (including the City's settlements with many other creditors), to the obvious detriment of the City, its employees and retirees, other settling parties, and the State of Michigan. Further, if this Court does not stay this appeal and the City's proposed plan of adjustment is confirmed, any decision in this appeal would unnecessarily resolve issues that need not be resolved.

For the foregoing reasons, Syncora and the City respectfully request that the Court enter an order, substantially in the form attached as Exhibit 1, staying the instant appeal.

Dated: September 18, 2014

Respectfully submitted,

**KIRKLAND & ELLIS LLP**

By: /s/ Ryan Blaine Bennett

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*Attorneys for Syncora Guarantee Inc. and  
Syncora Capital Assurance Inc.*

*/s/ Corinne Ball*

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*Attorneys for the City of Detroit*

**Exhibit 1**

**Proposed Order**

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

*In re*

CITY OF DETROIT, MICHIGAN,

*Debtor.*

)  
) Chapter 9  
)  
) Case No. 13-53846  
)  
) Hon. Steven W. Rhodes  
)  
)  
)  
)

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**ORDER GRANTING JOINT MOTION  
OF APPELLANTS AND APPELLEE TO STAY APPEAL**

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This matter having come before the Court on the joint motion of Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, “Syncora”) and the City for the entry of an order staying Syncora’s appeal of this Court’s *Order Denying Motion for Clarification of Post-Confirmation Procedures*, see Dkt. No. 7080 (Notice of Appeal), the Court having reviewed the joint motion, and the Court having determined that the legal and factual bases set forth in the joint motion establish just cause for the relief granted herein;

**IT IS HEREBY ORDERED THAT:**

1. The joint motion is GRANTED.
2. Syncora is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the joint motion.
3. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

4. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

**Exhibit 2**

**Notice of Motion and Opportunity to Object**



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

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

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**NOTICE OF JOINT MOTION OF  
APPELLANTS AND APPELLEE TO STAY APPEAL**

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**PLEASE TAKE NOTICE** that on September 18, 2014, Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (together, “Syncora”) and the City of Detroit (the “City”) filed the *Joint Motion of Appellants and Appellee to Stay Appeal* (the “Joint Motion”) in the United States Bankruptcy Court for the Eastern District of Michigan (the “Bankruptcy Court”).

**PLEASE TAKE FURTHER NOTICE** that your rights may be affected by the relief sought in the Joint Motion. You should read these papers carefully and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.

**PLEASE TAKE FURTHER NOTICE** that if you do not want the Bankruptcy Court to grant the Joint Motion or you want the Bankruptcy Court to consider your views on the Motion, by October 2, 2014, you or your attorney must:

File with the Bankruptcy Court a written response to the Joint Motion, explaining your position, electronically through the Bankruptcy Court's electronic case filing system in accordance with the Local Rules of the Bankruptcy Court or by mailing any objection or response to:<sup>1</sup>

United States Bankruptcy Court  
Theodore Levin Courthouse  
231 West Lafayette Street  
Detroit, MI 48226

You must also serve a copy of any objection or response upon:

James H.M. Sprayregen, P.C.  
Ryan Blaine Bennett  
Stephen C. Hackney  
KIRKLAND & ELLIS LLP  
300 North LaSalle  
Chicago, Illinois 60654  
Telephone: (312) 862-2000  
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<sup>1</sup> A response must comply with F. R. Civ. P. 8(b), (c) and (e).

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If an objection or response is timely filed and served, the clerk will schedule a hearing on the Joint Motion and you will be served with a notice of the date, time and location of the hearing.

**PLEASE TAKE FURTHER NOTICE that if you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the Joint Motion and may enter an order granting such relief.**

Dated: September 18, 2014

Respectfully submitted,

**KIRKLAND & ELLIS LLP**

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Ryan Blaine Bennett

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*Attorneys for the City of Detroit*

**Exhibit 3**

**None [Brief Not Required]**

**Exhibit 4**  
**Certificate of Service**

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

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|                            | )                       |

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**CERTIFICATE OF SERVICE**

I, Ryan Blaine Bennett, hereby certify that on September 18, 2014, I caused the foregoing *Joint Motion of Appellants and Appellee to Stay Appeal* to be filed and served via the Court's electronic case filing and noticing system to all parties registered to receive electronic notices in this matter.

September 18, 2014

/s/ Ryan Blaine Bennett  
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Ryan Blaine Bennett  
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*Counsel for Appellants*



**Exhibit 5**  
**Affidavits**  
**[Not Applicable]**

**Exhibit 6**

**Documentary Exhibits  
[Not Applicable]**