

Exhibit 16

Declaration of William E. Arnault

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

In re)	
)	Chapter 9
CITY OF DETROIT, MICHIGAN,)	
)	Case No. 13-53846
Debtor.)	
)	Hon. Steven W. Rhodes
)	

**DECLARATION OF WILLIAM E. ARNAULT IN SUPPORT OF OBJECTION OF
SYNCORA GUARANTEE INC. AND SYNCORA CAPITAL ASSURANCE INC. TO
MOTION OF DEBTOR FOR ENTRY OF AN ORDER (I) AUTHORIZING THE
ASSUMPTION OF THAT CERTAIN FORBEARANCE AND OPTIONAL
TERMINATION AGREEMENT PURSUANT TO SECTION 365(a) OF THE
BANKRUPTCY CODE, (II) APPROVING SUCH AGREEMENT PURSUANT RULE
9019, AND (III) GRANTING RELATED RELIEF**

Pursuant to 28 U.S.C. § 1746, I, William E. Arnault, hereby submit this declaration under penalty of perjury:

1. I am an associate at Kirkland & Ellis, counsel to Syncora Guarantee Inc. and Syncora Capital Services Inc. ("Syncora"). I submit this declaration in support of Syncora's objection to the debtor City of Detroit's ("City's") *Motion of Debtor for Entry of an Order (I) Authorizing the Assumption of that Certain Forbearance and Optional Termination Agreement Pursuant to Section 365(a) of the Bankruptcy Code, (II) Approving such Agreement Pursuant to Rule 9019, and (III) Granting Related Relief*, dated July 18, 2013, [Docket No. 17] (the "Assumption Motion").

2. Attached as Exhibit 2 is a true and correct copy of the Service Contract dated June 7, 2006.

3. Attached as Exhibit 3 is a true and correct copy of the ISDA Master Agreement dated June 7, 2006.

4. Attached as Exhibit 4 is a true and correct copy of the Contract Administration Agreement dated June 12, 2006.

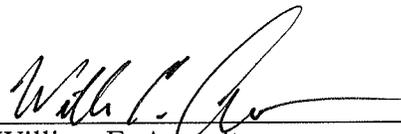
5. Attached as Exhibit 5 is a true and correct copy of the Trust Agreement dated June 12, 2006.

6. Attached as Exhibit 6 is a true and correct copy of the Collateral Agreement dated June 25, 2009.

7. Attached as Exhibit 7 is a true and correct copy of the Amended and Restated Schedule to the ISDA Master Swap Agreement dated June 7, 2006.

8. Attached as Exhibit 8 is a true and correct copy of the Forbearance Agreement dated July 15, 2013.

Chicago, IL
Dated: August 16, 2013



William E. Arnault