

Gerhard Eady – order#11481 claim# 3163

24880 Almond
Eastpointe, MI 48021
313-802-8762
geady@sbcglobal.net

FILED (1)

2016 AUG 30 P 3: 34

U.S. BANKRUPTCY COURT
E.D. MICHIGAN-DETROIT

Clerk of the Court
United States Bankruptcy Court
211 W. Fort Street
Suite 2100
Detroit, MI 48226

August 30, 2016

RE: Motion for Reconsideration of the order# 11481 Granting Stipulation for Resolution of Objection to Claim number 3163 filed by Gerhard Eady

Dear United States Bankruptcy Court:

I would like request a motion for Reconsideration of the order# 11481 granting stipulation for resolution of objection to claim number 3163 Acceptance of Bankruptcy Offer filed by Creditor Gerhard Eady Claim- # 3163- Case No. 13-53846.

The Creditor is asking the Court to reconsider the Creditor's decision to accept the settlement offer from the Debtor, the City of Detroit.

The Creditor is asking the Court to review new evidence that was not considered when the Creditor made its decision.

The Creditors states that the settlement offer was made to the Creditor under false pretenses and without disclosing the new evidence that the Debtor had available and was not made in good faith. The Creditor asserts that the Debtor, the City of Detroit, withheld this information regarding the Creditor's bankruptcy claim to the Debtor's benefit.

The Creditor asserts that the City of Detroit did not disclose the additional fiscal years that the Creditor may claim for this action.

The Creditor asserts that when it signed the acceptance offer the Creditor was only considering and accepting the offer as it pertained to the Creditor's claim as submitted in 2012.

The Creditor has discovered that the Creditor's Claim may and should include the fiscal years of 2013-14 and 2014-15.

The fiscal years of 2013-14 and 2014-15 should be included as part of the Creditor's claim since the Creditor has continued to be employed by the Debtor during this time of the bankruptcy court action.

The Creditor should have the opportunity to amend its claim calculation to include these years.

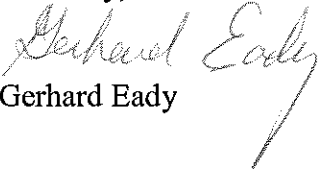
The Creditor states that when it signed the acceptance offer it was not including the additional fiscal years that it may claim and would like those years to remain in the bankruptcy action.

The Creditor has attached its amended claim calculation for the Court's review.

The Creditor would like to assert this need to correct and clear the error, and to prevent injustice on part of the Debtor.

Based on these arguments, the Creditor should have opportunity to have its claim heard

Sincerely,



Gerhard Eady

Cc: Marc N. Swanson, Miller, Canfield, Paddock and Stone Plc.

Founded in 1852
by Sidney Davy Miller

MILLER CANFIELD

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August 10, 2016

Gerhard Eady
24880 Almond
Eastpointe, MI 48021

Re: City of Detroit Bankruptcy Case No: 13-53846
Your Proof Of Claim No: 3163

Dear Mr. Eady:

As you are aware, your Proof Of Claim as indicated above is currently pending before the Bankruptcy Court. As stated in Paragraph 2 of the Court's Order of June 24, 2016, the Court has set a hearing for August 31, 2016 on the City's objections to your Claim. A copy of that Order was previously sent to you and is enclosed for your convenience.

In advance of the August 31, 2016 hearing, we are authorized to resolve your Claim in the amount \$1,342.50, which you will receive as a cash payment as permitted by the confirmed Plan of Adjustment in this matter dated October 22, 2014.

The City has arrived at this figure as follows: Your Claim asserts a 10% reduction to your salary covered by a grant as well as other losses or reductions in benefits. However, the grant under which you were employed covered only your salary. All other parts of your compensation, such as benefits, were at the City's cost.

The salary and benefit reductions alleged in your Claim resulted from the lawful imposition of City Employment Terms ("CETs"). The City has objected to all Claims based on losses incurred as a result of CETs because the City was legally authorized to impose the CETs. The City has determined, however, that because your Claim is based on a reduction in a grant-funded salary, an appropriate amount may be allowed on your Claim.

The City's review of your Claim indicates a 10% salary reduction for one year prior to the bankruptcy, or \$5,370.00. This is therefore the "allowed amount" of your Claim. Under the Plan of Adjustment, such allowed amounts are not paid out in cash, but are paid in "B Notes". The Plan of Adjustment Disclosure Statement estimates the percentage recovery in B Notes on allowed amounts under claims such as yours at 10-13%. However, because the allowed amount on your Claim is less than \$25,000.00, the Plan of Adjustment treats your Claim as a "Class 15

Convenience Claim,” under which the City may offer a cash payment of 25% of the allowed amount. The City therefore offers the amount of \$1,342.50, which is 25% of your allowed amount, in full and final resolution of your Claim.

This letter also includes a Stipulation For Resolution Of Objection to your claim and a proposed Order to be filed with the Court (attached as Exhibit 1 to the Stipulation). If you are in agreement with the above amount, please sign the Stipulation and *have it notarized*. By signing the Stipulation, you are agreeing to the following: (1) the cash payment amount stated in this letter and in the Stipulation; (2) that the amount stated in this letter and the Stipulation fully and finally resolves your Proof of Claim, and (3) that an order may be entered by the Court approving the stipulation and full and final resolution of your claim by this amount. The proposed Order attached as Exhibit 1 to the stipulation will then be entered by the Court to resolve your Claim.

If you are in agreement with this resolution, please return the signed stipulation to me at the above address no later than Wednesday, August 24, 2016.

Very truly yours,

Miller, Canfield, Paddock and Stone, P.L.C.

By: _____

John H. Willems

JHW/jw

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

In re:
City of Detroit, Michigan,
Debtor.

Bankruptcy Case No. 13-53846
Judge Thomas J. Tucker
Chapter 9

**STIPULATION FOR RESOLUTION OF OBJECTION TO CLAIM
NUMBER 3163 FILED BY GERHARD EADY AND
ALLOWANCE OF CLAIM NUMBER 3163 IN A REDUCED AMOUNT**

Gerhard Eady (“Claimant”), and the City of Detroit, Michigan (“City,” and with Claimant, the “Parties”), by and through its undersigned counsel, state as follows in support of the entry of the *Order Approving Stipulation Resolving Objection to Claim Number 3163 filed by Gerhard Eady and Allowing Claim Number 3163 in a Reduced Amount* attached hereto as Exhibit 1.

1. On February 21, 2014, Claimant filed proof of claim number 3163 (the “Claim”) in the amount of \$32,981.44.

2. On May 12, 2016, the City filed its *Debtor’s Forty-Fourth Omnibus Objection to Certain Claims (No Basis)* (the “Objection,” Doc. No. 11162).

3. The Parties have reached a resolution regarding the Claim and the City’s Objection to the Claim. The Parties agree that the Claim should be allowed in the amount of \$5,370.00 as a Class 15 Convenience Claim. As provided by the terms of Class 15 of the City’s confirmed *Eighth Amended Plan for the Adjustment*

of Debts of the City of Detroit (October 22, 2014) (Doc. No. 8045), the Claimant will receive a cash payment of \$1,342.50, which is 25% of the allowed amount referenced above, in full and final satisfaction of the Claim.

WHEREFORE the Parties respectfully request that the Court enter an order in the form attached as Exhibit 1, resolving the Objection as regards the Claim and allowing the Claim in a reduced amount as a Class 15 Convenience Claim.


Stipulated and agreed to on August <u>18</u> , 2016:	
MILLER CANFIELD PADDOCK & STONE, PLC	
By: <u>/s/ Marc N. Swanson</u> Marc N. Swanson (P71149) 150 West Jefferson, Suite 2500 Detroit, Michigan 48226 Telephone: (313) 496-7591 Facsimile: (313) 496-8451 swansonm@millercanfield.com Counsel for the City of Detroit, Michigan	
Claimant for Claim 3163 <u>Gerhard Eady</u> Gerhard Eady 24880 Almond Eastpointe, MI 48021	
The foregoing instrument was acknowledged before me this <u>18</u> day of August, 2016, by <u>GERHARD EADY</u> , who is personally known to me or who produced a driver's license as identification.	
Notary Stamp: 	Notary's Signature: <u>[Signature]</u> Notary's Name: <u>K MURRAY</u> Notary Public, State of <u>MI</u> , County of <u>MACOMB</u> My commission Expires: <u>JULY 30, 2018</u> Acting in the County of: <u>MACOMB</u>

EXHIBIT 1

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

In re:
City of Detroit, Michigan,
Debtor.

Bankruptcy Case No. 13-53846
Judge Thomas J. Tucker
Chapter 9

**ORDER APPROVING STIPULATION RESOLVING OBJECTION TO
CLAIM NUMBER 3163 FILED BY GERHARD EADY AND
ALLOWING CLAIM NUMBER 3163 IN A REDUCED AMOUNT**

This matter having come before the Court on the *Stipulation for Resolution of Objection to Claim Number 3163 filed by Gerhard Eady and Allowance of Claim Number 3163 in a Reduced Amount* (the "Stipulation"); the parties having stipulated to the allowance of claim number 3163 in a reduced amount and the resolution of the *Debtor's Forty-Fourth Omnibus Objection to Certain Claims (No Basis)* (the "Objection," Doc. No. 11162) as to claim number 3163; and the Court being otherwise fully informed:

IT IS HEREBY ORDERED THAT:

1. The Objection is resolved as to proof of claim number 3163 filed by Gerhard Eady (the "Claim").

2. The Claim is allowed as a Class 15 Convenience Claim in the amount of \$5,370.00 and will be paid in a cash payment of \$1,342.50, which is 25% of the allowed amount, according to the terms of the City's confirmed *Eighth Amended*

Plan for the Adjustment of Debts of the City of Detroit (October 22, 2014) (Doc. No. 8045).

3. The City's claims and noticing agent, Kurtzman Carson Consultants, is authorized to update the claims register to reflect the terms of this order.

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN

IN RE: CITY OF DETROIT, MICHIGAN

CASE NO: 13-53846
CHAPTER: 9

Gerhard Eady Debtor. /

CERTIFICATE OF SERVICE

I hereby certify that on AUGUST 29, 2016 (date of mailing), I served

copies as follows:

1. Document(s) served:
Motion for Reconsideration of the order #11481 Granting Stipulation for Resolution of Objection to Claim number 3163 filed by Gerhard Eady
2. Served upon [name and address of each person served]:
Marc N. Swanson
150 W. Jefferson, Suite 2500
Detroit, MI 48226
313-496-7591
swansonm@millercanfield.com
3. By First Class Mail.

FILED (1)
2016 AUG 30 P 3:35
U.S. BANKRUPTCY COURT
E.D. MICHIGAN-DETROIT

Dated: 8/30/16

Gerhard Eady
(Signature)

Print Name: GERHARD EADY