

**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, PURSUANT TO
SECTION 365(a) OF THE BANKRUPTCY CODE, AUTHORIZING
THE REJECTION OF SERVICES CONTRACT NO. 28772341 BETWEEN
THE DEBTOR AND ADP, INC., EFFECTIVE AS OF DECEMBER 20, 2013**

The City of Detroit (the "City") and ADP, Inc. ("ADP"), by and through each of their undersigned counsel, stipulate to the entry of the order attached hereto as Exhibit 1.

Dated: December 23, 2013

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ATTORNEYS FOR THE CITY

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
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**ORDER, PURSUANT TO SECTION 365(a) OF THE
BANKRUPTCY CODE, AUTHORIZING THE REJECTION
OF SERVICES CONTRACT NO. 28772341 BETWEEN THE
DEBTOR AND ADP, INC., EFFECTIVE AS OF DECEMBER 20, 2013**

This matter coming before the Court on the Stipulation for an Order, Pursuant to Section 365(a) of the Bankruptcy Code, Authorizing the Rejection of Services Contract No. 28772341 Between the Debtor and ADP, Inc., Effective as of December 20, 2013 (the "Stipulation"), filed jointly by the City of Detroit (the "City") and ADP, Inc. ("ADP"); 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); the Court being advised that the City and ADP have agreed that Services Contract No. 28772341 between the City and ADP, as approved by the Detroit City Council on November 20, 2012 (including any schedules, attachments, change

orders, supplements or other amendments thereto and all other obligations arising thereunder, the "Contract"), is an executory contract, subject to rejection pursuant to section 365(a) of title 11 of the United States Code (the "Bankruptcy Code"); and the Court being fully advised in the premises;

IT IS HEREBY ORDERED THAT:

1. The Stipulation is APPROVED.
2. Pursuant to section 365(a) of the Bankruptcy Code, the City is authorized to reject the Contract, and the Contract is deemed rejected, effective as of December 20, 2013 (the "Rejection Date").
3. ADP shall promptly (a) return to the City or destroy any and all confidential information obtained by ADP in the course of its work under the Contract, (b) disable all external connections to City records and accounts established by ADP during the course of its work under the Contract and (c) certify to the City its compliance with the foregoing, unless return or destruction is not practicable and, in such case, ADP shall maintain the confidential information subject to its confidentiality obligation under the Contract.
4. The City shall provide employees, representatives or agents of ADP with reasonable access to the City's property solely to the extent necessary to, and for the purpose of, recovering any property of ADP or its employees, representatives or agents in the City's possession.

5. Pursuant to paragraph 16 of the Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof (Docket No. 1782) (the "Bar Date Order"), any entity asserting any claims arising from or relating to the rejection of the Contract must file its proof of claim by the later of: (a) the General Bar Date (i.e., February 21, 2014 at 4:00 p.m., Eastern Time) and (b) 4:00 p.m., Eastern Time, on the first business day that is at least 30 days after the date of this Order.

6. The City has expressed its intention to pay ADP in full for appropriate fees and costs incurred under the Contract for requested services performed by ADP during the period from the commencement of the City's bankruptcy case on July 18, 2013 through the Rejection Date.

7. The City's agreement to the terms of this Order is without prejudice to or waiver of its rights pursuant to section 904 of the Bankruptcy Code, and nothing herein is intended to, shall constitute or shall be deemed to constitute the City's consent, pursuant to section 904 of the Bankruptcy Code, to this Court's interference with (a) any of the political or governmental powers of the City, (b) any of the property or revenues of the City or (c) the City's use or enjoyment of any income-producing property.

