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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE TO/A
TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

(Amendment No. 19)

TAUBMAN CENTERS, INC.
(Name of Subject Company (Issuer))

SIMON PROPERTY ACQUISITIONS, INC.
SIMON PROPERTY GROUP, INC.
WESTFIELD AMERICA, INC.
(Names of Filing Persons (Offerors))

COMMON STOCK, PAR VALUE $.01 PER SHARE
(Title of Class of Securities)

876664103
(CUSIP Number of Class of Securities)

James M. Barkley, Esq.
Simon Property Group, Inc.
National City Center
115 West Washington Street
Suite 15 East
Indianapolis, IN 46024
Telephone: (317) 636-1600

Peter R. Schwartz, Esq.
Westfield America Inc.
11601 Wilshire Boulevard
12th Floor
Los Angeles, CA 90025
Telephone: (310) 445-2427

(Name, Address and Telephone Numbers of Person
Authorized to Receive Notices and Communications on Behalf of Filing Persons)

Copies to:

Steven A. Seidman, Esq.
Robert B. Stebbins, Esq.
Willkie Farr & Gallagher
787 Seventh Avenue
New York, New York 10019
Telephone: (212) 728-8000

Scott V. Simpson, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
One Canada Square
Canary Wharf
London, E14 5DS, England
Telephone: (44) 20 7519 7000

CALCULATION OF FILING FEE

TRANSACTION VALUATION*	AMOUNT OF FILING FEE**
$1,243,725,540	$248,745.11

* Estimated for purposes of calculating the amount of the filing fee only. Calculated by multiplying $20.00, the per share tender offer price, by 62,186,277 shares of Common Stock, consisting of (i) 52,207,756 outstanding shares of Common Stock, (ii) 2,269 shares of Common Stock issuable upon conversion of 31,767,066 outstanding shares of Series B Non-Participating Convertible Preferred Stock, (iii) 7,097,979 shares of Common Stock issuable upon conversion of outstanding partnership units of The Taubman Realty Group, Limited Partnership ("TRG") and (iv) 2,878,273 shares of Common Stock issuable upon conversion of outstanding options (each of which entitles the holder thereof to purchase one partnership unit of TRG which, in turn, is convertible into one share of Common Stock), based on the Registrant's Preliminary Proxy Statement on Schedule 14A filed on December 20, 2002, the Registrant's Schedule 14D-9 filed on December 11, 2002 and the Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2002.

** The amount of the filing fee calculated in accordance with Regulation 240.0-11 of the Securities Exchange Act of 1934, as amended, equals 1/50th of one percent of the value of the transaction.

/X/ Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement

number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:	$248,745.11	Filing Party:	Simon Property Group, Inc.; Simon Property Acquisitions, Inc.; Westfield America, Inc.
Form or Registration No.:	Schedule TO (File No. 005-42862), Amendment No. 1 to the Schedule TO and Amendment No. 5 to the Schedule TO	Date Filed:	December 5, 2002, December 16, 2002 and January 15, 2003

/ / Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

/ / Check the appropriate boxes below to designate any transactions to which the statement relates. third-party tender offer subject to Rule 14d-1.

/ / issuer tender offer subject to Rule 13e-4.

/ / going-private transaction subject to Rule 13e-3.

/ / amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: / /

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SCHEDULE TO

This Amendment No. 19 amends and supplements the Tender Offer Statement on Schedule TO originally filed with the Securities and Exchange Commission (the "Commission") on December 5, 2002, as amended and supplemented by Amendment No. 1 thereto filed with the Commission on December 16, 2002, by Amendment No. 2 thereto filed with the Commission on December 27, 2002, by Amendment No. 3 thereto filed with the Commission on December 30, 2002, by Amendment No. 4 thereto filed with the Commission on December 31, 2002, by Amendment No. 5 thereto filed with the Commission on January 15, 2003, by Amendment No. 6 thereto filed with the Commission on January 15, 2003, by Amendment No. 7 thereto filed with the Commission January 16, 2003, by Amendment No. 8 thereto filed with the Commission on January 22, 2003, by Amendment No. 9 thereto filed with the Commission on January 23, 2003, by Amendment No. 10 thereto filed with the Commission on February 7, 2003, by Amendment No. 11 thereto filed with the Commission on February 11, 2003, by Amendment No. 12 thereto filed with the Commission on February 18, 2003, by Amendment No. 13 thereto filed with the Commission on February 21, 2003, Amendment No. 14 thereto filed with the Commission on February 21, 2003, Amendment No. 15 thereto filed with the Commission on February 27, 2003, Amendment No. 16 thereto filed with the Commission on February 27, 2003, Amendment No. 17 thereto filed with the Commission on February 28, 2003 and Amendment No. 18 filed with the Commission on March 3, 2003 (as amended and supplemented, the "Schedule TO") relating to the offer by Simon Property Acquisitions, Inc., a Delaware corporation (the "Purchaser") and wholly owned subsidiary of Simon Property Group, Inc., a Delaware corporation ("SPG Inc."), to purchase all of the outstanding shares of common stock, par value $.01 per share (the "Shares"), of Taubman Centers, Inc. (the "Company") at a purchase price of $20.00 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated December 5, 2002 (the "Offer to Purchase"), and the Supplement to the Offer to Purchase, dated January 15, 2003 (the "Supplement"), and in the related revised Letter of Transmittal (which, together with any supplements or amendments, collectively constitute the "Offer"). This Amendment No. 19 to the Schedule TO is being filed on behalf of the Purchaser, SPG Inc. and Westfield America, Inc. ("WEA").

Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Offer to Purchase, the Supplement and the Schedule TO, as applicable.

The item numbers and responses thereto below are in accordance with the requirements of Schedule TO.

Item 11. ADDITIONAL INFORMATION.

On March 6, 2003, SPG Inc. and the Purchaser made available certain exhibits that had been filed with the United States District Court for the Eastern District of Michigan (the "Court") in support of SPG Plaintiffs' Motion for a Preliminary Injunction that had been filed previously with the Court on January 31, 2003. The full text of these exhibits are filed herewith as Exhibits (a)(5)(BB) through (a)(5)(MM).

Item 12. EXHIBITS.

(a)(5)(BB) NOVA Restructuring and Recapitalization Plan.

(a)(5)(CC) Project NOVA Goldman Sachs Value Added Talking Points, dated August 18, 1998.

(a)(5)(DD) Goldman Sachs Memorandum to IBD Innovation Award Committee, dated

November 18, 1998.

(a)(5)(EE) Letter from Morgan Stanley Dean Witter to the Partnership Committee of The Taubman Realty Group Limited Partnership and the Board of Directors of Taubman Centers, Inc., dated August 17, 1998.

(a)(5)(FF) Excerpts from the Deposition Transcript of Allan J. Bloostein, taken January 14, 2003.

(a)(5)(GG) Excerpts from the Deposition Transcript of Simon Parker Gilbert, taken January 9, 2003.

(a)(5)(HH) Excerpts from the Deposition Transcript of G. William Miller, taken January 22, 2003.

(a)(5)(II) Excerpts from the Deposition Transcript of Lisa Payne, taken January 17, 2003.

(a)(5)(JJ) Excerpts from the Deposition Transcript of Christopher J. Niehaus, taken January 17, 2003.

(a)(5)(KK) Excerpts from the Deposition Transcript of Adam Rosenberg, taken January 24, 2003.

(a)(5)(LL) Excerpts from the Deposition Transcript of David Simon, taken January 24, 2003.

(a)(5)(MM) Excerpts from the Deposition Transcript of Robert Taubman, taken January 16, 2003.

SIGNATURE

After due inquiry and to the best of their knowledge and belief, the undersigned hereby certify as of March 6, 2003 that the information set forth in this statement is true, complete and correct.

SIMON PROPERTY GROUP, INC.

By: /s/ James M. Barkley

Name: James M. Barkley
Title: Secretary and General Counsel

SIMON PROPERTY ACQUISITIONS, INC.

By: /s/ James M. Barkley

Name: James M. Barkley
Title: Secretary and Treasurer

After due inquiry and to the best of its knowledge and belief, the undersigned hereby certifies as of March 6, 2003 that the information set forth in this statement is true, complete and correct.

WESTFIELD AMERICA, INC.

By: /s/ Peter R. Schwartz

Name: Peter R. Schwartz
Title: Senior Executive Vice President

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
(a)(5)(BB)	NOVA Restructuring and Recapitalization Plan.
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(a)(5)(MM) Excerpts from the Deposition Transcript of Robert Taubman, taken January 16, 2003.

EXHIBIT 99(a)(5)(BB)

[GOLDMAN SACHS LOGO]

THIS TRANSACTION, WHILE SOMEWHAT COMPLEX ON THE SURFACE, WAS IN FACT DRIVEN BY THE STRONG DESIRE, BY THE NOVA FAMILY, TO SIMPLY AND FOCUS THE COMPANY, WHICH THEY FOUNDED, INTO ONE IN WHICH THEY HAD (A) GREATER RELATIVE OWNERSHIP AND CONTROL, (B) MORE HIGH GROWTH AND DEVELOPMENT ASSETS AND (C) A SIMPLER FROM OF CORPORATE GOVERNANCE.

NOVA RESTRUCTURING AND RECAPITALIZATION PLAN
GOLDMAN SACHS AS ADVISOR TO THE NOVA FAMILY
TALKING POINTS ONLY (DO NOT FAX OR MAIL TO CLIENTS)(a)

On August 18th, NOVA announced a definitive agreement with FUND to exchange FUND's Operating Units in NOVA Realty Group Limited Partnership for NOVA's interest in ten regional malls. Goldman Sachs advised the NOVA family in the transaction. (See attached Merger Memorandum for details and schematic.) The following bullet points highlight key selling points that you can share with your clients:

BACKGROUND: NOVA FAMILY HIRED GOLDMAN SACHS TO PROTECT THEIR INTERESTS IN A POTENTIALLY CONTENTIOUS SITUATION

- - Fund (which owned 43.5% of NOVA) and Family (23.4%) agreed to investigate alternatives to reduce FUND's stake in NOVA.

- - MSDW retained to advise/protect Independent Board Members (i.e., the REIT) interests, and AEW retained to advise/protect FUND.

- - Early on, advisors (AEW and MSDW) sought value and structure concessions from the Family in order to "get the deal done".

  - In addition, Auto Co., parent of Fund, is one of MSDW's, largest institutional clients

  - Parker Gilbert, former MSDW Chairman, is an influential independent Board Member at the NOVA REIT

- - GS (and Wachtell Lipton) were free to be biased advocates on behalf of the NOVA family and indirectly for the New NOVA versus both AEW and MSDW

  - MSDW was merely "brokering" the overall deal and providing a fairness, to make everyone happy.

  - GS helped the NOVA family define and defend its objectives versus the other two stakeholders

STEP ONE: "RESTRUCTURING" DOES NOT EQUAL "SALE" OF NOVA

- - The Family and Goldman Sachs stood united in not wanting to put NOVA "in play"

- - Given the caliber of NOVA's assets (i.e., Short Hills Mall) and brand name, a transaction with significant contingencies and/or subject to shareholder approval could result in putting NOVA "in play".

  - Early structures considered included spining-off the FUND's malls into a separately-traded entity, which would have required a shareholder vote.

- - Goldman and Family proposed the restructuring/recapitalization format

  - No shareholder vote

  - Creates separate portfolio for FUND, who exchanges OP units for properties

  - No impact on NOVA 1999E FFO/share

(a) Marketing letter, attached, can be sent to clients.

RESTRICTED CONFIDENTIAL GS01080 CONTINUED

[GOLDMAN SACHS LOGO]

NOVA RESTRUCTURING AND RECAPITALIZATION PLAN
GOLDMAN SACHS AS ADVISOR TO THE NOVA FAMILY
TALKING POINTS ONLY (DO NOT FAX OR MAIL TO CLIENTS)(a)

STEP TWO: CORPORATE M&A VERSUS REAL ESTATE ASSET SALE TIMING/MOMENTUM

- - Time was the enemy, from the Family's point of view

  - Higher likelihood of a leak, prior to reaching a definitive agreement

  - Higher likelihood of the FUND changing its mind and/or tactics to exit its NOVA investment

  - Higher likelihood of an interloper emerging for 100% of NOVA

- - FUND predisposed to approach the transaction as a "typical" real estate deal

  - Extensive due diligence requirements

  - Extensive reps and warranties

  - Extensive contingencies and potential "outs"

- - Goldman Sachs helped the Family drive the deal and reach a more expedited definitive, non-contingent agreement

  - Six weeks, not six months, to closing (September 30th)

  - No contingencies

  - Limited reps and warranties

STEP THREE: GS HELPED THE FAMILY TO EVALUATE THE PRO FORMA IMPACT OF THE TRANSACTION ON THEIR INVESTMENT IN NOVA

- - Attended key sessions held by the stakeholders and their advisors regarding the valuation of Old NOVA

- - Prepared detailed analytical models on a property-by-property basis

- - Conducted research regarding the corporate governance to advise the Family on voting rights, board seats and other issues in the NEWCO.

- - We helped the Company to analyze their recapitalization which includes tendering for $1.1 billion of outstanding unsecured debt, short term bridge financing (provided by UBS) and replacing the bridge financing with secured (mortgage) financing

- - We believe the changes to the corporate structure and governance of NEWCO, now more typical of an UPREIT, will make NOVA easier for investors to understand

(a) Marketing letter, attached, can be sent to clients

EXHIBIT (a)(5)(CC)

[SEAL]

PROJECT NOVA
GOLDMAN SACHS VALUE ADDED

TALKING POINTS

ADVISING THE FAMILY
- - Issue: Should GS be advising the Family or the Company?
- - GS Advice: The Family needs its own advisor. At some point, the Family's interests and the public's Interests (i.e., the Company) will diverge.
- - Result: GS can approach all issues from the vantage point of protecting the Family's interests.
  - Other advisors (AEW and MSDW) have sought concessions from the Family at various points in time.
  - GS (with Wachtell) has been able to counter these positions to protect the Family's substantial and ongoing economic interest in NOVA.

OVERALL APPROACH
- - Issue: Family and Company too generous in separation and trusting of Fund's intentions; too eager to placate.
- - GS Advice: View transaction as a separation/divorce, not an asset sale; treat separation as negotiated transaction; presume that Fund is gaming every step of the way; take positions to protect Family's interests, remain firm on positions taken and become confrontational if necessary.
- - Results:
  - Family's preferred structure (negotiated separation) ultimately implemented.
  - Public shareholder vote avoided.
  - Fund ultimately agreed to allocate liabilities in way which avoids FFO dilution.
  - Company can announce binding, non-contingent deal.
  - Substantial improvement in Family's governance rights.
  - Transaction is FFO-neutral in 1999.

IPO OF DEVCO
- - Issue: Divisive Saleco/Devco structure proposed by MSDW included IPO of Devco.
- - GS Advice: Don't do IPO due to timing, completion and value risks.
- - Result: IPO concept ultimately abandoned.

CONTINUED

[GOLDMAN SACHS LOGO]

RESTRICTED CONFIDENTIAL

PROJECT NOVA
GOLDMAN SACHS VALUE ADDED

TALKING POINTS

INCENTIVE FOR DEVCO SHAREHOLDERS
- - Issue: In divisive Saleco/Devco structure, Bobby proposed offering cash put or entry price discount to incentivize shareholders to elect into Devco.
- - GS Advice: Don't make the offer - risk playing hand too early.
- - Result: Saleco/Devco structure abandoned before Family needed to make concession on incentives.

SEPARATION STRUCTURE
- - Issue: Preferred structure (Family and Fund negotiate asset division; shareholders' absolute interest remains unchanged) rejected early on by MSDW/S&S and Independent Directors.
  - Family and Company believe revival of our structure is hopeless.
  - Miro says repeatedly that our structure "will not work" and "cannot be done".
- - GS Advice (with Wachtell):
  - Point out that no structure satisfies all objectives.
  - Push our preferred structure as satisfying more goals than other structures.
  - Portray as simpler structure with less interloper risk.
  - Emphasize that public shareholders' interest is unaffected, so no shareholder vote is required.
- - Result: Our preferred structure ultimately implemented.

SHAREHOLDER VOTE
- - Issue: MSDW and Independent Directors have always insisted that a REIT shareholder vote is necessary; MSDW opined that vote would not increase interloper risk.
  - Bobby believes we have "no chance of avoiding a shareholder vote".
  - Miro and Larson: "We will lose the shareholder vote issue".
- - GS Advice (w/Wachtell): Public shareholder vote not required and greatly increases interloper risk; Bobby should remain firm that Family will vigorously oppose any proposal which includes a shareholder vote.

- - Results:
  - Bobby about to concede shareholder vote issue (6/24/98).
  - Parker suggests exchanging units for assets without shareholder vote.
  - MSDW and S&S become convinced that shareholder vote is not required.
  - Transaction goes forward on basis that no vote is required.

CONTINUED

A604

PROJECT NOVA
GOLDMAN SACHS VALUE ADDED

TALKING POINTS

THE ALLEN REED CARD
- - Issue: Can Bobby Influence Allen to push his team of advisors? Miro and Bobby don't believe it is worth trying; Lisa and Cordell are adamant that "there is no Allen Reed card".
- - GS Advice: 7/13/98 -- GS begins suggesting Bobby call Allen.
- - Results:
  - 7/20/98 - Bobby calls Allen, who commits to a non-contingent deal; Allen gets Ron Pastore and Joe Azrac on phone; they commit to 2-week completion.
  - 7/21/98 - Bobby tells GS he should have called Allen sooner.
  - 7/29/98 - Bobby inclined to cancel Board meeting date; Allen encourages him not to, and maintains commitment to pushing forward as quickly as possible.
  - 8/3/98 - Company and Fund reach agreement on state of exchange properties and begin intense negotiation of Separation Agreement.
  - 8/17/98 - Board approval and signing of Separation Agreement.
  - 8/18/98 - Transaction announced.

PREFERRED STOCK
- - Issue: NOVA is keeping 100% of the preferred stock; GS pointed out early on that this will be dilutive to FFO and should be considered "expensive debt" for which NOVA should be compensated.
- - GS Advice: Debt allocation must force Fund to bear its pro rata share of the dilutive effect.
  - MSDW maintained that there was no basis for marking the preferred to a market debt rate.
- - Results:
  - Fund ultimately accepted approach of marking the preferred to market as debt.
  - Resulted in shifting more unsecured debt to Fund and distributing the dilutive effect pro rata.
  - Net benefit of more than a penny of 1999E FFO/share.

DEBT TENDER
- - Issue: Should Company launch unsecured debt tender before broader transaction is announced?
  - Bobby and Lisa strongly in favor of launching.
- - GS Advice: Don't launch until deal announced; launching will focus spotlight on Company, potentially expose broader transaction and/or create duty to disclose.

CONTINUED

A605

PROJECT NOVA
GOLDMAN SACHS VALUE ADDED

TALKING POINTS

- - Result: Debt tender put off until transaction can be announced.

VALUE OF OPTIONS
- - Issue: How should the existence of options affect the division of equity? How should the options be valued (i.e., what share price should be assumed at time of exercise)?
  - MSDW saw no basis for a share price assumption higher than the current market price ($14), and would not push for a higher price.
- - GS Advice:
  - GS pointed out early on that Fund's primary ownership of 37.25% of Partnership does not reflect the dilutive effect of the options.
  - Division of equity must shift to Fund its pro rata share of the dilutive effect of the options.
  - A higher share price assumed for options valuation results in a greater

dilutive effect, which means that Fund's equity share shrinks by a corresponding amount in the equity division analysis.
  - We should push for the highest share price possible for purposes of dividing equity.
- - Results:
  - Fund accepted our method of treating the options value as "debt" retained by NOVA.
  - Resulted in shifting more unsecured debt to Fund and distributing the dilutive effect pro rata.
  - Share price of $16 assumed for options valuation.
  - Net benefit of almost 1/2 penny of 1999E FFO/share (versus MSDW's proposal of $14 per share).

JOINT VENTURES
- - Issue: The parties agreed to adjust the cap rate for each JV asset to reflect the lack of debt capacity.
- - GS Advice: Beyond individual asset cap rate adjustments, there must be a "look back" mechanism if one party ends up with a disproportionate number of JV assets. In such a case, the whole harm is greater than the sum of its parts due to cumulative, entity-wide restraints on debt capacity.
- - Results:
  - NOVA wound up with 9 out of 10 JV assets.
  - This will force NOVA to refinance Beverly, which has high-cost debt and a high prepayment penalty.
  - Parties agreed to mark this debt to market at its prepayment value; NOVA to refinance Beverly with lower-cost debt.
  - Resulted in shifting more unsecured debt to Fund and distributing the dilutive effect pro rata.

CONTINUED

PROJECT NOVA
GOLDMAN SACHS VALUE ADDED

TALKING POINTS

  - Net benefit of over 1 penny of 1999E FFO/share.

FFO DILUTION
- - Issue: The slate of exchange properties proposed by NOVA was FFO-neutral, whereas the slate counter-proposed by Fund was approximately 4 cents dilutive to 1999E FFO/share.
  - Company and MSDW willing to live with dilution due to confidence in market's favorable reaction to smaller, faster-growing company focused on development.
- - GS Advice: We cannot do a dilutive deal.
  - Risk of appearance of "Greenmail".
  - The market will punish NOVA for doing a dilutive deal.
  - We must insist that Fund work with us to achieve break-even (at a minimum). If that means increasing the amount of unsecured debt allocated to Fund, so be it.
- - Results:
  - GS painstakingly convinces Company and MSDW that we can't do a dilutive deal.
  - MSDW ultimately argues to Fund that dilution will be a consideration in fairness opinion.
  - We convince Allen Reed and Fund that we can't do a dilutive deal.
  - Fund ultimately works with us to make its proposed slate break-even (e.g., in ways described above).

GOVERNANCE
- - Issue: Family currently has no ability to block transactions at either REIT or OP level.
- - GS Advice (with Wachtell):
  - Take advantage of restructuring to implement governance package more favorable to Family.
  - Push envelope of "peer group" beyond regional mail REITs to broader group of UPREITs with significant insider or family ownership.
  - Because Family and public are essentially dividing up rights previously held by Fund, Family can improve its position without diminishing public's rights.
- - Results: Significantly better governance rights for Family than previously existed.
  - 4 out of 9 REIT Board seats.
  - "Flow-through" voting rights - voting power of units at REIT level.
  - 2/3 majority vote required for merger at REIT level (Family to own 29%, CIPs to own 9%).
  - Blocking rights at OP level for extraordinary transactions; 50% LP consent required.

CONTINUED

A607

PROJECT NOVA
GOLDMAN SACHS VALUE ADDED

TALKING POINTS

- Certain specified properties cannot be sold/encumbered without unitholder consent.

REIT BOARD SEATS
- - Issue: During fishing trip in Iceland, Parker told Miro he prefers giving Family 4 seats on an 11-member Board instead of a 9-member Board. Miro inclined to concede.
- - GS Advice (with Wachtell): Stick with 9-member Board, or insist on number of seats which is one less than majority.
- - Result: Family ends up with 4 out of 9 Board seats.

INTERLOPER RISK AVERSION
- - Issue: How can we best protect against the risk of interlopers lobbing in offers which potentially derall the negotiated transaction?
  - MSDW sells Bobby out by telling Board that shareholder vote does not materially increase risk of interlopers.
- - GS Advice (with Wachtell):
  - Shareholder vote must be avoided at all costs.
  - Deal must be fully binding and not contingent upon any due diligence.
  - Utilize two-step process in which due diligence takes place after deal signed and announced.
- - Results:
  - Shareholder vote avoided (see discussion above).
  - Two-step process adopted.
  - Deal is, by its terms, fully binding and non-contingent.

[GOLDMAN SACHS LOGO]

EXHIBIT (a)(5)(DD)

MEMORANDUM

GOLDMAN
SACHS
[LOGO]

To: IBD Innovation Award Committee

Team: Bob Hurst [SEAL]
Mark Tercek
Wayne Moore
Jay Nydick
Rich Wayner
Adam Rosenberg
Charlie Stocks

Date: November 18, 1998

Re: Taubman Center, Inc. Restructuring and Recapitalization Plan

In February 1998, the Taubman family and General Motors Pension Trusts ("GMPT") agreed to investigate alternatives to reduce GMPT's 40% investment in Taubman Centers, Inc. ("TCO"), a leading owner and developer of regional shopping centers nationwide, which at the time represented the largest single investment of the pension fund. GMPT had initially invested with the Taubman family's privately-held company in 1985 and was very anxious to find liquidity since TCO's IPO in November of 1992. An advisory committee of the TCO board was created, and it retained Morgan Stanley Dean Witter ("MSDW") as its financial advisor. This was all taking place in an environment of very significant consolidation in the regional mall business with very significant multi-billion dollar transactions, the most recent of which was Simon Property Group's $5 billion acquisition of CPI. It became clear to the Taubman family, which owned 20% of TCO, that MSDW was not going to protect their interests which were not necessarily aligned with GMPT's. In early June, the family retained Goldman Sachs to act as their exclusive advisor.

TCO and the Board had been proceeding along a path that could have resulted in most, if not all, of the family's objectives not being met. The team designed an alternative plan that met all parties' objectives and also would maximize long-term value to all shareholders. We then helped the family sell that plan to the Board, GMPT and ultimately the public.

On September 30, 1998, TCO closed the Goldman-proposed plan which encompassed the following initiatives:

1. TCO and GMPT exchanged GMPT's Operating Partnership Units in TCO for interests in 10 Taubman shopping centers, thereby significantly reducing GMPT's stake in TCO;

2. TCO restructured its balance sheet for increased financial flexibility by tendering for 100% of its unsecured debt with the intention of replacing it with lower-cost secured debt;

3. TCO simplified its governance structure to reflect increased public ownership;

4. TCO's smaller asset base will permit its development pipeline to contribute more significantly to per-share earnings growth;

5. The Taubman family became the largest single stakeholder in TCO and retained its four board seats. GMPT resigned its four board seats. The size of the TCO Board of Directors was reduced from thirteen to nine with five independent directors.

The plan provided the following benefits to the stakeholders in Taubman Centers, Inc.:

- - Each party to the transaction was able to accomplish its objectives without one party benefiting disproportionately;

- GMPT realigned its investment in regional malls from ownership of public shares to direct ownership of real estate, thereby meeting its stated objective of not owning disproportionately large, controlling blocks in public REITs;

- TCO removed a potentially contentious shareholder without having to make a cash distribution or having a decrease in 1999E FFO per share;

- The Taubman family secured its on-going economic interest in TCO with new significant shareholder governance provisions;

- Public shareholders now have a corporate governance structure more typical of other UPREITs, which should make the company easier to analyze and more attractive to investors.

- - TCO is the first investment-grade REIT to tender for all of its unsecured debt. The covenants required to maintain its investment-grade rating were more restrictive to TCO than secured debt. With the increased flexibility created with its tender offer, TCO can more effectively capitalize on its regional mall development pipeline.

- - TCO maintained the critical mass of premier regional malls necessary to provide TCO with negotiating leverage with national tenants.

- - By increasing the earnings impact of each development project, which are significantly accretive to earnings, TCO can drive its stock price without participating in what has been a very expensive acquisition market;

- - The market received the transaction extremely well with the stock trading up and holding most of its gain since the August 17 announcement. In a REIT market which is off almost 20% YTD, Taubman has been one of the best performing REIT stocks as it is at 91% of its 52-week high.

EXHIBIT (a)(5)(EE)

MORGAN STANLEY DEAN WITTER

[SEAL]

1585 BROADWAY
NEW YORK, NEW YORK 10036
(212) 761-4000

AUGUST 17, 1998

Partnership Committee
Taubman Realty Group Limited Partnership

Board of Directors
Taubman Centers, Inc.
200 East Long Lake Road
Suite 300
P.O. Box 200
Bloomfield Hills, MI 48303-0200

Members of the Partnership Committee and of the Board of Directors:

We understand that Taubman Realty Group Limited Partnership (the "Partnership") and the GMPTS Limited Partnership (the "Fund") propose to enter into a Separation and Relative Value Adjustment Agreement, dated August 17, 1998, (the "Separation Agreement"), which provides, among other things, for the redemption by the Partnership of 50,025,713 units of partnership interest in the Partnership held by the Fund, which constitutes all of the Fund's direct interest in the Partnership, in exchange for certain assets and secured and unsecured direct or indirect debt obligations of the Partnership (the "Redemption"). The terms and conditions of the Redemption are more fully set forth in the Separation Agreement. In connection with the Redemption, we understand that the Partnership, Taubman Centers, Inc. (the "Company") (the managing general partner of the Partnership), the Fund and the Taubman Company Limited Partnership propose to enter into a Second Amendment and Restatement of Agreement of Limited Partnership (the "Partnership Amendment") which shall give effect to the Redemption and adopt certain provisions altering the governance of the Partnership. We further understand that approximately 16% of the outstanding shares of common stock of the Company (the "the "Common Stock") is owned by the Fund.

You have asked for our opinion as to whether the Redemption is fair from a financial point of view to the partners of the Partnership (other than the Fund and its affiliates in their capacity as partners of the Partnership).

For purposes of the opinion set forth herein, we have:

(i) reviewed certain publicly available financial statements and other information of the Partnership and the Company;

MORGAN STANLEY DEAN WITTER

(ii) reviewed certain internal financial statements and other financial and operating data concerning the Partnership and the Company prepared by the management of the Partnership;

(iii) analyzed certain property level and other financial projections and other information prepared by the management of the Partnership;

(iv) discussed the past and current operations and financial condition and the prospects and long term development plans of the Partnership and its individual assets with senior executives of the Partnership;

(v) reviewed the reported prices and trading activity for the Common Stock;

(vi) compared the financial performance of the Partnership, the Company and the prices and trading activity of the Common Stock with that of certain other comparable publicly-traded companies and their securities;

(vii) reviewed the pro forma impact of the Redemption on the Partnership's funds from operations per share, consolidated capitalization and selected financial ratios

(viii) participated in discussions and negotiations related to valuation of the Partnership, the assets and liabilities of the Partnership to be retained and those to be exchanged in the Redemption, among representatives of the Partnership and the Fund (and certain other

parties) and their financial and legal advisors;

(ix) reviewed drafts of the Separation Agreement, the Partnership Amendment and certain other related documents; and

(x) performed such other analyses and considered such other factors as we have deemed appropriate.

We have assumed and relied upon, without independent verification, the accuracy and completeness of the information reviewed by us for the purposes of this opinion. With respect to the financial projections, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the future financial performance of the Partnership. We have not made any independent valuation or appraisal of the assets or liabilities of the Partnership. We have assumed that the Redemption will be tax free to the Partnership and its partners. Our opinion is necessarily based on economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof.

In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition of the Partnership or any of its assets, nor did we negotiate with any party with respect to the possible acquisition of the Partnership or any of its assets (other than, in each case, with the Fund and its affiliates in their capacity as partners of the Partnership with respect to the Redemption).

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We have acted as financial advisor to the Special Committee of the Partnership Committee of the Partnership in connection with this transaction and will receive a fee for our services. The Partnership has also agreed to indemnify us for certain liabilities arising out of our engagement. In addition, in the ordinary course of our trading, brokerage and financing activities, Morgan Stanley & Co. Incorporated or its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for our own account or the accounts of our customers, in debt or equity securities or senior loans for the Partnership and the Company. In the past, Morgan Stanley & Co. Incorporated and its affiliates have provided financial advisory and financing services to the Partnership, the Company and the Fund and have received fees for the rendering of these services. As you know, S. Parker Gilbert currently acts as an advisory director to Morgan Stanley Dean Witter & Co.

It is understood that this letter is for the information of the Partnership Committee of the Partnership and the Board of Directors of the Company only and may not be used for any other purpose without our prior written consent. We express no opinion as to the price at which the Common Stock will trade following the announcement and conclusion of the Redemption.

Based upon and subject to the foregoing, we are of the opinion on the date hereof that the Redemption is fair from a financial point of view to the partners of the Partnership (other than the Fund and its affiliates in their capacity as partners of the Partnership).

Very truly yours,

MORGAN STANLEY & CO. INCORPORATED

By: /s/ Christopher J. Niehaus

Christopher J. Niehaus
Managing Director

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

SIMON PROPERTY GROUP, INC., and SIMON PROPERTY ACQUISITIONS, INC., Plaintiffs,	)
vs.	) No. 02-74799
TAUBMAN CENTERS, INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISON, PETER KARMANOS, JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHAZEN, and S. PARKER GILBERT, Defendant.	) ORIGINAL

VIDEOTAPED DEPOSITION OF ALLAN J. BLOOSTEIN

New York, New York

Tuesday, January 14, 2003

Reported by:
Philip Rizzuti
JOB NO. 144079

Special Joint Meeting of the Board of Directors of Taubman Centers Inc. and the Partnership Committee of the Taubman Realty Group Limited Partnership, August 17, 1998, TCI 85 to 131, marked for identification, as of this date.)

[BEGINNING OF EXCERPT]

Q. Mr. Bloostein, the question I have for you is, looking over what we have marked as Bloostein Exhibit 1, under the heading committee members on the bottom half of the page?

A. Yes.

Q. Is that a list of the members of the partnership committee?

A. Yes.

Q. And on the top half of the same page of Bloostein Exhibit 1, is that a list of the members of the REIT board of directors?

A. Yes.

Q. You mentioned before, focussing on the REIT board of directors, that certain directors were independent directors?

A. Yes.

Q. Can you tell me who were the independent directors on this list at the REIT level?

A. At the REIT level, Claude Ballard, myself, Graham Allison, Jerome

Chazen and S. Parker Gilbert. I think there were five of us. Did I name five?

Q. That is right, even I did that math.

So I understand that five of the eleven members were independent. In addition were certain members of the board affiliated with GM Pension Trust.

A. Yes.

Q. Who were they?

A. Allen Reed; W. Allen Reed; Thomas Dobrowski, and I think that is all that were on that board, on the REIT board.

Q. So there were two members of the REIT board that were affiliated with the GM Pension Trust?

A. Right.

Q. That leaves four remaining members and were those four remaining members representatives of the Taubman family?

A. Robert Taubman; Robert Larson; Lisa Payne and Alfred Taubman, A. Alfred Taubman.

Q. Those were the four Taubman family

related members of the REIT board?

A. Well, they were not family members, all of them, Lisa Payne wasn't a family member and Bob Larson wasn't a family member, but they were all Taubman directors.

Q. What do you mean by Taubman directors?

A. They were named by Taubman.

Q. If I can ask you to perform a similar exercise with the partnership committee members, could you identify perhaps first the independent members of the partnership committee?

A. Claude Ballard, Graham Allison, myself, Allan Bloostein, Jerome Chazen and Parker Gilbert. S. Parker Gilbert.

Q. I believe you said before, it is the five independent directors on the REIT board, who are also independent directors on the partnership committee?

A. Yes.

Q. In addition could you identify the representatives on the partnership committee who were affiliated with GM Pension Trust?

A. Joseph Azrack; Tom Dobrowski; Ronald M. Pastore and W. Allen Reed.

Q. The remaining four people on the partnership committee were representatives of the Taubman's?

A. Yes. Bob Larson, Lisa Payne, Alfred Taubman and Robert Taubman.

Q. Thank you.

MR. REISBERG: I would ask the court reporter to mark as Bloostein Exhibit 2, a demonstrative exhibit that I have prepared to assist me today. It is a schematic diagram.

(Bloostein Exhibit 2, schematic diagram, marked for identification, as of this date.)

A. I think that if I were doing this, I would have part the operating partnership on the top and the REIT board on the bottom.

MR. SCHWARTZ: Why don't you wait until he asks a question.

THE WITNESS: I thought I would be helpful.

Q. In fact it is, but let me ask you a question so you can answer it again.

A. Okay.

Q. Looking at this Bloostein Exhibit 2, which I have prepared, would you agree with me that as to the schematic on the REIT board, that the REIT board of directors had eleven members in 1998?

A. Yes.

Q. As we have been discussing, those -- the members of the board could be divided into two which were affiliated with the GM Pension Trust, five independent members and four Taubman directors?

A. Yes.

Q. Turning then to the operating partnership, would you agree with me that in 1998 the operating partnership had thirteen members?

A. Yes.

[END OF EXCERPT]

Q. As we have been discussing, those 13 members can be divided into the three groups shown here?

A. Yes, that is correct.

Q. From your point of view are there any changes that you would want to make to this Bloostein Exhibit 2 schematic?

MR. SCHWARTZ: Objection to form.

A. Well, only that if I were laying it

out, I would lay it out differently as I said, the operating partnership real was the group that made the decisions. The board merely carried out the decisions of the partnership.

[BEGINNING OF EXCERPT]

Q. In 1998 did there come a time when you and the other members of the partnership committee began to consider a possible transaction with GM Pension Trust?

A. Yes. There was a time.

Q. Is it correct that in 1998 that the GM Pension Trust wanted to reduce it's ownership interest in the partnership?

A. In essence, yes. They were looking for a way to do that. They wanted greater control of the real estate.

Q. Is it correct that the GM Pension Trust wanted to sell it's interest in the partnership back to the partnership?

A. I don't recall that.

Q. What do you recall the GM Pension Trust wanting to do in 1998 in regard to it's ownership interest in the partnership?

A. I think that they were looking to do something, to work something out that would be,

that would fit their bill of -- I think they asked for a committee, that is right. They asked for a committee to study ways of increasing the amount of control that they would have on the real estate in this group.

Q. Do you recall that in 1998 the GM Pension Trust was unhappy with the performance of their investment?

A. Yes. That is true. I mean to what degree, I think there were a lot of people that were unhappy with the performance. It was not just GM. A number of people complained about the stock price, I complained about the stock price.

Q. And what were your concerns about the stock price in 1998?

A. It was too low. Actually the net asset value of the company was such that we just couldn't quite understand why the stock price was so low. We thought that it might have been the way the corporate governance was, certainly General Motors brought that up, that it was an issue. But we were all quite, let's say perturbed, I don't know if you could say perturbed, but really surprised that the stock price was not considerably higher. But that

is true about General Motors.

They had a couple of directors I think who represented them, that came from AEW, who were quite knowledgeable on -- about real estate. And they were, they had made comments from time to time about the stock price was too low.

Q. Now, there came a time in 1998 when a transaction was entered into with General Motors pension trust, pursuant to which General Motors sold it's interest back to the partnership in exchange for ten shopping centers, do you recall that?

A. I don't remember the mechanics, but I do remember that -- yes, I remember they had 37 percent of the stock, they exchanged that for ten shopping centers. Ten of the more mature shopping centers.

Q. What was your understanding of what GM wanted to accomplish as a result of that exchange transaction?

A. Well, they had a huge, as I learned over time, because it was not just at board meetings, we would fly back and forth on the plane together, they had a large investment in this company, large

real estate investment. I mean much larger I guess than with anybody else. And it -- which is one of the reasons they were concerned about stock price. But it became rather clear that they wanted to reduce the size of their investment in one way or another, as I remember it.

[END OF EXCERPT]

Q. Do you remember what the -- let me ask you a different way.

Did you ever have any discussions with Alfred Taubman regarding what became the, what I will call the GM exchange transaction?

A. Never.

Q. Did you ever have any discussions with Robert Taubman regarding the GM exchange transaction?

A. Personal conversations or -- we had conversations at the board level. I don't think -- I don't remember just -- we had a lot of conversations related to this thing. We had -- but really only after that special committee was set up.

Q. What do you recall about the special committee?

A. That the special committee was formed --

Q. Did the special committee also hire it's own law firm, do you know?

A. Yes.

Q. Who was that?

A. Shearman & Sterling.

[BEGINNING OF EXCERPT]

Q. In connection with these discussions, is it also correct that the Taubman's also hired their own advisors?

A. I really don't know. That might have come up, I really don't remember.

Q. Do you recall whether or not the investment bank of Goldman, Sachs was in any way involved in the 1998 transaction involving General Motors pension trust?

A. Well I certainly didn't know about it at the time.

Q. Do you know about it today?

A. I know about it today because I read it in the deposition, that Parker Gilbert deposition. It came up in that deposition, I didn't know it at the time.

Q. What is your current understanding of what role Goldman, Sachs played in 1998 in connection with the GM transaction?

A. Well, I think that Goldman, Sachs gave advice to the family.

[END OF EXCERPT]

Q. Do you recall that in 1998 the law firm of Wachtell, Lipton was also involved in the 1998 transaction with GM?

A. I really don't recall.

Q. Do you understand today that Wachtell, Lipton represented the Taubman family in connection with the discussions concerning that transaction?

A. Actually I have not -- I didn't remember. I guess -- I mean my memory is not good, so they might have, I don't remember it.

Q. Putting aside the cast of players for a moment, and focussing just on the transaction itself, can you tell me as best as you can recall based upon any conversations you had in the board meeting or outside the board meeting, what the position was of the Taubman family as to whether or not to do the GM exchange transaction?

MR. SCHWARTZ: Objection to the form. You can answer over that objection.

A. Well, I can tell you that the Taubman family was always very accommodating to General Motors. They were partners for a long time. Made

why our stock price wasn't higher. The performance we thought was pretty good. And we were -- we constantly came up with thoughts and ideas to make it better. We looked at the comparisons with other shopping center developers, and frankly it was a mystery.

[BEGINNING OF EXCERPT]

Q. As I understand it, one reason put forward as to why the stock price

might be too low was because the company had an operating partnership committee; is that correct?

A. Well, we had a partnership committee and we had a -- we had the REIT. This two tier kind of thing, I guess that was one of the elements. We ultimately simplified it with this transaction. That was one of the reasons -- not the reason for the transaction, but one of the reasons for the transaction, to simplify it.

[END OF EXCERPT]

Q. Mr. Bloostein, if I could ask you to look to the chart that we marked as Exhibit 2. As we have discussed, the five members of the -- sorry, the five independent directors of the REIT were also on the partnership committee; is that correct?

A. Yes.

what went on?

[BEGINNING OF EXCERPT]

Q. We believe that the Goldman, Sachs sort of notebook, their notes during the time that the transaction was being negotiated.

Do you remember in 1998 in connection with the GM exchange, that an issue came up regarding whether or not there should be a shareholder vote.

MR. DiPRIMA: Objection.

A. No. No. I am a very careful director. I mean I have been a director of other companies. And I have listened to, I have read what Parker had to say, I know that if there was -- if there needed to be a shareholder vote in any of these transactions, I would raise my hand and say, if the lawyers say we need a shareholder vote, let's have a shareholder vote.

It would never ever cross my mind to challenge the lawyers on this situation. So no, it didn't come up. Now, it may have come up in those sessions, I don't know, but it never came up in our discussions, shareholder vote.

[END OF EXCERPT]

Q. You understand Mr. Bloostein that shareholder votes are required for some

of these handwritten notes to see if they refresh your recollection regarding the topics that they seem to refer to.

I would like to start at the bottom of page 892, where it says Bobby, status quo is not acceptable. Fought by GM each step of way. Take shareholder vote course with risks question mark, and company will be put in play. Do you see that.

A. Yes.

[BEGINNING OF EXCERPT]

Q. Do you have an understanding of what the term in play means?

A. Yes.

Q. What is your understanding?

A. That somebody could pop up and try to buy the company or somebodies could pop up and try to buy the company.

Q. Does this handwritten note help refresh your recollection that during the negotiations of possible structures for the deal, that Bobby Taubman's view was that the status quo with GM was not acceptable?

A. No.

Q. Does this help refresh your recollection that during the course of the

negotiating of the

deal, that Bobby Taubman's view was that if a shareholder vote was required, that that would put the company in play?

MR. SCHWARTZ: Object to the form.

A. The answer is no. I mean it just never came up. Now, it might have come up at a session with this group, but never came up, I never heard it. It didn't come up as far as it concerned me. Anything is possible, I am not saying it couldn't have happened, but I mean these notes --

[END OF EXCERPT]

MR. SCHWARTZ: That is enough, you have indicated enough. ?

THE WITNESS: Okay.

Q. I have only two more pages to show you and then I will move off this exhibit?

A. Okay.

Q. The next page I would ask you to turn to is GS 992?

A. 99 what?

Q. 992.

A. Yes.

Q. Before I ask you the particular question on this page. Was there a person in 1998 named Miro?

it's beginning in 1992.

A. Yes.

[BEGINNING OF EXCERPT]

Q. Is it correct that decisions by the board of directors of the REIT required an affirmative vote of majority of the directors?

A. Yes.

Q. And that if an issue came up before the board and the five independent directors and the two GM Pension Trust directors were in favor of it, that that could be approved by the board of a vote of 7, because they were a majority?

A. Yes.

Q. That is true even if the Taubman directors were opposed to the action?

A. Yes.

Q. So it is also true that at least in 1998 that the Taubman directors did not have any veto authority at the board level of the REIT?

MR. SCHWARTZ: Object to the form.

A. No.

Q. I made a classic lawyers mistake, I asked a question for which you could answer yes or no and it would be easily ambiguous both ways.

So let me rephrase it.

A. Please.

Q. In 1998 did the Taubman board members have a veto over decisions by the board of directors of the REIT?

A. No.

[END OF EXCERPT]

Q. I would like to give you a hypothetical question to try to illustrate this point.

I would like you to assume that in 1998 the GM directors and the independent directors determined that it was in the best interest of the REIT for the REIT to merge and be sold to a company owned by Calpers, or Teacher's Pension Fund.

In that situation could the Taubman family have prevented a sale of the company to Calpers or the Teacher's Pension Fund?

MR. SCHWARTZ: I have to strenuously object to asking a fact witness hypothetical questions of this sort. We did not retain Mr. Bloostein as any kind of expert, and I don't think hypothetical questions have any place in fact discovery.

Beyond that, the particular hypothetical you have posed is so full of holes that not even an expert could testify

asked him a few minutes ago, but anyway, you can answer the question Mr. Bloostein.

A. Well, the -- first of all the experience that I have had is that the pension fund and the Taubman family would usually have to come to terms with any kind of decision. The independent directors might vote for something, they might vote for something, but the pension fund people and the Taubman family usually were of one mind. They usually came to the same conclusion. I think that -- I don't know whether they had a special agreement or a long-term relationship, but that is how I will answer.

Q. You are not aware of any contractual requirement that the GM directors have to get the consent of the Taubman directors as to how they vote?

A. No.

[BEGINNING OF EXCERPT]

Q. I would now like to take a look at the operating partnership level. And there is a partnership committee of 13 members, right?

A. Yes.

Q. My question to you is that, isn't it true that decisions at the operating partnership

committee level were also by majority vote?

A. Yes.

Q. Is it also true that the Taubman family members of the partnership committee did not have a veto right over any decision by the partnership committee?

A. No. There was no veto right.

[END OF EXCERPT]

Q. So at the partnership committee level if the five independent directors and the four GM Pension Trust members were in favor of a particular transaction, they could approve it even if the Taubman family was opposed?

A. I would answer it the same way that I just answered the prior one. But yes, they could. But I would say the likelihood of that happening was not great.

Q. And the reason the likelihood of that happening is not great is what?

A. Because GM and Taubman were mutually accommodating, at least to the extent of my own experience and observation. I don't know what happened on that special committee. I mean --

MR. SCHWARTZ: Wait for the next question.

you again Exhibit 1, which is the minutes of the board of directors meeting and the partnership meeting?

A. YES.

[BEGINNING OF EXCERPT]

Q. Is it correct that the minutes that we have marked as Bloostein Exhibit 1 are the minutes of a joint meeting at which the REIT board and the partnership committee was asked to review and approve the GM exchange?

A. Yes.

Q. Do you recall being present at that meeting?

A. Yes.

Q. I want to ask you now only about that portion of the transaction that involved the exchange between GM and the partnership of it's ownership interest for the malls, and not anything about the corporate governance changes that were approved at that meeting, okay?

A. Yes.

Q. In connection with the GM exchange itself, would you agree that the independent directors of the REIT had the authority to approve that transaction even had the Taubman family

directors or members been opposed?

MR. SCHWARTZ: Read back the question.

Q. Focussing only on the GM portion of the transaction and not on the governance changes that were also agreed to at the meeting of August 17th, would you agree with me that the independent directors had the power to approve the GM exchange even had the Taubman directors opposed it?

A. Well, I think we had the power to do it, but I don't think we would have -- I don't think we would have done it if they had opposed it. Knowing what they knew about the centers themselves and how important each one of those centers were to the total -- to what was going to be left, no, I think that we would depend to a great degree on their judgment.

Q. So as I understand your answer, you recognize and agree that had the independent directors wanted to, they had the power to approve it?

A. Yes.

Q. Did you as a member of the board of directors of the REIT or the partnership committee ever consider simply exchanging the GM interest for

the shopping centers without making any corporate governance changes at all?

A. Never came up.

Q. That option was never presented to you?

A. No.

[END OF EXCERPT]

Q. In addition to the exchange with GM of ownership for property, there were also certain governance changes that were made at that time?

A. Yes.

Q. Can you tell me what changes you recall were made at the same time?

A. Governance changes. There would no longer be four directors that would be appointed by the Taubman family. They can nominate, but not put four directors on the board. They also -- there was also the issue of the contract, before they had an operating contract for the centers that lasted for three years. Three year contract. That could be disposed of in a very short period of time, 30 or 60 or 90, I don't remember exactly.

And the REIT became a majority holder once the General Motors disappeared from the scene, the REIT had over 60 percent of the stock and they had the controlling stock interest. We thought

Q. What rights did the board give the Taubman family in connection with the series B or as a result of giving them the series B preferred shares?

A. I don't remember any specific rights, except that they went from an ownership of about 19 percent to about 30 percent.

Q. I am sorry, I just don't understand, can you explain to me how the Taubman ownership went from 19 percent to 30 odd percent?

A. When General Motors exited, everybody went up.

Q. When you say that General Motors exited, everybody went up, that is the ownership interest in the operating partnership?

A. In the REIT.

[BEGINNING OF EXCERPT]

Q. I might be able to pull a document to help you on this, or I could be mistaken, but wasn't it the case that prior to 1998 the Taubman family did not have any significant stock ownership in the REIT?

A. That is true. That is true.

[END OF EXCERPT]

Q. That prior to 1998 the ownership interest of the Taubman family was at the

had a fabulous attorney there from -- by the name of Bill King who worked with us during that whole period from 1992 on until 1998. He was just retiring as a matter of fact, he was going to retire shortly after that session.

I know we, all the independent directors used him, but I particularly used him whenever I had any kind of question, and I decided along with I guess a couple of the other independent directors, to come up, that we needed somebody that we could ask questions of, just to get another opinion, get a second opinion. I got a second opinion when they did my operations, I wanted a second opinion with respect to this, it was very important.

[BEGINNING OF EXCERPT]

Q. Do you recall during the board meeting of October 28th, that Mr. Emmerich of the Wachtell firm made a presentation to the board?

A. Yes.

Q. Do you remember that Mr. Emmerich during that presentation told the board that the board can consider the futility of sale negotiations in light of the opposition of the Taubman family?

A. Yes. I remember that, because of the

amount of shares they controlled. And the amount of ownership they had.

Q. Do you recall that Mr. Emmerich told the board that as presently structured, the Simon proposal had no path to completion?

MR. SCHWARTZ: Are you reading from the minutes, so the witness knows what page you are reading from.

Q. I am asking if the witness knows that?

A. I think so, I am not positive, but I think so, it sounds like it.

Q. Do you recall that Mr. Emmerich told the board that any sale of the company to anyone would have to be supported by the Taubman family in order to be successful?

A. I think he indicated it was because of the number of shares they had.

Q. What is your understanding of why it is that any sale of the company would require the support of the Taubman family to be successful?

A. Well, as I recall and I remember asking this question in 1992, because we had it in the original charter of the company, that it took two thirds vote to change control. And so if I am not

mistaken, at that point Taubman had about 30 percent of the votes. And I guess that is what he determined was enough to keep control.

[END OF EXCERPT]

Q. About 30 percent of the votes that the Taubman's had, isn't it true that they got those 30 percent as a result of being given the series B preferred in 1998?

A. Yes. But that is also as a result of General Motors taking their ten malls and everybody had an increase in their ownership after that was done, there were a number of other partners in the group that also had an increase in their ownership, as a matter of fact, the REIT had an increase in their ownership as a result of that, it was not just Taubman. Taubman, the partners and the REIT.

Q. Let me ask you to look back for a minute to Bloostein Exhibit 2, which is this chart that we put together. Isn't it correct that prior to 1998 that the Taubman family did not have any significant share ownership of the REIT?

A. No, I understand they didn't, because it was a -- that is why they had this two tier situation, with the operating partnership and the REIT, there were tax reasons for that.

ownership interest of the Taubman family and others, unit holders, in the partnership went up?

A. With the exchange, yes.

Q. In fact the REIT's percentage ownership also went up because the GM portion was divided between the two?

A. I think that became a very plus governance issue, positive thing for the REIT itself. That the majority of the shares, public shares, I think it was 60 some odd percent.

[BEGINNING OF EXCERPT]

Q. If I could ask you to turn to page 5 of Exhibit 6 for a moment, that is a chart that purports to show ownership post the GM transaction, do you see that?

A. Yes.

Q. Now that GM has sold it's ownership interest back to the partnership, the percentage ownership of the REIT went up to around 63 percent?

A. Right.

Q. And the percentage ownership of the Taubman family and the other unit holders went up to about 37 percent, do you see that?

A. Yes.

Q. My question to you is, isn't it correct

that as a result of the GM transaction, the Taubman family's ownership of the public company, the REIT, was unaffected?

A. I guess so. Based on these numbers, again, I am sort of confused, because the operating partnership -- the answer is yes.

Q. And isn't it also the case that the 30 percent voting interest that the Taubman family now have is the result of them getting series B preferred stock in the REIT, the public company, in 1998?

A. Yes. Yes.

Q. We talked before that Mr. Emmerich had told the board that the Simon proposal was futile because of the opposition of the company, do you remember that?

A. Yes.

Q. Can you explain to me why that is the case?

A. Because a two thirds vote was necessary to change control, and the Simon proposal was to buy the company. That would have changed control.

Q. That two thirds vote is necessary because under the law, two thirds of the public

shareholders have to approve a merger agreement?

MR. SCHWARTZ: Object to the form.

Q. I will rephrase it.

Is it correct that the reason a two thirds vote is necessary is that two thirds of the shareholders have to approve a merger agreement.

MR. SCHWARTZ: Still object to the form. But you can answer.

A. Yes.

[END OF EXCERPT]

Q. Mr. Bloostein, can we agree that prior to the Taubman's being given the series B preferred stock in 1998, that they didn't have a third of the voting power of the public company?

A. That is true as far as it goes. But in essence they didn't have the voting power by themselves, but they had a partner in the partnership called. General Motors, and it became clear to me over the years that I was on the board

that General Motors and Taubman accommodated each other. They were friendly with each other, they had a long history of very successful business between them.

I don't believe that General Motors if Taubman objected to it, and vice versa by the way,

A. Say it again.

[BEGINNING OF EXCERPT]

Q. If the independent directors and the GM directors, seven directors in total, had agreed that a sale of the company was in the best interest of the company, we have agreed that they could have signed and approved a merger agreement?

A. Yes. But I -- but I made another comment as well, but the answer to that one is yes.

Q. You have also told me that any sale of the company would require a two thirds vote by the public shareholders; is that correct?

A. Yes.

Q. In 1998 if the GM directors and the independent directors had decided that a sale of the company was in the best interest of the company, isn't it correct that the Taubman family could not stop that sale?

MR. SCHWARTZ: Object to the form.

A. Yes. They could have done it if it was as black and white as you painted it. Just we are all --

Q. Just so your answer is clear, when you say yes, they could have done it, what do you mean?

A. Well, if the General Motors members of

the committee and the independent directors were to have both agreed that a sale was in the best interest of the company, and they both voted for it, yes, they could have voted to have a sale.

Q. And when that vote -- when that merger agreement came to vote of the public shareholders, the Taubman family would not have been able to have defeated the vote because they did not own shares in the public company?

A. Before 1998 that is correct.

Q. Today the Taubman family has the ability to defeat any merger proposal when it comes before the shareholders for a vote?

A. Right. Right. Yes. That is true.

[END OF EXCERPT]

Q. So would you agree with me that one effect of the giving of the series B preferred shares to the Taubman's, was that the Taubman family for the first time has been given the ability to block a sale of the REIT?

A. Well, but there is a big difference though, and the big difference is that General Motors doesn't exist any more in this picture. And all of a sudden the ownership percentages change with their coming out of the picture. All of a

A. Yes.

Q. Isn't it true that as a result of giving the Taubman's the series B preferred stock, the Taubman family was given for the very first time the right to block a sale of the REIT?

MR. SCHWARTZ: I think this is repetitive and badgering, counsel. You ought to move on. You asked the question, you got the witness' testimony.

A. I mean the reality is, it was not something that was -- it was not something that we were not aware of, and while they had just a little less than 30 percent, it was not a full third of the vote.

MR. SCHWARTZ: Could I have the testimony reread.

(Record read.)

[BEGINNING OF EXCERPT]

Q. In 1998 when you were considering whether or not to give the Taubman's the series B preferred stock, were you told by your advisors that one effect of giving them the stock would give them an effective veto over any sale of the REIT?

A. I don't recall that.

Q. In 1998 when you were considering giving

the Taubman's the series B preferred stock, was that something that you considered?

A. No, I really didn't.

Q. Do you think it would have been important to your decision had the advisers told you in 1998 that one effect of giving the Taubman's the series B preferred stock was to give them a veto over a sale of the company for the first time?

A. It might have.

[END OF EXCERPT]

Q. Do you think the public shareholders of whom you are an independent director -- sorry, do you think as an independent director, do you think the public shareholders were benefitted or harmed by giving the Taubman family a veto for the first time over a sale of the REIT?

MR. SCHWARTZ: Object to the form of the question. You are singling out -- I object to the form of the question.

A. I think you just have to remember one thing, that there was always a two thirds requirement from day one, that -- for a takeover of the company. I asked that question back in '92, and I asked whether it was usual back in '92, and the answer I got was that it was not unusual.

There were plenty of companies, many companies that had that rule. That is the last time that I really thought seriously about it, until this transaction, and then it occurred to me.

It was not a critical issue for me because I always, for all intents and purposes prior to this agreement the General Motors and Taubman could have always defeated any kind of takeover, and in my mind I saw them as one, not as two.

Q. But, Mr. Bloostein, isn't it correct that General Motors and the Taubman's are separate entities?

A. Absolutely true.

[BEGINNING OF EXCERPT]

Q. Isn't it true that the Taubman's did not have the power to block or veto a sale of the company without General Motors' support?

A. That is correct.

Q. So in 1998 as a result of the giving to the Taubman's the series B preferred, the Taubman's got a direct veto right for the first time?

A. That is correct.

[END OF EXCERPT]

Q. My question to you is as an independent director, was that something that was beneficial or

harmful to the -- was that something -- strike that.

As an independent director in 1998, in your view was giving the Taubman's a veto over a sale of the public company for the first time something that benefitted the public shareholders?

A. I didn't see that as a problem.

Q. Can you explain to me why not?

A. Because the family had built the business, they were very -- they were an integral part of the business. They ran the business. They had a enormous knowledge of the business. So they to a great degree were the business, they had built the business over 50 years, it was their decisions that made the company what it was, and I really didn't see it as a problem.

[BEGINNING OF EXCERPT]

Q. Now, you were a director in 1992 when the company first went public?

A. Yes.

Q. In 1992 the Taubman's made a decision to keep their ownership interest in the partnership and to sell shares to the public in the REIT, right?

A. Yes.

Q. You understand and I promise you I will not ask you the reasons for this, that there are valuable tax advantages to the Taubman family by adopting that structure?

A. Yes, and I have been reminded of that.

[END OF EXCERPT]

Q. In 1992 when the Taubman family decided to sell shares in the public company to the public, they did not have in that original structure a veto right over the sale of the REIT, that is correct, isn't it?

A. That is correct.

Q. That is the way it was from 1992 to 1998?

A. That is correct.

Q. During that time the Taubman family were the same people that they were before, they were the people that found the company?

A. That is correct.

Q. In 1998 you made a decision which had the effect of giving the Taubman family for the first time a veto over a sale of the public company, and my question to you is, don't you think that action was against the best interests of the public shareholders?

thirds requirement to make a -- to do for a change of control. That was in the original charter of the company and it really has not changed any. The only change is that because of their economic interest they got a voting interest to match their economic interest. And I don't think that what we did was improper or wrong.

I didn't consider it, especially at the time, I didn't think of it as something that was not proper and right. I thought of it just as the other independent directors. Actually everybody on the board didn't think of it as a problem, we all voted for it.

[BEGINNING OF EXCERPT]

Q. Do you remember any discussions among the board members on the specific topic that by giving the Taubman's the series B preferred stock they would effectively give them a veto over the sale of the public company?

A. I am sure that it didn't escape the independent directors. But there was no conversation.

[END OF EXCERPT]

Q. Do you think that that was an important enough change that it should have been highlighted to the independent directors by their advisors?

paragraph, the paragraph that begins: Mr. Emmerich then reviewed the current structure of the corporation. Do you see that?

A. Yes.

[BEGINNING OF EXCERPT]

Q. I want to read to you the second sentence of that paragraph and then ask you a question about it: Mr. Emmerich noted that the company's articles of incorporation also have a share ownership limitation that is 8.23 percent, but which allows the board to increase that limit to 9.9 percent; and that a two thirds shareholder vote would be required to amend that limitation.

Do you see that?

A. Yes.

Q. What is your understanding of what provision Mr. Emmerich is talking about?

A. Well, it is whether or not that anybody can go out and buy more than 2.3 percent.

MR. SCHWARTZ: I think you mis-spoke. I think it was 8.23 percent.

A. 8.23 percent.

Q. It is correct that this limitation that any person is limited to buying 8.23 percent of the public stock of the company is a restriction

contained in the company's articles of incorporation?

A. Say that again, please.

Q. Is it correct that this restriction on anyone buying more than 8.23 percent is a restriction contained in the company's articles of incorporation?

A. Yes.

Q. In the case of the Taubman Company, this provision requires two thirds shareholder vote in order for that to be changed?

A. Correct.

MR. SCHWARTZ: Object to the form.

Q. Isn't it correct that as a result of giving the Taubman's the series B

preferred stock, that the Taubman family now also has the effective power to veto any lifting of this 8.23 percent restriction?

A. I wouldn't say veto, but yes, the crux of your point, yes.

[END OF EXCERPT]

Q. Mr. Bloostein, you understand the difference between a merger proposal that is negotiated and a tender offer, right?

A. Yes.

A. By submitting their -- in the tender offer, submitting 25 percent of their shares.

MR. SCHWARTZ: Is there a good time for a break.

MR. REISBERG: Sure, good answer.

THE VIDEOGRAPHER: The time is 2:35, we are going off the record.

(Recess taken.)

THE VIDEOGRAPHER: The time is 2:49, we are back on the record.

A. Ready.

Q. Mr. Bloostein, I would like to refer to this 8.23 percent restriction as the excess share provision, is that okay with you?

A. Sure.

[BEGINNING OF EXCERPT]

Q. Is it correct that if anyone purchases shares in violation of the excess share provision, that the shares that they purchase have no voting rights?

A. Yes.

Q. And isn't it also true that no one proposing a tender offer would agree to purchase shares from the public shareholders under that tender offer unless the excess share provision

condition was lifted?

A. I guess not.

[END OF EXCERPT]

Q. So it is the case that the Taubman family, because of their voting rights under the series B preferred stock can effectively prevent the excess share provision from being lifted?

A. That is probably true, but you are not looking at whole transaction. I mean we are looking at a section of this transaction, when I think back to this whole thing, everybody benefitted from this. General Motors benefitted from it. Taubman benefitted from it. And the REIT became the dominant part of the proposition there. You got 60 odd percent of the stock, we really became more independent than ever before.

And General Motors wouldn't have agreed to a deal like this unless Taubman, had agreed to a, to the deal to begin with, this was a negotiation from what I understand, but the bottom line is that you are dealing with two very tight partners over a long period of time, that is how this whole thing evolved, this is how the whole transaction evolved. You think that if General Motors wasn't really unhappy with Taubman and the relationship, that

committee level, earlier today we were talking about the fact that votes that the operating partnership committee were by majority, do you remember that testimony?

A. Yes.

[BEGINNING OF EXCERPT]

Q. I am asking you that isn't it the case that the independent directors could have approved the exchange with GM even without the Taubman family's consent?

MR. SCHWARTZ: Object to the form. You can still answer.

A. I guess they could. They could have, yes.

Q. Did any of your advisors in 1998 ever tell you that the independent directors could have approved an exchange agreement with GM without the Taubman family consent?

A. I don't recall. But I -- I don't recall that, no. But they may have. They might have, but I don't recall it.

[END OF EXCERPT]

Q. Would you agree with me that from the standpoint of the public shareholders, that the public shareholders --

A. Well, everyone -- there were three

what was best for the public shareholders, was best for this whole group, because it wouldn't have happened if the whole group hadn't agreed. To make the deal, you had to have each party to the deal agree without making. Without getting them all to agree, you didn't have a deal.

[BEGINNING OF EXCERPT]

Q. Mr. Bloostein, were you led to believe in 1998 that in order for the GM transaction to be approved, that the Taubman family had to consent?

A. Yes.

[END OF EXCERPT]

Q. What is the basis -- who do you think told you that?

A. I don't think anybody had to tell me that, I saw a negotiation that had taken place, it certainly, we knew it was not a quick or easy negotiations, everybody negotiated for their own needs. And I think I came to terms when it was all over and I know it was a happy day for everybody. They you'll embraced each other when this thing was completed.

[BEGINNING OF EXCERPT]

Q. Did any of your advisors in 1998 propose to you a transaction or structure for this transaction that did not involve giving the Taubman's the series B preferred stock?

A. No. I would ask --

MR. SCHWARTZ: Just let him ask the next question.

A. Not that I can remember, I don't believe so, no. It is easy to remember 2002 rather --

[END OF EXCERPT]

MR. SCHWARTZ: Allan.

Q. Slightly different question, not completely different, but slightly different topic.

We had talked earlier today, I had asked you a question, I believe your testimony was that as a board member and as a person that has been on a number of boards, did you consider the issue of whether or not a board should support an acquisition proposal to be one of the most serious questions that a board is ever called upon to decide.

A. Absolutely.

Q. Isn't it correct that in 1998 that you as an independent member of the board of the REIT had the power to decide whether or not to support an acquisition or sale of the Taubman Company?

MR. SCHWARTZ: Object to the form.

A. I certainly was one of many.

A. Yes. They are all officers.

[BEGINNING OF EXCERPT]

Q. At this recent meeting in October of 2002, you were told by your legal advisors that any offer opposed by the family would be futile?

A. Yes.

Q. And that is because of the 30 odd percent holdings that the Taubman family had?

A. Yes.

Q. So isn't it true that as a result of the series B preferred stock, the board of directors no longer has the effective power to effect a sale of the company even for a proposal that it was in favor of?

MR. HENNEY: Objection to the form of the question.

THE WITNESS: Say again.

MR. HENNEY: I am preserving our objection.

THE WITNESS: I am finally getting the gist of this thing.

A. Say it again.

Q. I ask the court reporter to read that back.

(Record read.)

A. Yes. However, from a legal point of view, that is probably accurate, but from a -- why wouldn't the Taubman family, the other three members go along with, assuming that we decided that the offer was right, why wouldn't they assume that the offer was right.

Right now on the basis of the current offer, the family as well as the independent directors have rejected the offer, it was insufficient. Let's suppose that a sufficient offer were to reach the board, why are you assuming that the Taubman's would reject it. They never told us that they would reject an offer that was sufficient.

[END OF EXCERPT]

Q. Is Robert S. Taubman employed by the REIT?

A. Yes.

Q. Do you know his position?

A. CEO.

Q. In the event of a sale of the company, isn't it likely that Robert

Taubman would lose his job as CEO?

A. It is possible.

Q. Is William S. Taubman employed by the

[Material in the following Sections is hand-marked to show specific excerpts from certain transcripts.]

EXHIBIT (a)(5)(GG)

A984

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

SIMON PROPERTY GROUP, INC., and SIMON PROPERTY ACQUISITIONS, INC., Plaintiffs,

vs.

TAUBMAN CENTERS, INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISON, PETER KARMANOS, JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHAZEN, and S. PARKER GILBERT, Defendant.

ORIGINAL

No. 02-74799

VIDEOTAPED DEPOSITION OF SIMON PARKER GILBERT

New York, New York

Thursday, January 9, 2003

Reported by:
Philip Rizzuti
JOB NO. 143921

Esquire Depositions Services
1-800-944-9454

A985

Gilbert

duties to the limited partners in the partnership?

A. I think it was somewhat less formal, but yes, I have -- I mean I wouldn't accept those positions without understanding that there were duties and responsibilities associated with it.

Q. Are you familiar with the term UPREIT?

A. Yes, somewhat.

[BEGINNING OF EXCERPT]

Q. Would you describe the structure of Taubman Centers Inc. and the operating partnership as an UPREIT structure?

A. Would I describe it as an UPREIT structure; that is what it was called, yes.

Q. Okay. Just to your understanding, what is an UPREIT structure in general layman's terms?

A. Well, the principal purpose of the UPREIT structure is to make sure that the REIT is correctly positioned with respect to it's tax situation, and as the TRG partnership basically would not have qualified as a -- in and of itself - -- as a REIT it became necessary to add another level for principally, as I understand it, or as my recollection, is for tax reasons.

Q. Now, did there come a time in 1998, early 1998, thereabouts, when the partnership

[END OF EXCERPT]

Q. Do you ever recall that material aspects of -- material aspects of the discussion had been omitted from the minutes?

A. No.

[BEGINNING OF EXCERPT]

Q. Just again for the record, if we could -- if you could go through the committee members present and tells which ones you would consider or were considered to be the independents?

A. Let's see, it would be Allison, Bloostein, Chazen, myself certainly were independents.

Q. What about Ballard?

A. I am not sure whether he was an independent or a family; family representative.

Q. He had worked -- I don't know whether at the time -- he was affiliated with Goldman, Sachs?

A. He was affiliated with Goldman, Sachs, yes. But he, most of his career had been at Prudential.

[END OF EXCERPT]

Q. Do you remember whether you considered him at the time to be an independent member?

A. For all intents and purposes, yes. These are -- clearly Bob and Alfred Taubman and Lisa Payne were part of the family, and Robert

[BEGINNING OF EXCERPT]

A. Yes.

Q. In the top paragraph there is a reference or statement attributed to Mr. Azrack I guess that said that the company's position was lagging it's peers since the IPO.

Do you see that; I am paraphrasing it?

A. I am looking for it. In the first paragraph?

Q. Yes.

A. What line.

Q. Starts about five or six lines down?

A. Okay.

Q. Take a minute to read it if you want?

A. Yes. I do see it.

Q. Do you recall that generally, that there was a discussion about the company lagging it's peers at that point in time?

A. I would say that it is hard, it is really impossible for me to sit here and tell you specifically on March 5, 1998 this was the discussion. But I can tell you that this was a matter that was discussed. Without giving you the specific -- I just don't have the memory of the specific dates.

Q. Do you recall yourself generally asking the question that is attributed to you here which is how can Taubman Centers Inc. be the only company in it's peer group whose stock is selling at a discount to net asset value when the company's multiple is the highest among it's peers?

A. Yes.

Q. Is a company's discount to NAV in your view a relevant gauge of it's performance?

A. Well, I would say differently. I think that net asset value is an important judgment. The mark will make a lot of other judgments alongside that, so that it's discount, the market price discount from net asset value may be a result of a number of factors, but it is an important thing to know.

Q. It is something that you were concerned about personally at the time as to why is there this discount to NAV?

A. Yes, we thought the company stock ought to be doing better.

Q. Now, do you recall that in or around this time a strategic planning special committee was formed in response to this indication of

interest on the part of the GM people?

A. Yes.

Q. Who was on that committee, do you recall?

A. Well, again, my memory is a little hazy. I believe I was chairman of it, although I am not sure that really meant anything. Jerry Chazen was on it. Allen Reed was on it. Also Alfred Taubman. And my belief that General Motors appointed one or two others, probably Joe Azrack from AEW. There were about five or six people as I recall on the committee.

Q. What did that committee do; I am not asking for you to read the minutes necessarily, just generally what do you recall?

A. The committee did hire Morgan Stanley to help it review strategic options, and that was really the basic charge of the committee, was to review strategic options and report back as to any recommendations that came out of that review. We worked quite hard at it for some time.

Q. Now, did the committee hire anyone else, any other professionals that you can recall?

A. Not that I can recall. I mean Morgan

Stanley, I don't know whether they had Shearman & Sterling working with them at that time or not.

Q. To the extent that Shearman & Sterling was involved, they were hired --

A. They came with Morgan Stanley.

Q. Hired by Morgan Stanley?

A. Yes.

Q. Not directly by the committee?

A. That is my understanding.

[END OF EXCERPT]

MR. OLLER: Would you mark as Plaintiff's Exhibit 2, letter dated March 24, 1998.

(Plaintiff's Exhibit 2, letter dated March 24, 1998, marked for identification, as of this date.)

A. Do you want the first one back.

Q. Just leave it there. That is fine?

A. All right.

Q. The reporter has shown you Gilbert Exhibit 2, a series of documents stapled together, numbered TCI 1961 through 1972. At least portions of which appear to be a retention agreement between the partnership committee and Morgan Stanley, do you recognize that?

was really to act as special counsel to the independent directors. He performed that function during this period more later than anything he would have done now.

Q. Did the committee meet from time to time, or from time to time --

A. Yes.

Q. On it's own, and with it's advisors I should say?

A. Yes.

Q. Did it also meet with members of the family and management?

A. Well, Alfred was on the committee, as I recall, we might have met and Morgan Stanley might have met independently with members of management. I suspect they probably did, but my recollection is a little vague at this time.

[BEGINNING OF EXCERPT]

Q. Do you know if the family had it's own professional advisors in connection with this --

A. I don't think so at this stage.

Q. Did they at some point?

A. Later, yes. That was Goldman, Sachs.

Q. The family hired the Goldman, Sachs?

A. And the Wachtell firm.

Q. What role was served by those two entities?

A. Well, my relationship with Goldman, Sachs and Wachtell was quite different than the family's relationship, because they were working for the family. But they did participate in the review of the strategic options and in the recommendations that followed. And in the implementation of the plan that was selected.

Q. Do you know why the family hired it's own advisors?

A. Well, you know, it is better to ask the family. I really don't know. I mean I don't want to speculate.

Q. In your view at the time did the interest of the family and the shareholders of the REIT, were those potentially divergence?

A. Well, the difficulty is that at some point there had to be some negotiations. We are looking at least -- I don't know whether we are looking at this March 24th exhibit. My recollection is that this -- that none of this was obvious necessarily at this point, but as the plan finally developed there were going to be some

negotiations, and it was certainly appropriate for the family to have their experts, which independent directors and Morgan Stanley I am quite confident welcomed.

Q. Did the family's experts come up with their own proposals from time to time?

A. Yes, and they represented -- yes. I mean it was just what you would expect negotiation to be.

Q. You understood that the family's advisors owed their allegiance to the family and not to the shareholders of the REIT?

A. Yes.

[END OF EXCERPT]

Q. Do you remember -- let me throw a couple of other names at you, firms or entities, see what you know. Brown Wood?

A. No.

Q. Weil, Gotshal?

A. No.

Q. Do you remember Dennis Block?

A. No.

Q. A lawyer named Dennis Block?

A. No.

Q. Did the GM people, did they have their

A. Yes, urgency is a word that is -- that covers a pretty big range. I think that once we decided that we wanted to take a look at it, there was a sense of urgency, because General motors, the fund, was the principal catalyst here in saying that, you know, this needed to be reviewed, their situation. They wanted to think their way through, they wanted to see what the options were. And so I think there was a sense of urgency, but not in any way desperation.

Q. One other question on these minutes, if you go back up a few paragraphs to the paragraph that is the third full paragraph on that same page 11. It says the committee was directed to work closely with the manager to explore, develop and consider.

A. Right.

[BEGINNING OF EXCERPT]

Q. Who was the manager?

A. That would have been Bobby, and his people.

Q. Did you work closely with the manager?

A. I am sure we followed the directions, yes.

Q. Do you remember any discussion at this

stage, March?

A. Right.

Q. About the concept of the company issuing preferred stock to the unit holders of the partnership?

A. No, I don't.

Q. Do you know when that idea first came up, to your knowledge?

A. I mean you got to go down a long road now. It would have been part of the whole corporate governance process that was examined after the basic plan had been agreed. And that was probably June, July, and part of the overall discussion and decision was that coming out of the restructuring, we wanted the - -- the company wanted, Morgan Stanley wanted, everybody wanted to have a simplified and improved governance structure. And there was a sense that the rather complicated structure that had existed had not been beneficial to the company's stock in the public market.

So that the issuance of the preferred really didn't get discussed until, as I recall, until this work had essentially been done, the options for the company and how it could be

restructured and what General Motors was going to do, had been worked their way through.

Q. Let's move to the June meeting.

Would you mark this document as Plaintiff's Exhibit 3, minutes of meeting of the partnership committee of the Taubman Realty Group limited partnership, June 24, 1998.

(Plaintiff's Exhibit 3, minutes of meeting of the partnership committee of the Taubman Realty Group limited partnership, June 24, 1998, marked for identification, as of this date.)

Q. Mr. Gilbert, the court reporter has handed you Gilbert Exhibit 3, which indicates that it is, first of all Bates number TCI 150 through 153. Labelled minutes of the meeting of the partnership committee dated June 24, 1998.

You recognize these as minutes of such meeting.

A. Yes.

Q. You were present at that?

A. Yes.

Q. Do you remember, was this a meeting at which the basic structure of the restructuring was

agreed to, to your recollection?

A. Yes, basic in rather a fundamental way, yes.

Q. Did that structure as agreed upon at this time in June, did that include at that point in time issuance of preferred stock to the unit holders of the partnership?

A. We were still slightly ahead of the whole corporate governance negotiations. So I suspect the answer is no.

[END OF EXCERPT]

Q. The minutes indicate that you gave a report, presumably as chairman of the committee, on the status and progress to date?

A. Yes.

Q. On page 2, page 151, in the first full sentence there is a reference attributed -- a statement attributed to you, I will paraphrase, that the alternative that for a time appeared to be the most promising was a development company separation. Do you recall that?

A. Yes.

Q. What was that proposal or idea in general terms?

A. My recollection, and it is only a

would be a necessary part of the development company separation alternative, it appeared unfair that such a vote would permit a small percentage of interest holders to control the destiny of the company?

Do you know what that means as attributed to you?

A. Well, the only thing -- because of the change -- I am quite sure that there was a change in control, a new company was being formed. The REIT holders were going to have to decide what direction they wanted to go. And as part -- so as part of the process it needed to be voted on, and the REIT was a clear minority in the whole process. Their ownership in the TRG assets was, if my memory was right, is in the area of 30 percent.

[BEGINNING OF EXCERPT]

Q. You thought it would be unfair to permit that 30 percent --

A. Unfair may be a word that is probably unfair to use. I don't think it is good business practice to let 30 percent of the interest decide what happens to the whole.

[END OF EXCERPT]

Q. Was the requirement of the shareholder vote for this alternative one of the reasons it was

ultimately rejected?

A. It was way down, way down the list. The alternative as I said earlier was extraordinarily complicated and difficult, it imposed taxes on people, and there were a lot of reasons why this one didn't get recommended.

Q. Including the perception that a shareholder vote would be required?

A. As I said, it was down the list, but certainly part of the discussion of the alternative.

[BEGINNING OF EXCERPT]

Q. The family was opposed to a shareholder vote?

A. No, there was no indication of that. I think this was just basically my report, that here is something that the REIT has to vote on, and the situation could be that 30 percent of the ownership at interest has an important role in deciding whether this goes through. But, you know, as I said earlier, that on a scale of ten, this was not anywhere near a ten. There were a lot higher reasons not to do this.

Q. Did you ever hear it said by anyone during this entire process, that the family was

adamantly opposed to in words or substance to any proposal that would include a shareholder vote?

A. No.

[END OF EXCERPT]

Q. Did you ever hear it said that Goldman, Sachs was recommending that there be no proposal pursued which required a shareholder vote?

A. No, because as I testified to you, I think that Goldman, Sachs and Morgan Stanley were both -- I am not sure you could say that they were strongly recommending the plan, but they were presenting it.

Q. Which plan are you talking about now?

A. The one that we turned down. This one that we are talking about.

Q. So your recollection is that Goldman, Sachs --

A. And Morgan Stanley were involved in -- they were involved in the overall study as we have discussed. But that -- this alternative was something that, you know, they were not necessarily recommending it. We didn't ask for recommendations, but they were not -- you know, they were not physically, or they were not saying that this just is wrong, you should never agree to

Q. Who was at this meeting?

A. It would be essentially this group. I am quite confident, because I don't see a board minute of it that it was a board meeting. But it was a let's sit down and tell you where we are so you can talk about it for the board meeting the next day. Because I distinctly remember going home after that late afternoon session being very uneasy about the sense of the recommendation.

Q. Who was uneasy?

A. Me; and I am sure I was not alone. There was not a discussion of it. It was just at that time. The discussion was going to be at the board meeting on whatever it was, June 24th.

[BEGINNING OF EXCERPT]

Q. Do you remember any talk, any concern at this time, June, about fear of a new party coming in, a bidder or interloper to upset the apple cart?

A. Well, there had been, you know, overtures over, you know, some period. But nothing had gotten to the point of serious discussion.

Q. If you take a look at page 152, the top paragraph, second sentence, there it is attributed to you a statement with regard to the recent Rouse letter. An indication that the partnership

committee will listen to the experts engaged in order to advise the committee as to how it is to be valued and decided on, and how in due course to respond or if to respond at all.

Do you know what that is referring to?

A. Yes. Rouse had written a rather friendly letter saying that a combination might well make sense. There was no pressure, and there was no suggestion that an immediate response was required or necessary, it was just something for them to think about. Looking at strategic alternatives as we did, we thought that it was appropriate to deal with them first, and because the rouse letter was not a -- it couldn't be construed as an offer, take that after we had gone through this process.

Q. Was there a price indication in the Rouse letter?

A. Well, again, I think it was a combination of cash and securities, so the price fluctuated.

Q. What happened in relation to that letter, did the company respond?

A. Ultimately Morgan Stanley met with the

board, and concluded that the offer was not sufficiently attractive to enter into discussions, and I am not even sure that it required a response. I think it kind of just died of it's own weight.

Q. Do you know whether or not there was a response made to Rouse?

A. My recollection is that we decided we didn't have to respond to it.

Q. Was this before or after the closing of the General Motors transaction?

A. I can't remember whether it was -- I think it was probably before the closing, but I don't remember.

Q. Did the company ever make public this initiative by Rouse?

A. No. Nor were we advised that we needed to.

[END OF EXCERPT]

Q. So to go back to my earlier question as to whether there was any concern about an interloper or a new bidder, whether it be Rouse or anyone else coming in as being a factor in the discussions the committee was having in any way?

A. I don't recall there being any serious concern.

by an order of magnitude, and at that time they were very clear in saying that they wanted to see governance simplified and improved.

Q. Do you know if the GM people ever took a position on the issuance of preferred stock to the unit holders?

A. I don't know whether they took any position or not.

[BEGINNING OF EXCERPT]

Q. Do you recall that when it came time to vote on the final proposal, the final deal, that the GM representatives obtained from the votes?

A. Yes.

[END OF EXCERPT]

Q. Do you know why that was, or did they say why?

A. Well, it was really because they were such an important part of the restructuring that they felt it would be wrong for them to have a vote on it. They were not withdrawing a vote because they disagreed with anything to my knowledge.

Q. You never heard anyone from GM or a representative of GM saying they were going to abstain on the governance issues?

A. No.

MR. NUSSBAUM: Do you intend to take a

was considerable discussion about the management contract which heretofore had been a three year contract and which was felt to be inappropriate in the new governance system. I think this was a rather difficult negotiation, although I did not participate in it. But it essentially allowed the directors of the REIT to dismiss the manager on either 30 or 90 days notice, as opposed to three years.

So all of this was part of a negotiation that was really created and made important when the decisionmaking authority went from TRG in the partnership committee, to Taubman Centers and the board. And the preferred shares really were issued to bridge the ownership so that 30 percent -- holders of 30 percent of the assets would not be disenfranchised.

[BEGINNING OF EXCERPT]

Q. Do you remember General Motors saying that they required the issuance of the preferred stock as part of this deal?

A. They required it?

Q. Yes?

A. No, as I said I really didn't participate in these negotiations. We, the

independent directors, we sat through presentations as to what the structure was going to look like, how the-assets were going to be distributed, et cetera, et cetera, but we did not participate, at least I did not participate in the discussions on who was going to do what to whom in this area.

[END OF EXCERPT]

Q. This area being governance?

A. Governance or anything else.

Q. Who did participate in the negotiations?

A. I think it was importantly, as I said earlier, Morgan Stanley, Shearman & Sterling, Goldman, Sachs, Wachtell, and the other law firms that were involved, together with the principals.

Q. Principals being the family?

A. Yes.

[BEGINNING OF EXCERPT]

Q. To your knowledge was there any obligation on the part of the public company to issue this preferred stock in connection with this transaction?

A. I am not sure I know what obligation means. Did they have to do it?

Q. Yes.

A. Are we talking about a legal obligation or if you didn't do it the deal wouldn't get done

kind of situation?

Q. Either one?

A. As I said, it is negotiation and I think that if the family had been disenfranchised the deal would not have gotten done, but that is pure speculation.

Q. Nobody ever said that in your presence?

A. Not to me.

[END OF EXCERPT]

Q. Prior to the General Motors transaction that was ultimately done, who at the REIT -- strike that.

You said that the decisionmaking authority was at the partnership level, correct.

A. Yes.

[BEGINNING OF EXCERPT]

Q. Prior to this transaction with GM getting done, if there was an unsolicited takeover proposal to the REIT, who had the decisionmaking authority with respect to such transaction?

A. Good question. To my knowledge I was never presented -- there was no - -- I mean the REIT was owned, what, 30 percent of the TRG partnership. I don't recall anybody making a specific proposal to the REIT.

Q. Who had that -- that decisionmaking

authority was not at the partnership level, was it?

A. Well, the REIT board could have considered it yes, and should have considered it.

[END OF EXCERPT]

Q. Who had the voting power at the REIT level before this GM transaction was finished?

A. GM and AT&T had the principal voting power.

Q. Along with other public shareholders?

A. Yes, but they owned over 30 percent together.

[BEGINNING OF EXCERPT]

Q. Did the family have any significant voting power at the REIT level prior to the GM transaction being concluded?

A. No. For good tax reasons.

[END OF EXCERPT]

Q. Did the family to your knowledge have any ability at the REIT level to Block an unsolicited takeover proposal prior to the GM transaction being concluded?

A. Well, there was some provisions, the excess share provision, could have been a Block.

Q. The excess share provision is in the company's charter?

A. Yes.

Q. And that charter can be amended by two

to deal with that, yes.

Q. The family alone at the partnership level, did they have an ability to block a sale of assets prior to the GM transaction?

A. Again, it is knowable. There were some agreements, I am not aware of them, between the family and GM, that GM wouldn't do -- the normal kind of thing

that you find in a partnership -- that a partner wouldn't go out and do something that was disadvantageous. I don't know what they were, but they are in the material.

[BEGINNING OF EXCERPT]

Q. While we are waiting, did anyone ever discuss any alternatives to the issuance of preferred stock to the unit holders as a means of achieving the various party's objectives in this transaction?

A. I don't know. This was presented as a good and reasonable way to do it.

Q. Presented by the various advisors?

A. Yes, by the advisers.

Q. Do you remember anyone at the REIT board level asking any questions about the issuance of the preferred stock and whether that -- whether there were any alternatives to doing that?

A. I don't know about the alternatives, but I think that we all had questions about a lot of things, and we were sure that the preferred stock was authorized and issuable.

Q. Do you remember the price for -- the subscription price for the preferred stock that was going to be issued?

A. It was very low, but it was not meant to be a fund-raising security.

Q. It was in the thousands of dollars, the total?

A. Right.

Q. There was some subscription rate at 1/10 of one penny?

A. It was so small, it was hard to figure out what it all added up to.

[END OF EXCERPT]

Q. It was essentially an arbitrary number?

A. I suspect it was just a low number because as I said -- I mean there was no secret here. The object of the preferred was to bring the voting -- the voting in the REIT to levels that reflected the ownership in the assets of the REIT period. That was what the preferred was intended to do in a very straightforward way, and in a way

partnership, August 17, 1998.

(Plaintiff's Exhibit 4, minutes of the special joint meeting of the board of directors of Taubman Centers Inc. and the partnership committee of the Taubman Realty Group limited partnership, August 17, 1998, marked for identification, as of this date.)

Q. The reporter has handed you Gilbert Exhibit 4, series of documents, actually a single document numbered TCI 85 through 131, which appears to be the minutes of the August 17, 1998 meeting of the board of directors of the Taubman Centers Inc. and the partnership committee of the partnership, and it has certain attachments.

Do you recognize these as the minutes of the August 17, 1998 meeting?

A. Certainly looks like it, yes.

Q. You were present for that meeting?

A. Yes.

Q. If you flip forward into the document, number 106 in the lower right-hand corner?

A. Yes.

[BEGINNING OF EXCERPT]

Q. Before you do that, let me ask, did you have an understanding as to whether the fairness

opinion of Morgan Stanley was addressed to the issuance of the preferred stock in any way?

A. Not specifically.

[END OF EXCERPT]

Q. Was the Morgan Stanley fairness opinion to your understanding addressed to the governance issuance that were resolved as part of the GM transaction?

A. I think -- what was your question again.

Q. Back up, first of all is this the fairness opinion that Morgan Stanley rendered on the GM, it is called redemption in here?

A. I presume it is.

Q. Signed by Christopher Niehaus?

A. Yes, he would have been the one who signed it.

Q. In the concluding paragraph on page 108 it says that we are of the opinion on the day thereof that the redemption is fair from a financial point of view to the partners of the partnership.

A. Right

Q. Other than the fund and its affiliates in their capacity as partners of the partnership?

A. Right.

[BEGINNING OF EXCERPT]

Q. Do you remember any discussion at the board level of the REIT as to what the value of the voting rights attached to the preferred stock was?

A. The value of the voting rights?

Q. Yes?

A. No.

Q. I take it no one suggested going out and getting an appraisal for the value of those rights?

A. I never heard of that being done in any event.

[END OF EXCERPT]

Q. You mentioned a change in the composition of the board I believe at the REIT level. Do you recall you personally proposing that the family have four out of eleven seats on the board after the transaction, rather than four out of nine?

A. I don't, but, you know -- you know, I really don't. But something I might have.

Q. So you don't recall anyone coming back and saying no, we have to be firm and stick with a nine member board with four family members?

A. You know, as I said, there is some things, and I just want to be

clear, there is some things that I was I would say quite significantly

Q. So the answer is no, he never said --

A. I don't know. I mean in that case there would have been a shareholder vote.

Q. What did he say about that; he said fine, have a shareholder vote?

[BEGINNING OF EXCERPT]

A. We never got to the point of voting on it. But I don't recall that he killed the proposal.

Q. The next bullet says Bobby was about to concede the shareholder vote issue.

Do you know what that issue is?

A. We are now on June 24th?

Q. Yes.

A. No.

Q. And it says --

A. This is two months before August 18th.

Q. Right. I am just asking whether?

A. Okay. I.

Q. Your testimony is that Bobby Taubman never said to you or in your presence in words or substance --

A. My testimony is that I have no recollection that he ever said that.

Q. That he was opposed to any proposal that

would include a shareholder vote?

A. And would kill it.

Q. The question was whether he said he was opposed to any proposal that would include a shareholder vote, did he say that; forget kill for the moment?

A. No, I can't recall.

[END OF EXCERPT]

Q. The next line says: Parker suggests exchanging units for assets without shareholder vote.

Do you know what that refers to?

A. I am not a hundred percent sure.

Q. Look at the last page?

A. Okay.

Q. The last underlined section, interloper risk aversion. Issue, how can we best protect against the risk of interlopers lobbing in offers which potentially derail the negotiating transaction. Next bullet, Morgan Stanley sells Bobby out by telling board that shareholder vote does not materially increase risk of interlopers.

Does this refresh your recollection that avoiding the risk of an interloper was in fact a significant consideration during this process.

not necessary.

[BEGINNING OF EXCERPT]

Q. The next bullet says: Goldman, Sachs advice with Wachtell, shareholder vote must be avoided at all costs?

A. You will have to ask Goldman, Sachs that. I can't respond to that.

Q. Did you hear anyone say that, we must avoid a shareholder vote at all cost?

A. No.

[END OF EXCERPT]

Q. Under results, shareholder vote avoided. Do you see that?

A. I see it.

Q. Do you recall Mr. Taubman, Bobby Taubman or any family members saying that one of the virtues of the final transaction as approved was that the company had managed to avoid a shareholder vote?

A. I just find it hard to respond to what I think is extraordinarily bad form here. It is not a question of a shareholder vote of avoidance. It is like so many things in life, it is either something that is clear that you should do, or something that is not required.

Goldman wasn't working to change the

Wachtell was essentially representing the family.

Q. Do you have any idea why the Goldman person who wrote this would phrase it as Miro inclined to concede?

A. I have no idea.

MR. NUSSBAUM: Wait for the next question, please.

Q. Just one more little bit on this document.

Go back to page 872, next to last.

A. Yes.

[BEGINNING OF EXCERPT]

Q. Under governance it says issue, family currently has no ability to block transactions at either REIT or OP level. Is that an accurate statement; rephrase that. Was that an accurate statement of, description of the state of affairs prior to the GM transaction?

A. As I testified earlier, I think that the family together with their partner clearly had the ability to block things at the TRG level.

Q. The partner being who?

A. The fund.

Q. The GM fund?

A. The GM fund.

Q. But the family alone did not?

A. That is correct.

[END OF EXCERPT]

Q. Then it says GS advice with Wachtell, take advantage of restructuring to implement governance package more favorable to family, did you ever hear anyone suggest, we ought to take advantage of this GM restructuring to implement a governance package more favorable to the family?

A. No, it was a different governance package. My own judgment is that it was not more favorable to the family.

Q. The new governance package was not more favorable to the family?

A. No, there were ways clearly with the REIT, majority position controlled by the public, that the REIT board could be replaced. All kinds of things could happen when that happens, including a management contract.

Q. Under results someone from Goldman says here: Significantly better governance rights for family than previously existed.

I take it you disagree with that?

A. I do.

Q. We talked about four out of nine board

web-site that was put out after the board meeting, after the meeting to explain to the public what the board did and the reasons for that.

THE WITNESS: I have not seen this either.

Q. I believe it is at least that, but the question is whether it was presented to the board in this format?

A. No. This is the first time that I have seen this.

Q. This being Exhibit 11?

A. Yes.

[BEGINNING OF EXCERPT]

Q. All right.

Let me ask you, when did you first hear that Simon Properties in the year 2002 was making an acquisition offer or indication of interest to Taubman Centers Inc.?

A. Can I refer to the dates in here?

Q. Sure. If I could refer you specifically to page 9?

A. Yes.

Q. Even more specifically in the middle of the page it talks about an October 21st telephone

call from David Simon to Robert Taubman, and then it says: After this conversation the Mr. Taubman -- I think it should say Mr. Taubman -- contacted each of the directors individually to inform them of the letter and the conversation?

A. So it was soon after October 21st that I first learned of it.

Q. How was that; was that from a phone call from Mr. Taubman?

A. Yes. It was, Bob Taubman.

Q. What did he say?

A. He said that he had met with David Simon, and that David Simon had indicated that he was interested in acquiring the Taubman assets, and I am quite sure that he had said that he had also received a short letter confirming it. And that he wanted to alert us that this was a developing situation, and that we might have to act on it at some point fairly soon.

Q. How long a conversation was this initial conversation?

A. Five minute conversation.

Q. What did you say?

A. The essence of what I said was that he

had to take this seriously, and he ought to go about hiring appropriate advisors.

Q. Did you say anything else to him in that first conversation?

A. Nothing that is very memorable.

Q. Did you personally view that as unwelcome news?

A. Yes.

Q. Did Mr. Taubman indicate in his first conversation that in substance that he viewed it also as unwelcome news?

A. Yes.

Q. And at that point in the very first conversation was there a price mentioned?

A. I don't believe so. I don't recollect there was.

Q. At some subsequent point soon thereafter, you can read the document, but it indicates that a letter was sent on October 22?

A. Right.

Q. 2002, from Mr. Simon to Mr. Taubman which did include a price of 17.50 per share?

A. Yes.

Q. Did you have any conversations

immediately after that or very shortly after that with Mr. Taubman about that letter and specifically the price offer?

A. I can't recall whether we talked about it or not. But certainly I was aware of the fact that we were going to have a meeting on October 28th, so undoubtedly there was a communication. But that would have been the principal subject of the communication.

Q. That being what?

A. That there is going to be a meeting on October 28th.

Q. Was this another brief conversation --

A. There was another communication, I mean as part of that conversation, that they had decided to hire Goldman, Sachs, and Wachtell, Lipton to represent the company, that along with the Miro firm and Honigman Miller, that they elected not to hire Morgan Stanley. I said to him, that was fine, whatever he decided that was right for the company, was acceptable to me.

I think he would confirm as would Lisa Payne that I never, ever, under any circumstances have pushed Morgan Stanley for any particular

assignment with Taubman.

Q. I lost the thread of when this conversation was.

A. This would have been between the time of the receipt of this letter and October 28.

Q. And Mr. Bob Taubman indicated in that conversation that he had already hired Wachtell, Lipton --

A. In response to my suggestion that he hire or put his team together, he told me who he had hired.

[END OF EXCERPT]

Q. Was there any discussion of Morgan Stanley in that conversation, between you and Mr. Taubman?

A. The only thing he told me was that it was not Morgan Stanley, he did actually say that they were concerned that Morgan Stanley and Simon had a close relationship.

Q. Did you have any particular reaction to the -- strike that.

Did you have any conversations with other board members between the 22nd and the 28th.

A. None that I can recall.

Q. So then there was a meeting on the 28th,

underneath the first signature there, it begins on October 28, 2002, the sentence after that: The board reviewed the proposal and received advice from Mr. Taubman that the Taubman family had no interest in pursuing a sale of the company, and intended to use it's significant stake in the company to oppose the proposed transaction if it were put to a vote.

Is that an accurate characterization of what Mr. Taubman said at the October 28th meeting?

A. I think that is reasonable.

Q. Then it goes on in the 14D-9 to say: The board unanimously decided that the company was not for sale, and that discussions as to Simon's proposal would be unproductive, and it goes on.

Is that also a substantially accurate characterization of what happened?

A. Yes.

[BEGINNING OF EXCERPT]

Q. Was there any discussion of -- was there any opinion rendered by Goldman, Sachs at the October 28th meeting that the $17.50 price was inadequate from a financial standpoint; I don't want to mislead you, I don't see that in the minutes, but if -- you are free to read the

minutes, but I did not see that per se in the minutes and I just wondered whether you recalled that advice being given as such.

A. Well, I don't see any reference to it either.

MR. NUSSBAUM: I presume you are referring to a formal opinion or --

MR. OLLER: Or an oral statement, that we looked at it and we conclude that the price is inadequate from a financial standpoint.

Q. Let me help you --

A. It is pretty clear what direction they were heading.

Q. There was such an opinion and advice received on December 10 with respect to the 18 dollar offer?

A. Yes, this was still a letter and wasn't in the public domain, et cetera.

Q. I am not disagreeing, I am asking whether you remember whether it was that formalized in the sense of an advice or opinion from Goldman that $17.50 is inadequate from a financial standpoint?

A. I don't think we got to that stage.

[END OF EXCERPT]

Q. Now, you met again on December 10, correct?

A. Yes.

Q. We don't have minutes of that at this point, but do you -- do you have a description in the 14D-9, I believe, of the meeting.

A. Yes. Starting on -- lead in I guess on page 13.

Q. Now, at the bottom of 13 it says that on December 10, skipping here, the board received the opinion of Goldman, Sachs that the offer was inadequate?

A. Yes.

Q. That did happen at the December 10 meeting?

A. Yes.

Q. Did Goldman, Sachs say at that meeting what they thought an adequate price would be?

A. No.

Q. Did they present a range of prices that they thought within which the offer would be adequate?

A. No.

felt like saying, although I didn't, do I have any choice. No, we have not talked about it.

Q. You didn't discuss the substance of what the testimony, the questions might be and answers might be.

A. No.

Q. How about with anyone else besides your lawyers?

A. This is my team.

MR. OLLER: We were produced a lot of documents late last night, we

have not had a chance to go through all of them, subject to the normal reservations, I think I have no further questions at this time. Thank you.

THE WITNESS: Thank you.

EXAMINATION BY

MR. OTTENSOSER:

[BEGINNING OF EXCERPT]

Q. Good afternoon, Mr. Gilbert. My name is Seth Ottensoser, I am a partner at Milberg Weiss here in New York. We represent Lionel Glancy, one of Taubman Centers' shareholders. I am just going to ask you a couple of follow up questions.

To your knowledge is there a written retainer agreement for Goldman Sachs'

representation of Taubman Centers with respect to the Simon matter?

A. I am sorry --

Q. A written retainer agreement?

A. I believe so.

Q. Have you ever seen that agreement?

A. I think I have seen a draft of it. I am not sure I have seen the executed form.

Q. Are you aware of how much Goldman, Sachs has been paid for their work with respect to the Simon offer?

A. No. The fees have been mentioned, but I don't know whether that was the final, final, or just the suggested and asked.

Q. What was mentioned about the fees at the time that you heard about them?

MR. NUSSBAUM: If you remember. It is up to you, if you remember.

A. Well, you know, there are various types of fees. I rather not speculate on it. I really don't have the numbers, but there are two or three aspects to their fee agreement. If this, if this, then that, and then how it all turns out, et cetera. So I really am not a good source on

fees, except to say that they are significant.

Q. You talked about three different aspects, can you tell me generally what those aspects are?

MR. NUSSBAUM: He doesn't have the agreement in front of him right now, if you can remember it, I will let him answer the question, but it is a hard question to answer without seeing the agreement in front of him.

A. I think it is fundamentally related to the success of the situation. Whether they are successful in defending the company or some other outcome has an important influence on what the level of the fees are.

Q. What do you mean by successfully defending the company?

A. Just what I said.

Q. What do you mean by that?

A. The company is not taken over in a hostile bid.

[END OF EXCERPT]

Q. So that in your mind would be a successful result?

A. I didn't say my mind, I am just telling

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

- ---

SIMON PROPERTY GROUP INC,. and
SIMON PROPERTY ACQUISITIONS INC.,

Plaintiffs,

v.

TAUBMAN CENTERS INC., A. ALFRED
TAUBMAN, ROBERT T. TAUBMAN, LISA
A. PAYNE, GRAHAM T. ALLISON, PETER
KARMANOS JR., WILLIAM S. TAUBMAN,
ALLAN J. BLOOSTEIN, JEROME A. CHAZEN,
and S. PARKER GILBERT,

Defendants.
Civil Action No. 02-74799

- ---

DEPOSITION OF: G. William Miller
Pages 1 through 270
DATE: January 22, 2003
TAKEN BY: Jonathan Moses, Esquire
LOCATION: New York, New York
REPORTER: Nancy Mahoney, CSR, RPR

FINAL COPY, SIGNED 1 -23-03, NANCY MAHONEY
JANE ROSE REPORTING 1-800-825-3341

ATTORNEYS FOR PLAINTIFFS:
Richard Posen, Esquire
Rachel Fremmer, Esq.

WILLKIE FARR & GALLAGHER
787 Seventh Avenue
New York, New York 10019

PHONE: 212-728-8000

ATTORNEYS FOR DEFENDANTS:

Allan A. Martin, Esquire
Jonathan Moses, Esquire
WACHTELL LIPTON ROSEN & KATZ
51 West 52nd Street
New York, New York 10019
PHONE: 212-403-1000

ATTORNEYS FOR LIONEL GLANCY and SHAREHOLDER PLAINTIFFS IN RELATED ACTIONS:

Carlos F. Ramirez, Esquire

MILBERG WEISS BERSHAD
HYNES & LERACH LLP
One Pennsylvania Plaza
New York, New York 10119-0165
PHONE: 212-594-5300

COURT REPORTER:
Nancy Mahoney, CSR, RPR
New Jersey CSR XI00945
Notary Public New York/New Jersey
JANE ROSE REPORTING
37 West 16th Street
New York, New york 10011
ADMINISTRATIVE OFFICES
1697 260th Avenue
Luck, Wisconsin 54853
TELEPHONE: 800-825-3341

VIDEOGRAPHER:

Fred Pflantzer, Legal Videographer

JANE ROSE REPORTING
37 West 16th Street
New York, New York 10011

ADMINISTRATIVE OFFICES
1697 260th Avenue
Luck, Wisconsin 54853

TELEPHONE: 800-825-3341

attention that the shareholders, pursuant to a proxy statement, had authorized the board of Taubman -- that the shareholders of Taubman had authorized the board of Taubman to issue preferred stock without seeking further shareholder approval?

A. No.

MR. POSEN: That was asked and answered, by the way.

MR. MOSES: Excuse me?

MR. POSEN: That was the same question as two questions ago.

[BEGINNING OF EXCERPT]

BY MR. MOSES:

Q. Let me show you a document which was previously marked as Defendants' Exhibit-18.

MR. MOSES: Mr. Posen, would you care to show the witness?

A. 18?

Q. Yes, sir.

If you could turn -- do you recognize this document to be in the form of a proxy statement sent to shareholders of Taubman?

A. It says it's a proxy statement.

Q. I'm correct -- am I correct in assuming, based on your prior answer, that you've never seen this document before?

A. I've never seen it.

Q. If you could look at Page 18 of this document, there's a discussion about an amendment to the Articles of Incorporation.

A. Yes.

Q. If you could read through that discussion beginning on 18 and going over to 19, it seeks the approval of the shareholders to authorize 50 million shares of preferred stock and allow the board of directors to issue preferred stock from time to time in one or more series having the relative rights, preferences and priorities as determined by the board," and it goes on to say that, "The board would have that authority" -- this is on Page 19 -- "without seeking further shareholder approval and if the proposed articles are approved, the board of directors anticipates that it will not seek further shareholder approval prior to authorizing the company to issue preferred stock."

A. I see that.

Q. Did anyone bring that to your attention?

A. I don't believe so.

Q. Do you think that would be important information to know before making an allegation that preferred stock was surreptitiously issued?

A. No. This is typical, what I call blank stock and some people refer to as bucket stock, preferred stock, quite often in most charters.

The issue to me has never been whether there was blank stock and whether the board could issue it without approval.

The issue, as I understand, that when a board has such authority, if it issues the stock in violation of another law, that's not authorized.

Q. Would it surprise you -- based on your answer I presume it would not, but I'll ask it.

Would it surprise you that SPG's board has the authority, without seeking further shareholder approval, to issue preferred shares?

A. We have blank stock.

Q. In fact, if you could look at Defendants' Exhibit-1, which is the annual report --

MR. MOSES: Mr. Posen, if you wouldn't mind placing that before the witness.

Q. There's a description on Page 66, if you could turn to that, sir, discussing the capital stock of SPG, do you see that, at item 10?

A. Yes, I do.

Q. Is that consistent with your understanding that the board of directors has the power to issue capital stock without any further vote or action by the shareholders?

A. Provided it's legal to do so, provided they're not violating some other law.

[END OF EXCERPT]

Q. Do you understand that it could do so in order to make it more difficult for a third party to acquire or discourage a third party from acquiring a majority of the outstanding voting stock of the companies?

A. The poison pill?

Q. Do you understand that your board is authorized to do so?

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

CONFIDENTIAL

SIMON PROPERTY GROUP, INC. and SIMON PROPERTY ACQUISITIONS, INC.

Plaintiffs,

vs Case No. 02-74799

Hon. Victoria A. Roberts

TAUBMAN CENTERS, INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISOIN, PETER KARMANOS, JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHASEN, and S. PARKER GILBERT,

Defendants.

- ----------/

DEPONENT: LISA PAYNE

DATE: Friday, January 17, 2003

Esquire Deposition Services, LLC
(800) 866-5560

DEPONENT: LISA PAYNE

DATE: Friday, January 17, 2003

TIME: 9:40 a.m.

LOCATION: Miro Weiner & Kramer

38500 Woodward Avenue, Suite 100

Bloomfield Hills, Michigan

VIDEO: Patrick Murphy

REPORTER: Denise M. Kizy, RPR/CRR/CSR-2466

APPEARANCES:

WILLKIE FARR & GALLAGHER

By: Mr. Steven H. Reisberg

Mr. Scott S. Rose

787 Seventh Avenue

New York, New York 10019-6099

(248)

and

MILLER, CANFIELD, PADDOCK & STONE, PLC

By: Mr. Todd A. Holleman

150 W. Jefferson, Suite 2500

Detroit, Michigan 48226-4415

(313) 963-6420

Appearing on behalf of the Plaintiff

MIRO WEINER & KRAMER

By: Mr. Joseph Aviv

Mr. Bruce L. Segal

38500 Woodward Avenue, Suite 100

Bloomfield Hills, Michigan 48304

(248) 258-1207

and

WACHTELL, LIPTON, ROSEN & KATZ

By: Mr. Stephen R. DiPrima

51 West 52nd Street

New York, New York 10019-6150

(212) 403-1000

Appearing on behalf of the Defendants

MILBERG WEISS BERSHAD HYNES & LERACH, LLP

By: Mr. Seth D. Rigrodsky

One Pennsylvania Plaza

New York, New York 10119-0165

(212) 594-5300

and

SCHIFFRIN & BARROWAY, LLP

By: Ms. Patricia C. Weiser

3 Bala Plaza East, Suite 400

Bala Cynwyd, Pennsylvania 19004

(610) 667-7706

Appearing on behalf of Lionel Glancy

saying that it is a decision that for the REIT is significant, but in the scheme of the whole structure of this company would not have been significant.

[BEGINNING OF EXCERPT]

Q. Taking a look at the REIT level for a minute, would you agree with me that the REIT could be sold to a third party if that decision was supported by the independent directors and the two GM Pension Trust directors?

A. Yes. I believe, yes, that's correct.

Q. And that's because decisions at the REIT board level are made by a majority and independent directors and the GM Pension Trust directors would constitute a majority?

A. Correct.

[END OF EXCERPT]

MR. DiPRIMA: Object.

Q. (BY MR. REISBERG) In the event there was a sale to a third party which was supported by the GM Pension Trust, isn't it also correct that there would be a similar majority at the operating partnership level?

MR. AVIV: Objection as to form.

THE WITNESS: I need to -- I think I need to have you ask that question again.

Q. (BY MR. REISBERG) Assuming as you say --

concurrence of the Taubman family members; is that what you're telling me?

A. That on a decision of magnitude that impacted both parties, there would have been an agreement, there would have been a lot of discussion, there would have been a lot of analysis. The end of the day would have been a mutual decision or it wouldn't have happened.

Q. You understand that the GM Pension Trust has a fiduciary obligation to its beneficiaries?

A. I do.

Q. You understand that the GM Pension Trust is going to act consistent with those fiduciary obligations?

A. I do.

[BEGINNING OF EXCERPT]

Q. And you understand that the GM Pension Trust has the power to make a decision which it believes is in its best interest, even if the Taubman family didn't agree?

A. I do.

Q. And you would also agree that if the GM Pension Trust and independent directors thought it was in their best interest to sell a shopping center, that prior to 1998 they could have done so without the consent of the Taubman family?

A. On a technical basis, they could have, that's correct.

[END OF EXCERPT]

MR. DiPRIMA: Could you reread the question, please?

(Record repeated by Court Reporter.)

MR. REISBERG: My apologies, but my machine is not working right.

Would you mind, I'd like to try to see if I can get this going, if we could just take a short break here.

THE WITNESS: Sure.

VIDEO OPERATOR: Off the record 10:29.

(Brief recess.)

VIDEO OPERATOR: We are back on the record at 10:40.

Please proceed.

Q. (BY MR. REISBERG) Ms. Payne, I want to explore with you the

differences in the ability of the Taubman family to vote at the REIT level before the restructuring in 1998 and after the restructuring in 1998; okay?

A. Okay.

Q. Going back for a moment to the minutes of October 28th of 2002, the comments that Mr. Emmerich

[BEGINNING OF EXCERPT]

Q. I wanted to read to you the last sentence of that paragraph that says, quote:

Mr. Emmerich noted that the company's articles of incorporation also have a share ownership limitation that is 8.23 percent, but which allows the board to increase that limit to 9.9 percent and that a two-thirds shareholder vote would be required to amend that limitation.

Do you see that?

A. Yes, I do.

Q. Is it your understanding that because of the Taubman family control of approximately one-third of the vote that it is impossible to remove the excess share provision limitation without their support and consent?

MR. DiPRIMA: Objection.

THE WITNESS: They are -- they do get a vote and their two-thirds would be -- their one-third would be required. Actually they don't own quite a third, but their one-third is required to pass this, correct.

Q. (BY MR. REISBERG) And by the Taubman family owning approximately a third as a practical matter, that means that they would be able to stop any action that required a two-thirds vote of

shareholders?

A. Correct.

Q. Prior to the Taubman family receiving the Series B preferred stock in 1998, would the Taubman family have had the ability to veto a shareholder vote that wanted to remove the excess share limitation?

A. I want to reiterate and say there were many many changes at the 1998 restructuring and lots of give and take and going back and forth, and at that time before that you're correct, they did not have the ability to vote at the REIT level, but there were lots of other things that they did have the ability to do, but on this specific point, they did not have a vote at the REIT level.

Q. And by this specific point, you mean to refer to the question of removing the excess share provision?

A. Correct.

[END OF EXCERPT]

Q. I think you can safely put that away.

A. Okay.

Q. Thanks.

Is it your understanding that the -- sorry, it's your understanding that the Taubman family at least as of today is opposed to a sale to

MR. AVIV: Objection; lack of foundation.

THE WITNESS: I really don't know.

Q. (BY MR. REISBERG) Were you ever advised by anyone that it was possible for the GM exchange to have occurred without making any changes, any other changes in governance?

A. It would never have been on the table. Everybody wanted to get rid of this governance structure. It was one of the reasons we did the deal. It was never discussed that governance wouldn't have been simplified and the REIT wouldn't have had a board of directors that was the sole governance of the company. It was a very driving force, and I can't say it's the driving force, but it was a very -- everyone was very committed including GM who was going to own a lot of shares in the REIT to make this look like a normal everyday company that is on the New York Stock Exchange.

[BEGINNING OF EXCERPT]

Q. And one of the key aspects of making it look like a normal everyday company that's on the New York Stock Exchange is for there to be one set of consolidated financial statements?

A. That was a big -- when I say governance, even though financial statements aren't governance,

but it was part of that whole complication, that's correct, and we wanted to simplify it and make it one statement.

Q. And that was an important part of the simplification the people were aimed at?

A. It was one piece of it. I think people -- I mean I met with a lot of investors since 1997, and people didn't understand what a partnership committee was. They didn't understand what meant to be a minority owner of something.

So all of those things are the reason we had to have two financial statements. So it was really one big package of not good things.

Q. I want to focus on each of those two elements one at a time.

A. Okay.

Q. First, in terms of the issue of having one set of consolidated financial statements, isn't it the case that the REIT would have been able to have issued one set of consolidated financial statements if it owned a majority of the equity of the partnership and had a majority of the members of the partnership committee?

A. Although I'm a CFO, I am not a certified CPA. I know a lot of things about accounting, but I

have learned one thing as I have been a CFO for about seven years and that is any time I try to guess about consolidation of financial statements I guess wrong, and I know that there's a lot of things that go to consolidation. One is definitely control, and I believe even though the REIT had a majority that potentially from an accounting GAAP perspective because of what the family and the unitholders had that they may not have, so I don't -- I can't make, I can't make that judgment.

Q. Did you ever inquire in 1998, whether or not the REIT would have been able to issue consolidated financial statements if they had simply done the GM transaction alone without any other changes in corporate governance?

A. It was not discussed.

Q. A second thing I believe you mentioned as part of the simplification was that the REIT had a minority position on the partnership committee; is that right?

A. It's a minority ownership in the partnership and also a minority position on the committee.

Q. And as you recall in 1998, that was also viewed as a negative by the

public?

A. Mm-hmm, correct.

Q. And the way in which that was remedied in 1998 was a change so that the REIT became a majority owner of the partnership?

A. That's correct.

Q. And isn't it the case that the REIT would have become a majority owner of the partnership had just the GM exchange been done without any other changes in corporate governance?

A. The math would have worked that way, correct.

[END OF EXCERPT]

MR. AVIV: In terms of breaks, Ms. Payne told us --

THE WITNESS: I actually wanted to --

MR. AVIV: Off the record.

VIDEO OPERATOR: Let's go off the record. This completes tape one off the record at 11:41.

(Brief recess.)

VIDEO OPERATOR: We're on the record at 11:53 a.m.

This is tape two of the deposition of Lisa Payne.

Please continue.

Q. (BY MR. REISBERG) Ms. Payne, I'd like to

A. Yes, I recall there was a discussion about certain specific assets, not being -- having the ability to sell, and I believe that was a change to the partnership agreement.

Q. And what do you recall about that?

A. Just that there were going to be a handful of assets that would require the family's approval o sell.

Q. And that was going to be a change from what had existed prior?

A. Correct.

Q. And when you say a handful of assets, do you recall approximately how many?

A. I believe about five.

Q. And do you recall based upon the relative value of those assets what percentage of the portfolio they represented?

A. No, I do not.

[BEGINNING OF EXCERPT]

Q. Turning to page 873 of Gilbert 6, there's a section entitled Interloper Risk Aversion.

Do you see that?

A. Yes.

Q. Do you recall any discussion in 1998 regarding interloper risk?

A. I don't remember specific discussion. I

mean, I know it was everybody's concern that was involved in the transaction that once we've reached an agreement that felt like it met the needs of everybody that anything that would cause delay or whatever would not be very positive, and I think I remember discussions surrounding -- I don't remember discussions. I remember the issue being there.

Q. And in connection with those discussions what does interloper refer to?

A. Interloper would be potentially a company who would come in and lob in some -- a bid for the company or a transaction that would be different than one that was being negotiated and proposed.

Q. Based -- as discussed in 1998, would interloper refer to the possibility of a new company coming in and making a bid to acquire the entire REIT?

A. Definition of entire REIT?

Q. Sorry.

A. You mean the REIT?

Q. The REIT.

A. Yes.

Q. Would interloper risk also include the possibility of a company coming in and making a bid for the 10 shopping centers that were being

exchanged?

A. Potentially, yes.

Q. Were there any other examples that you recall that would have been discussed in 1998 that would come under the heading of interloper risk?

A. I'm not saying the ones you just mentioned were discussed specifically, those were examples, but I don't remember specific examples being discussed.

Q. Given the two examples that I've discussed, one being a company that came in and made a bid for the REIT and the other a company that came in and would make a bid only for the 10 shopping centers being exchanged, did you understand that those two possibilities were within the definition of interloper risk as that was being discussed in 1998?

A. We just called it a broad category of interloper. We didn't really define specific transactions that it could entail.

Q. Would you agree with me that the two transactions that I've identified qualify?

A. Correct.

[END OF EXCERPT]

Q. Just going down further under the same heading of Interloper Risk Aversion is a bullet

Q. Do you recall any discussions in 1998 that GM had the ability to put the company up for sale?

A. You know, I -- you know, my recollection continues to be that GM was a significant partner here. What they felt and what they wanted was very important to both the independents and the family, but that everything was done on a consensus basis and that this company was not -- there was no ability from a practical standpoint for GM or anyone to really take over the company.

Q. Do you recall any discussions during 1998 where the issue was a

concern that GM might put the company up for sale?

A. No, I do not.

[BEGINNING OF EXCERPT]

Q. In the bottom part of the same page, about the second line from the bottom, it says: We won't endorse plan including interlopers/SH, which I'll interpret to mean shareholder vote.

Do you see that?

A. I do.

Q. Do you recall any discussions where the Taubman family took the position they wouldn't endorse any plan that included a shareholder vote?

A. No, and in fact with regard to Devco, which as I said there was differing legal opinions,

but clearly I think the independents given that some of the legal advice was that it required a shareholder vote, I believe that the family, if that was going to be the best deal were -- would have proceeded with a shareholder vote. So I don't believe that they at all were saying that that was an absolute restriction on a deal.

[END OF EXCERPT]

Q. I'd ask you if you could turn to the page GS 892, and do you see that in the top left it has the date of June 24, 1998?

A. Yes.

Q. And that was during the time period when the 1998 transaction was being negotiated?

A. Oh, yes, I mean as I recall there was a board meeting. I'm just trying to remember the time line and I don't know if this was when Devco was also being considered or whether we had finally determined that the exchange -- I call it the exchange transaction, the one we did, had been elected to be done. So I don't know exactly the timing of it, of 6-24.

Q. Do you see about a third of the way down there's an entry that says: Lisa, Jeff and Bob Larson?

A. Yes.

management contract also had a right for the family to buy the company at a reduced value.

Do you recall that testimony?

A. Yes, or I would like to say at a price that I think was quite favorable.

Q. Was that provision of the management agreement changed in 1998?

A. I don't recall. I don't know.

Q. Isn't it the case that the only provision of the management agreement that was changed in 1998 was the termination clause?

MR. AVIV: Objection; lack of foundation.

THE WITNESS: I don't know.

[BEGINNING OF EXCERPT]

Q. (BY MR. REISBERG) Do you know who owns the management company?

A. It's a complicated structure, that my recollection is that the economic ownership, economic ownership is the -- I believe the REIT, maybe the OP, but it's the company economically owns it, but the vote, there is a voting provision, and this is quite common by the way in a lot of REITs because it's due to the REIT provision, the tax provisions. There's a lot of legal provisions

that REITs have to follow. Quite a few REITs have these

management companies, and I believe that the voting structure is the family members and it may even be Alfred Taubman alone has the majority of the vote.

I have to tell you that from a real business and practical standpoint, you know, the management company is the people who manage it and none of these things come into play, but there's a lot of technical legal documents around the manager.

Q. Do you know whether or not the Taubman family earns money from the management contract?

A. Not that I'm aware. I mean, as I said, the economics of all the cash that comes in and out of it really flowed to the company.

[END OF EXCERPT]

Q. During the board meeting that was held on August 17, 1998, do you recall whether or not the directors were told that as a result of the issuance of the Series B preferred stock that the Taubman family would now have the ability to block a sale of the REIT?

A. No, I do not, and, you know, the reality here is that it only is based on ownership and, you know, what happened that moment in time in ownership could have been changed by us issuing stock. I mean ownership changes over time.

So the way that the board was advised

Do you see that?

A. Yes.

[BEGINNING OF EXCERPT]

Q. On the next line, the line says: Additionally, TCO became obligated to issue to the partners in TRG other than TCO, paren, minority partners, close paren, upon subscription one share of Series B nonparticipating convertible preferred stock.

Do you see that?

A. Yes.

Q. What is your understanding of the source of the obligation that is referred to in the form 8-K?

A. I assume because the board of directors voted, but to be honest I don't know what that technically means.

[END OF EXCERPT]

Q. Is there -- let me try to put this in an easier way.

There is no disclosure that I was able to see in the form 8-K concerning the amount of voting power that was being conferred by the issuance of the Series B preferred stock.

Is that correct?

A. I, you know, I'd have to spend a lot more time reading the whole document.

Q. Fair point.

Do you recall any discussion one way or the other as to whether

or not there should be disclosure made to the public shareholders concerning the amount of voting power that was going to be represented by the Series B preferred?

A. You know, I think -- I know what was in my head at the time which is it's quite natural to have, you know, your vote equal to your economic interest. It didn't feel like there was anything unusual there, and, so, I think that's what people would naturally think was going to happen with the family's interest. So that's -- I think that -- that's normal.

[BEGINNING OF EXCERPT]

Q. As of October 15, 1998, did the REIT issue any public statement which disclosed to the public shareholders that approximately 30 percent of the voting power of the REIT was being given to the Taubman family and the other unitholders?

A. Well, I believe when you read this this was very obvious exactly what was happening, and this was an 8-K. Every investor when they see an 8-K, come across Bloomberg, reads it, and I feel it was -- if there was any question about it, by the way, they would have picked up the phone and called

me and I would have told them exactly what it was and I never got a question. It was out there, there wasn't anything to hide, you know, it's right there on the front page.

Q. Can you point to me where it is on the front page or elsewhere in the form 8-K which we've marked as Payne Exhibit 2 that from which an investor could learn that 30 percent of the voting power of the REIT was being given to the Taubman family through issuance of the Series B preferred shares?

MR. AVIV: Objection as to form.

THE WITNESS: Well, again, I think when you go through this whole paragraph, this whole description under item two, it goes through what the rights are for the Series B, and I think it doesn't say there's a -- it's a super majority, it doesn't say you get more than one. You know, I think it's there. I think it's good disclosure, and again generally when people -- it's a pretty big -- clearly says there were a lot of changes, and if somebody read it and didn't understand it, they would have called. I never got a phone call.

[END OF EXCERPT]

Q. (BY MR. REISBERG) Looking at it here now, can you tell me how it is that I can read this in

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

SIMON PROPERTY GROUP, INC., and SIMON PROPERTY ACQUISITIONS, INC., Plaintiffs, vs. TAUBMAN CENTERS, INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISON, PETER KARMANOS, JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHAZEN, and S. PARKER GILBERT, Defendant.

ORIGINAL

No. 02-74799

VIDEOTAPED DEPOSITION OF CHRISTOPHER J. NIEHAUS

New York, New York

Friday, January 17, 2003

Reported by:
Philip Rizzuti
JOB NO. 144222

What was your understanding of what the special committee's mandate was as of March of 1998?

A. I believe my recollection, which has been prompted by reviewing this engagement letter was to identify, explore and evaluate means to enhance partner and shareholder value.

[BEGINNING OF EXCERPT]

Q. Who sat on this special committee?

A. My recollection is what is on page 142, A. Alfred Taubman, Reed, Dobrowski, Gilbert and Chazen were the members.

[END OF EXCERPT]

Q. You considered your client to be that committee, that was the committee that you reported to; is that correct?

A. That is correct.

MR. STERN: Object to form. Double question.

MR. MUNDIYA: Okay.

Q. Do you know if the Rouse Company had made another proposal around March of 1998?

A. I believe there was a second letter at some point, I can't recall exactly when that letter was received.

Q. But it was sometime in 1998?

Q. Do you have any -- do you have a general recollection on that subject?

MR. STERN: Objection. Asked and answered.

A. I think I have answered that.

[BEGINNING OF EXCERPT]

Q. Do you have a recollection about the position of the Taubman family on that subject?

A. I do recollect that their preference was probably not to have a shareholder vote in a transaction.

Q. That preference not to have a shareholder vote was communicated to you by who?

A. I can't recall specifics.

Q. Was it through Goldman, Sachs?

A. Potentially.

Q. Do you recall having a conversation with Mr. Taubman on that subject?

MR. STERN: By Mr. Taubman --

Q. Robert Taubman?

A. I can't recall specific conversations.

Q. But you have a general understanding that the Taubman family's preference was to have a transaction that did not include a shareholder vote?

A. I believe so.

[END OF EXCERPT]

Q. Do you have an understanding of why the Taubman family did not want a transaction which would include a shareholder vote?

MR. STERN: Objection on the grounds that it calls for the witness to speculate on someone else's mental state. You can answer it if you know something.

A. I can't recall specific reasons that they would have mentioned to me or to Morgan Stanley on that topic.

Q. Do you recall any discussion of the risk of interlopers?

A. I believe there was that type of discussion to this process, yes, at some point.

Q. What is your recollection on that subject?

A. I can't recall specifics on that subject.

Q. Was that subject, the subject being the risk of interlopers, was that related to the shareholder vote issue?

MR. STERN: Objection to the form.

A. Again, I can't recall specifically to

be able to clearly answer that question.

Q. Did you ever hear it said by anybody that a shareholder vote would

increase the risk of interlopers?

MR. SCWHARTZ: Object to the form.

A. Again, that may have been said. I am struggling with trying to recall any specifics.

[BEGINNING OF EXCERPT]

Q. If you could turn to page 876 of this document. There is a question to MS: If everyone can agree to divvy I think is the word, will GM do it without shareholder vote.

Do you recall any discussion in this timeframe about the position of GM on the issue of -- on the issue of a shareholder vote.

MR. STERN: Objection on the timeframe question, there is no timeframe established here yet.

Q. I am saying between March and June of 1998?

MR. STERN: Okay.

A. I do, I think I recollect that GM's preference would have been to have a shareholder vote.

Q. What is the basis for your recollection?

A. Neurons.

[END OF EXCERPT]

MR. SCWHARTZ: Also axons.

THE WITNESS: Whatever they are.

Q. You don't recall any specific conversation with a GM representative?

A. Again, I think what I am struggling with is given this was five years ago, it is hard for me to remember specific conversations. So I think the general theme is one that I do recall.

Q. And that general theme was that GM's preference would have been for a transaction that included a shareholder vote?

A. What I recall is that GM thought it would be appropriate or better if there was a shareholder vote involved if there were a transaction.

Q. Could you turn to page 877, at the bottom of the page the words in quotes: We won't endorse plan including interlopers-SH vote.

Do you see those words?

A. I do.

Q. Do you recall that general theme being expressed in this timeframe about the subject of interlopers and the shareholder vote?

MR. MUNDIYA: Five minutes. Off the record.

THE VIDEOGRAPHER: It is 12:48, we are going off the record. This completes tape number 1, we are going off the record.

(Recess taken.)

THE VIDEOGRAPHER: This is tape number 2 of the deposition of Christopher Niehaus. It is 12:54, we are on the record.

[BEGINNING OF EXCERPT]

Q. You have in front of you what has been marked as Niehaus Exhibit 5, at

the top you will see the words analyze rabbit.

A. I see them, yes.

Q. Does this refresh your recollection as to whether the Rouse Company's proposal was being considered at that time?

MR. STERN: What time?

Q. We are still in the summer of 1998?

A. This doesn't specifically refresh or not refresh, as I said before, I do recall an additional letter was received by Rouse sometime during this timeframe.

Q. What was the company's response to the letter received from Rouse?

A. I don't recall the specific response, but since it never got to a negotiated proposal, you know -- I should stop there, I don't recall the specific response. I think it is not of interest.

Q. I am sorry, not of interest to the company?

A. Let me rephrase that.

I don't recall that a proposal was made. I recall a letter was received. I don't recall that there was specific negotiations with Rouse.

Q. What did the Rouse letter -- strike that.

Was the Rouse letter a proposal to acquire the stock of Taubman Centers Inc.?

MR. SCWHARTZ: This is the REIT.

Q. The REIT, I am talking about the REIT?

A. Again, I don't recall specific language. Generally my recollection was that they thought that a combination of the companies would be in the interest of both companies.

Q. When you talk about the combination of the companies, are you including both the REIT and the TRG partnership; the Taubman REIT and the Taubman TRG partnership?

A. Yes. In that statement, yes.

Q. It is your understanding that the company had no interest at that time in such a proposal?

A. My understanding was that the decision was made not to explore in-depth that proposal, or letter I should say.

Q. Who made that decision?

A. I assume it would have been the directors.

Q. Was it a decision at the special committee level or was it a decision at the partnership committee level?

A. I don't recall which would have made that decision.

Q. Would the --

A. The special committee would report to the board. I don't recall who would have been the body that would have made that decision.

Q. So it could have been either the board of directors of the REIT or the partnership committee?

MR. SCWHARTZ: Objection to the form.

MR. STERN: Objection.

A. It could have been the, I believe, the board of directors of the partnership or the special committee.

Q. The board of directors of the partnership; are you talking about the TRG partnership or are you talking about the REIT?

A. Well, I am not purposely trying to make a distinction; you are. The directors were similar people, although sitting on different boards. So I am not trying to make a distinction as to which hat they were wearing or which official organization was the one responding.

Q. But it is recollection that they decided that it was not in the best interest of the company to pursue at that time?

A. I believe so, yes.

Q. Do you have any specific or any general -- strike that.

Do you have any recollection of what the Taubman family's position was with respect to the Rouse letter?

A. I think my general recollection was that they did not feel a combination with the Rouse company was something that made sense for the

company.

Q. What was GM's position on the Rouse proposal?

A. I think generally GM wanted to make sure that all options were explored and looked at, but that -- you know, hopefully the best options for the circumstances was the one pursued.

Q. Didn't GM want to explore or to further discussions with Rouse?

A. I don't recall specifically.

Q. Did GM or anybody at GM ever express to you an interest in opening negotiations with Rouse?

MR. STERN: What time period.

Q. Same time period, summer of 1998?

MR. STERN: Okay.

A. Again, as I said before, I do recall that GM generally wanted to make sure that all options were looked at. I don't recall specifically discussions on, you know, having specific negotiations with Rouse.

Q. Was GM more or less enthusiastic about Rouse than the Taubman family?

MR. SCWHARTZ: Objection to form.

A. I do recall that the Taubman family

felt more strongly why they did not think a combination made sense.

Q. More strongly than GM?

A. Yes.

[END OF EXCERPT]

Q. What were the reasons that the Taubman family felt -- what were the reasons that the Taubman family had for not pursuing a transaction or negotiations with Rouse?

MR. STERN: Objection. He didn't testify the family didn't pursue it.

MR. MUNDIYA: But he said that the Taubman family felt strongly about not pursuing the Rouse letter. I want to know, if he knows, what the Taubman family's reasons were for their view.

MR. STERN: I think that is a mischaracterization of the witness' testimony. I think you asked the witness to compare levels of enthusiasm. He said that GM was more enthusiastic. The witness did not testify that the Taubman family decided to pursue negotiations or not pursue negotiations. I think he testified that it was the company at some board level that

A F T E R N O O N S E S S I O N

(Time noted: 1:51 p.m.)

C H R I S T O P H E R J. N I E H A U S,

resumed and testified as follows:

EXAMINATION BY (Cont'd.)

MR. MUNDIYA:

THE VIDEOGRAPHER: It is 1:51, we are on the record.

Q. Mr. Niehaus, I am going to mark what we will call Niehaus Exhibit 6, handwritten notes, GS 00892 through 893.

(Niehaus Exhibit 6, handwritten notes, GS 00892 through 893, marked for identification, as of this date.)

Q. These are handwritten notes produced to us by Goldman, Sachs, GS 892 through GS 893. Could you take a moment to review these notes, please, Mr. Niehaus.

A. Okay.

[BEGINNING OF EXCERPT]

Q. Mr. Niehaus, we talked earlier about the family's position on the transaction that would not involve a shareholder vote. It was the family's strong position, was it not, that there would be a transaction that did not include a shareholder

vote?

MR. SCWHARTZ: Object to the form.

A. I think I said my recollection was the family preferred not to have a shareholder vote, and I mean my recollection would be it is fair to characterize that they felt somewhat strongly about that position, yes.

Q. If you go down the middle of this page, Mr. Niehaus, you will see a note which states: Jerry was with us except on shareholder vote. Wayne, two choices: Wachtell plan with shareholder vote and GM will support a status quo. Jerry Chazen and Parker Gilbert with us, except shareholder vote.

Does this refresh your recollection as to what Jerry Chazen and Parker Gilbert's position was on a transaction involving the shareholder vote?

A. A little, yes.

Q. How does it refresh your recollection, Mr. Niehaus?

A. I think on the topic of shareholder vote, which was obviously one of the many topics that were discussed, that the -- I think that the

independents had a preference to have a shareholder vote in this transaction. In that transaction.

Q. And that preference was also a strong preference, was it not?

A. I don't know if I could recall that.

Q. But it was a preference nevertheless?

A. Yes.

MR. STERN: Asked and answered.

A. I believe so.

Q. When you talk about the independents, you are talking about Jerry Chazen and Parker Gilbert?

A. Yes.

[END OF EXCERPT]

Q. Claude Ballard, who was referred to here with a note, way on our side, who was Claude Ballard?

A. I believe he was a board member, he was not on the special committee.

Q. But he was not an independent, right?

MR. CRUSE: Objection to form.

A. I believe Claude Ballard would be characterized as a -- would have been characterized as an independent director.

Q. But was he in your view in fact

[BEGINNING OF EXCERPT]

Q. Was Claude Ballard affiliated in 1998 with Goldman, Sachs?

A. Claude Ballard had been a partner of Goldman, Sachs. I don't recall if he was still a limited partner or not, he potentially could have been a limited partner.

[END OF EXCERPT]

Q. What about Graham Allison, did you know who Graham Allison was?

A. Yes, he was a director of the company.

Q. It says here that he was aligned with dad. Does this refresh your recollection as to how Graham Allison felt about the transaction?

A. No.

Q. Let's go to Niehaus Exhibit 7, handwritten notes, GS 00899 through 901.

(Niehaus Exhibit 7, handwritten notes, GS 00899 through 901, marked for identification, as of this date.)

Q. For the record, these are handwritten notes, Bates numbered GS 899 through 901, produced from the files of Goldman, Sachs.

Mr. Niehaus, could you turn to page GS 900, which is the second page of the notes.

A. Yes.

description of the fairness opinion fairly summarize what was subsequently issued on August 17, 1998?

A. I believe that the letter, as it always does, stands on it's own, the August 17 letter.

Q. The fairness opinion talks about fairness from a financial point of view. Do you see that, the last paragraph of the fairness opinion?

A. Yes.

Q. What is your understanding of the term fair from a financial point of view?

A. That the transaction in it's totality is fair, as it says, from a financial point of view of the partners of the partnership. I don't know what other synonyms to use for financial, but I think that is the most descriptive word and that is why we use it, we believe that it is, from the financial point of view of the partners.

[BEGINNING OF EXCERPT]

Q. What financial analysis did Morgan Stanley do on the preferred stock that was issued to the Taubman family?

A. I don't recall that we would have done any financial analysis.

[END OF EXCERPT]

Q. So it is your testimony then that the fairness opinion did address the fairness of the preferred stock to the Taubman family?

MR. STERN: Objection.

A. That is not my testimony.

MR. STERN: His statement and testimony has been clear on the point.

[BEGINNING OF EXCERPT]

Q. When you testified earlier that the preferred stock was not separately carved out, what did you mean by that; what did you mean by the terms was not separately carved out?

A. Sometimes in fairness opinions there are specific language on specific terms that address that. That language does not, is not contained in this letter and therefore it was not specifically addressed in this letter.

Q. I see. So the preferred stock on the corporate governance changes are not specifically addressed in the fairness opinion letter, is that what you of saying?

A. I think what I said they are not carved out, so they are not, there is not a sub bullet or however you want to phrase it in the fairness opinion letter.

Q. Do you recall or were there any discussions with anybody concerning the subject of whether the fairness opinion by Morgan Stanley would address the fairness from a financial point of view or otherwise, of the preferred stock that was issued to the Taubman family?

A. I don't recall.

Q. You don't recall one way or the other?

A. One way or another, right.

Q. Do you recall any discussions with anybody about, on the subject of whether the fairness opinion issued by Morgan Stanley would address the fairness from a financial point of view or otherwise, of the corporate governance changes that were ultimately executed?

A. Again, restating my words, I do recall governance was a topic that was discussed. It is my belief it would have been in these documents referenced. That being said, I at this point can't recall or recollect specific discussions tying that to the fairness opinion.

[END OF EXCERPT]

Q. Was this fairness opinion intended for the benefit of shareholders of the REIT?

A. I believe it states that it was, it runs

knowledge?

A. The general concept of proportionate vote was discussed. The actual mechanics of how that was implemented was not something that I really recall us or Morgan Stanley being involved with.

Q. You just talked about a proportionate vote. What do you mean by a proportionate vote?

A. That the unit holders of the operating partnership would be allowed to vote on matters of the enterprise and totality based on their proportionate ownership. Whether it be in units or stock.

[BEGINNING OF EXCERPT]

Q. What discussion was there of the power of the Taubman family to be able to block transactions at the REIT level?

A. Again I think that the -- my recollection was that the focus was more on the principle of proportionate vote. You know, I do recall, and I don't recall specifics, what the consequences of that would be given various different transactions, including the redemption.

Q. Was there discussion of the consequences of the issuance of the preferred stock that the

Taubman family -- were the consequences discussed at the special committee level?

A. I think governance was clearly discussed at the special committee level. And as such broader rights, whatever, of the different ones, I don't recall specific discussions on the consequences of the preferred stock.

Q. What about discussions concerning the Taubman family's ability to block or veto transactions at the operating partnership level, do you recall any discussion on that subject, at the special committee level?

A. Again, generally I recall discussions on the rights and abilities of the partners to the partnership in the existing company, as well as under proposed changes, which would have included I believe, I recall items such as what you just stated.

[END OF EXCERPT]

Q. Was the Taubman family's consent required for the GM transaction to go forward?

A. I believe to change the partnership agreement the family as a party to that partnership agreement needed to be a party to that.

Q. So it is your testimony here today that

Q. Was there any discussion at the special committee level on whether the GM transaction could have been effectuated without any changes to the corporate governance?

A. Again, as I think I said before, I think it was an objective of the special committee to improve corporate governance. But I don't recall specifically if there were, you know, a specific discussion as you just out lined.

[BEGINNING OF EXCERPT]

Q. Could corporate governance as you understand that term, been improved without issuance of the series B preferred stock?

A. Perhaps.

Q. But you don't recall any discussion on that subject?

A. I have no recollection of series B.

[END OF EXCERPT]

MR. MUNDIYA: Let's take a break. Off the record.

THE VIDEOGRAPHER: It is 2:53, we are going off the record.

(Recess taken.)

THE VIDEOGRAPHER: It is 3:02, we are on the record.

MR. MUNDIYA: Would you mark this

A. I have never seen the note before.

Q. But this note does not refresh your recollection that such a conversation or discussion occurred with Mr. Taubman?

A. Again, I think as I previously said, I think I had and would have had a number of discussions with Mr. Taubman. Both in these special committee and elsewhere, but this doesn't refresh, this specific form, no.

Q. When you say Mr. Taubman, you are talking about Bobby Taubman?

A. In reference to your sentence here, according to these notes, yes.

[BEGINNING OF EXCERPT]

Q. Who was the special committee composed of?

A. I believe I answered that earlier in the testimony.

Q. Was it -- was Bobby Taubman on the committee?

A. Bobby Taubman was not one of the five committee members.

Q. So your communications with Bob Taubman were in his capacity as management?

A. Again, I prefer not to make

distinctions, Bob Taubman was allowed to go to the special committee meetings as a member of the manager, yes. But I am not going to try to slice the onion on what hat he was wearing in different conversations I had with him.

Q. But he was wearing several different hats?

A. Apparently, yes.

[END OF EXCERPT]

Q. Mr. Niehaus, what was GM's position on the governance issue, on the governance changes that were ultimately approved in this transaction?

A. You know, again, I don't recall specific views on different points, but I do recall that the transaction which included the governance changes was voted for unanimously, of which GM would have cast their vote for it.

Q. Do you recall any discussion in the summer of 1998 to the effect that GM had a problem with the governance issues?

A. Again, not specifically. I do think governance was a part of the transaction and would have received discussion with the objective to try to incorporate an improvement in governance and any transaction.

Bill Taubman is a director and I did have a brief station, he came to a cocktail party we had, I think after the announcement, so just to clarify my previous statement.

Q. Did you talk to Mr. Billy Taubman about the Simon offer?

A. Generally.

Q. What was discussed in that Conversation?

A. We were in a cocktail party setting with others there, so I think -- anyway, just generally what was happening in the transaction that he felt comfortable talking about.

[BEGINNING OF EXCERPT]

Q. What role did Cameron Clough play in this transaction?

A. He was one of the team members. He would have worked with me and Karen on all aspects of the transaction.

Q. Who was the head of the team?

A. Probably Karen and I jointly probably is the right way to phrase this.

Q. So Cameron would report to both of you?

A. Yes.

[END OF EXCERPT]

MR. STERN: Are you done with your answer.

Q. Do you know if Jeffrey Miro has acted as counsel to Al Taubman individually?

A. I don't know that specifically, whether he has acted as counsel.

[BEGINNING OF EXCERPT]

Q. We don't have to mark this, I want to direct your attention to one line.

For the record, I am handing Mr. Niehaus a document which is collectively marked S 1120 through S 1217, and I represent to you, Mr. Niehaus, that this is a form 8-K filed by Taubman Centers Inc. Please direct your attention to page S 1122, which is the third page in. Take a look at the line that begins with the words additionally --

A. Which paragraph?

Q. Second paragraph, additionally, TCO became obligated to issue to the partners in TRG, other than TCO, and then it goes on to describe the series B preferred stock. Do you see that line?

A. I do see it, yes.

Q. Do you know what the source of that obligation was, Mr. Niehaus?

A. Certainly not in a legal sense.

Q. In any sense?

A. I believe the issuance of the series B was part of the governance changes. So I presume that that means that it was part of that revised governance structure.

Q. Other than that you have no independent knowledge of the source of the obligation to issue the series B preferred stock?

A. I do not.

[END OF EXCERPT]

MR. MUNDIYA: I have no further questions of this witness.

MS. HIRSH: No questions.

MR. SCWHARTZ: Just a very small amount of questions about a couple of things.

EXAMINATION BY

MR. SCHWARTZ:

Q. Reference was made just a moment ago I think to a John Marzulli. I think you testified earlier that he was a Shearman & Sterling person; is that correct?

A. That is correct.

Q. What was Shearman & Sterling's role in this transaction?

A. They were counsel to Morgan Stanley.

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

SIMON PROPERTY GROUP, INC., and SIMON PROPERTY ACQUISITIONS, INC., Plaintiffs,	)	ORIGINAL
vs.	)	No. 02-74799
TAUBMAN CENTERS, INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISON, PETER KARMANOS, JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHAZEN, and S. PARKER GILBERT, Defendant.	)	

RESTRICTED CONFIDENTIAL VIDEOTAPED DEPOSITION OF

ADAM ROSENBERG

New York, New York

Friday, January 24, 2003

Reported by:
Philip Rizzuti
JOB NO. 144613A

in economics also was a driver in that direction?

A. I wouldn't say it was a driver. I think the facility with numbers was a helpful characteristic to have.

Q. Do you recall when during the year -- well, I don't think we have even gotten what year it was. Can I go back and do a little setting things in time?

A. Can I say no?

[BEGINNING OF EXCERPT]

Q. I really apologize for taking things out of order, but when did you start with Skadden after you graduated from law school?

A. Sometime in the fall of 1993.

Q. And when did you begin with Goldman, Sachs?

A. In January of 1998.

Q. So your tenure at Skadden was just a little over four years?

A. Yes, through December of 1997 or thereabouts.

[END OF EXCERPT]

Q. When you were hired on at Goldman, Sachs, were you put in any particular group or department?

A. Into the real estate department.

[BEGINNING OF EXCERPT]

Q. Just passed five years. Tell me in sequence if you will whether you have received any promotions or changed the nature of your work here in that five year period?

A. I entered as an associate, the first year associate. I was promoted to vice president I believe in 2001 or thereabouts. That is the only change in my status.

[END OF EXCERPT]

Q. Has your compensation increased annually since you arrived?

A. Some years yes, some years no.

Q. Have you received bonuses or at least those bonuses for which you are eligible?

A. I have received a bonus every year.

Q. Have you been informed by -- who do you work for as your direct report?

A. Well, we are not really structured that way. Each coverage team or deal team is assembled as the need arises, so for any particular project, let's say, there will be a hierarchy that will be different for each different project.

Q. Is there a formalized evaluation process within a group or department?

A. Yes.

A. Not as far as I know.

Q. If I continue to talk about the 2002 engagement, will that be clear, a clear reference for you?

A. Yes.

[BEGINNING OF EXCERPT]

Q. How would you describe in general terms your role on behalf of Goldman, Sachs in the 2002 transaction?

A. I am the vice president on the team working for the company in connection with the Simon offer.

Q. What kinds of task heavy you performed?

A. As part of the team preparing materials, reviewing documents, reviewing public documents. Reviewing company projections. Preparing, reviewing board presentation materials. Preparing, reviewing other related materials.

Q. All toward what project objective?

A. Toward the objective of assisting the company and it's board in evaluating whatever offer it is evaluating.

Q. In this case the Simon offer or offers?

A. Yes.

Q. Is that correct?

A. Yes.

Q. I take it you personally have conducted some of the analyses which then will form the work product for the client here?

A. Most of the analysis gets performed in the initial instance by folks more junior to me.

Q. Your job then is what, review it, synthesis it, critique it?

A. Yes.

Q. Have there been presentations made to the client in person in this engagement?

A. Yes.

Q. How many?

A. I believe there were three.

Q. Were you present for any one of them?

A. Yes.

Q. Were you present for each of them?

A. I believe so.

Q. Did Mr. Robert Taubman attend any of the presentations where you were present?

A. Yes. I am sorry, I am thinking back --

Q. Take your time?

A. Of the three I am sure I was at two of them. I believe I was at the one in the middle,

but I am not certain.

Q. Are you confident that at least at one of those you attended Mr. Robert Taubman was present?

A. Yes.

Q. Are you confident that at least at one of the ones that you attended Mr. Parker Gilbert was present?

A. Yes.

Q. Has it come to your attention in connection with the 2002 engagement for the Taubman interests, that anyone on the Taubman side has requested that you be removed from the team at Goldman, Sachs?

A. Not that I am aware of.

Q. Is it also fair to say that no one on the Taubman side has told you directly that they want you no longer to be involved in the 2002 engagement?

A. No one has told me that.

MR. VON ENDE: I would propose, counsel, that we mark these as Rosenberg Exhibit 1, we don't have, as I understand it, a sequential numbering system.

MR. SEGAL: That is correct.

MR. VON ENDE: That is right. So if that is consistent with our current practice, I suggest we identify this as the Rosenberg exhibits.

MR. HARDIMAN: I am indifferent, whatever is convenient for the parties

in the case.

MR. VON ENDE: Mr. Rizzuti, would you mark that as Rosenberg Exhibit 1, document TCI 0006549 through 6553.

(Rosenberg Exhibit 1, document TCI 0006549 through 6553, marked for identification, as of this date.)

Q. Mr. Rosenberg, let me hand you a document which I have had marked for identification as Rosenberg deposition Exhibit 1, take a moment to review it and tell me if you have seen it before?

A. I am not sure if I have seen this before.

Q. Let me direct your attention to list of those present at the meeting and particularly under the topic also present. Do you see that on page 1?

A. Yes.

Q. It identifies four individuals from Goldman, Sachs, Mr. Baum, Mr. Lieb, L-I-E-B, Mr. Graziano and yourself; correct?

A. Yes.

Q. And we know Mr. Graziano is a managing director in your department?

A. Yes.

Q. Mr. Baum is a managing director in a merger related department?

A. Yes.

Q. And I don't think we have identified Mr. Lieb?

A. Mr. Lieb is the head of the real estate department who in my characterization is not part of the Taubman team, but as the head of the department had an interest in the engagement and so came to the first board meeting.

Q. You have answered the question I was about to ask, that is these minutes you believe relate to the first of the two or three meetings that you attended; is that correct?

A. I believe so.

Q. Was a presentation made at this meeting?

A. By whom?

Q. By Goldman, Sachs?

A. Yes.

Q. Was it done orally?

A. What do you mean.

Q. Did someone say words out loud?

A. Yes.

Q. All right. Who are those who made the oral presentation?

A. At this meeting I believe Mr. Baum made part of the oral presentation, Mr. Lieb made part, Mr. Graziano made part and I made part.

Q. If you would turn to page 2, you will see a reference toward the bottom of the page to a presentation which appears to have been made by yourself, do you see that, it is the last paragraph?

A. At the bottom of page 2.

Q. Page 3, I am sorry, I mis-spoke?

A. Yes, I see that.

Q. Take a moment to look it over and let me know whether you believe that at least in general terms the description of your proposal is an accurate one -- I am sorry, your presentation was an accurate one.

MR. HARDIMAN: This is just that last paragraph on 3, going over to page 4.

MR. VON ENDE: That is right.

MR. HARDIMAN: Okay.

A. Yes.

Q. Was this presentation made on the basis of information that had been gathered by the more junior people on your team and furnished to you?

A. In part.

Q. What would the other part be?

A. My own knowledge of the industry.

Q. Anything else?

A. Verification work of the data that was provided to me, some of my own investigation into publicly available information.

Q. Would it be fair to say then that your presentation was based not only on information which subordinates gathered, but on your own investigations, experience and judgment?

A. I think that is fair.

[END OF EXCERPT]

Q. Subsequent to this first board meeting you attended, I believe you have told me that you attended at least one other?

A. Yes.

'98 restructuring relating to what happened with General Motors?

Q. Right?

A. Exchange.

Q. Exchange. There was an exchange transaction in which General Motors partnership interests were acquired, would that be fair?

A. I thought we just said exchanged.

MR. DiPRIMA: We did.

Q. What was exchanged for them?

A. Malls.

[BEGINNING OF EXCERPT]

Q. So there was an exchange by which a number of malls were received by GM and GM's partnership interests were then surrendered and exchanged for those malls, fair enough?

A. I don't know the technical legal way it was accomplished.

Q. Don't blame it on me.

A. The concept was partnership interest for malls.

Q. I will do that, partnership interest for malls. What was your role in the portion of the transaction that was partnership interest for malls?

A. When you say the portion of the transaction, you mean -- what do you mean, discussions relating to it; executing it; documenting it; I don't know what you mean.

Q. That whole thing. The only reason I am calling it a portion is that I think you indicated to me in earlier testimony that that was not all that went on?

A. Yes.

Q. All I doing is is calling this the GM partnership interest for malls transaction?

A. Okay.

Q. What was your role in that?

MR. SEGAL: I object to the characterization. It was not a separate transaction, he said it was all a part of one transaction.

MR. HARDIMAN: I thought it was pretty much agreed that there was a restructuring. One aspect of it is the GM portion. You are asking about the GM portion?

MR. VON ENDE: You are exactly right.

MR. HARDIMAN: When I say the GM portion, I mean the malls for units.

MR. VON ENDE: Even better. Malls for units.

Q. What role did you play in the malls for units portion of the transaction?

A. I attended meetings, listened to discussions relating to the structure of how to accomplish an exit for GM, if you will, and this malls for units was ultimately how it was done, but there were others that were considered.

Once that method of achieving GM's exit was adopted, I attended meetings and listened to calls relating to relative valuation negotiations, and other mechanics of getting the deal done for lack of a better way to describe it.

[END OF EXCERPT]

Q. You have indicated that in these two contexts, you attended meetings and listened to discussions. Can you tell me who attended the meetings that you were describing?

MR. SEGAL: Object to the form. What two contexts?

MR. VON ENDE: He indicated he listened to discussions of various structural alternatives, then when the choice of the malls for units structure was

A. There were some meetings and conference calls that I participated in, that also involved folks representing GM.

Q. Did you also speak to representatives or advisors to GM by telephone?

A. I am not sure I spoke to any of them, I participated mostly by listening. As you can imagine, someone in my position would. Does that answer your question.

Q. Yes. Let me broaden the question. Did you participate any listening in conversations on the telephone that involved representatives of GM?

A. I believe so. I can't remember specifically, but I believe so.

[BEGINNING OF EXCERPT]

Q. Did you ever hear any representative or adviser to GM indicate that they wouldn't do the malls for units deal unless the class B shares were issued to the family?

A. I never heard anything like that.

[END OF EXCERPT]

Q. Let me --

MR. VON ENDE: How many minutes.

THE VIDEOGRAPHER: Two minutes.

Q. I want to get a list of the players, if you will, on various sides, so as we go forward

achieving the rights that I referred to in my previous answer.

Q. Is it also fair to say that you don't recall any discussion about negotiating the price to be paid for the series B shares?

A. I don't remember any discussion about a series B.

Q. So that include negotiation about the price; right?

A. Yes.

MR. VON ENDE: Would you mark as Rosenberg --

[BEGINNING OF EXCERPT]

Q. Mr. Rosenberg, let me hand you a document that I have had marked as Rosenberg deposition Exhibit 4, I will state for the record that I am informed that this document has been identified as an excerpt from Lisa Payne's calendar.

(Rosenberg Exhibit 4, excerpt from Lisa Payne's calendar, marked for identification, as of this date.)

A. Okay.

Q. I am using it really simply to refresh a recollection, if it helps, it helps. I will call

your attention to some specific entries. Do you see on June 19th there is a reference to 3:15 -- I am sorry. 11 a.m.-1 p.m. conference call, Adam Rosenberg.

A. I see that.

Q. Do you know what position Lisa Payne had in June of 1998?

A. CFO of Taubman.

Q. Do you have any independent recollection as to what conference call you and Ms. Payne had for that two hour period?

A. No.

Q. Do you remember more generally that you had lengthy conference calls with Lisa Payne regarding this project?

MR. HARDIMAN: You want to define lengthy.

Q. Well, let's say two hours?

A. I remember calls that I participated in which Lisa Payne also participated. Were they lengthy or were they short, I really don't remember today.

Q. Do they fall into the category of the meetings and conference calls we have talked about?

A. Yes.

Q. So we can add to the sometimes present list officers of the company?

A. Well, we can add Lisa Payne.

Q. Lisa Payne. What in general was the nature of your interaction with her; I mean were you gathering information, making reports, confirming facts?

A. As I recall we were among other things performing certain financial analysis, and Lisa as the CFO was the logical person to speak to get access to company financials related matters.

Q. I have another reference I think to you, look at July 29th.

A. Okay.

Q. I am sorry, I missed one, Mr. Mundiya is backing me up to the 29th of June. There is a reference there to an hour long conference call, Adam Rosenberg, do you have a memory as to the subject of that call?

A. No.

Q. Is your judgment that it likely related as did the earlier one, to gathering financial information about the company?

A. I don't think I said anything about what the earlier one related to, I said it was natural that if I was seeking financial information, she would be the right person to call, I have no recollection of what either one of these calls was about.

[END OF EXCERPT]

Q. All right.

MR. HARDIMAN: Do you have a recollection of whether they actually occurred.

THE WITNESS: No.

Q. You are not prepared to say that it is likely that they centered on or treated the question of -- access to company records so that you could do your financial analysis.

MR. SEGAL: Object to the form. What do you mean he is not prepared to say. Improper question Mr. von Ende.

MR. VON ENDE: Well, I will stick with it.

MR. HARDIMAN: Object, asked and answered. You can answer.

Q. You may answer?

A. All I can tell you is that she wrote my

your mind that may guide your review of these documents. My first question will be whether you have seen any of these documents before. Whatever review is necessary for you to answer this question, I would ask that you undertake it now?

A. Okay. Yes.

[BEGINNING OF EXCERPT]

Q. When did you see the documents that comprise Exhibit 6 for the first time?

MR. HARDIMAN: Well.

A. When I wrote them.

Q. I see, you are the author of these documents?

A. I have not looked through every single pages, but if these are copies of the notebook that was produced, then these are my notes.

Q. Thank you very much. It looks to me as if these were kept in a spiral notebook or ring binder, whatever you would call it, would that be correct?

A. Yes.

Q. Your counsel has directed your attention to a larger number of handwritten notes on that sort of paper. And I believe has indicated, as has other counsel, that that larger stack was

identified in some other deposition.

Does it square with your memory that you prepared more notes than are available to you in Exhibit 6.

MR. DiPRIMA: I would state for the record that I said that and I am not Mr. Rosenberg's counsel.

MR. HARDIMAN: Make it clear, I have no idea what was marked in the deposition.

MR. SEGAL: Object to the form of the question.

Q. You may answer?

A. This looks like my notes, this looks like my notes, this pile is smaller than this pile.

Q. Do you remember taking notes that would be an inch thick in connection with the 1998 Taubman transaction?

A. I remember taking notes in a notebook.

Q. Do you remember how big it was?

A. It was a one subject notebook. And I believe my notes completed one full notebook and went into a second notebook.

Q. Were the notes in that notebook only related to the 1998 Taubman transaction?

[END OF EXCERPT]

attention to the last two entries on this page. One begins with the word Bobby?

A. Okay.

Q. Would you read that entry completely?

A. Bobby will tell Alan, that one --

Q. Yes.

A. Bobby will tell Alan: We are focused on 6/24, we will present structure that works. And there is a dash and off to the right, no SH vote.

Q. Meaning no shareholder vote as you interpret it?

A. I think so.

Q. Who is Bobby in this entry?

A. I presume it is Bobby Taubman.

[BEGINNING OF EXCERPT]

Q. Who is Alan?

A. I am not certain.

Q. Let's get our list of suspects here.

Well, I don't see an Alan among the adviser list. Do you recall one?

A. There was a director named Alan, Bloostein I believe.

Q. Do you remember any other Alan's that were involved in the 1998 deal?

A. I can't think of any.

Q. Would you read the next entry, please?

A. Idea; have Al Taubman sit down, W/Parker and Jerry: Move forward, but no way put at risk of sale.

Q. The last portion, please?

A. No such program which invites interlopers.

Q. Did I ask you before what you meant by the word interlopers, I believe I did?

A. I think you asked me what I meant when I wrote it at the time.

Q. Let me ask you again in this context. What did you mean by using the word interlopers in this portion of your notes?

A. I don't remember what I meant at the time.

Q. Do you have an understanding of the word as you and I sit here today?

A. Yes.

Q. What would that be?

A. Well, I remember a lot of discussion among the advisers about -- remember, this was at a point in time where a particular transaction structure was being discussed, okay. There was

disagreement about whether a shareholder vote would be necessary or not to

consummate that structure. And I remember a lot of discussion among the advisers about risks associated with a contingent transaction.

One kind of contingency is a shareholder vote. It adds time; it adds market risk; and it adds other risks, including that some outsider, which is what I mean by interloper, could get involved somehow. And the reason that was a concern from the advisers, as I remember it, was these parties were trying to move toward a transaction that made sense, and if they were going to consummate that transaction, they wanted to do it in a way that was non-contingent.

Q. So interloper, and you may have answered more than my question, but interloper as you were using it here, meant some stranger to the transaction that could come in and affect the transaction in some fashion; is that right?

A. Something like that.

Q. It was clear to you and to the advisers that you did not want to quote, invite interlopers, unquote?

A. I don't know what was clear to me or to the advisers. I remember a lot of discussion among the advisers that that was a risk with the particular transaction that was being proposed if that transaction required a shareholder vote.

[END OF EXCERPT]

Q. Let me ask you to turn to page 879.

A. Yes.

Q. Would you direct your attention, please, to the entry that starts with the word Jay?

A. It says Jay: LBO model: It looks like generically add: Sell enough NOI to generate $100 million cash each year. Don't decide which malls.

Q. All right. When you used the letters LBO, to what did you refer?

A. I don't remember what I meant at the time.

Q. Do you have a belief as to what you were signifying by LBO?

A. Leveraged buy out.

Q. You also used the letters NOI. To what do they refer?

A. Net operating income.

Q. The next entry says if I read it correctly, how effect IRRs; correct?

A. C/C, yes.

Q. Which means change of control?

A. That is how I would interpret it.

Q. The we there would be again the family side of the transaction?

A. Whether it is the advisers or the family, I have no way of knowing.

Q. Would you look down just under the date 8/6?

A. Sure.

[BEGINNING OF EXCERPT]

Q. There is a parenthetical reference, Ron got yelled at by Joann Alan?

A. Yes.

Q. Do you remember that?

A. No, but I now remember a different Alan, you asked me before. There was an A-L-A-N. There was another Alan in the transaction, Allen Reed who I believe was affiliated with General Motors, but I am not sure.

So I just wanted to clarify that, I only referred earlier to Alan Bloostein.

Q. Who is Ron?

A. Ron I believe is Ron Pastore, who worked for AEW.

Q. Do you recall what the subject of the yelling was about?

A. No. I should just add, Allen Reed, I am not sure if he was with General Motors or AEW, I just remember he was associated with that group.

[END OF EXCERPT]

Q. Could you turn to page 1003.

A. Okay.

Q. Read under the topic sentence, read the first entry?

A. At the top of the page?

Q. Let me do it and I will make it easy. Does it say quote: Shearman came back. No super majority at REIT for change of control, C/C?

A. That is how I read it.

Q. This is Shearman coming back on behalf of the company and reporting to either the family or the family's advisors; right?

A. Yes. It looks like related to that 75 percent reference that I cited to you earlier.

Q. Drop down if you would to a sentence that starts, we'll?

A. Yes.

Q. Read it?

A. We'll also try to block vote.

MR. VON ENDE: Exhibit 7 is Nova Restructuring and Recapitalization Plan, Goldman, Sachs as Adviser to the Nova Family.

(Rosenberg Exhibit 7, Nova Restructuring and Recapitalization Plan, Goldman, Sachs as Adviser to the Nova Family, marked for identification, as of this date.)

MR. VON ENDE: Would you mark as Rosenberg Exhibit 8, Project Nova, Goldman, Sachs Value Added.

(Rosenberg Exhibit 8, Project Nova, Goldman, Sachs Value Added, marked for identification, as of this date.)

Q. You have been handed two documents marked as Rosenberg Exhibits 7 and 8.

A. Okay.

Q. Rosenberg Exhibit 7 is entitled Nova Restructuring and Capital -- Recapitalization Plan, Goldman, Sachs as Adviser to the Nova Family.

Have I read it correctly?

A. Yes.

Q. Well, with your help have I read it

correctly?

A. Yes.

Q. Have you seen this document before?

A. Yes.

Q. When for the first time?

A. I don't remember the first time I saw it.

Q. How long ago did you, do you believe that first time was?

A. Well, I believe I had a part in creating it. I recognize it as an early draft of something that we put together once the deal was done.

Q. When you say deal, are you talking about the 1998 deal?

A. Yes.

Q. The reason I ask that is that there is a banner at the top that has a 2002 date?

A. Yes, I see that.

Q. But it was actually created in 1998; correct?

A. That is correct.

Q. Who beside yourself had a hand in it's creation?

MR. HARDIMAN: In this draft?

MR. VON ENDE: Yes.

A. I would be guessing.

Q. Give me your best judgment?

A. It would probably have been me and Charlie Stocks.

Q. Would you turn your attention now to Rosenberg Exhibit 8?

A. Are we finished with this.

Q. Just leave it face up if you would?

A. Okay.

Q. Okay?

A. Yes.

Q. Rosenberg Exhibit 8 is entitled:

Project Nova, Goldman, Sachs Value Added.

A. Yes.

Q. Have you seen this document before?

A. Yes.

Q. And can you tell me whether you had any role in it's preparation?

A. I had a role in it's preparation, yes.

Q. Were you the author of a portion of it?

A. I believe so.

Q. The remaining portions were authored by others at Goldman, Sachs?

A. Well, I think it was probably me. It might also have been Charlie Stocks, but it wouldn't have been anybody else.

Q. Now, the banner on this one bears a date of August 18, 1998?

A. I see that.

Q. Does that bear a relationship to when it was prepared?

A. That bears a relationship to when it was printed.

Q. I know that, but -- well, I guess we flow that it was prepared no later than August 18, 1998, is that fair?

A. That is fair.

Q. Do you have a recollection as to how much earlier than that date it was prepared?

A. No.

[END OF EXCERPT]

Q. Let's take a break if we could.

THE VIDEOGRAPHER: We are now going off the record, the time is 4:11 p.m.

(Recess taken.)

THE VIDEOGRAPHER: We are now going on the record, the time is 4:28 p.m.

MR. VON ENDE: Mr. Rosenberg, I have

ownership of those shares?

A. What do you mean by preemptive rights.

Q. Can their voting percentage be diluted?

A. Yes.

[BEGINNING OF EXCERPT]

Q. I think you testified earlier that there was someone named Rich who was involved in this deal?

A. Rich Wayner.

Q. Are you aware of any other Rich's that were involved in the deal?

A. There is a Richard Lieb, but I would generally not refer to him as Rich.

Q. Rich Wayner, is that his name?

A. Yes.

Q. What did he do on this deal?

A. As I think I said, he was a vice president I believe at time who was on the deal team for the time that he was in our department as part of his mobility. As I tried to explain earlier, he was really a mergers banker who was sort of having a tour of duty through real estate, and that tour of duty came to an end before the transaction did. So he worked on the transaction for a time. So he transitioned off of the team

when he left the real estate group.

Q. What was his function on the deal team.

A. His function was to prepare and review materials, participate in calls and meetings. Generally what a vice president's role would be on any transaction.

[END OF EXCERPT]

MR. DiPRIMA: If you could just mark two documents. Rosenberg Exhibit 9, document dated August 19, 1998, numbered GS 00297 through 299.

(Rosenberg Exhibit 9, document dated August 19, 1998, numbered GS 00297 through 299, marked for identification, as of this date.)

MR. DiPRIMA: This for the record is a letter dated August 19, 1998, sent to George Lippe, president and CEO of Trammell Crow Company.

Q. Have you ever seen this document before?

A. Yes.

Q. What is it?

A. This is a letter written by somebody who was in the real estate department at the time, to

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

- ----------

SIMON PROPERTY GROUP INC., and
SIMON PROPERTY ACQUISITIONS INC.,

Plaintiffs,

vs.

TAUBMAN CENTERS INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISON, PETER KARMANOS JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHAZEN, and S. PARKER GILBERT,

Defendants.

Civil Action No. 02-74799
- ----------

DEPOSITION OF:	David Simon
DATE:	January 24th, 2003
LOCATION:	Indianapolis, Indiana
LEAD:	Allan Martin, Esquire
REPORTER:	Patrice Matthews, CSR

FINAL COPY, SIGNED 01-27-03
JANE ROSE REPORTING, 1-800-825-3341

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

- ----------

SIMON PROPERTY GROUP INC., and
SIMON PROPERTY ACQUISITIONS, INC.

Plaintiffs,

vs.

TAUBMAN CENTERS INC., A. ALFRED TAUBMAN, ROBERT S. TAUBMAN, LISA A. PAYNE, GRAHAM T. ALLISON, PETER KARMANOS JR., WILLIAM S. TAUBMAN, ALLAN J. BLOOSTEIN, JEROME A. CHAZEN, and S. PARKER GILBERT,
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ATTORNEYS FOR DEFENDANTS:
Allan A. Martin, Esquire
Jonathan Moses, Esquire
Kiran Patel, Paralegal
WACHTELL LIPTON ROSEN & KATZ
51 West 52nd Street
New York, New York 10019
PHONE: 212-403-1000
ATTORNEYS FOR PLAINTIFFS:
Richard Posen, Esquire
Rachel Fremmer, Esquire

WILLKIE FARR & GALLAGHER
787 Seventh Avenue
New York, New York 10019

PHONE: 212-728-8000

ATTORNEYS FOR LIONEL GLANCY and SHAREHOLDER PLAINTIFFS IN RELATED ACTIONS:

Jeffrey Norton, Esquire

WECHSLER HARWOOD
488 Madison Avenue
New York, New York 10022

PHONE: 212-935-7400

COURT REPORTER:
Patrice Morrison, Certified Realtime Reporter
JANE ROSE REPORTING
37 West 16th Street
New York, New York 10011

VIDEOGRAPHER:

Pete Zinkan

JANE ROSE REPORTING

I have the question back, not the answer?

MR. MARTIN: I'll read the question. what did you say to the Merrill Lynch representatives, and what did they say to you?

MR. POSEN: Okay. Fine.

Q. It's your best recollection that you had these conversations prior to the first purchase by SPG of TCI shares?

A. Yes.

[BEGINNING OF EXCERPT]

Q. Did it come to your attention, sir, that there was a proxy solicitation of TCI shareholders in connection with the authorization of Class B shares?

I'm sorry, let me rephrase the question.

Did it come to your attention, sir, that there had been a proxy solicitation of TCI shareholders in connection with the authorization of --

MR. POSEN: Preferred stock.

Q. -- preferred stock?

A. Well, I understood through discussions with counsel that they had the ability to -- they had a bucket or a preferred stock -- bucket preferred stock provision.

Q. What is a bucket preferred stock provision?

A. Essentially it's something that -- I tend to look

at it as something that's used for financing. You know, preferred stock is, certainly in the REIT industry, is an attractive financing vehicle, and I think they had -- the shareholders had authorized Taubman to use that, you know, if required, for financing and those kind of things.

Q. Did you have an understanding that shareholders of TCI had approved the authorization of preferred stock?

A. Yes.

Q. And did you know that, sir, prior to your first purchase, you being SPG's first purchase of TCI stock?

A. Yes.

Q. Does SPG have a bucket preferred provision?

A. Yes, I believe so.

Q. Would you describe that provision.

A. I don't know the details of it, but it's primarily there for issuance for financings, issuing preferred stock for financings that the board would approve.

[END OF EXCERPT]

Q. Would you look at Exhibit 1. That's the annual report again, at page 66, under the section "Capital Stock."

MR. POSEN: What page?

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

SIMON PROPERTY GROUP, INC. and

SIMON PROPERTY ACQUISITIONS, INC.,

Plaintiffs,

vs. NO. 02-74799

Hon. Victoria Roberts

TAUBMAN CENTERS, INC., A. ALFRED

TAUBMAN, ROBERT S. TAUBMAN, LISA A.

PAYNE, GRAHAM T. ALLISOIN, PETER

KARMANOS, JR., WILLIAM S. TAUBMAN,

ALLAN J. BLOOSTEIN, JEROME A. CHASEN,

and S. PARKER GILBERT,

Defendants.

- ---------/

VIDEOTAPED DEPOSITION OF

ROBERT TAUBMAN

Esquire Deposition Services, LLC
(800) 866-5560

DEPONENT: ROBERT TAUBMAN

DATE: Thursday, January 16, 2003

TIME: 9:40 a.m.

LOCATION: 38500 Woodward Avenue, Suite 100

Bloomfield Hills, Michigan

REPORTER: Judith C. Werner, CSR-2349, RPR, CM

VIDEOGRAPHER: Patrick Murphy.

APPEARANCES:

MR. JOHN R. OLLER

and MR. SCOTT S. ROSE

Willkie Farr & Gallagher

787 Seventh Avenue

New York, New York 10019-6099

(212) 728-8502

and

MR. TODD A. HOLLEMAN

Miller Canfield

150 West Jefferson, Suite 2500

Detroit, Michigan 48226-4415

(313) 963-6420

All Appearing on behalf of the Plaintiff Simon.

APPEARANCES, Continued:

MR. SETH D. RIGRODSKY

Milberg Weiss Bershad Hynes & Lerach

One Pennsylvania Plaza

New York, New York 10119-0165

(212) 594-5300

and

MS. PATRICIA C. WEISER

Schiffrin & Barroway

3 Bala Plaza East, Suite 400

Bala Cynwyd, Pennsylvania 19004

(610) 667-7706

Both appearing on behalf of the Plaintiff Glancy.

MR. JOSEPH AVIV

and MR. MATTHEW F. LEITMAN

Miro Weiner & Kramer

38500 Woodward Avenue, Suite 100

Bloomfield Hills, Michigan 48304

(248) 258-1207

and

APPEARANCES, Continued;

MR. STEPHEN R. DIPRIMA

Wachtell, Lipton, Rosen & Katz

51 West 52nd Street

New York, New York 10019-6150

(212) 403-1382

All Appearing on behalf of the Defendants and the Witness.

advisers, and we will come to the determination at that moment in time.

Q. So you are not prepared to say that, sitting here today that you personally will oppose the proposed -- current proposed offer if it's put to a vote.

A. No, I'm not prepared to say that at this time.

[BEGINNING OF EXCERPT]

Q. With respect to this statement that was made on December 11 and the indication that the family intended to use its significant stake in the company to oppose the proposed transaction if it were put to a vote, what did you mean by that?

A. I think that the words are very clear. I don't think they need any clarification at all.

Q. In what manner was the family going -- as indicated here, going to use its stake to oppose the transaction?

A. Based on the information that was presented at the time, we had no interest in pursuing the sale of the company, to quote from the words of the 14D9 filing, "and intended to use its significant stake in the company to oppose the proposed transaction if it were put to a vote." That's exactly what it says. That's exactly what our intent was.

Q. But how would you use that stake?

A. We would vote against the transaction.

Q. Okay. And how did you know when this statement was made that the family had that intention?

A. We had conferred with our family. I had spoken to my father, spoken to my brother, spoken to my sister, and we had come to that conclusion.

[END OF EXCERPT]

Q. You had spoken to each of those family members after receiving the original Simon offer of -- the original Simon tender offer of $18?

A. Well, the original offer was seventeen fifty.

Q. That's right.

A. Then they tendered at $18.

Q. That's right.

A. The answer to your question is yes.

Q. So after the $18 you did speak --

A. Absolutely.

Q. -- to each of those people.

A. Yes.

Q. And you all agreed that you were opposed to that offer.

A. Individually, yes.

Q. And as a family, correct?

MR. DIPRIMA: Objection.

MR. AVIV: Well, objection as to the form of the question. You can answer unless -- notwithstanding an objection, you can answer unless you're instructed not to answer.

THE WITNESS: So I can answer?

MR. AVIV: You can answer.

THE WITNESS: Okay. Yes. I mean we individually decided as to how we felt, and I echoed that view to the -- as written here in the 14D.

Q. So at least as here you were speaking for the family?

A. I was repeating -- yes, I was speaking on behalf of those individuals

that had made their individual decision as to what it is -- how they felt about the offer that had been presented.

[BEGINNING OF EXCERPT]

Q. When is it you spoke to your father about the $18 offer?

A. I speak to him regularly.

Q. Do you have any -- is that daily or --

A. I speak to him from time to time.

[END OF EXCERPT]

Q. You can't be any more precise as to when you spoke about the $18 offer with him?

A. I can't, but I know that I spoke to him.

Q. Was there ever a conversation in which all the family members were present, either by phone or in

[BEGINNING OF EXCERPT]

Q. Have you received advice from Goldman Sachs as to what an adequate price would be?

A. We have reviewed much information from Goldman Sachs as a board and individually, and there have been range of values considered from many different directions, many different data points.

Q. Do you have a personal view as to what an appropriate range of adequate prices would be?

A. Yes.

Q. What's your view?

MR. AVIV: Objection.

MR. DIPRIMA: Objection.

MR. AVIV: He doesn't have to answer that.

THE WITNESS: I don't intend to answer that question.

Q. So -- just so it's clear for the record and for the court, as you sit here today you do not wish to answer whether -- what you believe an adequate price to be.

MR. AVIV: Objection. I think the record is clear. He was instructed by counsel not to answer.

Q. So you are honoring your instruction by counsel not to answer --

A. I am.

Q. -- not to answer what you believe an adequate price would be.

A. That's correct.

[END OF EXCERPT]

Q. Have you been deposed in your career before --

A. Yes, I have.

Q. -- Mr. Taubman? Approximately how many times?

A. More than five, less than ten.

Q. Have you testified in court on any --

A. I have.

Q. -- matters relating to the company?

A. I have.

Q. Approximately how many occasions?

A. I believe once.

Q. Was that a suit by or against the company?

A. It was a suit brought against the company.

Q. What did you do to prepare for this deposition today?

A. I met with my counsel.

Q. Which counsel?

A. My counsel to my right. Want me to name them?

Q. The firm you met with.

A. Yes.

Q. To celebrate the closing of the transaction?

A. Yes.

[BEGINNING OF EXCERPT]

Q. Had Goldman Sachs represented the family in the restructuring transaction?

A. Yes, they did.

Q. When were they hired for that engagement?

A. Well, in 1998.

[END OF EXCERPT]

Q. Okay.

(Deposition Exhibit No. Three was mark'd for identification by the Reporter.)

Q. The reporter has handed you R. Taubman Exhibit Three, Mr. Taubman, which is a series of documents marked GS 224 through 230, and the cover page is a memorandum to you from Adam Rosenberg dated July 1, 1998 re engagement. Do you recall receiving this memorandum and attachments?

A. I don't remember receiving the memorandum. I am familiar with the attachments.

Q. Do you believe that you did receive these attachments on or about July 1st, 1998?

A. Most likely.

Q. And this is a proposed confidentiality

Q. -- on the signature line?

A. Yes, it is.

Q. That's your father's signature?

A. Yes, it is.

Q. Who is Mark Tercek?

A. Tercek.

Q. Tercek.

A. Mark was at the time the senior-most person in the real estate group. He's still at Goldman Sachs, and he's moved away from the real estate group and is a very senior person at Goldman Sachs.

[BEGINNING OF EXCERPT]

Q. If you look at page 291 -- actually it starts on 290, carrying over to the top of 291. There's a reference to a transaction fee of ten million dollars - --

A. Yes.

Q. -- to be charged by Goldman Sachs?

A. Yes.

Q. Was that -- was such transaction fee paid?

A. Yes, it was.

Q. Was the amount ten million dollars?

A. Yes, it was.

[END OF EXCERPT]

Q. And then there's a reference to, in the discretion of the family, up to an additional 2.5 million dollars. Was there a discretionary payment

A. Yes, I read the paragraph. I'm sorry. What is your question?

Q. Was this, was this a clause that the family inserted at the family's initiative, that the family's consent would be needed to hire any attorneys other than Wachtell Lipton?

A. I don't recall.

[BEGINNING OF EXCERPT]

Q. Had Wachtell Lipton performed any work for the family prior to this time?

A. Yes.

Q. Going back how far, how long?

A. You know, yes, they had. In the last ten-year period of time previous to '98 they had represented us more than once.

Q. The family as opposed to the company.

A. Yes, the family.

Q. In what matters?

A. I recall --

Q. If they're public. I'm not going to ask for nonpublic if there were any.

A. I don't, I don't know if it was public, but I'm not uncomfortable responding to your question. I mean, there were investments that the family had made from time to time that they were -- they represented us as counsel on, all different types of investments.

Q. Had the family worked with Goldman Sachs prior to this time?

A. Yes.

Q. On what -- on the same matters that Wachtell was involved with or some of the same matters I should say?

A. I don't recall. I don't recall.

Q. These assignments prior to 1998 for Goldman, these were also family matters as opposed to the company?

A. They had worked for the company from time o time, and they had worked for the family from time to time.

[END OF EXCERPT]

MR. AVIV: John, whenever you feel break's appropriate, but within the next 15 minutes let's take a break.

MR. OLLER: Sure.

Q. Do you know how much in the way of out-of-pocket expenses including attorneys fees and disbursements were paid either by the family to Goldman or directly or indirectly to Wachtell in connection with the '98 restructuring?

A. You're asking me what is the fee of Wachtell?

Q. What was -- yes, what fees and expenses,

MR. OLLER: Yeah.

MR. MURPHY: Off the record 10:55.

(There was a recess taken.)

MR. MURPHY: We're back on the record at 11:08 a.m. Please continue.

Q. (BY MR. OLLER) Mr. Taubman, was one of the reasons why the family hired its own financial advisers for the '98 restructuring that the family had objectives and goals of its own in connection with the restructuring?

A. I think that, as I testified earlier, there were -- the company had hired Morgan Stanley as its financial adviser. General Motors had hired Aldridge, Eastman & Walsh to be their financial adviser, and it was appropriate to have the family hire financial advice, advisers, as well to represent them in discussions with those individual advisers.

Q. But did the family have certain objectives vis-a-vis the restructuring?

A. I think that -- I think our objectives were those to find ways to improve the company and satisfy the needs of our principal shareholder, General Motors, and to do so in a way that was best for shareholders, all shareholders.

[BEGINNING OF EXCERPT]

Q. Did the family have as an objective to

avoid a shareholder vote on any proposed restructuring?

A. No.

Q. That was -- you never said that to anyone in words or substance?

A. Shareholder votes are part of many different aspects of any specific transaction you look at, and they may or may not be necessary, appropriate or required, and I obviously would rely on our legal advisers, which there were numerous in the transaction, various transactions, we contemplated. Some of them required shareholder votes. Some of them didn't. It was an aspect of a transaction that you would consider, and, you know, it's one of the factors you'd consider in any transaction that we thought about.

Q. The question was did you say to anyone that the family was opposed to any proposal that would involve a shareholder vote.

A. Absolutely not.

Q. Did you ever hear anyone say that that was the family's position in '98?

A. It was not our position.

[END OF EXCERPT]

Q. So you never said that a shareholder vote is not acceptable.

MR. AVIV: What time --

MR. OLLER: Strike that. Strike

that a shareholder vote is a part of some transactions and not part of others, and we certainly were not, you know, against having a shareholder vote, speaking as an individual, as a director, as well as a family member. Shareholder votes take longer, you know. They take more time. There's market risk to shareholder - -- you have time. There's market risk, and the transaction we did, frankly it would have been much harder to accomplish if we had taken additional time because the bond market shifted very dramatically and we were calling in all our debt, all our unsecured debt, so it was a very good example of sometimes time and market risk are very important.

So from our perspective a shareholder vote was not something that we were going to avoid. Quite the opposite. We were prepared to go for a shareholder vote under certain transactions, but it's part of the consideration. The requirement for a shareholder vote, the appropriateness of a shareholder vote is part of the consideration as you look at various options.

[BEGINNING OF EXCERPT]

Q. I believe the question was whether you said to anyone involved in the restructuring that you wanted to avoid a shareholder vote because that would put the company in play.

A. And I testified that I don't recall saying that.

Q. Okay. Do you recall discussing -- using the term "interloper" in discussing the risk of interlopers coming in in connection with the restructuring?

A. It's not a word that I normally use so -- and I don't recall saying it, so I don't think I said it.

[END OF EXCERPT]

Q. Okay. Did you ever seek a clear statement from the independent directors that the company would not be put in play?

A. No.

Q. Did you ever hear it said that Mr. -- is it Miro?

A. Miro, yes.

Q. -- would have agreed to a shareholder vote and the company would have been sold as a result?

A. Absolutely not.

[BEGINNING OF EXCERPT]

Q. Did the company receive an unsolicited indication of interest in the course of the '98 restructuring for an acquisition by an entity called Rouse?

A. Yes.

Q. And what was the nature of that indication

of interest?

A. It was a very friendly, unsolicited letter that asked if -- I don't recall exact contents of the letter but that asked as to whether or not we would be interested in a friendly merger.

Q. Did it indicate a price?

A. I don't recall.

Q. And what if any response was made to Rouse?

A. We -- after consultation with the board, we decided to tell them that we were not interested in merging the company with them.

Q. Who's the we?

A. We is the board. The board made that determination, and the board decided to tell Rouse that.

[END OF EXCERPT]

Q. Okay. So it was the responsibility of the board of the public company to respond -- to determine how to respond and whether to respond to this unsolicited proposal.

MR. DIPRIMA: Objection.

THE WITNESS: You just slipped into the company versus -- the company is the partnership. That's where all the assets are, all the value is, everything else. Taubman Realty Group is really the

partnership.

Q. There was no mention in the proposal of acquiring shares of the REIT?

A. Rouse wasn't interested in buying any -- the REIT. Nobody would have been interested in buying the REIT. They were interested in buying the partnership. That was the company, as we testified earlier.

Q. I'm just asking whether Rouse's indication of interest and letter offered to buy shares of the REIT.

A. They offered to buy the partnership. Buy. They offered to merge. I'm not sure exactly what the letter said, but the offer would have been not to be a minority partner in the partnership but to be the owner of the partnership.

There are no rights. The REIT had no rights to control or manage or merge or finance or hypothecate or do anything in the partnership. It only had the right to place its appointees on the partnership committee, and they then represented the REIT and all of its shareholders on that basis.

[BEGINNING OF EXCERPT]

Q. I could have been mistaken. I thought the board of the REIT approved the '98 restructuring.

A. It probably did.

Q. You don't remember that?

A. I know the partnership committee approved it, and that was the fundamental approval that was required, and we would -- there were probably -- I guess the board of the REIT would have approved. Yes, it probably did, because there were substantive changes with respect to the restructuring in 1998.

But to go back to your question which is very different, did the Rouse Company want to acquire just the REIT? And what I'm explaining to you is there would have been no reason they would want to acquire just the REIT prior to the restructuring.

Q. I didn't ask whether they wanted to acquire just the REIT. I asked whether they wanted to acquire the REIT.

A. Do you want to go back to your question?

MR. AVIV: There's no question, no question pending.

Q. You were on the board of the public company in 1998.

A. Yes, I was.

Q. And you don't remember whether the board, that board approved the restructuring?

MR. AVIV: Objection. That wasn't his testimony.

THE WITNESS: As I said, in the context of the restructuring. You shifted your discussion from the Rouse offer that was coming in, would Rouse be interested.

Q. Yes, I shifted the question.

A. Okay. And then you said, well, didn't the board of the REIT approve the restructuring.

Q. Right.

A. I believe that it had to approve the restructuring and I'm sure it did approve the restructuring, because there were so many fundamental changes that were occurring between how the REIT and the partnership committee and the REIT and the partnership itself -- and there were so many fundamental changes occurring that it had to approve what was going on within the REIT. The REIT was now becoming the majority owner of the partnership.

Q. Didn't the board approve the issuance of Series B preferred stock?

A. They would have had to, sure.

Q. That was not a decision -- that was a decision for the board to make, was it not?

A. It was a decision of the board of the REIT to make --

[END OF EXCERPT]

Q. Yes.

thing they owned other than a little cash were partnership units. So the only requirement of governance that the board had was to declare its dividends based on the distributions that another group, another party called the partnership committee, decided would flow up to all partners, one of which was the REIT, and other than that dividend, I think their only other true governance was to, was to nominate directors.

Q. And approve the restructuring.

A. Well, in the context of the substantial changes of the restructuring where their fundamental position was changing with the partnership, absolutely, but you keep going back and forth. What I'm saying is that before the 1998 restructuring, the only thing they owned were partnership units. The only governance they had was of dividends and obviously, with certain qualifications, to nominate directors.

[BEGINNING OF EXCERPT]

Q. The restructuring could not have been done without the approval of the board of the REIT, correct?

A. That's correct.

Q. The Series B preferred stock could not have been issued without the approval of the board of the REIT.

A. That's correct. That's correct.

[END OF EXCERPT]

restructuring that would be a terrific benefit to the public shareholders and to the REIT was that they were gonna become -- they were gonna assume the majority interest, a majority interest in the REIT. You'd collapse the two tiers of governance into one, and it would become much more simplified in terms of financial reporting for people to understand, and it was an absolute direction of any restructuring that we want to try to find a way to improve our investor friendliness in any new structure, and I'm delighted to say that that was -- that one of the biggest parts of the win and the Series B was one of the issues that led to that ability to improve our overall governance for our shareholders.

MR. AVIV: Mr. Taubman, I think we're losing the tape.

MR. MURPHY: This completes tape one. We're off the record at 11:55.

(There was a discussion held off the record.)

MR. MURPHY: We're back on the record at 11:57 a.m. This is tape two of the deposition of Robert Taubman. Please continue.

[BEGINNING OF EXCERPT]

Q. (BY MR. OLLER) My question, Mr. Taubman, is whether you remember from a timing standpoint the

first time the idea of issuing Series B preferred stock came up.

A. The exact day, no.

Q. Was it relatively late in the process?

A. No. I would have assumed that it would have come up in July. I mean I remember that June 24th meeting is when we agreed on sort of the fundamental concept of the restructuring, and then management and the various parties -- AEW that was representing General Motors, Morgan Stanley representing the company, and Goldman -- were all sort of charged to go and make it happen, so that's June 24th, and sometime in July is when we would have dealt with the question of governance.

[END OF EXCERPT]

Q. Okay. It was not, it was not before June 24th that the specific idea of the Series B preferred stock was discussed.

A. I don't know.

Q. You don't recall it coming up before then.

A. It's not a question of I don't recall. I don't know. It may have come up, may have come up before. I don't know.

Q. And do you recall the Series B stock being a subject of discussion at the August 17 board of directors meeting of the REIT?

the agreement.

Q. Okay.

A. And I will say that we have an awful lot of lawyers here and at the time whose job it was to know the answers to all of those questions.

[BEGINNING OF EXCERPT]

Q. Do you recall any discussion along the lines of the Series B stock would give the family a blocking power at the REIT for major transactions?

A. No.

[END OF EXCERPT]

Q. Do you recall any discussion about -- let me ask you this. Do you

recall something called an interim agreement?

A. I do.

Q. What was that?

A. As I understand it, it was an agreement from the time the transaction was approved by the board until it closed that generally specified what various parties were going to do, but beyond that I couldn't describe it.

Q. Did you ever see it?

A. I assume that I might have signed it so -- but I don't recall reading it and I don't recall what its contents are, other than what I just testified.

(Deposition Exhibit No. Six was mark'd for identification by the

Q. No. At the outset of the process did you ever say to anyone that you wanted a non- -- you wanted GM's deal, whatever it was, to be noncontingent?

A. I don't recall.

Q. So I take it you don't recall saying that you wanted a noncontingent deal with GM so that to avoid the company being put into play.

A. I don't recall.

Q. Was there a sense of urgency that you recall to getting a restructuring done in 1998?

A. At what moment?

Q. At let's say -- let's say at any time between March and June.

A. I don't feel that there was the sense of -- no, not during that period certainly.

[BEGINNING OF EXCERPT]

Q. Did the planning committee that was formed by the partnership committee -- you recall that there was a strategic planning committee formed by the partnership committee?

A. Yes.

Q. Did that committee work closely with the family in connection with the restructuring?

A. Yes.

Q. Including your father?

A. Yes.

[END OF EXCERPT]

Q. Did you ever hear anyone say that GM had leverage to steer the company toward a sale to Rouse?

A. No.

[BEGINNING OF EXCERPT]

Q. Did Goldman Sachs continue to do work for the family after 1998 and prior to the Simon offer?

A. For the family?

Q. Yes.

A. After 1998?

Q. Yes.

A. Yes.

Q. What was that work?

A. For example, they're doing work for us for family owned entity right now. There's a company called Athena that my step brother-in-law manages that the Taubman family is the largest investor of, and they're a real estate opportunity fund based in New York.

Q. I'm asking between '98 and the Simon offer really.

A. Yes, right now, I mean before the Simon offer. I mean they're working on a transaction right as we speak.

Q. Did Goldman Sachs ever perform something called an antiraid analysis, either for the family or the company, after 1998 and prior to the Simon offer?

A. Goldman Sachs -- I don't recall.

Q. Did Wachtell continue to do any work for the family after 1998 and prior to the Simon offer?

A. Yes.

Q. What was the nature of that work?

MR. AVIV: Well, don't disclose anything privileged.

THE WITNESS: Well, they've worked on various investments and issues that have come up from time to time.

Q. Do they still perform work for the family today?

A. Yes, yes.

Q. Who made the decision to hire Goldman Sachs and Wachtell as -- in connection with the Simon offer?

A. Well, I -- in consultation with my board, that's who we decided to do. That's who we decided to hire.

Q. Didn't you hire them before the October 28 board meeting?

A. We hired them before the board meeting. They were brought on before the board meeting, that's correct, but I did talk to my directors about who we were recommending be used for financial and for legal

advice.

Q. Who did you talk to about that?

A. I talked to Parker Gilbert. I talked to Jerry Chasen. I'm not sure I talked to every one of the directors, but I know that I talked to several of them, and I -- and before we formally signed the engagement letter with Goldman Sachs, I fully and thoroughly reviewed with the full board all the aspects of that engagement letter, and so it was a decision that we, that we arrived at together.

[END OF EXCERPT]

(Deposition Exhibit No. Eight was mark'd for identification by the Reporter.)

Q. R. Taubman Exhibit Eight, Mr. Taubman, is a document marked GS 790 through 794. Do you recognize this document?

A. Yeah, I assume this is the engagement letter.

Q. Is this signed by you?

A. Yes.

Q. It's dated October 25th, 2002?

A. No. My signature is dated October 30th, '02. The letter is dated October 25th but my signature is October 30th.

Q. Is it your testimony that this was -- the

A. No.

Q. Is she married?

A. Yes, she is.

Q. Is her husband employed by the company?

A. No.

Q. Are any -- they have children?

A. Yes.

Q. Are any of their children employed by the company?

A. No.

Q. Do you have any children employed by the company?

A. No.

Q. How about your brother?

A. No.

[BEGINNING OF EXCERPT]

Q. Do you have a view with respect to if the Simon tender offer were to succeed -- and before in the deposition we defined I believe it was the manager as the management company that manages the Taubman properties?

A. Yes.

Q. Do you have a view what would happen to the manager if the Simon offer was to succeed?

A. There would be no need for it. If the assets of the company are sold, there's no need for a

manager.

Q. So the manager would lose its contract. Is that correct?

A. Yeah.

Q. What is that contract currently worth?

A. Well, as I testified earlier, I think about 99 percent of the value of the economics of the contract flow into TRG.

Q. What is the economics of that transaction? Do you know?

A. It's very nominal dollars.

Q. What's your stake in that contract?

A. I'm not sure the company made money last year. It's not, it's not meant to be a lucrative contract. Quite the opposite. It's meant to flow the economics back into the master partnership, which we've stated many times is really the company, and there's no effort to siphon off value anywhere.

Q. I'm not asking you whether you're siphoning off. I'm asking if you have a sense as to the economic value of that contract.

A. Nominal.

Q. Defined as what?

A. Much less than a million dollars.

Q. Per year?

A. I don't know if it's hundreds of thousands of dollars. It may be tens of thousands of dollars.

Q. Per year?

A. No, in value, value.

Q. What about in terms of revenues per year?

A. I really don't know.

Q. You don't know?

A. I don't have a clue.

Q. Are you entitled to a stake in that revenue stream?

A. As I've already articulated, the value of the revenues, income stream, whatever profits could flow out of the management company, are really all owned by the partnership, so they're owned by all shareholders.

[END OF EXCERPT]

Q. You testified earlier that the Miro firm is currently acting as general counsel to the company. Is that true?

A. They're effectively general counsel.

MR. AVIV: I think he testified Jeffrey Miro.

MR. RIGRODSKY: Jeffrey Miro.

MR. DIPRIMA: As distinguished from the Miro firm.

THE WITNESS: That Jeffrey is

agreement, and November 14th on the Larson agreement.

Q. Do you recall why they were entered into on the same day?

A. We -- when we entered into them, we made an announcement that we had.

Q. When you say "we," are you referring to yourself or to the company?

A. Myself individually.

Q. So "we" means you.

A. Yes.

Q. Do you have an understanding what the purpose of these voting agreements are?

A. Yes.

Q. What is that purpose?

A. They individually give me individually the right to vote these shares and units at my discretion under the individual circumstances or qualifications of each one of these.

[BEGINNING OF EXCERPT]

Q. Why did you enter into these voting agreements?

A. The purpose was articulated in the announcement of the joint 13 -- was it 13D9?

MR. DIPRIMA: 13D8.

THE WITNESS: -- 13D8 filing that we made at the time we entered into them.

[END OF EXCERPT]

MR. AVIV Before which time?

Q. Before the time you entered into these voting agreements.

A. I don't recall that I have.

[BEGINNING OF EXCERPT]

Q. These voting agreements have anything to do with Simon's offer?

A. Yes.

Q. Can you describe for me what the relationship was?

A. I felt, as did the other individuals in our family felt, that by receiving these individual proxies, that collectively with respect to the 33.4 percent requirement for a change in the articles or for the sale of the company, that the statement that we made when we announced these was to clearly and resolutely say to the public and the investment community that our -- that we were very resolute in our position.

[END OF EXCERPT]

Q. So did you enter into these voting agreements in response to the Simon offer? Is that correct?

A. Well, I will answer that we would not have entered into them if Simon had not made his offer.

Q. And with respect to the 33.4 percent requirement -- I think that's your word -- what do you

mean by that?

A. It takes a two-thirds majority or two-thirds vote, as you know, to change the articles. I've testified to that earlier today, and it is not possible to achieve that two-thirds if individuals decide together that own 33.4 percent to not vote for it.

[BEGINNING OF EXCERPT]

Q. Was it possible to block the two-third vote before you entered into these agreements?

A. Practically speaking our 30 percent rough position I think was more than sufficient to have a sale turned down, but the idea of these individual proxies was to be clear and resolute to the investment community as to how -- unambiguous to the community as to that vote.

Q. Technically speaking though before you entered into these voting agreements, it was still technically possible for somebody to muster two-third vote. Is that correct?

A. That's correct.

Q. Then after you entered into the voting agreements, as a technical matter it was impossible for somebody to achieve a two-third vote. Is that correct?

A. That's correct.

Q. Then after you entered into the voting agreements, as a technical matter it was impossible for somebody to achieve a two-third vote. Is that correct?

A. That's correct.

[END OF EXCERPT]

Q. Did you consult with anyone before you

A. Comerica Bank board here in Detroit, as well as the Sotheby's board in New York.

Q. Mr. Fisher -- fair to say Mr. Fisher is a friend of your father's as well?

A. Yes.

Q. Any other members of your family?

A. Yes.

Q. And the entities Mr. Fisher was or has been or is -- has been associated with do any business with Taubman?

A. Not in many years. He's been an investor and he was an investor in one of our shopping centers back in 1978, and ultimately that investment was rolled up into the TRG Partnership when we went public in 1992, and he has had an investment in the partnership since 1992 that was the remnant of that rollup that was the original investment in one of those -- in Hilltop Shopping Center is the one it was in 1978. I believe it was might have been '76, 1976, but other than that, I don't believe there's any -- Comerica Bank, you know, is part of our credit facility, so he's a stockholder in Comerica Bank, but other than that, I don't know of any other relationship at least that comes to mind.

[BEGINNING OF EXCERPT]

Q. Do you recall -- aside from the people who executed the voting agreements that are in front of you

today, do you recall contacting anyone else with respect to entering into a voting agreement?

A. I did contact one other person.

Q. Who was that person?

A. Richard Kuhn.

Q. And did Mr. Kuhn agree to enter into a voting agreement with you?

A. If, if we decided that we wanted to, he was prepared to do so.

Q. But you didn't.

A. We decided not to.

Q. When you say "we," you're referring to your family?

A. Yes.

[END OF EXCERPT]

Q. And were you acting in your capacity as a representative of your family when you entered into these voting agreements?

A. Well, yes, individually. I mean their proxy is to me, but they are in fact part of the 13D9 filing.

Q. But you viewed yourself -- forget about the 13D filing and the legal technicalities. Did you view yourself as a representative of your family's interest with respect to these voting agreements?

MR. DIPRIMA: Objection.

filing process, so my guess is that these documents -- they knew about them before they were signed, but it was coincidence.

MR. MURPHY: I need to go off the record. This completes tape three. Off the record at 17:13.

(There was a discussion held off the record.)

(There was a recess taken.)

MR. MURPHY: We're back on the record at 17:21. This is tape four of the deposition of Robert Taubman. Please proceed.

Q. (BY MR. RIGRODSKY) Okay, Mr. Taubman, before the break we were talking about the voting agreements that were marked as Exhibit Number 13 to your deposition.

A. Yes.

[BEGINNING OF EXCERPT]

Q. Turning our attention back to those agreements for now, do you recall whether you spoke with any members of your family before entering into these voting agreements?

A. Yes.

Q. And do you recall when?

A. In the days before with my brother and my father.

Q. Do you recall what you told them about them?

A. Only that we were going to ask for them.

Q. Did you explain to them why?

A. Yes.

Q. And did they agree with entering into these agreements?

A. Yes.

[END OF EXCERPT]

Q. Did they ask that the agreements be executed vis-a-vis themselves?

A. No.

Q. They just said it was okay for you to do it.

A. Yes.

Q. Did you tell them that you'd be acting in your capacity a representative of the Taubman as family?

MR. AVIV: Objection as to form.

THE WITNESS: I mean, you know, they were entered into individually, and we made a joint filing that included other members of the family. I'm not sure where you're going with it, but yes.

Q. Do you recall whose idea it was to enter into these agreements?

A. I think it was my idea.