

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

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In re	:	Chapter 9
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CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
	:	
Debtor.	:	Hon. Steven W. Rhodes
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	:	
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	:	
CITY OF DETROIT, MICHIGAN,	:	Chapter 9
	:	
Plaintiff,	:	Adv. Pro. No. 14-04112
	:	
vs.	:	Hon. Steven W. Rhodes
	:	
DETROIT GENERAL RETIREMENT	:	
SYSTEM SERVICE CORPORATION,	:	
DETROIT POLICE AND FIRE	:	
RETIREMENT SYSTEM SERVICE	:	
CORPORATION, DETROIT	:	
RETIREMENT SYSTEMS FUNDING	:	
TRUST 2005, and DETROIT	:	
RETIREMENT SYSTEMS FUNDING	:	
TRUST 2006	:	
	:	
Defendants.	:	
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**PRE-INITIAL SCHEDULING
CONFERENCE JOINT REPORT OF ALL PARTIES**

A scheduling conference is currently scheduled to take place on August 14, 2014 at 9:00 a.m. at the U.S. Courthouse, Courtroom 716,

231 W. Lafayette, Detroit, Michigan 48226. Pursuant to the Court's July 31, 2014 *Notice of Initial Scheduling Conference in an Adversary Proceeding* (the "Notice"), counsel for the parties conferred on Friday, August 8, 2015 and discussed the subjects listed in the Rule 26(f) of the Federal Rules of Civil Procedure (the "Rules"), as incorporated in the above-captioned adversary proceeding by Rule 7026 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") report form available on the Court's web site. This report is submitted jointly on behalf of the Plaintiff, City of Detroit (the "City"), Defendant Wilmington Trust, National Association, as Successor Trustee for the Detroit Retirement Systems Funding Trust 2005 and the Detroit Retirement Systems Funding Trust 2006 (the "Trust Defendants"), Intervenor-Defendant Financial Guaranty Insurance Company ("FGIC"), Intervenor-Defendant Deutsche Bank AG ("Deutsche Bank"), and Intervenor-Defendants Panning Capital Management, LP, Monarch Alternative Capital LP, Bronze Gable, L.L.C., Aurelius Capital Management, LP and Stone Lion Capital Partners L.P. (the "Ad Hoc COPs Holders") (collectively, the "Parties") in compliance with the Notice.¹

¹ Defendants Detroit General Retirement System Service Corporation and Detroit Police and Fire Retirement System Service Corporation (the "Service Corporations") did not provide a definite response to the Parties as to their joinder to items set forth in this report. Accordingly, this report is not submitted on behalf of the Service Corporations..

(1) Initial Disclosures required by Fed. R. Civ. P. 26(a)(1).

The Parties waive any obligation to make initial disclosures pursuant to Rule 26(a)(1), except that the Parties shall make initial disclosures subject to paragraph (A)(i)-(ii) of that Rule by September 5, 2014.

(2) Discovery Plan. The Parties propose to the Court the following discovery plan:

(a) Discovery will be needed on the following subjects: All matters pertinent to any claims or defenses made in or in response to the complaint, any counterclaims and any answers thereto.

(b) All fact discovery commenced in time to be completed by:

(i) City's Position: All discovery, including expert discovery, to be completed by February 27, 2015.

As part of an overall compromise, the City proposed to the Defendants and Intervenor-Defendants January 30, 2015 as the close of fact discovery and remains willing to accept that compromise.

(ii) Defendants and the Intervenor-Defendants' Position: June 1, 2015. As part of an overall

compromise, the Defendants and the Intervenor-Defendants proposed to the City March 24, 2015 and remain willing to accept that compromise.

(c) Maximum of thirty (30) interrogatories by each party to any other party. Responses due twenty (20) days after service.

(d) No limit on the number of document requests. Responses due twenty (20) days after service.

(e) Maximum of sixty (60) requests for admission by each party to any other party. Responses due twenty (20) days after service.

(f) Depositions:

(i) City's Position: Maximum of ten (10) depositions by the City and ten (10) depositions collectively by the Defendants and Intervenor-Defendants.

(ii) Defendants and Intervenor-Defendants' Position: Maximum of fifteen (15) depositions by the City and a maximum of forty (40) depositions collectively by the Trust Defendants, the Service Corporations, FGIC, Deutsche Bank and the Ad Hoc COPs Holders. During the meet and confer, the City proposed as a compromise, subject

to further internal discussion among the City's counsel, a maximum of fifteen (15) depositions by the City and twenty (20) depositions by the Defendants and the Intervenor-Defendants collectively. Defendants and the Intervenor-Defendants propose thirty (30) depositions as part of an overall compromise.

(g) Each deposition limited to maximum of seven (7) hours unless modified by agreement of the parties or order of the Court.

(h) Reports from retained experts under Rule 26(a)(2) due 28 days after the close of fact discovery.

(i) Rebuttal reports due 28 days after initial expert reports.

(j) Expert depositions completed by 28 days after rebuttal reports due.

(k) Supplementation under Rule 26(e) due on the last business day of each month until the case has finally concluded.

(3) Other Items.

(a) Any documents withheld or redacted on basis of any privilege must be accompanied by a privilege log identifying sufficient information to confirm or challenge the assertion of privilege.

(b) The Defendant-Intervenors do not waive their position that they should be entitled to file counterclaims and third-party claims, as previously requested. All Parties reserve their respective rights to seek to join additional parties and to amend the pleadings with proper leave of Court.

(c) All potentially dispositive motions should be filed twenty-eight (28) days after the deadline for expert depositions; responses due twenty-eight (28) days after the filing of the dispositive motions; and reply briefs due fourteen (14) days after the responses.

(d) Trial:

(i) City's Position: The proceeding should be ready for trial thirty (30) days after the close of briefing on the dispositive motions.

(ii) Defendants and Intervenor-Defendants' Position: The proceeding should be ready for trial sixty (60) days after the close of briefing on the dispositive motions.

(iii) The Parties agree that the trial is expected to take approximately ten (10) trial days.

(e) Jury Trial Matters.

(i) City's Position: It is the City's position that a trial by jury was not timely demanded and has been waived.

(ii) Defendants and Intervenor-Defendants' Position: Defendants and Intervenor-Defendants do not at this time consent to the Bankruptcy Court conducting the jury trial.

(f) The City maintains that this is a core proceeding. Defendants and Intervenor-Defendants maintain that this is a non-core proceeding otherwise related to the Chapter 9 bankruptcy proceeding.

(g) The City consents to the Bankruptcy Court entering a final order or judgment in this proceeding. Defendants and Intervenor-Defendants do not consent to the Bankruptcy Court entering a final order or judgment in this proceeding.

(4) Other matters.

(a) With respect to Motion of the Official Committee of Retirees of the City of Detroit to Intervene Under Rule 24 of the Federal Rules of Civil Procedure, Rule 7024 of the Federal Rules of Bankruptcy Procedure, and Section 1109(b) of the Bankruptcy Code, the City agrees to have further

discussions regarding discovery if and when the Retiree Committee is permitted to intervene. The Defendants and the Intervenor-Defendants maintain that the Retiree Committee should be bound by positions taken by the City on discovery and pretrial scheduling matters.

(5) Matters not agreed upon or insufficiently addressed by the foregoing.

Areas of disagreement are reflected above.

Dated: August 11, 2014

Respectfully submitted,

/s/ Deborah Kovsky-Apap
Robert S. Hertzberg (P30261)
Deborah Kovsky-Apap (P68258)
PEPPER HAMILTON LLP
4000 Town Center, Suite 1800
Southfield, MI 48075
Telephone: (248) 359-7300
Facsimile: (248) 359-7700
hertzbergr@pepperlaw.com
kovskyd@pepperlaw.com

Geoffrey S. Stewart (DC 287979)
JONES DAY
51 Louisiana Ave., N.W.
Washington, D.C. 20001
Telephone: (202) 879-3939
Facsimile: (202) 626-1700
gstewart@jonesday.com
Attorneys for the City of Detroit

/s/ Heath Rosenblat
Drinker Biddle & Reath LLP
1177 Avenue of the Americas, 41st
Floor
New York, New York 10036-2714
(212) 248-3248 Phone
(212) 248-3141 Fax
Heath.Rosenblat@dbr.com

*Attorneys for Wilmington Trust,
National Association, as Successor
Trustee for the Detroit Retirement
Systems Funding Trust 2005 and the
Detroit Retirement Systems Funding
Trust 2006*

/s/ Jonathan M. Wagner
Jonathan M. Wagner
KRAMER LEVIN NAFTALIS &
FRANKEL LLP
1177 Avenue of the Americas
New York, NY 10036
Tel: 212/715-9169
jwagner@kramerlevin.com

*Attorneys for Panning Capital
Management LP, Monarch Alternative
Capital LP, Bronze Gable, L.L.C.,
Aurelius Capital Management, LP and
Stone Lion Capital Partners L.P.*

/s/ Edward R. McCarthy
Edward Soto
Edward R. McCarthy
WEIL, GOTSHAL & MANGES LLP
1395 Brickell Avenue, Suite 1200
Miami, FL 33131
edward.soto@weil.com
+1 305 577 3177 Direct
+1 305 374 7159 Fax

*Attorneys for Financial Guaranty
Insurance Company*

/s/ John J. Ramirez
John J. Ramirez
Katten Muchin Rosenman LLP
575 Madison Avenue
New York, NY 10022-2585
p / (212) 940-6435
f / (212) 940-8776
john.ramirez@kattenlaw.com

*Attorneys for Deutsche Bank AG,
London*

CERTIFICATE OF SERVICE

I hereby certify that on this day I caused a true and correct copy of the foregoing **Pre-Initial Scheduling Conference Joint Report of All Parties** to be filed electronically with the Clerk of the Court via the ECF system, which will send notice of such filing to all parties registered to receive notice in this adversary proceeding.

Dated: August 11, 2014

/s/ Deborah Kovsky-Apap
Deborah Kovsky-Apap (P68258)