STATE OF MICHIGAN IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

ROBBIE FLOWERS, MICHAEL WELLS and JANET WHITSON,

Plaintiffs,

VS.

Case No. CZ Hon.

RICK SNYDER, as the Governor of the State of Michigan; ANDY DILLON, as the Treasurer of the State of Michigan; and the STATE OF MICHIGAN,

Defendants.

William A. Wertheimer (P26275) Attorney for plaintiffs 30515 Timberbrook Lane Bingham Farms, MI 48025 248-644-9200 billwertheimer@gmail.com

Andrew Nickeloff (P37990) Marshall J. Widick (P53942) James A. Britton (P71157) Attorneys for plaintiffs Sachs Waldman 1000 Farmer Detroit, MI 48226 313-496-9429 anickelhoff@sachswaldman.com <u>mwidick@sachswaldman.com</u> jabritton@sachswaldman.com

PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION

Plaintiffs move for a preliminary injunction, pursuant to MCR 3.310(A), stating:

- 1. The allegations in the verified complaint are incorporated by reference.
- 2. Plaintiffs are two City of Detroit retirees currently receiving pension

benefits and a City of Detroit employee with vested pension benefits whose rights are

being violated in the emergency financial management proceedings that the State has implemented in response to Detroit's fiscal crisis and whose rights will be threatened with abrogation if Governor Snyder authorizes the Detroit Emergency Manager to proceed under Chapter 9 in bankruptcy.

3. This action is brought for violations of plaintiffs' constitutional rights under Article 9, Section 24 of the Michigan Constitution which provides: "The accrued financial benefits of each pension plan and retirement system of the state and its political subdivisions shall be a contractual obligation whereof which shall not be diminished or impaired thereby."

3. The *Local Financial Stability and Choice Act*, Public Act 436 of 2012, MCL 141.1541, *et seq*. (Public Act 436) permits Governor Snyder to authorize a Chapter 9 bankruptcy. MCL 141.1558. A copy of Public Act 436 is available at www.legislature.mi.gov.

4. The Detroit Emergency Manager has, as part of his restructuring planning, publicly announced that he intends to significantly cut vested pension amounts of the city's retirees and employees in violation of Article 9, Section 24 and threatened to seek to extinguish their Article 9, Section 24 rights in bankruptcy if they fail to agree which they have not.

5. Plaintiffs seek an order precluding Governor Snyder or the State Treasurer from authorizing Detroit's Emergency Manager to proceed under Chapter 9 of the federal Bankruptcy Code because to do so would threaten to abrogate their rights under Article 9, Section 24 of the Michigan Constitution.

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6. Absent the issuance of such an injunction, plaintiffs will likely be irreparably harmed as their rights under Article 9, Section 24 of the Michigan Constitution will be threatened with abrogation in bankruptcy.

RELIEF

It is respectfully requested that this Court:

A. Issue an order that establishes a hearing date and time on which defendants must show cause why a preliminary injunction should not issue precluding the Governor or the State Treasurer to commence proceeding under Chapter 9 of the federal Bankruptcy Code.

B. After said hearing, enter a preliminary injunction as described immediately above until final disposition of plaintiffs' complaint.

Respectfully submitted,

s/William A. Wertheimer William A. Wertheimer (P26275) Attorney for plaintiffs 30515 Timberbrook Lane Bingham Farms, MI 48025 248-644-9200

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