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

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In re

CITY OF DETROIT, MICHIGAN,

Debtor.

Chapter 9

Case No. 13-53846

Hon. Steven W. Rhodes

## LIMITED JOINDER OF THE OFFICIAL COMMITTEE OF RETIREES TO THE MOTION OF CREDITORS FOR ENTRY OF AN ORDER PURSUANT TO SECTION 105(a) OF THE BANKRUPTCY CODE APPOINTING AND DIRECTING THE DEBTOR TO COOPERATE WITH A COMMITTEE OF CREDITORS AND INTERESTED PERSONS TO ASSESS THE ART COLLECTION OF THE DETROIT INSTITUTE OF ARTS BASED ON ARMS-LENGTH MARKET TRANSACTIONS TO <u>ESTABLISH A BENCHMARK VALUATION</u>

The Official Committee of Retirees (the "Committee"), by its undersigned attorneys, files this limited joinder (the "Limited Joinder") to the *Motion of Creditors for Entry of an Order Pursuant to Section 105(a) of the Bankruptcy Code Appointing and Directing the Debtor to Cooperate with a Committee of Creditors and Interested Persons to Assess the Art Collection of the Detroit Institute of Arts Based on Arms-Length Market Transactions to Establish a Benchmark Valuation* [Docket No. 1833], filed on November 26, 2013 (the "Motion"), and in further support of this Limited Joinder, states the following:

1. The Committee advises the Court and the parties that it is willing to participate in any committee appointed or authorized by the Court for the purpose of investigating art issues for the benefit of creditors.

2. Based on the City's projections and schedules, the Committee's constituents -- the approximately 22,000 retirees of the City of Detroit (the "Retirees") -- are collectively owed more than \$9 billion; \$3.5 billion in underfunded and/or unfunded pension benefit promises and \$5.6 billion in other post-employment benefits ("OPEB"). Thus, the Retirees constitute the

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largest creditor body in this case.

3. As a result, the assessment of the scope, valuation and treatment of the City's assets, including art, may have a substantial effect upon the Retirees' recovery and the treatment afforded their benefit programs under any plan of arrangement in this case.

4. If granted, the requested relief will be much more efficient for the City, the estate and the Court than if creditors are compelled to seek alternative actions or Rule 2004 examinations and other forms of formal discovery. In addition, the Committee is willing to participate in such an "art committee" because time is of the essence for the requested relief. It must be noted that the City's appraiser has only estimated 5% of art located at the Detroit Institute of Art ("DIA"), yet it may seek to confirm a plan within the first half of 2014. Given that the value of City owned art may be critical to this case, the Committee is willing to join should the Motion should be granted.

WHEREFORE, for the reasons set forth in the Motion, the Committee respectfully requests that the Court (i) include the Committee if it grants grant the relief requested in the Motion, and (ii) grant such other relief as the Court may deem just and proper.

/s/ Matthew E. Wilkins Matthew E. Wilkins (P56697) Paula A. Hall (P61101 Brooks Wilkins Sharkey & Turco PLLC 401 South Old Woodward, Suite 400 Birmingham, Michigan 48009 Tel: (248) 971-1800 wilkins@bwst-law.com hall@bwst-law.com

Attorneys for the Official Committee of Retirees

Dated: December 16, 2013

By: <u>/s/ Sam Alberts</u> Sam J. Alberts Dentons US LLP 1301 K Street, NW, Suite 600, East Tower Washington, DC 20005-3364 Tel: (202) 408-6400 sam.alberts@dentons.com

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## **CERTIFICATE OF SERVICE**

I, Matthew E. Wilkins, state that on December 16, 2013, I filed a copy of the foregoing Limited Joinder of the Official Committee of Retirees to the Motion of Creditors for Entry of an Order Pursuant to Section 105(a) of the Bankruptcy Code Appointing and Directing the Debtor to Cooperate with a Committee of Creditors and Interested Persons to Assess the Art Collection of the Detroit Institute of Arts Based on Arms-Length Market Transactions to Establish a Benchmark Valuation with the Clerk of Court using the Court's ECF system and I hereby certify that the Court's ECF system has served all registered users that have appeared in the above-captioned case. I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

/s/ Matthew E. Wilkins Matthew E. Wilkins wilkins@bwst-law.com