

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

| | | |
|---|---|----------------------------|
| In re: | : | Chapter 9 |
| | : | |
| CITY OF DETROIT, MICHIGAN, | : | Case No. 13-53846 |
| | : | |
| Debtor. | : | Hon. Steven W. Rhodes |
| | : | |
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| NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION, a New York Corporation, and ASSURED GUARANTY MUNICIPAL CORP., a New York Corporation, | : | |
| | : | |
| Plaintiffs, | : | Chapter 9 |
| | : | |
| v. | : | Adv. Pro. No. 13-05309-swr |
| | : | |
| CITY OF DETROIT, MICHIGAN, KEVYN D. ORR, in his individual and official capacity as the EMERGENCY MANAGER, JOHN NAGLICK, in his individual and official capacity as FINANCE DIRECTOR, MICHAEL JAMISON in his individual and official capacity as DEPUTY FINANCE DIRECTOR, and CHERYL JOHNSON, in her individual and official capacity as TREASURER, | : | Hon. Steven W. Rhodes |
| | : | |
| Defendants. | : | |

STIPULATION TO STAY LITIGATION

The City of Detroit, Michigan (the “City”), Assured Guaranty Municipal Corp., formerly known as Financial Security Assurance Inc. (“Assured”), and National Public Finance Guarantee Corporation (“National” and, collectively with the City and Assured, the “Parties”), by and through their undersigned counsel, request the entry of an order in the form of Exhibit A hereto and stipulate as follows:

1. Effective as of July 18, 2014, the City, Assured and its affiliate Assured Guaranty Corp. (“AGC”), National, and Ambac Assurance Corporation (“Ambac”, and together with Assured, AGC, and National, the “UTGO Parties”) entered into a Settlement Agreement (the “UTGO Settlement Agreement”) resolving, *inter alia*, the issues raised in the above-captioned action (the “Assured/NPFG Action”) with regard to the unlimited tax general obligation bonds insured by the UTGO Parties.

2. Section 2.13 of the UTGO Settlement Agreement provides that as soon as practicable subsequent to the execution and delivery of the UTGO Settlement Agreement, but in no event later than five (5) business days subsequent thereto, the UTGO Parties are to take any and all action as is appropriate to stay the UTGO Litigation (as defined in the UTGO Settlement Agreement), which includes that Assured/NPFG Action.

3. The UTGO Settlement Agreement and the corresponding Settlement Escrow Agreement (as defined in the UTGO Settlement Agreement) were fully executed and delivered as of September 7, 2014.

4. Pursuant to the UTGO Settlement Agreement, the Parties hereby stipulate to a stay of the Assured/NPFG Action. The stay is subject to termination, and the Assured/NPFG Action may be resumed, only as described in the UTGO Settlement Agreement, attached as Exhibit I.A.341 to the Sixth Amended Plan for the Adjustment of Debts of the City of Detroit (August 20, 2014) [Docket No. 6908].

Dated: September 11, 2014

Respectfully Submitted,

JONES DAY

/s/ Heather Lennox
David G. Heiman (OH 0038271)
Heather Lennox (OH 0059649)
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-3939
Facsimile: (216) 579-0212
dgheiman@jonesday.com
hlennox@jonesday.com

-and-

Bruce Bennett (CA 105430)
JONES DAY
555 South Flower Street
Fiftieth Floor
Los Angeles, California 90071
Telephone: (213) 243-2382
Facsimile: (213) 243-2539
bbennett@jonesday.com

PEPPER HAMILTON LLP

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

Attorneys for the City of Detroit, Michigan

CHADBOURNE & PARKE LLP

/s/ Lawrence A. Larose
Lawrence A. Larose
Samuel S. Kohn
Eric Daucher
1301 Avenue of the Americas
New York, NY 10019
Telephone: (212) 408-5100
llarose@chadbourne.com
skohn@chadbourne.com
edaucher@chadbourne.com

*Attorneys for Assured Guaranty
Municipal Corp.*

SIDLEY AUSTIN LLP

/s/ Jeffrey E. Bjork
Jeffrey E. Bjork
Gabriel MacConaill
555 West Fifth Street, Suite 4000
Los Angeles, CA 90013
Telephone: (213) 896-6000
jbjork@sidley.com
gmacconail@sidley.com

-and-

James F. Bendernagel, Jr.
Guy S. Neal
1501 K Street, N.W.
Washington, D.C. 20005
Telephone: (202) 736-8041
jbendernagel@sidley.com
gneal@sidley.com

**JAFFE RAITT HEUER & WEISS,
P.C.**

Louis P. Rochkind (P24121)
Paul R. Hage (P70460)
27777 Franklin Road, Suite 2500
Southfield, MI 48034-8214
Telephone: (248) 351-3000
lrochkind@jaffelaw.com
phage@jaffelaw.com

*Attorneys for National Public Finance
Guarantee Corp.*

Exhibit A

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| | : | |
| Defendants. | : | |

ORDER TO STAY LITIGATION

This matter having come to the Court upon the Stipulation (the “Stipulation”) of (i) the City of Detroit, Michigan; and (ii) Assured Guaranty

Municipal Corp., and National Public Finance Guarantee Corp., and the Court being otherwise duly advised in the premises:

IT IS HEREBY ORDERED THAT:

1. The Stipulation is approved; and
2. The above-captioned action shall be stayed subject to the terms provided for in the Stipulation.

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| | : | |
| Defendants. | : | |

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of September, 2014, I caused the *Stipulation to Stay Litigation* to be 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: New York, New York
September 11, 2014

CHADBOURNE & PARKE LLP

By: /s/ Lawrence A. Larose
Lawrence A. Larose
Samuel S. Kohn
Eric Daucher
1301 Avenue of the Americas
New York, NY 10019
Telephone: (212) 408-5100
llarose@chadbourne.com
skohn@chadbourne.com
edaucher@chadbourne.com

*Attorneys for Assured Guaranty
Municipal Corp.*