

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION – DETROIT**

In Re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,

Chapter 9

Debtor.

Hon. Steven W. Rhodes

***EX PARTE* MOTION OF MERRILL LYNCH CAPITAL SERVICES, INC.
AND UBS AG FOR AN ORDER AUTHORIZING THEM TO FILE A
JOINT STATEMENT AND REPLY IN EXCESS OF PAGE LIMITS**

Merrill Lynch Capital Services, Inc. (“Merrill Lynch”) and UBS AG (“UBS”), both creditors and/or parties in interest in the above-captioned case, move the Court, pursuant to Rule 9014-1 of the Local Rules of the United States Bankruptcy Court for the Eastern District of Michigan (the “Local Bankruptcy Rules”), for the entry of an order authorizing Merrill Lynch and UBS to file a joint statement in support of the Motion of Debtor for Entry of an Order (I) Authorizing the Assumption of That Certain Forbearance and Optional Termination Agreement Pursuant to Section 365(a) of the Bankruptcy Code, (II) Approving Such Agreement Pursuant to Rule 9019 and (III) Granting Related Relief (ECF No. 17, corrected at ECF No. 157) (the “Motion”) and in reply to the objections to the Motion (a “Statement and Reply”). In support of their motion, Merrill Lynch and UBS respectfully submit as follows:

1. The City of Detroit, Michigan, filed the Motion on July 18, 2013, to approve the Forbearance and Optional Termination Agreement (the “FOTA”), dated July 15, 2013.

2. Thirteen parties have filed objections to the Motion (collectively, the “Objections”). The Objections total 188 pages and include a 52-page objection filed by Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (ECF No. 366), and a 22-page objection filed by Financial Guaranty Insurance Company (ECF No. 360). The Objections raise complex legal issues that require detailed analysis of both the Bankruptcy Code and state law.

3. Merrill Lynch and UBS support the Motion. They are parties to the FOTA, and they have a significant stake in the outcome of the Motion. Moreover, they are uniquely positioned to address certain legal issues raised in the Objections.

4. Because of the volume and complexity of the Objections, Merrill Lynch and UBS seek leave to file a Statement and Reply of no more than forty (40) pages. Merrill Lynch and UBS have not filed any other papers in connection with the Motion.

WHEREFORE, Merrill Lynch and UBS respectfully request that this Court enter an order substantially in the form attached as **Exhibit 1** and grant such other relief as the Court deems proper.

Dated: December 10, 2013

WARNER NORCROSS & JUDD LLP

By: /s/ Stephen B. Grow

Stephen B. Grow (P39622)
Charles Ash, Jr. (P55941)
900 Fifth Third Center
111 Lyon Street NW
Grand Rapids, Michigan 49503
Telephone: (616) 752-2000
Facsimile: (616) 222-2500
sgrow@wnj.com
cash@wnj.com

*Attorneys for Merrill Lynch Capital
Services, Inc. and UBS AG*

BINGHAM McCUTCHEN LLP

Jared R. Clark
Mark M. Elliott
Edwin E. Smith
Steven Wilamowsky
399 Park Avenue
New York, New York 10022
Telephone: (212) 705-7000
Facsimile: (212) 702-5378
jared.clark@bingham.com
mark.elliott@bingham.com
edwin.smith@bingham.com
steven.wilamowsky@bingham.com

Attorneys for UBS AG

CADWALADER, WICKERSHAM &
TAFT LLP

Howard R. Hawkins, Jr.
Jason Jurgens
Ellen M. Halstead
One World Financial Center
New York, New York 10281
Telephone: (212) 504-6000
Facsimile: (212) 504-6666
howard.hawkins@cwt.com
jason.jurgens@cwt.com
ellen.halstead@cwt.com

Mark C. Ellenberg
700 Sixth Street, N.W.
Washington, DC 20001
Telephone: (202) 862-2200
Facsimile: (202) 862-2400
mark.ellenberg@cwt.com

*Attorneys for Merrill Lynch Capital
Services, Inc.*

SUMMARY OF ATTACHMENTS

In accordance with Local Rule 9014-1(b), Merrill Lynch and UBS attach the following to their motion:

Exhibit 1	Proposed Form of Order
Exhibit 2	None (Motion seeks <i>Ex Parte</i> relief)
Exhibit 3	None (Brief not required)
Exhibit 4	Certificate of Service
Exhibit 5	None (No affidavits)
Exhibit 6	None (no documentary exhibits)

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION – DETROIT**

In Re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,

Chapter 9

Debtor.

Hon. Steven W. Rhodes

***EX PARTE* ORDER AUTHORIZING MERRILL LYNCH CAPITAL
SERVICES, INC. AND UBS AG TO FILE A JOINT STATEMENT AND
REPLY IN EXCESS OF PAGE LIMITS**

This matter coming before the Court on the *Ex Parte* Motion of Merrill Lynch Capital Services, Inc. and UBS AG to File a Joint Statement in Support of the Motion of Debtor for Entry of an Order (I) Authorizing the Assumption of That Certain Forbearance and Optional Termination Agreement Pursuant to Section 365(a) of the Bankruptcy Code, (II) Approving Such Agreement Pursuant to Rule 9019 and (III) Granting Related Relief, and in Reply to the Objections to the Motion, and the Court being fully advised in the premises;

IT IS ORDERED THAT:

1. The Motion is GRANTED.
2. Merrill Lynch Capital Services, Inc. and UBS AG may file a Joint Statement in Support of the Motion of Debtor for Entry of an Order (I) Authorizing the Assumption of That Certain Forbearance and Optional Termination Agreement

Pursuant to Section 365(a) of the Bankruptcy Code, (II) Approving Such Agreement Pursuant to Rule 9019 and (III) Granting Related Relief, and in Reply to the Objections to the Motion (a “Statement and Reply”).

3. The Statement and Reply may be no more than forty (40) pages.

EXHIBIT 4

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION – DETROIT**

In Re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,

Chapter 9

Debtor.

Hon. Steven W. Rhodes

_____ /

CERTIFICATE OF SERVICE

The undersigned certifies that on December 10, 2013, the *Ex Parte Motion of Merrill Lynch Capital Services, Inc. And UBS AG for an Order Authorizing Them to File A Joint Statement and Reply in Support of Motion* was filed with the Clerk of the Court using the CM/ECF system, which provides electronic notification of such filing to all counsel of record.

Dated: December 10, 2013

By: /s/ Stephen B. Grow

Stephen B. Grow (P39622)
900 Fifth Third Center
111 Lyon Street NW
Grand Rapids, Michigan 49503
Telephone: (616) 752-2158
Facsimile: (616) 222-2158
sgrow@wnj.com