



Corporate Trust Services  
60 Livingston Ave.  
St. Paul, MN 55107

Notice to Holders of:

**Detroit Retirement Systems Funding Trust 2006  
Certificates of Participation Series 2006-A**  
[CUSIP No. 251228AA0]

**Detroit Retirement Systems Funding Trust 2006  
Certificates of Participation Series 2006-B**  
[CUSIP Nos. 251228AB8 and 251228AC6]<sup>1</sup>

**Please forward this notice to beneficial holders.**

U.S. Bank National Association is the trustee (the “Trustee”) under that certain Trust Agreement dated June 12, 2006 (the “Trust Agreement”) by and among the Trustee, the Detroit General Retirement System Service Corporation (“GRS Corporation”), and the Detroit Police and Fire Retirement System Service Corporation (“PFRS Corporation” and, collectively with GRS Corporation, the “Service Corporations”).<sup>2</sup>

Separate from its role as Trustee under the Trust Agreement, U.S. Bank National Association serves as contract administrator (the “Contract Administrator”) under a certain Contract Administration Agreement dated June 12, 2006 (the “Contract Administration Agreement”) by and among the Contract Administrator, the Funding Trust (defined below), GRS Corporation, and the PFRS Corporation.

**The Certificates**

The above-referenced Series 2006-A Certificates of Participation and Series 2006-B Certificates of Participation (collectively, the “Certificates”) were issued by the “Detroit Retirement Systems Funding Trust 2006” (the “Funding Trust”) established under the Trust Agreement for the purpose of funding the unfunded accrued actuarial liability of the Detroit General Retirement

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<sup>1</sup> The above-referenced CUSIP numbers are provided only as a convenience to the owners of the Certificates and no representation is made as to the correctness of the CUSIP numbers as printed on the Certificates or as contained in this Notice.

<sup>2</sup> Capitalized terms that appear in this Notice but are not defined herein shall have the respective meanings assigned to them in the Trust Agreement and the accompanying General Terms and Conditions dated as of May 1, 2005.

System and the Detroit Police and Fire Retirement System. The Certificates evidence individual undivided proportionate interests in the rights to receive certain payments (“Funding Trust Receivables”) to be made by the City of Detroit, Michigan (the “City”) under two service contracts of the City, namely, (i) a Service Contract dated June 7, 2006 between the City and the GRS Corporation and (ii) a Service Contract dated June 7, 2006 between the City and the PFRS Corporation (collectively, the “Service Contracts”).

Pursuant to the Service Contracts, the City is obligated to make service payments and certain additional payments to the Contract Administrator corresponding to the principal and interest payments due and owing on the Certificates. Pursuant to the Trust Agreement, the Service Corporations assigned their respective rights and interests in the Funding Trust Receivables due under the Service Contracts to the Funding Trust.

### **Bankruptcy Filing**

On July 18, 2013, the City filed a voluntary petition under Chapter 9 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Michigan (the “Bankruptcy Court”), commencing Case No. 13-53846 (the “Chapter 9 Case”) before the Hon. Judge Steven W. Rhodes. The bankruptcy filing constitutes an Event of Default under Section 6.2.1(2) of the Contract Administration Agreement.

Copies of all pleadings, orders and documents filed in the Chapter 9 Case may be accessed by visiting the website maintained by the City’s claims and noticing agent, Kurtzman Carson Consultants, LLC, at <http://www.kccllc.net/Detroit>. Alternatively, holders may obtain copies of the filings upon written request to the Trustee using the address provided at the end of this notice.

### **Insurance Policies**

The scheduled payment of principal of and interest on the Certificates is guaranteed under certain insurance policies (the “Policies”) issued by Financial Guaranty Insurance Company (“FGIC”) and Syncora Guarantee Inc., f/k/a XL Capital Assurance Inc., (“Syncora” and, collectively with FGIC, the “Insurers”), respectively. Pursuant to Section 6.9.2 of the Trust Agreement, so long as the Policies are in effect and the Insurers are not in default thereunder, the Insurers are deemed to be holders of Certificates equal to the principal amount insured by them and generally have the right to direct the Trustee with respect to remedial actions to be taken in response to an Event of Default.

### **Notice of Further Developments**

The Trustee will send additional notices to holders as the Chapter 9 Case proceeds and as material events occur.

Questions regarding any of the foregoing may be addressed to Susan Jacobsen, Vice President, U.S. Bank National Association, by mail to Mail Station EP-MN-WS1D, 60 Livingston Ave., St. Paul, MN 55107, by email at [susan.jacobsen2@usbank.com](mailto:susan.jacobsen2@usbank.com) or by telephone at 651-466-5864.

The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. Holders should not rely upon the Trustee as their sole source of information. Holders should consult with their own professionals on matters related to the Certificates. The Trustee makes no recommendations and gives no investment advice.

**U.S. Bank National Association, as Trustee**

**July 26, 2013**

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