BILL SCHUETTE
ATTORNEY GENERAL
STATE OF MICHIGAN

June 10, 2014

The Hon. Steven W. Rhodes
Eastern District of Michigan, Bankruptcy Court

Re: Attorney General Approval of DIA Settlement

To the Court:

The City of Detroit's Fourth Amended Bankruptcy Plan (Docket No. 4392) requires my approval of the DIA Settlement. Because the DIA settlement fully preserves the DIA's art collection for the people of Michigan, I am happy to approve the DIA Settlement.

Last June, as questions arose regarding the legal status of the DIA's art collection, I issued Attorney General Opinion #7272. In this opinion, I concluded: "The art collection of the Detroit Institute of Arts is held by the City of Detroit in charitable trust for the people of Michigan, and no piece in the collection may thus be sold, conveyed, or transferred to satisfy City debts or obligations."

Consistent with my conclusion, the DIA Settlement now requires that "the City shall irrevocably transfer the DIA Assets to DIA Corp., as trustee, *to be held in perpetual charitable trust*, and within the City limits, for the primary benefit of the residents of the City and the Counties and the citizens of the State." 4th Amended Plan, at 47 (emphasis added).

This result – a result made possible through the generous contributions of local and national foundations, the DIA, and the State of Michigan – is an excellent one. Nearly 130 years ago, the DIA began as a nonprofit corporation with the charitable purpose of the public display of art. As required by Michigan law, the DIA Settlement continues the museum's charitable purpose and thereby preserves Michigan's world-class art collection for current and future generations of Michigan citizens.

The City of Detroit's motto, emblazoned on the City's flag, states: "*Speramus meliora; resurget cineribus.*" ("We hope for better things; it will arise from the ashes.") I approve the DIA Settlement.

Sincerely,

Bill Schuette
Attorney General

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