

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

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In Re:)	Case No. 10-43400-dml-11
)	Chapter 11
TEXAS RANGERS BASEBALL)	
PARTNERS,)	Fort Worth, Texas
)	Friday, June 25, 2010
Debtor.)	10:30 a.m. Docket
)	
)	MOTION TO RECONSIDER ORDER
)	REQUIRING MEDIATION,
)	REQUESTING HEARING ON
)	CONFIRMATION AND SUSPENDING
)	DISCOVERY PENDING MEDIATION
)	

TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE D. MICHAEL LYNN,
UNITED STATES BANKRUPTCY JUDGE.

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1 THE COURT: Mr. Coffey for George Postolos?

2 MR. COFFEY: Good morning, Your Honor.

3 THE COURT: And Mr. Toomey for Goldman Sachs?

4 MR. TOOMEY: Present. Good morning, Your Honor.

5 THE COURT: Could I have appearances in the courtroom,
6 please?

7 MR. SIMON: Good morning, Your Honor. Robert Simon
8 for Rangers Baseball Express, the Movant.

9 MR. BEAGLES: Good morning, Your Honor. Vance Beagles
10 with Weil Gotshal & Manges for the Debtor. And with me today
11 is Yolanda Garcia.

12 THE COURT: All right.

13 MR. GREENDYKE: Good morning, Judge. Bill Greendyke,
14 Fulbright & Jaworski, proposed counsel for William Snyder,
15 who's the proposed CRO for Rangers Equity Holdings, LP and
16 Rangers Equity Holdings, GP, LLC.

17 THE COURT: Well, now wait a minute. Are we talking
18 about having separate counsel for Mr. Snyder from the two
19 equity owners?

20 MR. GREENDYKE: Not that I'm aware of, Judge, but --

21 THE COURT: All right.

22 MR. GREENDYKE: -- Mr. Strubeck has lead on the case,
23 --

24 THE COURT: All right.

25 MR. GREENDYKE: -- and I got the call to come in this

1 morning and attend this hearing.

2 THE COURT: I could have sworn that Mr. Strubeck was
3 here representing someone else a little over a week ago.

4 THE CLERK: Perella.

5 THE COURT: Yes.

6 MR. GREENDYKE: That's no longer a client. We have
7 been asked to retain -- or, asked to represent Mr. Snyder.

8 THE COURT: All right.

9 MR. GREENDYKE: Thank you.

10 THE COURT: Thank you, Mr. Greendyke.

11 MR. FOLEY: Good segue, Your Honor. Nick Foley here
12 on behalf of Rangers Equity Partners. Mr. Snyder has informed
13 us that he is going to retain Mr. Strubeck at Fulbright. But
14 since that retention hasn't been completed yet, we're still
15 here --

16 THE COURT: All right.

17 MR. FOLEY: -- acting until such time as they take
18 over.

19 THE COURT: All right. Thank you, Mr. Foley.

20 MR. ESSERMAN: Good morning, Your Honor. Sandy
21 Esserman representing Major League Baseball.

22 MR. MCDOWELL: Good morning, Your Honor. Luckey
23 McDowell of Baker Botts on behalf of Major League Baseball
24 Players Association.

25 MR. STEWART: Dan Stewart of Vinson & Elkins for the

1 Ad Hoc Group of First Lien Lenders.

2 THE COURT: All right.

3 MS. O'NEIL: Good morning, Your Honor. Holly O'Neil
4 with Gardere Wynne Sewell on behalf of GSP Finance, the agent
5 for the Second Lien Lenders.

6 THE COURT: All right. Before we --

7 MR. SELTZER: Your Honor, I'm sorry. Also on the
8 phone, I've announced by CourtCall. I don't know why --

9 THE COURT: I can't hear you.

10 MR. SELTZER: I'm sorry. Richard Seltzer for the
11 Major League Baseball Players Association.

12 THE COURT: All right.

13 All right. Before we proceed with the motion we're here
14 on, the motion of Rangers Baseball Express to reconsider the
15 order that I entered yesterday scheduling both a mediation and
16 rescheduling the confirmation hearing, and before we proceed or
17 before I ask Mr. Simon to address that motion, I want to ask
18 that each of the principal parties, being -- and I'm going to
19 call them one at a time -- advise me of what their position is
20 with respect to Rangers Baseball Express's motion.

21 First, the Debtor. And I don't want you to make argument.
22 I just want you to tell me, we support it or we oppose it.

23 MR. BEAGLES: Your Honor, Vance Beagles for the
24 Debtor. We think that the plan ought to be confirmed and there
25 ought to be a confirmation hearing as soon as possible. If

1 that --

2 THE COURT: So you support --

3 MR. BEAGLES: If that's the --

4 THE COURT: Just --

5 MR. BEAGLES: Sorry.

6 THE COURT: You support the motion for
7 reconsideration, then. Is that so?

8 MR. BEAGLES: We would be ready for a confirmation
9 hearing on July 9th, July 12th --

10 THE COURT: I asked you --

11 MR. BEAGLES: -- or July 22nd.

12 THE COURT: I asked you a simple question, Mr.
13 Beagles. Do you support the motion for reconsideration? The
14 answer to --

15 MR. BEAGLES: Yes, we do.

16 THE COURT: All right. Good. Now, Major League
17 Baseball. Mr. Esserman?

18 MR. ESSERMAN: Sandy Esserman, Major League Baseball.
19 We support the motion. Thank you.

20 THE COURT: Okay. All right. I guess it would be Mr.
21 Foley on behalf of the Equity Owners.

22 MR. FOLEY: Mr. Snyder opposes the motion, Your Honor.

23 THE COURT: All right. The Lenders?

24 MR. STEWART: The Ad Hoc Group of First Lien Lenders
25 opposes the motion, Your Honor.

1 THE COURT: All right.

2 MS. O'NEIL: Your Honor, the Second Lien Agent, on
3 behalf of the Second Lien Lenders, opposes the motion.

4 THE COURT: Okay. I don't need to hear from the
5 Rangers Baseball -- or, from the Players Association, because I
6 don't see you as being a participant in the mediation.

7 All right. I'm going to grant the motion. You got what
8 you wanted. You don't even have to argue, Mr. Simon.

9 Now, I want to tell you a few things, though. Okay? First
10 of all, we will go forward with the confirmation hearing on
11 July 9th, as you have requested. But you need to understand
12 this Court will decide whether or not to confirm the plan based
13 on the law. We will not decide this case based on what the
14 fans want, we will not decide it based on what the media wants,
15 we will not decide it based on what Mr. Ryan or Mr. Greenberg
16 -- I'm sorry, Mr. Greendyke wants. Or Greenberg. I'm getting
17 confused. I apologize. We will not decide it based on what
18 Bud Selig wants. We're going to decide it, whether or not the
19 plan is confirmable, based on Section 1129 of the Code,
20 including Section 1129(a)(7). If the plan fails to meet any
21 element of Section 1129 of the Code, I will deny confirmation
22 and we will be back to square one, period, and it will be upon
23 the head of those who supported this motion.

24 I don't want to hear about how I did something bad to the
25 Rangers. I think there is a very real risk that this plan will

1 not be confirmable as of July 9th. It was my understanding
2 that mediation might be successful if it had more time. It is
3 unlikely, I suspect, that mediation will be successful within
4 that time frame, but so be it.

5 If the plan is not confirmed, Mr. Simon, you can take full
6 credit for that result as well as you can take credit to the
7 extent suitable for the result of confirming the plan. You are
8 well aware that the United States Supreme Court and countless
9 politicians, and I suspect the vast majority of Ranger fans,
10 are opposed to judges proceeding in an activist fashion. They
11 expect judges to apply the law as it was written, and that's
12 what I'm going to do in this case. So you'd better be ready on
13 July 9th.

14 Now, you've also asked for mediation on July 6th. I have
15 checked, and Judge Nelms is free on July 6th, so the mediation
16 will occur, unless he changes the schedule or the place,
17 beginning at 8:00 a.m. on July 6th in this building. There
18 will be no telephone appearances for that mediation. You will
19 all be here in person. And that means, number one, the lawyers
20 who are going to be the decision-makers on the legal side, and
21 number two, their clients will be here. Any questions about
22 that?

23 MR. SIMON: No, Your Honor.

24 THE COURT: Anybody else?

25 (No response.)

1 THE COURT: All right. This is what you guys asked
2 for. You're going to get it. And if you have the plan ready
3 by then, and I sincerely hope you do, because for the sake of
4 the Rangers, I do not want to see this team stuck in Chapter 11
5 into the fall. But I'm not going to confirm the plan because
6 of that desire, because that is not what I am supposed to do as
7 a judge. So if you don't get it confirmed, you guys -- not me,
8 you guys -- are the ones who decided you wanted to push for --
9 force a decision on July 9th, and you are going to live with
10 whatever decision I reach. You understand?

11 MR. SIMON: Yes, Your Honor.

12 THE COURT: All right. We'll be adjourned.

13 THE CLERK: All rise.

14 (Proceedings concluded at 10:48 a.m.)

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CERTIFICATE

20 I certify that the foregoing is a correct transcript from
21 the electronic sound recording of the proceedings in the above-
22 entitled matter.

23

24 _____
Kathy Rehling
Certified Electronic Court Transcriber
25 CET**D-444

Date

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