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**PROPOSAL AND QUALIFICATIONS
FOR LEGAL SERVICES
CITY OF DETROIT, MI**

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PROPOSAL AND QUALIFICATIONS FOR LEGAL SERVICES

DETROIT, MI

TABLE OF CONTENTS

	PAGE
INTRODUCTION	1
FIRM OVERVIEW	4
CORPORATE RESTRUCTURING AND BANKRUPTCY PRACTICE	7
PUBLIC FINANCE PRACTICE	9
LABOR AND EMPLOYMENT PRACTICE	12
EMPLOYEE BENEFITS PRACTICE	14
PROPOSED STAFFING	16
CONFLICTS	18
BILLING AND FEE ARRANGEMENTS	19
EXCEPTED AND REVISED CONTRACTUAL CLAUSES	20
APPENDIX I: TEAM PROFESSIONAL BIOGRAPHIES	21
APPENDIX II: SUGGESTED CHANGES TO CONTRACT	29
APPENDIX III: WORLD OFFICES	46

INTRODUCTION

Sidley Austin LLP has a national and international practice in Bankruptcy and Corporate Reorganization and related areas. Over 120 Sidley lawyers are devoted on a full-time equivalent basis to restructuring work; and approximately 60 of those lawyers are big case bankruptcy and restructuring lawyers devoted exclusively to this area. The Corporate Reorganization and Bankruptcy group operates as one firm wide group. As described in detail below under each respective practice area heading, Sidley has served as counsel in connection with myriad municipal financing, restructuring labor and employment and benefits (including pension and OPEB) matters. In addition, although Sidley does not maintain an office in the state of Michigan, it has represented many companies and municipalities in the state of Michigan, across a number of disciplines and in many different capacities, and has deep experience in the Bankruptcy Court and District Court for the Eastern District of Michigan, as well as the Sixth Circuit generally.

MUNICIPAL RESTRUCTURING EXPERIENCE

Sidley combines a first-tier bankruptcy restructuring practice (recently ranked by *Chambers USA* as the top bankruptcy practice among U.S. law firms) with one of the most highly respected public finance practices in the country. Our firm is uniquely positioned to represent the City of Detroit as its restructuring counsel.

We have represented municipal bond insurers in all aspects of municipal workouts, including, but not limited to, debt restructurings, federal bankruptcies (including Chapters 9 and 11), state law insolvency proceedings, and distressed asset sales, as well as a number of remediations outside of court supervision. Most recently, Sidley is representing Assured Guaranty in the City of Stockton Chapter 9 proceeding, as well as other clients in the Chapter 9 cases of the Town of Mammoth Lakes, Central Falls, and Sierra Kings Health Care District, and in connection with various other financially-distressed California municipalities, including Compton, San Bernardino, and Victorville. We also have served as lead counsel for a successful Chapter 9 bankruptcy proceeding in North Carolina and have decades of experience in working with the Local Government Commission of North Carolina and more limited experience and familiarity with the Fiscal Watch and Fiscal Emergency statutes of Ohio and Fiscal Emergency statute of Michigan, which statutes have much in common with Pennsylvania's Act 47.

With over 100 years of experience in Public Finance, Sidley has substantial experience as bond counsel, underwriter's counsel, disclosure counsel, and credit support counsel advising cities, counties, school districts, states (including Puerto Rico) and other public entities, as well as underwriters and other financial institutions throughout the United States with respect to the issuance, underwriting and credit enhancement of municipal bonds.

From 2002 - 2012, Sidley lawyers have handled:

- 1,159 bond issues as bond counsel totaling more than \$212 billion, and
- 677 bond issues as underwriter's counsel totaling \$115 billion.

Certain relevant municipal restructurings and remediations (including conduit bonds) and Chapter 9 and Chapter 11 Conduit Cases in which Sidley has participated include the following:

- City of New York, NY
- City of San Bernardino, CA
- City of Victorville, CA/Southern California Logistics Airport Authority
- Mammoth Lakes, CA
- Compton, CA
- Landmark Memorial Hospital (State Receivership) (RI)
- Benedict College (SC)
- Baldwin Park (CA)
- Holzer Consolidated Healthcare System (OH)
- South County Hospital Healthcare System (RI)
- Hebrew College (MA)
- Brockton Hospital, Inc. (MA)
- St. Francis Medical Centers (HI)
- City of Stockton, CA
- Sierra Kings Health Care District (CA)
- Central Falls (RI)
- Lambuth University (TN)
- Auburn Memorial Hospital (NY)
- St. Vincent's Hospital (NY)
- Victory Memorial Hospital (NY)
- Albany Law School/University Heights (NY)

MICHIGAN EXPERIENCE

As one of the largest international law firms in Chicago, Sidley has, over the years, acted as counsel in numerous financings, transactions, litigation, and restructuring matters in the state of Michigan, and has accordingly developed deep contacts and relationships with legal counsel and other professionals working in the state of Michigan and the City of Detroit.

Recently, Sidley represented Federal-Mogul Corporation, headquartered in Southfield, MI, and Meridian Automotive Systems, Inc., then headquartered in Dearborn, Michigan, in their respective Chapter 11 cases. Each of these debtor representations involved the restructuring of hundreds of millions of dollars in funded debt and, in the case of Federal-Mogul, billions of dollars in alleged asbestos liabilities. Additionally, each case involved significant labor and employment issues, including organized labor and pension issues, with which Sidley's labor and employment and benefits practices were instrumental in assisting. Over the course of these representations, Sidley handled numerous issues related to Michigan state law (as well as bankruptcy, and other Federal statutes), and dealt with many local creditors, instrumentalities and other stakeholders in leading to those two companies to successful reorganizations. In

addition to our recent debtor representations involving Michigan companies, Sidley has represented a range of clients in the Michigan-related bankruptcies of: Blue Water Automotive (prepetition lender); Dow Corning Corporation (joint tortfeasor); General Motors Corporation (pre-bankruptcy lenders related to synthetic lease facility); J.L. French Automotive Castings, Inc. (secured lenders); and Venture Holdings, Inc. (prepetition agent).

In addition to representing such clients as Meridian Automotive Systems in its Chapter 11 restructuring, with respect to which we had direct involvement in union negotiations and the resolution of pension issues, as well as litigation in state and federal courts, labor arbitrations, and before the National Labor Relations Board, Sidley's Labor and Employment and Employee Benefits attorneys are well experienced with the Michigan and Detroit-area courts, laws, and legal community. In recent years, we have represented such Michigan-based clients, or litigated in Michigan on behalf of, General Motors, Borg Warner, FMC, Magna International, Norfolk Southern Railway Co., CSX Transportation, Heartland Industrial Partners, KPMG LLP, and the W.K. Kellogg Foundation.

FIRM OVERVIEW

Sidley Austin LLP is a premier law firm. With approximately 1700 lawyers, including approximately 1450 in the United States, we provide a broad range of services to meet the needs of large and small businesses across a multitude of industries, financial institutions, governments and individuals.

"Sidley Austin LLP is one of the world's premier law firms, with a practice highly attuned to the ever-changing international landscape." - Chambers USA 2011

We have a broad transactional practice. Our practice disciplines include corporate and securities, joint ventures and strategic commercial transactions, mergers and acquisitions, securitization, intellectual property, funds and other pooled investments, bankruptcy and corporate reorganization, bank and commercial lending, public finance, real estate, tax and employee benefits, as well as trusts and estates. Sidley consistently ranks among the top global capital markets firms in the Thomson Reuters league tables, with strong showings as both issuer and underwriter counsel in major security type categories, including U.S. debt and equity.

We offer our clients extensive litigation and arbitration experience, at trial and appellate levels and spanning virtually every area of substantive law. Major practice areas include general and commercial litigation, securities and financial litigation, antitrust, SEC enforcement, white collar criminal defense, patent and other intellectual property litigation, food, drug and device, healthcare, product liability and mass tort litigation, international commercial arbitration and dispute resolution, and international trade law.

We provide communications, energy, environmental, food, drug and device, healthcare, insurance, life sciences, financial institutions and securities regulatory services to our clients in virtually every major industry. Many lawyers in our regulatory practices previously held senior positions in government agencies in the U.S., EU and Asia, where they directly participated in legislative and administrative processes. This experience, combined with our in-depth industry knowledge, allows us to closely monitor legal developments and anticipate legislative and regulatory changes to help our clients operate at the forefront.

OUR LAWYERS

Sidley is widely recognized for its high level of service and responsiveness:

- For the third consecutive year, and each year since the survey's inception, Sidley has received the most first-tier national rankings of any U.S. law firm in the 2013 *U.S. News - Best Lawyers* "Best Law Firms" survey.

- Repeating its performance in 2011, Sidley was named USA Law Firm of the Year 2012 in the Who's Who Legal awards.
- Sidley has been recognized for overall client service in BTI Consulting Group's The BTI Client Service 30 every year since the inception of those rankings in 2001 and is one of only three firms to earn a place on the list for 12 consecutive years. Sidley was named the number one law firm for overall client service for three of those years.
- Sidley has been named as one of the top 25 national corporate law firms in *Corporate Board Member* magazine's 2012 survey of corporate directors and general counsel, ranking America's Best Corporate Law Firms. Sidley was ranked number 14 nationwide by the directors surveyed and number 9 by corporate general counsel. Sidley was also named as one of the three leading corporate law firms in Chicago, based on rankings by directors and general counsel who work in the Chicago area.
- Sidley consistently ranks among the top U.S. capital markets firms in the Thomson Reuters league tables, both by deal value and by number of deals, with strong showings as both issuer and underwriter counsel in major security type categories, including overall debt and equity, straight debt, asset-backed securities, investment grade corporate debt and follow-on stock offerings. In 2012, we ranked in 24 of the 38 categories in the survey by number of deals.
- Sidley's corporate practice has been consistently recognized in *The American Lawyer's* annual Corporate Scorecard. In 2012, Sidley's corporate practice received a number of top five rankings by number of issues, including: No. 1 underwriter's counsel for REIT debt, No. 1 underwriter's counsel for REIT equities, No. 2 underwriter's counsel for investment grade debt and No. 2 underwriter's counsel for asset-backed securities.
- In its 2012 edition, *Chambers USA: America's Leading Lawyers for Business* recognized 186 Sidley lawyers.

OUR CLIENTS

Sidley represents many of the world's largest companies and governmental entities, in a variety of industries, including, among others:

- | | |
|--|---|
| ➤ Consumer product companies | ➤ Investment and commercial banks |
| ➤ Entertainment and publishing companies | ➤ Pharmaceutical companies |
| ➤ Food and beverage companies | ➤ Private equity and venture capital firms |
| ➤ Healthcare companies | ➤ Professional services firms |
| ➤ Industrial and service companies | ➤ Public utilities |
| ➤ Insurance and other financial services companies, including municipal bond insurance | ➤ Real estate investment companies |
| | ➤ Technology and information services companies |

CORPORATE RESTRUCTURING AND BANKRUPTCY PRACTICE

Sidley named Bankruptcy Team of the Year 2012 for the United States.

Chambers & Partners

Sidley's role is typically one of the primary roles in a restructuring (*e.g.* lead debtor's counsel or lead counsel to the senior debt syndicate) and matters typically involve the restructuring of large and mid-size companies. Sidley's ability to meet clients' needs and objectives is achieved through a combination of the breadth and depth of our bankruptcy and insolvency experience gained through some of the largest and most complex domestic and cross-border Chapter 11 reorganizations, the use of a practical, business-oriented approach and an ability to find innovative solutions to complicated problems.

Sidley has recently represented the following debtors in their Chapter 11 reorganizations: Dynegy Holdings, LLC; R.H. Donnelley Corp.; Smurfit-Stone Container Corp.; Tribune Company; Fortunoff Holdings, LLC; Federal-Mogul Corporation; Owens Corning; Budget Group, Inc.; Merisant Company; Sea Containers Ltd.; Pliant Corporation; Hilex Poly Co. LLC; The Flintkote Company; Meridian Automotive Systems, Inc.; and Pegasus Satellite Corp.

Throughout our history, Sidley has also played major roles other than debtor counsel – including representing major financial institutions, senior debt syndicates, bond insurers, noteholders and bondholders – in a wide array of some of the most high profile and complex U.S. Chapter 9 and Chapter 11 cases. One of the many reasons Sidley's restructuring clients are able to exploit opportunities and overcome the challenges they face is the breadth of the experience of Sidley's restructuring lawyers. Because we have represented a broad variety of stakeholders, we understand the central strategic and tactical issues and interests of various constituencies and how to manage those diverse interests to our clients' benefit. Sidley has extensive experience representing parties in state and federal court receivership proceedings.

Among other matters, Sidley has represented debt syndicates, official and unofficial committees, and other creditor and equity constituencies in the following recent high-profile cases:

- Adelphia Communications (Ft. Myers Noteholders)
- Allied System Holdings, Inc.
- American Home Mortgage
- Beazer Homes
- Black Diamond Mining
- Blockbuster
- Capmark
- Hawaiian Airlines
- Highland Hospitality
- Lake Las Vegas Resort

- Lehman Brothers Holdings
- Lehman Brothers Inc.
- Pacific Gas & Electric
- Stations Casino
- USG (United States Gypsum)
- Wolverine Tube
- Zales Corporation

In addition to the accolades mentioned above, Sidley's restructuring practice has been recognized by a number of national and industry-wide publications for its recent work:

- On June 7, 2012, Sidley's restructuring practice was named **Bankruptcy Team of the Year for 2012** by **Chambers & Partners**.
- Sidley was again ranked as one of the leading bankruptcy practices in the country by Chambers USA 2011 and was recognized as being: "*. . . great at building and executing restructuring strategy in a difficult environment. . .*"
- Sidley was named as a Bankruptcy Group of the Year 2011 by Law360 for its continuing leading roles in major bankruptcy proceedings, including on behalf of client Dynegy Holdings. Sidley was named as a Law360 Bankruptcy Group of the Year for 2010 as well.
- Ranked as one of the leading bankruptcy practices in the country by *Chambers USA 2010*, Sidley was recognized as having: "*. . . a tremendous year with involvement in the mega-restructurings*"; and "*An immensely strong bench . . . that can pool talent from different offices to ensure the best people are on the job.*"

Of the many advantages of working with Sidley, none may be as important as the ability of members of the restructuring group to access other legal professionals within our firm in order to obtain their views on a full range of subjects, including public finance, real estate, environmental, banking, labor, and litigation matters. In summary, we have represented practically all manner of constituencies in a multitude of out of court and bankruptcy court high-profile restructurings, with many representations involving some of the largest U.S. Chapter 11 restructurings and characterized by billions of dollars in outstanding funded debt, numerous subsidiaries in the U.S. and globally, and a broad range of complex legal issues.

PUBLIC FINANCE PRACTICE

Sidley's 100+ years of experience in Public Finance includes substantial experience as bond counsel, underwriters' counsel and disclosure counsel, advising cities, counties, school districts, states (including Puerto Rico) and other public entities throughout the United States with respect to the issuance of municipal bonds. Our Public Finance lawyers assist in finding creative and innovative solutions to the various types of debt management issues facing our state and local government, nonprofit and financial institution clients.

Our Public Finance practice is supported by a full complement of experienced tax lawyers and a department that focuses on the development and structuring of financial derivative instruments. In any financing, it is typical that our lawyers will consult with a broad range of professionals to ensure that clients are obtaining the highest level of legal advice regarding matters ancillary to the central goal of obtaining financing for the various needs of the client.

Sidley has served as bond counsel for numerous municipalities – counties, cities, towns, special purpose districts and authorities, including The City of New York, the Cities of Los Angeles, Oakland, San Jose, San Francisco and other issuers in California; the State of North Carolina and most municipal issuers in North Carolina; the Commonwealth of Puerto Rico and most municipal issuers in Puerto Rico; the Commonwealth of Virginia and other issuers in Virginia; and numerous other issuers throughout the U.S. As bond counsel to The City of New York, Sidley helped structure the nation's first securitization of tobacco settlement proceeds. Sidley recently served as special tax counsel to the Los Angeles Unified School District in connection with the largest issuance to date of qualified school construction bonds.

RANKINGS

Set forth below are the bond, underwriters' and disclosure counsel national rankings for Sidley for the last six years, based on data collected by *The Bond Buyer*:

NATIONAL

Year	Bond Counsel Ranking	Principal Amount of Bonds	Underwriters' Counsel Ranking	Principal Amount to Bonds	Disclosure Counsel Ranking	Principal Amount of Bonds
2012	3	\$15,527,100,000	7	\$7,712,600,000		
2011	5	\$11,200,000,000	7	\$6,100,000,000	-	-
2010	3	\$17,000,000,000	4	\$14,800,000,000	-	-
2009	3	\$19,900,000,000	4	\$10,900,000,000	-	-

Year	Bond Counsel Ranking	Principal Amount of Bonds	Underwriters' Counsel Ranking	Principal Amount to Bonds	Disclosure Counsel Ranking	Principal Amount of Bonds
2008	3	\$19,800,000,000	3	\$14,500,000,000	-	-
2007	6	\$15,900,000,000	-	-	2	\$7,500,000,000

PUBLIC FINANCE AND TAX SERVICES PROVIDED TO GOVERNMENTAL ISSUERS

Sidley's public finance and tax lawyers collaborate in structuring and implementing transactions for governmental issuers, and also assist governmental issuers in the management of their financing programs. Sidley's public finance lawyers are frequently called upon to draft legislation, assist in the establishment of procedures to implement financing programs and provide advice as to whether particular types of projects or grants are eligible to be financed under an issuer's financing program. Sidley's tax lawyers play an integral part in structuring transactions to provide clients with the most favorable tax treatment possible, counseling clients on the benefits and risks inherent in prospective transactions, negotiating and drafting tax indemnities, and providing formal tax opinions. Sidley's tax work involves a sophisticated analysis and application of the tax code to enable issuers to finance capital needs to the greatest extent possible with tax-exempt bonds or federally taxable Build America Bonds and stay within applicable private use and private loan limitations, as well as comply with the general arbitrage and rebate limitations. Sidley's tax lawyers have a strong track record in obtaining rulings and other pronouncements from the Internal Revenue Service ("IRS") on behalf of governmental issuers, and have an active tax controversy practice. Private letter rulings obtained by Sidley's tax lawyers have significantly enhanced the ability of our clients to carry out their missions. For example, one ruling obtained by Sidley for a large municipality allowed that issuer to treat many of its housing assistance programs as grants, rather than loans, and thereby allowing such programs to be financed with tax-exempt bond proceeds.

Sidley routinely represents large issuers, such as The City of New York and the Los Angeles Unified School District as bond counsel and special tax counsel and is particularly adept at working on challenging matters faced by large issuers. In addition, Sidley has served as bond counsel to many conduit issuers of bonds for hospitals and universities, such as the North Carolina Medical Care Commission, the Vermont Health and Educational Facilities Finance Agency, the California Health Facilities Financing Authority and the California Statewide Communities Development Authority. Sidley's lawyers have developed particular knowledge with respect to FHA-insured financings for healthcare and housing facilities.

FINANCING STRUCTURES

Sidley has served as bond counsel in connection with fixed rate financings, variable rate demand bonds, auction rate securities, commercial paper transactions, letter of credit backed financings, financings involving credit enhancement provided by commercial insurers,

synthetic fixed rate bonds, and other transactions involving a variety of interest rate exchange agreements, securitizations and certificates of participation. In recent years, Sidley has assisted issuers seeking to unwind swaps and various credit enhancement mechanisms and has served as bond counsel in connection with several billion dollars of Build America Bonds and other tax credit bonds.

PRIVATIZATION EXPERIENCE

We have worked on numerous transactions (both proposed and completed) by municipalities to “privatize” (sell or franchise) municipally-owned assets in the United States. These assets include toll roads, airports, water and wastewater facilities, parking facilities, and prisons. These proposed and completed transactions include:

- We worked on the successful bid that was submitted for the privatization of the Chicago Skyway, a toll road owned and operated by the City of Chicago, Illinois, through a 99-year concession (essentially a lease) for \$1.82 billion. We served as local counsel for the Cintra/Macquarie Consortium. Cintra is a Spanish Bank and Macquarie is an Australian bank. We advised on all aspects of local law and were involved in the review of the definitive agreements.
- We worked with SITQ in the preparation of a bid to purchase (via a 99-year concession) the downtown Chicago underground parking garages from the City of Chicago, Illinois.
- We advised the Lincoln Park Zoological Society, a not-for-profit entity, in assuming the operation of the Lincoln Park Zoo, a public zoo located within the City of Chicago, Illinois, from the zoo’s owner and previous operator, the Chicago Park District.
- We are presently assisting the State of Indiana, through our representation of its financial advisor, in its proposal to hire a private manager to run the state lottery. Our work has included advice regarding federal laws and structuring of the proposed agreements.
- We represented Native American tribes in the sale of gaming related assets and securities.
- We advised a municipal client on the potential acquisition of a private toll road in California.
- We advised Orange County (California) in deliberations to privatize its airport.
- We advised various public agencies in California in attempts to privatize their sewer and wastewater operations.
- We represented U.S. public agencies in dealing with labor and related issues attendant to their conversion to private entities.
- We worked on several proposed sales/leases of prisons to private prison operators.

LABOR AND EMPLOYMENT PRACTICE

With more than 50 lawyers practicing in the firm's Chicago, Los Angeles, New York, Washington, D.C., London, and Hong Kong offices, Sidley's Labor and Employment group provides high-quality, comprehensive legal services to our clients. In doing so, we address our clients' legal needs in the broader context of their business operations. At all times, our approach is client-focused and governed by the highest professional and ethical standards.

We have developed considerable experience representing a broad client base, including governmental agencies, banks and other financial institutions, colleges and universities, healthcare providers, internet and other technology companies, not-for-profit civic and charitable institutions, railroads, service firms, U.S. and foreign manufacturers and utilities. Our lawyers are available around-the-clock to assist clients in managing the multitude of legal risks that today's employers face, and have repeatedly demonstrated success in helping our clients achieve practical and effective solutions for their labor and employment-related problems.

We pride ourselves on responsiveness and make ourselves available around the clock as issues develop. We have been recognized in *Employment Law360* as one of its "Employment Law Firms of the Year." and as a leading practice by a variety of outside sources including *Chambers USA* and *U.S. News* – Best Lawyers, which recently ranked Sidley in the first-tier national categories of Employment Law – Management, Litigation – Labor & Employment, Employee Benefits (ERISA) Law, and Immigration Law.

OVERVIEW OF OUR LEGAL SERVICES AND PRACTICE AREAS

Our Labor, Employment & Immigration lawyers provide a variety of legal services covering a full range of labor and employment issues, including the following:

- *Corporate Restructuring and Bankruptcy:* Our lawyers work closely with Sidley's Bankruptcy and Employee Benefits attorneys regarding the often complex labor, employment and benefits issues that arise in the context of corporate restructurings. Representing such clients as Tribune Company, Meridian Automotive Systems, Smurfit-Stone Container Corp., and Dynegy Northeast Generation, we have regularly been involved in negotiating with labor unions, and, where necessary, litigating in Bankruptcy or other courts or before the National Labor Relations Board, union and individual claims concerning such matters as pensions, retiree medical insurance, severance, and other post-employment employee benefits ("OPEB").
- *Litigation – Individual Claims to Class Actions:* Our lawyers litigate labor and employment claims ranging from single-plaintiff cases to complex class actions before courts and agencies nationwide. Our experience spans the legal landscape, from employment discrimination to contract and tort claims to traditional labor disputes. We are available around-the-clock to handle problems as they develop.

- *Counseling, Training and Risk Management:* We advise clients on a broad range of labor and employment law issues, including sexual harassment, reasonable accommodations, discharges, reductions-in-force, affirmative action, background checks, drug testing, internal investigations, leaves of absence, pension and OPEB issues, and wage and hour matters. We draft employment policies as well as employment, consulting, noncompetition, confidentiality, severance and other agreements to help clients meet their objectives. We strongly believe in taking a preventative approach with our clients to avoid claims or disputes before they arise.
- *Labor-Management Relations:* We have broad experience in counseling and representing employers in various labor relations matters, including experience in union organizing campaigns, collective bargaining, strikes, grievance arbitrations, elections, secondary boycotts, unfair labor practice charges and other NLRB proceedings. We also have decades of experience representing clients in Railway Labor Act matters.
- *Mergers, Acquisitions and Other Transactional Services:* We regularly advise clients on the various labor and employment issues that arise in corporate acquisitions, mergers and other transactions, including the unique issues that frequently result during acquisitions involving unionized workforces or bankruptcies. We also draft and review appropriate transactional documents, prepare employment, noncompetition and other agreements for employees, and conduct due diligence reviews.
- *Conflict Resolution and Alternative Dispute Resolution ("ADR"):* We are experienced in advising clients on the effective use of ADR in labor and employment disputes, including early claim investigation and evaluation. We also regularly assist employers in developing and implementing pre-dispute ADR procedures and processes by drafting arbitration and mediation clauses in individual contracts as well as generally applicable workforce plans and policies. For those employers desiring to take a more comprehensive approach, we offer our Workplace Innovations in Negotiated Solutions ("WINSTM") program that tailors ADR programs to each employer's particular culture and business needs.
- *Restrictive Covenants, Trade Secrets and Other Business Protection Measures:* We frequently assist clients in drafting, analyzing, implementing, and litigating issues involving noncompetition and confidentiality agreements and other business protection measures. We also counsel individuals seeking better career opportunities and employers recruiting personnel from their competitors on compliance with the applicable laws in order to minimize the risk of litigation.

EMPLOYEE BENEFITS PRACTICE

Our Employee Benefits Practice consists of 21 full-time employee benefits lawyers, including 11 partners, eight associates and two counsel. The group recently earned a first-tier national ranking in the *U.S. News* – Best Lawyers “Best Law Firms” rankings for 2013 and many of our employee benefits lawyers are nationally recognized as experts in the field.

Our employee benefits practice includes representation of some of America’s largest companies, as well as a large number of small and medium-sized businesses employing between 20 to several hundred employees. Our lawyers also represent several of the largest private foundations in the country, as well as a number of other tax-exempt non-profit organizations, such as foundations, trade associations, civic and other public benefit organizations.

Our Employee Benefits Practice brings substantial experience and proven judgment to every type of issue involving employee benefits, including:

- designing, drafting, and providing counsel regarding the administration of all types of employee benefit plans, such as traditional defined benefit plans, cash balance plans, 401(k) plans, money purchase plans, ESOPs, employee stock purchase plans, stock option plans, non-qualified deferred compensation plans, SERPs, self-insured medical plans and other welfare and fringe benefit plans;
- acting as an integral part of our ERISA litigation practice, defending plan sponsors and service providers against a broad range of ERISA actions, including cash balance pension plan class action litigation, 401(k) plan fee class action litigation, plan investments in employer stock, appellate litigation, bankruptcy issues involving pension and welfare plans, retiree benefits class actions, contribution and indemnification issues, ERISA preemption, fiduciary duty litigation, plan document interpretation, and prohibited transactions;
- advising clients in bankruptcy and reorganization proceedings regarding employee benefit and executive compensation issues, including: “controlled group” issues, multiemployer plan issues and the role of the Pension Benefit Guaranty Corporation (PBGC);
- reviewing and negotiating investment manager agreements and alternative investment products for large pension trusts;
- advising trustees, banks, investment managers and commodity pool operators regarding their compliance with ERISA in managing the assets of plans subject to ERISA, including in connection with the organization and operation of investment funds in which employee benefit plans invest;
- advising 401(k) plan committees, institutional trustees, boards of directors and other plan fiduciaries regarding their powers and responsibilities under ERISA and other applicable law, including issues involving company stock funds;

- training plan fiduciaries regarding their fiduciary responsibilities, conducting fiduciary compliance reviews and drafting fiduciary compliance procedures;
- advising on the application of complex tax rules to employee benefit plans and compensation arrangements, including the rules governing tax-qualified retirement plans and the application of sections 162(m) and 409A of the Internal Revenue Code to nonqualified deferred compensation plans and performance-based compensation;
- drafting and negotiating executive employment agreements, including employer and executive representations and, in so doing, acting as an integral part of the Executive Compensation Practice, which takes a comprehensive, innovative approach to designing, drafting and negotiating executive compensation plans and agreements, such as stock option, restricted stock and phantom stock plans, for both publicly and privately held corporations;
- advising on and negotiating the employee benefit plan aspects of business combinations and divestitures, spin-offs, mergers and acquisitions, private equity investments and restructurings, including issues relating to section 280G and due diligence analysis of potential liabilities;
- representing clients before the Department of Labor and the Internal Revenue Service, including obtaining prohibited transaction exemptions from the Department of Labor and private letter rulings from the Internal Revenue Service, and responding to plan audits by the Department of Labor and the Internal Revenue Service;
- conducting plan compliance reviews, providing advice and supervision of corrective actions, and submitting corrective actions to Internal Revenue Service and Department of Labor;
- advising both publicly and privately held companies on issues arising with ESOPs during corporate acquisitions and leveraged buyouts;
- assisting plan sponsors in responding to benefit claims so as to reduce the likelihood of litigation;
- advising clients regarding cash balance plan conversions and administration of cash balance plans with atypical design features; and
- designing, drafting and counseling tax-exempt entities with respect to 403(b) retirement plans and deferred compensation plans intended to compliance with section 457 of the Internal Revenue Code.

PROPOSED STAFFING

When making staffing decisions, we assess the difficulty of the issues at hand, the skill required to address those issues and any timing concerns. In addition to the lead partners listed below, we would propose to use high-quality, experienced associates and counsel where practicable to provide efficient and cost-effective service. We would propose to meet with you regularly to encourage frequent, informal, and frank feedback as matters progress, so that we can make changes before any problem or concern becomes significant.

Our proposed team includes the following individuals whose professional biographies are included in this material:

- James F. Conlan, Partner – Restructuring
- Larry J. Nyhan, Partner – Restructuring
- Jeffrey E. Bjork, Partner – Restructuring
- Paul S. Caruso, Partner – Restructuring

DIVERSITY

While Sidley is not an MWBE law firm, Sidley has been one of the most prominent and progressive proponents of law firm diversity. Many Sidley lawyers come from diverse backgrounds, races, and beliefs. Formed in 1998, both the Committee on Promotion and Retention of Women (Women’s Committee) and the Diversity Committee became permanent firm administrative committees in 2001. Each of our domestic offices, as well as our London office, has an office chair responsible for carrying out the objectives of these committees.

One of the main goals of the Diversity Committee is to increase the number of diverse lawyers in the firm, as well as in the legal profession in general. In 2006, we launched the Sidley Prelaw Scholars Initiative, the first program of its kind among U.S. law firms. Designed to address the recent decline in minority enrollment in law schools, the program grants financial support for minority college juniors and seniors who demonstrate academic promise and have financial need that might prevent them from enrolling in a Law School Admissions Test (“LSAT”) preparation course. Each Sidley Prelaw Scholar receives an initial scholarship award to cover tuition for a commercial preparation course, LSAT registration fees and application fees for up to seven accredited law schools. Upon documented completion of both the LSAT preparation course and the required number of law school applications, each Scholar receives an additional scholarship award during his or her last year of college. Sidley Scholars also receive coaching on law school application preparation. During the summer before law school matriculation, Sidley Scholars receive instruction on the structure of the American legal system and an introduction to the substance of the required first-year common-law courses.

As more fully discussed below, Sidley is willing to engage in discussions with the City of Detroit regarding arrangements which could be made to enhance participation of MWBE firms in future transactions.

EXPERIENCE WITH CO-COUNSEL ARRANGEMENTS

Sidley regularly engages in co-counsel arrangements with both MWBE and non-MWBE firms depending on the specific needs of the client. For example, Sidley serves as co-bond counsel with an MWBE firm in a transaction for Greensboro, North Carolina. While only Sidley rendered an opinion as to federal tax law, both firms rendered approving opinions with respect to state and local law. In addition, Sidley has served as co-counsel with MWBE firms in several transactions on the West Coast under a variety of arrangements, including issuances by East Bay Municipal Utility District, the City and County of San Francisco and the San Francisco Public Utilities Commission. In some of these transactions, both firms served as co-bond counsel and provided similar opinions on both state and tax law, while on others, Sidley served as special tax counsel. In some circumstances, responsibility for primary financing documents such as Indentures and Financing Agreements are assigned to one firm, while the other undertakes responsibility for drafting closing documents.

Fee arrangements have varied, and include both direct billing at agreed upon rates by both firms, as well as billing by one firm which remits a portion of the total fees to the other firm.

It should be understood, however, that in any co-counsel arrangement, it is difficult to assign responsibility outside Sidley with respect to the review of any matters which must be passed upon in support of the issuance of any opinion which Sidley may be asked to provide. If there are discrete areas of review or work not implicitly supporting an opinion Sidley will be asked to provide, such as preparation of disclosure materials, Sidley believes those areas can be separately assigned between the firms, and can be subject to separate billing arrangements. Fee arrangements may vary, and include both direct billing at agreed upon rates by both firms, as well as billing by one firm which remits a portion of the total fees to the other firm.

CONFLICTS

Sidley is committed to providing the highest quality of professional service to our clients and adhering to the highest ethical standards.

Almost 50 pages of our Lawyers' Manual are devoted to conflicts of interest and professional responsibility issues, including issues relating to acceptance of new business. Moreover, the firm has a Committee on Professional Responsibility, which monitors professional responsibility developments, provides updates to lawyers on an as-needed basis and serves as a resource on professional responsibility issues for all lawyers in the firm. Every geographic area of the firm is represented on this Committee. All firm lawyers have access to the ABA/BNA Lawyers Manual on Professional Conduct and its current reports. Finally, a portion of the firm's annual all-partners' meeting is devoted to professional responsibility issues.

In general, when Sidley is approached about a new matter by either an existing or a new client, a conflicts check is immediately undertaken. We maintain and continually update a database that captures (1) clients, (2) their affiliates, (3) the nature of the representation and (4) the other parties (and their affiliates) involved in the transaction or litigation.

Sidley is not aware of any actual or potential conflicts with any representation of the City of Detroit.

BILLING AND FEE ARRANGEMENTS

We understand the City of Detroit's desire to manage outside counsel costs and discuss alternatives, and have addressed that in conjunction with our review and submission of the proposed contract for legal services provided with the City of Detroit RFP attached as Appendix II hereto. As provided in our discussion of the legal contract, we would be pleased to discuss the possibility of billing arrangements structured in terms of project phasing, or flat fees for identifiable stages in this work and are willing to consider other reasonable approaches that will assist you in obtaining effective and cost-efficient legal services, while at the same time providing equitable compensation and incentives for Sidley. One option that we frequently deploy is to enlist local counsel for more task-oriented legal services while using the strategic experience of the Sidley lawyers for the best overall value for the client. As noted above, we have worked with co-counsel in the municipal restructuring context.

To respond most directly to your RFP, in addition to the fee arrangements reflected below and in Appendix II, here are the standard billing rates of the team we are proposing, but as stated above, we are certainly open to further discussion:

Lawyer	Position	2013 Standard Rate
James Conlan	Partner	\$1,100.00
Larry Nyhan	Partner	\$1,100.00
Jeff Bjork	Partner	\$900.00
Paul Caruso	Partner	\$875.00

EXCEPTED AND REVISED CONTRACTUAL PROVISIONS

We have thoroughly reviewed the Contract for Professional Legal Services (the “Contract”) provided as Exhibit B to the RFP, and understand the City of Detroit’s desire to have an agreement governing the relationship between counsel and the City during this proposed restructuring. As requested in footnote 1 of Exhibit A of the RFP, we have attached as Appendix II to this submission a revised draft of the Contract with Sidley’s requested changes submitted thereon. Among other changes, Sidley would request that the following clauses in the Contract be removed and/or altered (all references are to the draft of the Contract provided by the City of Detroit):

- Remove Sections 1.02, 7.01, 9.04, 11.02, 11.04 and 16.10 of the Contract.
- Revise Sections 2.01, 2.02, 3.01, 4.03, 4.06, 5.01, 5.02, 5.03, 7.02, 9.01, 9.06, 11.01, 12.01 and 15.01 of the Contract in the manner provided in Appendix II.
- Revise Article II of Exhibit B to reflect certain billable rates for Partners, Counsel, Associates and Para-Professionals of Sidley and certain other changes to the language therein.
- Revise Article III of Exhibit B to reflect certain changes related to the reimbursement of expenses in connection with the Services to be provided under the Contract.

APPENDIX I:

TEAM PROFESSIONAL BIOGRAPHIES

JAMES F. CONLAN

Partner

Chicago

+1.312.853.6890

+1.312.853.7036 Fax

jconlan@sidley.com



PRACTICES

- Corporate Reorganization and Bankruptcy

ADMISSIONS & CERTIFICATIONS

- U.S. District Court, N.D. of Illinois - General, 1989
- Illinois, 1988

EDUCATION

- University of Iowa College of Law (J.D., 1988, *with honors*)
- University of Iowa (B.S., 1985, *with honors*)

JAMES F. CONLAN, is Co-Chairman of the firm-wide Corporate Reorganization and Bankruptcy Group. Mr. Conlan is a member of the firm's Executive Committee. Mr. Conlan was born in Dubuque, Iowa, December 8, 1963 and became a partner in 1996.

Representative (public) engagements include: Dynegy Holdings (client, Debtor); Tribune Company (client, Debtor); RH Donnelley (client, Debtor); Smurfit-Stone Container (client, Debtor); Merisant (client, Debtor); Budget Rent A Car Corporation (client, Debtor); Meridian Automotive Systems (client, Debtor); Owens Corning (client, Debtor); Federal-Mogul Corporation, T&N Limited, et al. (client, Debtors); Pliant Corporation (client, Debtor); Sea Containers (client, Debtor); Pegasus Satellite Television (client, Debtor); Dow Corning Corporation (client, Baxter International, Inc., creditor and co-defendant); Florida Coast Paper Company (client, 50% Equity Holder); Pocket Communications, General Wireless, and Nextwave Personal Communications (client, Federal Communications Commission); ANC (Alamo and National Car Rental)(client, MBIA); Thorn Apple Valley (client, creditor and acquiror); Medshares (client, Unsecured Creditors' Committee); Loewen Group, Inc. (out-of-court restructuring; client, senior debt syndicate); Lone Star Steel Company (client, Lone Star Technologies, Parent); One Financial Place (client, Debtor); Columbia Gas Transmission Corporation (client, Unsecured Creditors' Committee); Fairchild Aircraft Corporation (client, senior lenders); USG (client, senior lenders); El Paso Electric (client, Debtor).

Mr. Conlan was selected by *Turnarounds & Workouts* to its 2009 list of the top dozen outstanding restructuring lawyers in America. He is regularly listed as a leader in the corporate restructuring field by various industry and legal publications, including *Chambers USA: American's Leading Lawyers for Business*; *PLC Which Lawyer Cross Border Handbook*; *IFLR 1000*; *Legal 500 US*; *The International Who's Who of Business Lawyers*. Mr. Conlan is also widely recognized as a leader in large scale cross-border restructuring and insolvency having lead some of the very largest cross-border restructuring matters. In 2002, *Board Member Magazine*, *America's Best Corporate Lawyers* said "Now 38, Conlan may already be the world's foremost legal expert on cross-border corporate restructurings."

Lectures and Articles: Lecturer, "Legacy Costs: Pension and Health-care Liabilities," Milken Institute Global Conference 2005; Lecturer, "Cross Border Insolvency," Insol (Cork, Ireland) 2003; Lecturer, "Bordering on Bankruptcy, Dealing with Troubled Companies in the New Economy," Fall 2001; Lecturer, "What You Need to Know About Internet, eCommerce and Chapter 11, Investment Opportunities In The Distressed Market," Spring 2000; "CLE, Abandonment — An Issue of Priority," February, 1991. Co-

author, "U.S. Implications for U.K. Solvent Schemes of Arrangement, And More," *The Insurance Receiver*, 1998; Co-Author, "Environmental Law Developments," *The Secured Lender*, 1996-1999. Co-author, "Representing the Secured Creditor," *IICLE Bankruptcy Practice*, 1990 (Supp. 1992).

MEMBERSHIPS & AFFILIATIONS

- Director, Heartland Financial USA
- Director, Dubuque Bank & Trust Company (member of Loan Committee)
- Director, Citizens Finance
- Director, DB&T Insurance

LARRY J. NYHAN

Partner

Chicago

+1.312.853.7710

+1.312.853.7036 Fax

lnyhan@sidley.com



PRACTICES

- Corporate Reorganization and Bankruptcy

ADMISSIONS & CERTIFICATIONS

- U.S. Court of Appeals, 6th Circuit, 1991
- U.S. Court of Appeals, 7th Circuit, 1986
- U.S. District Court, N.D. of Illinois - General, 1980
- U.S. District Court, N.D. of Illinois - Trial Bar, 1982
- Illinois, 1980

EDUCATION

- Loyola University Chicago School of Law (J.D., 1980)
- The University of Chicago (B.A., 1977)

LARRY J. NYHAN is Co-Chairman of the firm-wide Corporate Reorganization and Bankruptcy Group and a member of the firm's Management Committee and Executive Committee. Mr. Nyhan served as an extern to Hon. Robert Eisen, United States Bankruptcy Judge for Northern District of Illinois, during 1979 and 1980, joined the Firm in 1980 and became a partner in 1988.

Representative (public) Engagements include: Adelphia Communications (Chapter 11; client, debt syndicate); AM Cosmetics, Inc. (out-of-court restructuring; client, debt syndicate); AmeriServe Food Distribution, Inc. (Chapter 11; client, YUM Brands, Inc.); Bethlehem Steel Company (Chapter 11; client, postpetition senior lender syndicate); Birch Telecommunications (Chapter 11; client, debt syndicate); Boston Chicken, Inc. (Chapter 11; client, debt syndicate); Budget Group, Inc. (Budget Rent-A-Car) (Chapter 11 and UK Administration; client, Debtors and Administrator); Centennial Coal Company (Chapter 11; client, Debtors); Choice One Communications (pre-packaged Chapter 11; client, debt syndicate); Columbia Gas Transmission Corporation (Chapter 11; client, Unsecured Creditors' Committee); Devon Convenience Stores, Inc. (Chapter 11, client, Debtors); Communications Corporation of America (Chapter 11; client, debt syndicate); Einstein/Noah Bagel Corp. (Chapter 11; client, debt syndicate); Fairchild Aircraft Corporation (Chapter 11, client, debt syndicate); Federal Mogul Corporation (Chapter 11 and UK Administrations; client, Debtors and Administrators); Heartland Publications, Inc. (Chapter 11; client, debt syndicate); Hilex Poly Co. LLC (Chapter 11; client, Debtors); Integrated Electrical Services, Inc. (Chapter 11; client, debt syndicate); JL French (Chapter 11; client, debt syndicate); LaClede Steel Company (Chapter 11; client, debt syndicate); Lee Enterprises, Inc. (out-of-court reorganization; client, Company); London Fog Industries, Inc. (Chapter 11; client, Debtors); Lone Star Steel Company (Chapter 11; client, Lone Star Technologies, Parent); Malden Mills, Inc. (Chapter 11, client, debt syndicate); Meridian Automotive Systems, Inc. (Chapter 11; client, Debtors); Neenah Enterprises, Inc. (Chapter 11; client, Debtors); New World Pasta, Inc. (Chapter 11; client, debt syndicate); NextMedia, Inc. (Chapter 11; client, debt syndicate); Outboard Marine Corporation (Chapter 11; client, debt syndicate); Owens Corning Fiberglass (Chapter 11; client, Debtors); Murray, Inc. (Chapter 11; client, debt syndicate); Pegasus Satellite Television (Chapter 11; client, Debtors); Pliant, Inc. (Chapter 11; client, Debtors); Precision Parts International (Chapter 11; clients, debt syndicate); Recoton Corporation (Chapter 11;

client, debt syndicate); Pacific Trail, Inc. (Chapter 11; client, Debtors); RH Donnelley Corporation (Chapter 11; client, Debtors); Sea Containers Ltd. (Chapter 11 and Bermuda Provisional Liquidation; client, Debtors); Smurfit Stone Container, Inc. (Chapter 11 ; client, Debtors) ; Stations Casino, Inc. (Chapter 11 ; client, debt syndicate) ; TI Automotive Systems Ltd. (UK Scheme of Arrangement ; client, debt syndicate) ; Venture Holdings Company, Inc. (Chapter 11; client, debt syndicate); Zenith Electronics, Inc. (pre-packaged Chapter 11; client, Special Committee of Independent Directors); Zenith Industries, Inc. (Chapter 11; client, Debtors).

RECOGNITION:

- *Chambers USA, America's Leading Lawyers for Business*, 2003-2012
- *Expert Guide, Best of the Best US*, 2006-2011
- *IFLR, Guide to the World's Leading Insolvency and Restructuring Lawyers*, 2005-2011
- *The K&A Restructuring Register, America's Top 100 Restructuring Professionals*, 2000-2011

JEFFREY E. BJORK

Partner

Los Angeles

+1.213.896.6037

+1.213.896.6600 Fax

jbjork@sidley.com



PRACTICES

- Corporate Reorganization and Bankruptcy

ADMISSIONS & CERTIFICATIONS

- U.S. District Court, N.D. of California, 2004
- U.S. District Court, C.D. of California, 2003
- U.S. District Court, S.D. of California, 2002
- U.S. District Court, N.D. of Georgia, 1999
- U.S. District Court, M.D. of Georgia, 2000
- California, 1998

EDUCATION

- Emory University School of Law
(J.D., 1998, *with distinction*)
- Pepperdine University
(B.A., 1995, *magna cum laude*)

CLERKSHIPS

- U.S. Bankruptcy Court, N.D. of Georgia, James Massey

JEFF BJORK is a partner in the firm-wide Corporate Reorganization and Bankruptcy group. Mr. Bjork has significant experience in representing clients in all aspects of restructuring, including debtors (public company and privately-held), distressed investors, sellers and purchasers of financially-troubled companies, bond insurers, debt syndicates and bondholder groups. He has experience in large-scale cross-border restructurings and insolvencies involving the United States, Canada and Europe and has advised clients in distressed situations across industries, including gaming/hospitality, print media, real estate, manufacturing, casual dining and retail.

Law360 recently named Mr. Bjork a “Rising Star” as one of five bankruptcy lawyers under 40 to watch. He also was selected by *Turnaround & Workouts* as one of its top 12 “Outstanding Young Restructuring Lawyers” for 2011, and *Chambers USA, America’s Leading Lawyers for Business*, lists Mr. Bjork as a leading bankruptcy lawyer, noting he is identified as “an expert in representing both debtors and creditors” and “thoroughly knowledgeable, detail-oriented, client-focused, practical and fearless in representation.”

REPRESENTATIVE (PUBLIC) ENGAGEMENTS

- City of Stockton, California (Chapter 9; client, Assured Guaranty)
- Dynegy Holdings (Chapter 11; client, Debtors)
- R.H. Donnelly Corp. (Chapter 11; client, Debtors)
- Fortunoff Holdings, LLC (Chapter 11; client, Debtors)
- Sea Containers Ltd. (Chapter 11; client, Debtors)
- The Flintkote Company (Chapter 11; client, Debtors)
- Federal Mogul Corporation (Chapter 11 and UK Administrations; client, Debtors)

- Devon Convenience Stores, Inc. (Chapter 11; client, Debtors)
- International Total Services Inc. (Chapter 11; client, Debtors)
- Hiwire Inc. (out-of-court restructuring; client, Company)
- Station Casinos, Inc. (Chapter 11; client, senior lenders)
- TI Automotive (Pre-Packaged UK Scheme of Arrangement; client, debt syndicate)
- ARG Holdings Inc. ("Black Angus Steakhouse") (Chapter 11; client, secured lender and majority equity holder)
- Brill Media Company (Chapter 11; client, major creditor and litigation defendant)
- St. Francis Medical Centers (out-of-court restructuring; client, bond insurer)
- ABFS Inc. (Chapter 11; client, bond insurer)
- Olympic Sales, Inc. (Chapter 11; client, Brunswick Corporation, purchaser)
- Midway Games (Chapter 11; client, purchaser)
- Acclaim Inc. (Chapter 11; client, purchaser)
- Advanced Tissue Sciences Inc. (Chapter 11; client, purchaser)

PUBLICATIONS

- Panelist, "The End is in Sight: Pre-Negotiated Plans," 4th Annual ABI Mid-Level Professional Development Conference (2012)
- Panelist, "The Myths and Realities of Chapter 11," National Conference of Bankruptcy Judges (Las Vegas, Nevada 2009)
- Panelist, "UNCITRAL and Chapter 15," R3 Insolvency Conference (Berlin, Germany, 2007)
- "Seeking Predictability in Bankruptcy: An Alternative to Judicial Recharacterization in Structured Financing," 14 BANKR. DEV. J. 119, 136-40 (1997)
- Contributing Author, "Norton's Annual Survey of Bankruptcy Law" (1999 ed.)

PAUL S. CARUSO

Partner

Chicago

+1.312.853.7256

+1.312.853.7036 Fax

pcaruso@sidley.com



PRACTICES

- Corporate Reorganization and Bankruptcy

ADMISSIONS & CERTIFICATIONS

- U.S. District Court, N.D. of Illinois - General, 2004
- U.S. District Court, S.D. of New York, 2011
- Illinois, 1996
- New York, 2009

EDUCATION

- University of Iowa College of Law (J.D., 1995, *with distinction*)
- University of Michigan (B.A., 1986)

CLERKSHIPS

- U.S. District Court, District of Minnesota, David S. Doty

PAUL S. CARUSO is a partner in the firm-wide Corporate Reorganization and Bankruptcy Group. Mr. Caruso's practice focuses on complex restructurings and reorganizations, as well as distressed asset acquisitions and dispositions. Mr. Caruso has extensive experience representing debtors, noteholders, senior lenders and other creditor constituencies in large Chapter 11 cases.

Some of Mr. Caruso's recent public engagements include:

- R.H. Donnelley, Inc. (Chapter 11; client, Debtors)
- Hilex Poly Co. LLC (Chapter 11; client, Debtors)
- Meridian Automotive Systems, Inc. (Chapter 11; client, Debtors)
- Pegasus Satellite Television, Inc. (Chapter 11; client, Debtors)
- Dade Behring, Inc. (Chapter 11; client, Debtors)
- Orion Finance (out-of-court restructuring; client, Senior Subordinated Noteholders)
- Integrated Electrical Services, Inc. (Chapter 11; client, Senior Convertible Noteholders)
- Sentinel Management Group, Inc. (Chapter 11; client, Swap Counterparty)
- Anthony Crane Rental, L.P. (out-of-court restructuring; client, Company)

Prior to joining the firm, Mr. Caruso was a Law Clerk to the Honorable David S. Doty, United States District Court Judge for the District of Minnesota, from 1995-1997. He is a member of the American Bankruptcy Institute. In addition, he served on active duty with the United States Marine Corps.

APPENDIX II:

SUGGESTED CHANGES TO CONTRACT

CONTRACT FOR PROFESSIONAL LEGAL SERVICES

BETWEEN

CITY OF DETROIT, MICHIGAN

AND

CONTRACT NO._____

Table of Contents

	<u>Page</u>
1. Engagement of Attorney	1
2. Time of Performance	1
3. Information Gathering for the Engagement.....	1
4. Attorney Personnel and Administration.....	2
5. Compensation	3
6. Method of Payment.....	3
7. Indemnity	4 <u>Protection of City Property</u>
	<u>4</u>
8. Insurance	4
9. Termination.....	5
10. Assignment or Subcontracting.....	76
11. Conflict of Interest	76
12. Confidential Information	87
13. Amendments	87
14. Fair Employment Practices	8
15. Notices	98
16. Miscellaneous	98
Exhibit A Scope of Services.....	12
Exhibit B Schedule of Fees and Reimbursable Expenses	13

CITY OF DETROIT

LEGAL SERVICES CONTRACT

This Legal Services Contract ("Contract") is entered into between _____, with offices located at _____ ("Attorney"), and the City of Detroit, a municipal corporation, acting by and through its Law Department, represented by its Corporation Counsel ("City").

Recitals:

Whereas, Section 7.5-201(1) of the City of Detroit Charter empowers the Corporation Counsel to employ an outside attorney as Special Corporation Counsel for any particular matter or proceeding; and

Whereas, the Corporation Counsel has determined that it is necessary to retain the Attorney as special counsel to provide the legal services ("Services") described in Exhibit A of this Contract and the Attorney desires to perform the Services as set forth in this Contract; and

Accordingly, the parties agree as follows:

1. Engagement of Attorney

1.01 The City engages the Attorney to perform the Services set forth in Exhibit A. The Attorney agrees to perform the Services in accordance with the terms and conditions contained in this Contract, consistent with the standard of legal practice in the community.

~~1.02 In the event of a dispute between the parties regarding the extent or character of the Services, the interpretation of the City shall govern.~~

1.02 ~~1.03~~ All conferences and consultations deemed necessary by the City for the performance of this Contract shall be included within the scope of Services.

2. Time of Performance

2.01 ~~Performance~~The term of this Contract shall ~~commence on _____ and shall end on _____~~ be twelve (12) months from its date of execution.

2.02 The City's Finance Director shall not authorize any payment pursuant to this Contract until the Contract has been approved by the required City departments, the Contract has been approved by resolution of the Detroit City Council, and the Contract is signed by the City's Purchasing Director; provided, however, that the Attorney shall have no obligation to provide any services under this Contract until such approvals are obtained.

3. Information Gathering for the Engagement

3.01 Upon request, the City shall provide to the Attorney without charge all information in its possession ("Information") the ~~City~~Attorney deems necessary for the performance of this Contract. Information includes, but is not limited to, available data, reports, records, interviews, and consultations with City personnel.

3.02 The Attorney shall be permitted to visit City offices and facilities, as approved by the City, to obtain necessary Information.

- 3.03 Appropriate conferences and consultations shall be scheduled at convenient times with appropriate City personnel for the purpose of gathering Information.

4. Attorney Personnel and Administration

- 4.01 The Attorney warrants that all personnel in its employ and all subcontractors, agents or consultants assigned to the performance of the Services ("Associates") are fully qualified to perform such Services under the state laws and governing professional regulations where such Associates are employed.
- 4.02 Each Associate utilized by the Attorney in the performance of this Contract shall devote such time, attention, skill, knowledge and professional ability as are necessary to most effectively and efficiently perform the Services in accordance with the standard of professional practice in the State of Michigan.
- 4.03 The relationship of the Attorney and the Attorney's Associates to the City is and shall continue to be, that of an independent contractor and not an employer/employee relationship. No liability for benefits characteristic of an employer/employee relationship, including but not limited to, workers' compensation, pension rights or liabilities, insurance rights or liabilities, or other provisions or liabilities, arising out of or related to an employer/employee relationship, shall arise or accrue to the City as a result of the Attorney's or the Associate's performance of this Contract. ~~The Attorney agrees to indemnify and hold the City harmless against any claims, including related costs and expenses, for benefits arising out of an employer/employee relationship related to the performance of this Contract.~~
- 4.04 Upon request of the City, separate and apart from monthly statements of Services, the Attorney shall submit monthly or other regular written progress reports delineating work performed and significant events achieved. Such reports shall be signed by an authorized representative of the Attorney.
- 4.05 Notwithstanding the provisions of Section 4.04, the Attorney shall inform the City of the status of the Services on a regular basis, and shall inform the City of all material and significant developments in the subject matter of this Contract as soon as practicable under all relevant circumstances, including without limitation:
- (a) Probable delays or adverse conditions which do or may prevent accomplishment of the objectives of this Contract. This disclosure shall be accompanied by a statement of any remedial action taken or contemplated by the Attorney.
 - (b) Favorable developments or events which enable Contract objectives or time schedules to be accomplished sooner than anticipated.
- 4.06 The Attorney shall maintain full and complete books, records, documents, memoranda, notes, correspondence, files, books and accounts (collectively "Records") which shall reflect the Attorney's performance of this Contract. ~~Financial Records shall be kept in accordance with generally accepted accounting practices.~~

5. Compensation

- 5.01 The City agrees to pay the Attorney for the complete and proper performance of the Services ~~at the rate performed by the Attorney during the term of this Contract (as set forth in Section 2.01 hereof), at the rates~~ set forth in Exhibit B, a sum not to exceed ~~_____Ten Million~~ and 00/100 Dollars (\$~~____.00~~10,000,000.00), unless otherwise agreed to by the parties in writing and legally authorized pursuant to Article 13. It is understood by the parties that the compensation stated above includes the reimbursable expenses authorized in Exhibit B ("Reimbursable Expenses") and any and all remuneration of any kind to which the Attorney may be entitled; provided, however, that any fees, costs or expenses incurred by the Attorney in any bankruptcy or similar insolvency proceedings under federal or state law shall not be subject to the terms and conditions of this Contract.
- 5.02 The City agrees to reimburse the Attorney for the Reimbursable Expenses identified in Exhibit B which are actually incurred in connection with the proper performance of the Services. Expenses outside the categories enumerated in Exhibit B ~~shall not increase the amount payable stated in Section 5.01, and~~ shall not be reimbursed by the City unless such charges are reasonable and are incurred after written approval is given by the City.
- 5.03 The City shall have the right to examine and audit all Records and other supporting data of the Attorney as the City deems necessary to permit adequate evaluation of the Services performed, or the charges for time or the requests for Reimbursable Expenses submitted by the Attorney. The Attorney shall include a similar covenant allowing for City audit in any contract the Attorney has with a subcontractor, consultant, or agent whose services will be charged directly or indirectly to the City. ~~The City may delay payment to the Attorney pending the results of any such audit without penalty or interest.~~

6. Method of Payment

- 6.01 Payment for the proper performance of this Contract shall be contingent upon receipt by the City of accurate, complete, and timely invoices from the Attorney. The invoice shall state the cost of all Services for the subject billing period and the total cost of the Services rendered to date. The invoices shall also itemize the date of each Service performed, the name of the attorney or other person who performed the Service (each item should refer to only one person), a brief description of the Service performed, the amount of time expended on performing the Service and each expenditure or charge for which reimbursement is sought.
- 6.02 The Attorney's invoice for each month of Services shall be submitted to the City within sixty (60) days of the rendering of such Services. If the invoice requests payment or reimbursement for Reimbursable Expenses, the appropriate receipts for such Reimbursable Expenses shall be attached, if so requested by the City.
- 6.03 Invoices and reports shall be directed to the attention of the Corporation Counsel as specified in the Notice provisions contained in Article 15 of this Contract.

- 6.04 Payment for Services provided under this Contract is governed by the terms of Ordinance No 42-98 entitled "Prompt Payment of Vendors", being Sections 18-5-71 through 18-5-79 of the 1984 Detroit City Code.

The City employee responsible for accepting performance under this Contract and from whom payment should be requested is:

Corporation Counsel
City of Detroit Law Department
2 Woodward Avenue, Suite 500
Detroit, Michigan 48226-3535
Telephone: (313) 237-3031
Facsimile: (313) 224-5505

7. Indemnity Protection of City Property

~~7.01 The Attorney agrees to indemnify and hold the City harmless against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including, without limitation, reasonable fees and expenses for attorneys, expert witnesses and other consultants at the prevailing market rate for such services) which may be imposed upon, incurred by, or asserted against, the City by reason of any of the following:~~

- ~~(a) Any negligent or tortious act, error, or omission attributable in whole or, in part, to the Attorney or any of the Attorney's Associates, now existing or hereafter created.~~
- ~~(b) Any failure by the Attorney or any Associate to perform their obligations either implied or expressed under this Contract.~~

7.01 ~~7.02~~ The Attorney agrees that it is the responsibility of the Attorney and not the responsibility of the City to safeguard City property and material that is used by the Attorney or its Associates in the performance of this Contract. ~~Further, the Attorney agrees to indemnify and hold the City harmless against costs and expenses resulting to the City from any loss of such property or material.~~

8. Insurance

8.01 During the term of this Contract the Attorney shall maintain at all times at the Attorney's sole expense the following insurance coverage placed with an insurance carrier or carriers licensed to conduct business in Michigan and rated "A" or better by Bests, or with a risk retention group that is subject to Public Act 214 of 1989, MCL 500.1801, *et seq.*, as amended:

- (a) Professional liability (errors and/or omissions) insurance with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) in the aggregate.
- (b) Workers' Compensation Insurance which meets Michigan statutory requirements.

8.02 If during the term of this Contract changed conditions or other pertinent factors should, in the reasonable judgment of the City, render inadequate the foregoing insurance

limits, the City may demand that the limits be increased. Within thirty (30) days of such a demand, the Attorney shall obtain the additional coverage and furnish evidence of such coverage to the City. The rating requirements of Section 8.01 apply to the Attorney's procurement of additional coverage under this Section.

- 8.03 The insurance coverage described in Section 8.01, as well as any modification thereto required by Section 8.02, shall name the Attorney as the insured. In the event the Attorney receives notice of policy cancellation, the Attorney shall immediately notify the City of same in writing. Certificates of insurance evidencing the coverage described in Section 8.01 shall, in a form acceptable to the City, be submitted to the Corporation Counsel prior to the commencement of the Services and at least fifteen (15) days prior to the expiration dates of expiring policies.

9. Termination

- 9.01 The City or the Attorney may terminate this Contract with or without cause at any time without incurring any further liability whatsoever other than as stated in this Article 9, by giving written notice to the ~~Attorney~~other party of such termination ("Notice of Termination"). The Notice of Termination shall specify the effective date of termination, at least three (3) calendar days prior to the effective date of such termination, and this Contract shall terminate in all respects as if such date were the date originally given for the expiration of this Contract.

- 9.02 Except as provided in Section 9.03, 9.04 and 9.05, if this Contract is terminated, the City will pay the Attorney for the Services rendered prior to termination as soon thereafter as can be authorized by the Finance Department. The amount of the final payment shall be computed by the City on the basis of the Services rendered, less the amount of any previous payments made. Acceptance of the final payment by the Attorney shall constitute full and complete payment for the Services rendered by the Attorney pursuant to the Contract and shall be an accord and satisfaction between the parties.

- 9.03 Without waiver of any right under law, the City may terminate this Contract for cause by issuing a Notice of Termination to the Attorney at least twenty-four (24) hours before the effective date of the termination. Cause for termination shall include but not be limited to the following circumstances: (a) failure by the Attorney to fulfill in a timely and proper manner its obligations under this Contract; or (b) violation by the Attorney of any of the covenants, agreements, or stipulations of this Contract; or (c) termination by the Attorney of business in the normal course.

~~9.04 In the event that this Contract is terminated for cause, the Attorney shall be liable to the City for any damages the City sustains by virtue of the Attorney's breach and any reasonable costs the City might incur enforcing or attempting to enforce this Contract, including reasonable attorney's fees. The City may withhold any payment(s) to the Attorney for the purpose of setoff until such time as the exact amount of damages due the City is determined. It is expressly understood that the Attorney will remain liable for any damages the City sustains in excess of any set-off.~~

- 9.04 ~~9.05~~ The parties expressly agree that the total of any payments made by the City to the Attorney pursuant to this Section 9.01 shall not exceed the amount payable under

Section 5.01, as amended pursuant to Article 13, less the amount of any previous payments made by the City to the Attorney.

9.05 ~~9.06~~ After receipt of a Notice of Termination and except as otherwise directed by the City, the Attorney shall:

- (a) Stop work under the Contract on the date and to the extent specified in the Notice of Termination.
- (b) Obligate no additional Contract funds for payroll costs and other costs beyond such date as the City shall specify.
- (c) As of the date the termination is effective, present all Records and submit to the City such other records, reports, documents and pleadings as the City shall specify. The Attorney shall carry out such directives as the City may issue concerning the safeguarding or disposition of files and property.
- (d) Submit within thirty (30) days a final report of receipts and expenditures of funds relating to this Contract.
- (e) For each pending lawsuit in which the Attorney has entered an appearance under this Contract, notify the court in writing that the Attorney is no longer the attorney of record and advise the court to address all correspondence to the Corporation Counsel.

9.06 ~~9.07~~ Within seven (7) calendar days following the Notice of Termination, all the Attorney's finished or unfinished original (or copies when originals are unavailable) documents, data, studies, briefs, memoranda, drawings, maps, models, photographs, files, intermediate materials, supplies, notes, reports or other materials (collectively "Work Product") prepared by the Attorney for delivery to the City under this Contract or in anticipation of this Contract shall be delivered to the City free from any claim or reservation of rights thereto on the part of the Attorney.

9.07 ~~9.08~~ In the event of termination of this Contract, access to the Work Product prior to delivery to the City shall be restricted to duly authorized representatives of the City and the Attorney. The Attorney shall have no right to disclose or use any information gathered in the course of performance under this Contract without obtaining the written concurrence of the City. All such information shall be regarded as confidential and handled in such a manner at all times as to preserve confidentiality. The Attorney acknowledges that the Work Product, as well as any products and materials related thereto, are proprietary to the City, having been developed for the sole use of the City.

10. Assignment or Subcontracting

10.01 The Attorney shall not assign, encumber or transfer any interest in this Contract and shall not transfer any interest in this Contract without the prior written consent of the City. Any such consent given in any one instance shall not relieve the Attorney of its obligation to obtain the prior written consent of the City to any further assignment, encumbrance or transfer.

10.02 None of the Services covered by this Contract shall be subcontracted without the prior written approval of the City. The Attorney agrees to indemnify and hold the City

harmless against any claims against the City arising out of subcontracts entered by the Attorney and the subcontractor in the performance of this Contract.

- 10.03 This Contract shall inure in all particulars to the benefit of the City and its agents, successors, assigns and all other associated, affiliated or subsidiary entities, now existing, or hereafter created.

11. Conflict of Interest

- 11.01 The Attorney shall devote all of the time which may be required for the proper performance of the Services to be rendered to the City pursuant to this Contract. However, the Attorney shall not be prevented or barred by this Contract from accepting other employment herein specified. The City is aware that the Attorney represents, or may represent, clients in matters in which the interests of such clients are adverse to the City or its departments, boards or agencies. The Attorney covenants: that the Attorney has fully disclosed or will fully disclose the nature of these conflicts to the City before undertaking representation of such clients; that the Attorney obtained or will obtain appropriate written waivers from the City with respect to such conflicts before undertaking representation of such clients to the extent required under state law or applicable standards of professional conduct; that the Attorney has undertaken, or may undertake, the representation of specific clients and subject matters which are the subject of such waivers, if any; and, that such conflicts do not and will not affect the Attorney's ability to perform the Services required under this Contract. If the City grants the Attorney a waiver for a specific client and subject matter pursuant to this Section 11.01, the City will not later hold the Attorney in default of this Contract for undertaking representation of such client with regard to the specific subject matter for which the waiver was granted as long as the Attorney continues to comply with the ~~Michigan~~applicable Rules of Professional Conduct.

~~11.02—The Attorney further covenants that no officer or employee of the City, and no other public official who exercises any responsibility in the review or approval of the engagement or the performance of this Contract, has any personal or financial interest, direct or indirect, in the Contract or in the proceeds thereof.~~

- 11.02 ~~11.03~~—The Attorney warrants that no persons have been, or will be, employed to solicit or secure this Contract upon any agreement or arrangement for payment of a commission, percentage, brokerage, or contingent fee, either directly or indirectly. If the Attorney or its Associates breaches this warranty, the City may, at its option, terminate this Contract without penalty, liability, or obligation, or may deduct from any amounts owed to the Attorney hereunder, the amounts of any such commission, percentage, brokerage or contingent fee.

~~11.04—It is recognized that the Attorney may engage in legal services for other clients to the extent that the rendering of such services does not conflict with the Services to be performed under this Contract.~~

- 11.03 ~~11.05~~—It is further recognized that during the term of this Contract, the City may contract with other attorneys providing the same or similar Services.

12. Confidential Information

- 12.01 In order that the Attorney may effectively fulfill its obligations to the City under this Contract, it may be necessary or desirable for the City to disclose confidential and proprietary information pertaining to the City's past, present, and future activities. Since it is difficult to separate confidential and proprietary information from that which is not, the Attorney and its Associates shall regard all information gained as confidential and proprietary to the City and such information shall not to be disclosed to any organization or individual without the prior written consent of the City or as required by applicable law. The above obligation shall not apply to information already in the public domain or information required to be disclosed by a court order.
- 12.02 The Attorney shall take appropriate action to ensure that all its Associates comply with this policy of non-disclosure of confidential information.

13. Amendments

- 13.01 The City may consider it in its best interest to change, modify, or extend, a term or condition of this Contract; or the City may request the Attorney to perform additional services. Any such change, extension or modification which is mutually agreed upon by the City and the Attorney shall be incorporated by written amendments to this Contract. Such amendments shall not invalidate this Contract nor relieve or release the Attorney or the City from any of their respective obligations under this Contract.
- 13.02 No amendment to this Contract shall be effective and binding upon the parties unless it expressly makes reference to this Contract, is in writing, is signed and acknowledged by duly authorized representatives of both parties, is approved by the appropriate City departments and the Detroit City Council, and signed by the Purchasing Director.

14. Fair Employment Practices

- 14.01 The Attorney shall comply with the United States Constitution, the State of Michigan Constitution and all federal, state and local legislation and regulations governing fair employment practices and equal employment opportunity.
- 14.02 The Attorney agrees that all subcontractors will be notified of the obligations relating to nondiscrimination and affirmative action under this Contract when they are solicited and will include the provisions of this Article in any subcontract, as well as provide the City with a copy of any subcontract agreement.

15. Notices

- 15.01 All notices and communications under this Contract shall be given in writing, addressed as follows and mailed by first-class mail:

If to the Attorney:

Sidley Austin LLP
One South Dearborn Street

Chicago, Illinois 60603
Attention: James F. Conlan

If to the City: City of Detroit
Law Department
2 Woodward Avenue, Suite 500
Detroit, Michigan 48226-3535
Attention: Corporation Counsel

- 15.02 All notices shall be deemed given on the day of mailing. Either party to this Contract may change its address for the receipt of notices at any time by giving notice thereof to the other as herein provided. Any notice given by a party hereunder must be signed by an authorized representative of such party.
- 15.03 Termination notices, change of address notices, or other notices of a legal nature shall be sent by certified mail, postage prepaid, return receipt requested.

16. Miscellaneous

- 16.01 The failure by a party to insist upon the strict performance of any term of this Contract or to exercise any right, term or remedy consequent upon a breach thereof shall not constitute a waiver of any breach of such Contract. The waiver of any breach shall not affect or alter this Contract, and each and every covenant, agreement, term, and condition of this Contract shall continue in full force and effect.
- 16.02 If any provision of this Contract, or its application to any person or circumstances, shall be judicially determined to be invalid or unenforceable, the remainder of this Contract shall not be affected thereby, and each provision of this Contract shall be valid and enforceable to the fullest extent permitted by law.
- 16.03 This instrument, including Exhibits A and B attached hereto and made a part hereof, contains the entire agreement between the parties, and all prior negotiations and agreements are merged herein. Neither party has made any representations except those expressly set forth in this Contract, and no rights or remedies are, or shall be, acquired by either party by implication unless expressly set forth in this Contract.
- 16.04 Unless the context otherwise expressly requires, the words "herein", "hereof" and "hereunder", and other words of similar import refer to this Contract as a whole and not to any particular article, section or other subdivision.
- 16.05 The headings of the sections in this Contract are for convenience only and shall not be used to construe or interpret the scope or intent of this Contract or in any way affect the same.
- 16.06 The rights and remedies set forth in this Contract are not exclusive and are in addition to any of the rights or remedies provided by law or equity.
- 16.07 This Contract, and all actions arising hereunder, shall be governed by the laws of the State of Michigan.

- 16.08 The Attorney submits to the personal jurisdiction of any competent court in Wayne County, Michigan, for any action arising out of this Contract.
- 16.09 The Attorney agrees that it will not commence any action against the City because of any matter arising out of this Contract in any state or federal court of competent jurisdiction other than one in Wayne County, Michigan.
- ~~16.10 The Attorney covenants that the Attorney is not and will not become in arrears to the City upon any obligations to the City including, without limitation, real property, personal property and income taxes, and water, sewage or other utility bills.~~
- 16.10 ~~16.11~~ As used in this Contract, the singular shall include the plural, the plural shall include the singular.
- 16.11 ~~16.12~~ For purposes of the hold-harmless provisions contained in this Contract, the term "City" shall be deemed to include the City of Detroit, its officers, agents and employees, and all other associated, affiliated or subsidiary entities, now existing, or hereafter created and their officers, agents and employees.
- 16.12 ~~16.13~~ The City shall have the right to recover by setoff from any payment owed to the Attorney all delinquent withholding, income, corporate and property taxes owed to the City by the Attorney, any amounts owed to the City by the Attorney under this Contract or other contracts, and any other debt owed to the City by the Attorney.

The City and the Attorney, by and through their duly authorized officers and representatives, have executed this Contract as follows:

Witnesses:

1. _____

2. _____

Witnesses:

1. _____

2. _____

THIS CONTRACT WAS APPROVED BY
THE CITY COUNCIL ON:

Purchasing Director

Date

Attorney:

By: _____
(Signature)

(Print name)

Its: _____
(Title)

City of Detroit Law Department:

By: _____

Its: Corporation Counsel

APPROVED BY LAW DEPARTMENT
PURSUANT TO SECTION 7.5-206 OF THE
CHARTER OF THE CITY OF DETROIT:

Corporation Counsel

Date

**THIS CONTRACT IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY
RESOLUTION OF THE DETROIT CITY COUNCIL AND SIGNED BY THE PURCHASING
DIRECTOR.**

EXHIBIT A

SCOPE OF SERVICES

The Attorney shall act for and assist the City of Detroit Law Department by providing legal representation to _____ in the matter of _____ v _____, _____ Court Case No. _____, through and including [trial only] [trial and appeal].

* * *

EXHIBIT B

SCHEDULE OF FEES AND REIMBURSABLE EXPENSES

I. General

The Attorney shall be paid for those Services performed pursuant to and during the term of this Contract (as set forth in Section 2.01 of the Contract), inclusive of all Reimbursable Expenses, an amount not to exceed the sum of ~~_____00/100 Dollars (\$_____.00)~~ \$10,000,000 in accordance with the terms and conditions herein and with Article 5 and Article 6, and subject to Article 13. The Fee Schedule below states the maximum hourly billable rate the Attorney may charge the City for performance hereof during the initial term of this Contract

II. Fee Schedule

<u>CLASSIFICATION</u>	<u>BILLABLE HOURLY RATE</u>
Senior Partner	\$____.00
Junior Partner	\$____.00
Senior Associate	\$____.00
Associate	\$____.00
Paralegal/Law Clerk	\$____.00

<u>CLASSIFICATION</u>	<u>BILLABLE HOURLY RATE</u>
Partners	<u>\$675.00 - \$1,100.00</u>
Counsel	<u>\$475.00 - \$1,100.00</u>
Associates	<u>\$370.00 - \$715.00</u>
Para-Professionals	<u>\$210.00 - \$360.00</u>

~~Overtime~~ The rate for overtime pay for Clerical, Paralegal, Legal Assistant or Law Clerk services ~~will not be reimbursed without prior approval of the Corporation Counsel. The rate~~ shall be mutually agreed upon. Further, the Attorney shall submit a statement of itemized expenditures upon request by the City which shall include, but is not limited to, court/hearing appearances, research activities, and other related expenses for the Attorney's billings under this Contract.

III. Reimbursable Expenses

(a) The Attorney shall be paid for its Reimbursable Expenses which shall be the actual cost incurred by the Attorney for expenses advanced on behalf of the City in connection with the Services performed by the Attorney.

(b) In addition, reimbursement for the Attorney is allowable for travel and sustenance ~~for travel in excess of fifty (50) miles outside the corporate limits of the City of Detroit. in the performance of Services under this Contract.~~

(c) The following services shall be invoiced at the rates which represent the actual costs ~~of~~ incurred by the Attorney: photocopying, necessary local deliveries, toll or long distance telephone charges, transcript costs, postage, express mail services, outside printing and photocopying, filing, notary, expert witness fees, electronic database services and miscellaneous like expenses directly related and necessary for rendering the Services.

(d) Photocopying (in-house) rates shall not exceed \$.20 per page. Outside printing rates shall be ascertained by contacting at least three (3) commercial agencies and selecting the lowest minimum charge.

(e) Reimbursement will not be made for local FAX charges; long distance FAX charges will be honored only when the transmission is made at the request of the Law Department.

(f) In order to obtain reimbursement for costs or expenses not enumerated herein, the Attorney shall submit to the Corporation Counsel a written request for approval of such costs or expenses **prior to incurring them.**

~~(g) — The City will not pay any charges relating to the preparation or processing of invoices by the Attorney.~~

* * *

APPENDIX III: WORLD OFFICES

We have a global footprint with offices in 18 cities: Beijing, Brussels, Chicago, Dallas, Frankfurt, Geneva, Hong Kong, Houston, London, Los Angeles, New York, Palo Alto, San Francisco, Shanghai, Singapore, Sydney, Tokyo and Washington, D.C.

BEIJING

Suite 608, Tower C2
Oriental Plaza
No. 1 East Chang An Avenue
Dong Cheng District
Beijing 100738
China
T: 86.10.5905.5588
F: 86.10.6505.5360

HONG KONG

Level 39
Two Int'l Finance Centre
8 Finance Street
Central, Hong Kong
T: 852.2509.7888
F: 852.2509.3110

SAN FRANCISCO

555 California Street
San Francisco, California 94104
T: 415.772.1200
F: 415.772.7400

BRUSSELS

NEO Building
Rue Montoyer 51 Montoyerstraat
B-1000 Brussels
Belgium
T: 32.2.504.6400
F: 32.2.504.6401

HOUSTON

1000 Louisiana Street
Suite 6000
Houston, Texas 77002
T: 713.495.4500
F: 713.495.7799

SHANGHAI

Suite 1901
Shui On Plaza
333 Middle Huai Hai Road
Shanghai 200021
China
T: 86.21.2322.9322
F: 86.21.5306.8966

CHICAGO

One South Dearborn
Chicago, Illinois 60603
T: 312.853.7000
F: 312.853.7036

LONDON

Woolgate Exchange
25 Basinghall Street
London, EC2V 5HA
United Kingdom
T: 44.20.7360.3600
F: 44.20.7626.7937

SINGAPORE

6 Battery Road
Suite 40-01
Singapore 049909
T: 65.6230.3900
F: 65.6230.3939

DALLAS

717 North Harwood
Suite 3400
Dallas, Texas 75201
T: 214.981.3300
F: 214.981.3400

LOS ANGELES

555 West Fifth Street
Los Angeles, California 90013
T: 213.896.6000
F: 213.896.6600

SYDNEY

Level 10, 7 Macquarie Place
Sydney NSW 2000
Australia
T: 61.2.8214.2200
F: 61.2.8214.2211

FRANKFURT

Taunusanlage 1
60329
Frankfurt am Main
Germany
T: 49.69.22.22.1.4000
F: 49.69.22.22.1.4001

NEW YORK

787 Seventh Avenue
New York, New York 10019
T: 212.839.5300
F: 212.839.5599

TOKYO

Sidley Austin Nishikawa Foreign
Law Joint Enterprise
Marunouchi Building 23F
4-1, Marunouchi 2-chome
Chiyoda-Ku, Tokyo 100-6323
Japan
T: 81.3.3218.5900
F: 81.3.3218.5922

GENEVA

Rue de Lausanne 139
Sixth Floor
1202 Geneva
Switzerland
T: 41.22.308.00.00
F: 41.22.308.00.01

PALO ALTO

1001 Page Mill Road
Building 1
Palo Alto, California 94304
T: 650.565.7000
F: 650.565.7100

WASHINGTON, D.C.

1501 K Street N.W.
Washington, D.C. 20005
T: 202.736.8000
F: 202.736.8711