

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
) Thursday, August 5, 2010
Debtor.) 9:00 a.m. Docket
)
) CONFIRMATION HEARING
)

TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE D. MICHAEL LYNN
AND THE HONORABLE STACEY G.C. JERNIGAN,
UNITED STATES BANKRUPTCY JUDGES.

APPEARANCES:

For the Debtor: Martin Sosland
Yolanda Garcia
Michelle Larson
WEIL, GOTSHAL & MANGES, LLP
200 Crescent Court, Suite 300
Dallas, TX 75201-6950
(214) 746-7730

Debtor's Conflicts Counsel: Jeff P. Prostok
J. Robert Forshey
FORSHEY & PROSTOK, LLP
777 Main Street, Suite 1290
Fort Worth, TX 76102
(817) 877-8855

For the Office of the Sander Esserman
Commissioner of Baseball: STUTZMAN BROMBERG ESSERMAN &
PLIFKA, PC
2323 Bryan Street, Suite 2200
Dallas, TX 75201
(214) 969-4900

For the Office of the Stephen J. Shimshak
Commissioner of Baseball: PAUL, WEISS, RIFKIND, WHARTON &
GARRISON, LLP
1285 Avenue of the Americas
New York, NY 10019-6064
(212) 373-3133

1 APPEARANCES, cont'd.:

2 For Ad Hoc Group of First
3 Lien Lenders:

Andrew M. Leblanc
MILBANK, TWEED, HADLEY & MCCLOY,
LLP
International Square Building
1850 K Street, NW
Washington, DC 20006
(202) 835-7574

6 For GSP Finance, LLC:

Holland N. O'Neil
GARDERE, WYNNE AND SEWELL, LLP
1601 Elm Street, Suite 3000
Dallas, TX 75201
(214) 999-4961

9 For GSP Finance, LLC:

Jason Young
David A. Sullivan
CLIFFORD CHANCE
31 West 52nd Street
New York, NY 10019-6131
(212) 878-4948

12 For the U.S. Trustee:

Lisa Lambert
Office of the United States Trustee
1100 Commerce Street, Room 976
Dallas, TX 75242
(214) 767-8967

16 For Fox Cable Ventures,
17 Inc.:

Robert P. Franke
STRASBURGER & PRICE, LLP
901 Main Street, Suite 4300
Dallas, TX 75202
(214) 651-4300

19 For Fox Cable Ventures,
20 Inc.:

Paul Laurin
RUTTER HOBBS & DAVIDOFF INC.
1901 Avenue of the Stars, Suite
1700
Los Angeles, CA 90067
(310) 286-1700

22 For Radical Pitch, LLC:

Clifton R. Jessup, Jr.
GREENBERG TRAUERIG, LLP
2200 Ross Avenue, Suite 5200
Dallas, TX 75201
(214) 665-3638

25

1 APPEARANCES, cont'd.:

2 For JPMorgan Chase: Michael Rochelle
3 ROCHELLE MCCULLOUGH LLP
4 325 N. St. Paul St., Suite 4500
5 Dallas, TX 75201
6 (214) 953-0182

7 For JPMorgan Chase: Mitchell Seider
8 LATHAM & WATKINS, LLP
9 53rd at Third 855 Third Avenue
10 New York, NY 10022-4834
11 (212) 906-1200

12 For Ballpark Real Estate, J. Mark Chevallier
13 LP, Thomas O. Hicks, and MCGUIRE, CRADDOCK & STROTHER, P.C.
14 Hicks-Related Entities: Lincoln Plaza
15 500 North Akard, Suite 3550
16 Dallas, TX 75201
17 (214) 954-6807

18 For Thomas O. Hicks: Lewis T. LeClair
19 MCKOOL SMITH P.C.
20 300 Crescent Court
21 Dallas, TX 75201
22 (214) 978-4984

23 For Rangers Baseball Thomas E. Lauria
24 Express: WHITE & CASE, LLP
25 Wachovia Financial Center
200 South Biscayne Boulevard,
Suite 4900
Miami, FL 33131-2352
(305) 995-5282

For Rangers Baseball Glenn Kurtz
Express: WHITE & CASE, LLP
1155 Avenue of the Americas
New York, NY 10036-2787
(212) 819-8839

For Rangers Baseball Craig H. Averch
Express: WHITE & CASE, LLP
633 West Fifth Street, Suite 1900
Los Angeles, CA 90071-2007
(213)620-7704

25

1 APPEARANCES, cont'd.:

2 For New Era Cap, Inc.:

John J. Kane
KANE RUSSELL COLEMAN & LOGAN, P.C.
3700 Thanksgiving Tower
1601 Elm Street
4 Dallas, TX 75201-7207
(214) 777-4200

5
6 For BRE Agent Bank:

Cameron W. Kinvig
HUNTON & WILLIAMS, LLP
1445 Ross Avenue, Suite 3700
7 Dallas, TX 75202
(214) 979-2968

8
9 Court Recorder:

Sandy Maben
UNITED STATES BANKRUPTCY COURT
510 W. 10th Street
10 Fort Worth, TX 76102
(817) 333-6015

11
12 Transcription Service:

Kathy Rehling
209 Bay Circle
13 Coppell, TX 75019
(972) 304-1998

14

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1 FORT WORTH, TEXAS - AUGUST 5, 2010 - 9:10 A.M.

2 (Proceedings conducted by Judge D. Michael Lynn from 9:10
3 a.m. through 11:05 a.m.)

4 THE COURT: Please be seated. All right. Let me
5 begin by explaining. Judge Jernigan, who was good enough last
6 night, when at the last decent hour for communicating with
7 Judge Jernigan it looked like we might have a hotly-contested
8 hearing today, Judge Jernigan was kind enough to agree to come
9 over here to sit with me this morning, so that if we had to
10 exceed my available time that you would still have a judge that
11 could continue to hear you after noon, when I must leave. So I
12 am very grateful to Judge Jernigan for doing that.

13 And she has also agreed to remain here today, again on the
14 chance that orders or other proceedings are required after I
15 leave.

16 So I have invited her and asked her to join me on the bench
17 this morning so that in the event that she is the one, as she
18 may be, who signs findings of fact and conclusions of law
19 respecting the plan, she will have actually heard the testimony
20 and be familiar with the case. I assume no one has any problem
21 with that procedure?

22 (No response.)

23 THE COURT: All right. I do understand that we do not
24 have -- this is the Texas Rangers Baseball Partners case. I do
25 understand that we do not have anyone on the phone.

1 THE CLERK: We do.

2 THE COURT: We do? Pardon?

3 THE CLERK: Listen-only.

4 THE COURT: Listen-only? Well, then I don't have to
5 worry about announcing those. Let me take appearances in the
6 courtroom, please.

7 MR. SOSLAND: Good morning, Your Honor. Martin
8 Sosland and Yolanda Garcia and Michelle Larson from Weil
9 Gotshal & Manges on behalf of the Debtor, Texas Rangers
10 Baseball Partners.

11 MS. GARCIA: Good morning, Your Honor.

12 MR. PROSTOK: Good morning, Your Honors. It's Jeff
13 Prostok and Bobby Forshey, conflict counsel for the Debtor.

14 MR. ESSERMAN: Good morning, Your Honor. Sandy
15 Esserman; Stutzman Bromberg Esserman & Plifka; and Steve
16 Shimshak --

17 MR. SHIMSHAK: Good morning, Your Honor.

18 MR. ESSERMAN: -- from Paul Weiss representing Major
19 League Baseball, Office of the Commissioner.

20 MR. FINE: Good morning, Your Honors. Jeffrey Fine of
21 K&L Gates on behalf of the Official Unsecured Creditors'
22 Committee.

23 MR. STRUBECK: Good morning, Your Honor. Louis
24 Strubeck. I should say: good morning, Your Honors. Louis
25 Strubeck and Liz Boydston; Fulbright & Jaworski; on behalf of

1 the Ranger Equity Holding entities.

2 MR. HUFFMAN: Good morning. Laurie Spindler Huffman
3 on behalf of Dallas County and Tarrant County.

4 MR. SELTZER: Good morning, Your Honors. Richard
5 Seltzer of Cohen Weiss and Simon for the Major League Baseball
6 Players Association.

7 MR. WIELEBINSKI: Good morning, Your Honors. Joe
8 Wielebinski. I'm with Munsch Hardt. I represent Alex
9 Rodriguez, a creditor.

10 MR. TAYLOR: Good morning, Your Honors. Clay Taylor
11 with Kelly Hart & Hallman on behalf of the City of Arlington.

12 MR. STEWART: Dan Stewart of Vinson & Elkins with
13 Andrew Leblanc of Milbank Tweed on behalf of the Ad Hoc Group
14 of First Lien Lenders, which at this time no longer includes
15 GSP. Pardon me? Yeah. And we have filed modified 2019
16 statements with the Court to reflect the make-up currently of
17 the Ad Hoc Group of First Lien Lenders.

18 THE COURT: All right. All right.

19 MS. O'NEIL: Good morning, Your Honor. Holly O'Neil
20 with Gardere Wynne & Sewell on behalf of GSP in its multiple
21 capacities, now including First and as agent for the Second
22 Lien Lenders. And with me today is Jason Young with Clifford
23 Chance and David Sullivan with Clifford Chance.

24 THE COURT: All right.

25 MS. LAMBERT: Judge Lynn, Judge Jernigan, my name is

1 Lisa Lambert. I represent the United States Trustee, William
2 Neary.

3 MR. FRANKE: Good morning, Your Honors. Bob Franke;
4 Strasburger & Price; for Fox Sports. With me is Paul Laurin
5 from Rutter Hobbs.

6 THE COURT: All right.

7 MR. JESSUP: Good morning, Your Honors. Clifton
8 Jessup of Greenberg Traurig on behalf of Radical Pitch, LLC, a
9 Mark Cuban company.

10 MR. ROCHELLE: Good morning, Your Honor. Michael
11 Rochelle; Rochelle McCullough; and Mitchell Seider of Latham &
12 Watkins for JPMorgan Chase, the First Lien Agent.

13 MR. CHEVALLIER: Good morning. Mark Chevallier;
14 McGuire Craddock & Strother; on behalf of Ballpark Real Estate,
15 LP.

16 MR. LECLAIR: Good morning, Your Honor. Lew LeClair;
17 McKool Smith; on behalf of Tom Hicks.

18 MR. LAURIA: Good morning, Your Honor. Tom Lauria
19 with White & Case. I'm here with my partners Glenn Kurtz and
20 Craig Averch. We represent Rangers Baseball Express.

21 THE COURT: Okay. Let me ask you. Is Mr. Ryan in the
22 courtroom this morning?

23 MR. LAURIA: He is not, Your Honor.

24 THE COURT: All right. Very well. Mr. Sosland, am I
25 correct, it's my understanding and I just want to be clear on

1 this, that with the possible exception of the limited
2 objections asserted by parties with respect to cure, that the
3 major disputes in this case have been resolved such that we do
4 have a successful bidder in the Rangers Baseball Express group,
5 and the Lenders at both levels, Major League Baseball, the
6 Debtor, and the Chief Restructuring Officer are all content
7 with this arrangement. Am I correct?

8 MR. SOSLAND: Well, they are content, Your Honor, with
9 the Chapter 11 plan.

10 THE COURT: Yes.

11 MR. SOSLAND: To be slightly more -- with the plan
12 process. To be slightly more precise, there are -- given what
13 we were all doing yesterday, and I think as a preliminary
14 matter, everyone involved in the case would like to thank all
15 of the court staff, Judge Nelms as mediator, and basically
16 every employee who works in this building for going far and
17 beyond any normal activity to help us reach a successful
18 conclusion to the auction last night.

19 THE COURT: Okay.

20 MR. SOSLAND: What we would propose to do today, Your
21 Honor, if it's acceptable to the judges, is proffer testimony
22 in support of confirmation. There are some language issues.

23 THE COURT: Right.

24 MR. SOSLAND: Given what we were doing yesterday, --

25 THE COURT: Right.

1 MR. SOSLAND: -- not everyone has had a chance to
2 review a fourth amended plan that's intended to address
3 parties' issues, plus based on conversations yesterday and this
4 morning, we know that there are a few additional tweaks that
5 need to be made. But if we could --

6 THE COURT: Well, we'll take a recess. I understand
7 that's your pleasure.

8 MR. SOSLAND: Right.

9 THE COURT: But do I understand that we do have a
10 deal, so to speak?

11 MR. SOSLAND: We have a deal, so to speak.

12 THE COURT: Okay. Could I address a couple of things
13 there, then, --

14 MR. SOSLAND: Yes, Your Honor.

15 THE COURT: -- before Mr. Strubeck wants to say that
16 we don't have a deal, the CRO has changed his mind, right?

17 (Laughter.)

18 MR. STRUBECK: I don't think that's happened in this
19 case yet, Judge, has it?

20 Judge, if I may approach, I just wanted to make a couple of
21 short comments, and then I'll sit down and you probably won't
22 hear from me for a long time in this case. May I approach?

23 THE COURT: Yes. I have some preliminaries that I
24 wanted to address, but I guess I'll get to it when I get to it.

25 MR. STRUBECK: Well, Mr. Snyder had asked me if I

1 would make some comments, but I'm happy to wait until the Court
2 thinks it's appropriate. What I handed you, Judge, is
3 something that everybody else saw yesterday, and it was a recap
4 of the final bid.

5 THE COURT: Right.

6 MR. STRUBECK: And I'll sit down, and at an
7 appropriate time I'll stand back up and address the Court.

8 THE COURT: I would appreciate that.

9 I wanted to begin -- because this is quite a remarkable
10 result. I think almost everyone in the courtroom would agree
11 that if at this time yesterday you had been told that we would
12 be doing this at this time today, let alone two months ago,
13 that the response would have been, "You're out of your mind."
14 And I think that the first thing that I want to do is to say
15 how proud I am of the lawyers in this case, all of you.
16 Notwithstanding some of the histrionics and Old English usage
17 that may have been resorted to, especially in the course of
18 yesterday's proceedings, I think that you deserve an enormous
19 amount of credit for the thousands of hours that you put in
20 making this happen. And I appreciate all of you.

21 I appreciate especially the Cuban Group. Mr. Cuban
22 deserves enormous credit, because he stepped aside with grace
23 when the time came. And one of my concerns always -- in this
24 case, in particular -- has been that, at the end of the day,
25 grace seems often to be in short supply. So I am grateful to

1 all of you for that.

2 I am especially grateful to two people who made this happen
3 and who deserve probably about 90 percent of the credit for the
4 fact that we're here today with a plan that provides
5 substantially more value for the Rangers and yet achieves the
6 ends of satisfying that party that first came to the table and
7 is apparently more popular than the alternatives with the fans
8 as well as perhaps Major League Baseball, and those people are
9 William Snyder, despite his mind changes, and of course my
10 colleague Russell Nelms, who to say that he went the extra mile
11 is such a grotesque understatement that I wouldn't even come
12 close to saying it.

13 I'm also grateful, I mean, I don't know that we would have
14 gotten everything done in this case without Judge Jernigan.
15 She has come to my rescue three times in this case. Once
16 you'll recall when I needed a summary judgment hearing held in
17 another matter, once to cover me when I was gone on a much-
18 maligned vacation, and now again today. So I'm very grateful
19 to all of you for that.

20 I have another announcement that I want to make and then
21 one more piece of housekeeping, and then we'll get to your
22 case, Mr. Sosland. And the other announcement is, for the
23 record, Tuesday evening I had some four *ex parte* contacts in
24 this case. And I wanted to describe them for the record,
25 because I think it's important that, even though at this point

1 their significance is not great in the context of things,
2 nevertheless, I think it's important that a judge, if he is
3 placed in a position where he feels he must speak with parties
4 other than on a recorded basis, that he explain himself on the
5 record. So I hope you'll forgive me if I take a minute of your
6 time to speak about that.

7 Tuesday at approximately 5:00 in the afternoon, one of Mr.
8 Stewart's associates contacted Mr. Lynch, one of my law clerks.
9 And by the way, when I was giving credit before, I forgot to
10 give the credit to Shane Lynch and Julian Vasek that they
11 deserve. They certainly never expected to work Weil Gotshal
12 hours at federal salary pay, or in Mr. Lynch's case, even less.
13 And they've done so in this case without stint, including at
14 various times being on the phone with me as late as 12:30 this
15 morning to apprise me of what it looked like was going to
16 happen today.

17 Anyway, at about 5:00 on Tuesday, one of Mr. Stewart's
18 associates contacted Mr. Lynch and said that various of the
19 parties wanted to speak with me within the next two hours by
20 telephone. And Mr. Lynch relayed that to me, and I agreed to
21 do that, provided that both the senior and junior lenders, the
22 Debtor and, because it had to do with them, Rangers Baseball
23 Express and the Chief Restructuring Officer's representatives
24 were on the phone. Major League Baseball also joined that
25 conversation. I probably should have invited the United States

1 Trustee and the Creditors' Committee, and I apologize for not
2 doing so. But, frankly, I was operating quickly.

3 Before the phone call, I received a call from Mr. Stewart
4 in which he said, "We're going to call you in a few minutes,"
5 which I already knew but I appreciated the second warning.
6 There was no other discussion between myself and Mr. Stewart.
7 I think you would agree, Mr. Stewart.

8 Immediately thereafter, I received a phone call from Mr.
9 Jessup, who said, "I've heard a rumor that Express and the
10 Lenders are about to strike a deal that will upset the auction,
11 and I want to be heard." I told Mr. Jessup that if -- and I'm
12 not entirely sure how Mr. Jessup got the number, but
13 congratulations; you have good staff at digging that out -- I
14 told Mr. Jessup that if the auction were terminated, it would
15 only be done so after at least two hours' notice, which doesn't
16 sound like much but in the context was a lot, and an
17 opportunity for him to be heard.

18 I then took a call from the Lenders and Rangers Baseball
19 Express in which they did indeed -- and the other parties that
20 I mentioned -- in which they did indeed advise me that they had
21 struck a deal. However, I was advised that the second lien
22 holder, GSP Finance, was not prepared to agree to that deal and
23 did intend or wished the auction to go forward. I therefore
24 declined to accept the suggestion that the auction be
25 terminated in favor of the transaction agreed to by Express and

1 the Lenders.

2 At this point, let me explain to you, the Lenders raised --
3 well, Express raised the point that the second lien holder was
4 clearly out of the money. That appears not to have been the
5 case, however. And secondly, the senior agent raised the issue
6 that the first lien holders have the right to speak for the
7 second lien holders and therefore the lien holders, the second
8 lien holders, did not have standing to require the continuation
9 of the auction.

10 I did not accept those arguments because I've had no
11 valuation hearing so I don't know what the values are here and
12 who's in the money. And I did not accept the second argument
13 by the agent because, although the inter-creditor agreement has
14 been put into evidence before me, it has not been argued before
15 me and I was not prepared to construe it based on a telephone
16 conversation such as the one we had.

17 After we hung up, I realized that Express had revealed its
18 price that it would pay and that if the parties were allowed to
19 tell other bidders, Mr. Cuban, about that, that would distort
20 the process, and I therefore immediately tried to call Vinson &
21 Elkins back, and I couldn't negotiate your automatic night
22 operator system. I couldn't spell out your name on my phone,
23 Mr. Stewart. And it happened that, because I used to have a
24 direct-dial number one digit removed from his, that I knew Mr.
25 Esserman's, and I therefore called him and asked him to tell

1 parties that they could not tell anyone else about it.

2 Now, those are my four *ex parte* contacts. I apologize for
3 taking your time with it, but I think it's important that that
4 be out on the table and that it be clear on the record, because
5 it did come up several times in the course of yesterday's
6 proceedings and I would not want anyone to misunderstand what I
7 was doing.

8 One more piece of business and then we'll get down to you,
9 Mr. Sosland. I need to ask for Mr. Shimshak, Mr. Leblanc, Mr.
10 Sosland, Ms. O'Neil, and Mr. Snyder to come up for a minute.
11 And Mr. Kurtz. Just come on up here. You don't have to come,
12 Strubeck. You're not invited.

13 (Brief side bar off the record at 9:27 a.m.)

14 THE COURT: All right. Now, Mr. Sosland, it's your
15 show.

16 MR. JESSUP: Your Honor, if it please the Court?

17 THE COURT: Oh, yes, Mr. Jessup?

18 MR. JESSUP: Yes, Your Honor. If it please the Court,
19 Clifton Jessup on behalf of Radical Pitch.

20 Your Honor, I wanted to say something to the Court and then
21 be excused.

22 THE COURT: Sure.

23 MR. JESSUP: Your Honor, my client would like to thank
24 the Court for the opportunity to participate in the auction.
25 From the beginning of the process that started on July 15th

1 when you entered the bid procedures, my client wanted the
2 opportunity to bid on the assets and then have a full and fair
3 opportunity to do so. It had that last night.

4 THE COURT: All right.

5 MR. JESSUP: And so on behalf of Mr. Crane and Mr.
6 Cuban, I wanted to express our appreciation. Also to tell the
7 Court that I was happy that the twin and competing policies of
8 best interests of the estate by increasing the value of \$100
9 million and the integrity of the system following the auction
10 process worked. And so, on behalf of myself, I'd like to thank
11 the Court also for the opportunity to have experienced and
12 participated in what we thought was a historic and very unusual
13 auction last night.

14 THE COURT: Well, I thank you, Mr. Jessup, and I'm
15 grateful for your appreciation. Now, all you media types,
16 notice now how they're talking about how good a system, how
17 good the process was, and remember yesterday what they were
18 saying?

19 (Laughter.)

20 MR. JESSUP: It was never us.

21 THE COURT: So just for the record.

22 MR. JESSUP: Your Honor, we never questioned the
23 system. It was not my client.

24 THE COURT: Yes, well, --

25 MR. JESSUP: There were other parties that did that.

1 We never did.

2 THE COURT: I'm just teasing you. I'm just teasing
3 you.

4 MR. JESSUP: And Your Honor, part of the system may be
5 that we may seek some type of substantial contribution request,
6 and we'll do that.

7 THE COURT: Well, you can file what you can file and
8 we'll see what -- you know that. We'll see what --

9 MR. JESSUP: Thank you, Your Honor. I do.

10 THE COURT: We'll see what happens to it.

11 MR. JESSUP: Thank you. May I be excused, Your Honor?

12 THE COURT: Yes, you may.

13 MR. JESSUP: Thank you.

14 THE COURT: Thank you, Mr. Jessup, for your appearance
15 today.

16 Okay, Mr. Sosland.

17 MR. SOSLAND: Your Honor, before we move into the
18 confirmation case in chief, Mr. Strubeck would like to report
19 --

20 THE COURT: All right.

21 MR. SOSLAND: -- formally on the result of the
22 auction.

23 THE COURT: All right.

24 MR. STRUBECK: Thank you, Your Honor. And then I get
25 to tell the Court about just one more and perhaps the last

1 change of mind by Mr. Snyder.

2 Judge, I had handed up earlier a summary, and everybody who
3 was in the courtroom upstairs yesterday saw this about 1:00
4 a.m. And that just reflects where we ended up -- actually,
5 where we started and where we ended up in terms of the sale
6 with the Rangers. And Your Honor can see -- and by the way, I
7 echo all the comments that Mr. Jessup made in terms of the
8 process yesterday, and also appreciate the hard work of Your
9 Honor's staff and Judge Nelms' staff. It was a really, really
10 long day yesterday, and we knew that nobody was getting paid
11 overtime in terms of Judge Nelms.

12 THE COURT: I think even Judge Nelms' wife got in on
13 the act toward the end.

14 MR. STRUBECK: I think I saw her yesterday.

15 THE COURT: I think he called her into service.

16 MR. STRUBECK: But, Judge, if you -- you know, if you
17 look on the far left-hand column and see where this process
18 started in terms of the original bid that was made by Mr.
19 Lauria's client, and you compare it to where we ended up, which
20 you'll see if you go to the third column and down where it says
21 "Total TRBP Consideration," we ended up with \$593 million of
22 total consideration, which I think, as Mr. Jessup alluded to,
23 was about a \$100 million increase from where we started. And
24 Judge, based upon information that was provided to us, we
25 believe that the sale is among the highest if not the highest

1 price ever received for a Major League Baseball team, if you
2 look at the sale price in terms of a multiple of revenue. So
3 it was an extremely successful result.

4 And when Mr. Snyder was appointed in the case -- Mr.
5 Sosland would correct me: when he was retained in the case --
6 he said he wanted to achieve one of two things: either a fair
7 price or a fair process. And there were times that you know he
8 thought he had a fair price. We are now convinced not only do
9 we have a fair price, but we had a fair process as well. And
10 so we're appreciative of the opportunity to have had that
11 process. We are very appreciative of the efforts of the
12 bidders, the Greenberg Group and the Cuban Group, and we think
13 we got a tremendously successful result here, Judge.

14 As far as what I hope will be the last change of mind by
15 Mr. Snyder, and I told the Court this last week in terms of
16 what I thought was going to happen, at least, we are changing
17 our vote from a no vote to a vote in support of the plan.

18 And the last comment I'll make is the --

19 THE COURT: Under Rule 3018(a), I'll rule that you can
20 do that.

21 MR. STRUBECK: Thank you, Your Honor. And the last
22 thing I'll say is we never filed formal objections to the plan.
23 I think Your Honor had given me a heads-up as to what you
24 thought was appropriate as far as the CRO's input on this. But
25 we do -- we worked very hard with Mr. Sosland and his

1 colleagues, and all the concerns that we had have been
2 addressed. And so we don't really have anything else to say
3 except thank you.

4 THE COURT: Thank you, Mr. Strubeck. Okay, Mr.
5 Sosland. Do you want to work on -- go to your proffer now?

6 MR. SOSLAND: Yes, Your Honor. We will have two
7 witnesses in support of confirmation: Kellie Fischer and Kevin
8 Cofsky. And my partner Yolanda Garcia will proffer their
9 testimony.

10 THE COURT: Very well. Ms. Garcia?

11 MS. GARCIA: Good morning, Your Honor. Good morning,
12 Your Honor.

13 There are actually three witnesses, just to clear it up.
14 The first, I have an affidavit of John Franks that was filed
15 with the confirmation briefing. It's Debtor's Exhibit 118 on
16 our exhibit list, and it is a declaration regarding the voting
17 on and tabulation of ballots accepting or rejecting the second
18 amended prepackaged plan. Obviously, that's just been modified
19 by the CRO's vote to a yes vote. It is Debtor's Exhibit 118
20 because, obviously, we had planned on having many more exhibits
21 than we think are now necessary.

22 And so I would like to offer the affidavit of John S.
23 Franks, Debtor's Exhibit 118, into the record. And he's here
24 and available if anybody would like to cross-examine him. May
25 I approach, Your Honor, so that --

1 THE COURT: Yes, please. (Pause.) Okay. Does anyone
2 object to this procedure or wish to cross-examine Mr. Franks?

3 (No response.)

4 THE COURT: All right. Then I will accept the
5 affidavit and the attached ballot tally.

6 (Debtor's Exhibit 118 is received into evidence.)

7 MS. GARCIA: Your Honor, our second witness is Kellie
8 Fischer, the CFO of the Texas Rangers. Ms. Fischer has
9 testified previously at the First Day hearings, and I would
10 like to offer her declaration in support of confirmation. It
11 is Debtor's Exhibit 119. Ms. Fischer offers certain facts
12 related to satisfying 1129 of the Bankruptcy Code. And she is
13 available for cross-examination, and I can also read her
14 declaration into the record. If Your Honor would like me to,
15 if nobody wants to cross-examine, in order to speed things
16 along I could also just submit it to Your Honor.

17 THE COURT: Anyone object to the Court accepting the
18 declaration as constituting the direct testimony of Ms.
19 Fischer?

20 (No response.)

21 THE COURT: All right. I'll accept it. Bring it on
22 up.

23 (Debtor's Exhibit 119 is received into evidence.)

24 MS. GARCIA: The third witness, Your Honor, is Kevin
25 Cofsky, who is employed by Perella Weinberg and has

1 participated in both the prepetition and postpetition auction
2 process. His declaration is Debtor's Exhibit 120, and his
3 declaration generally provides information regarding the
4 auction process as it existed prior to morning yesterday, and
5 also includes a conclusion regarding his satisfaction that the
6 assets were market-tested and that the value received was
7 reasonable. And I can also read this one into the record if
8 anybody here would like the opportunity to cross-examine him.
9 Otherwise, I would offer Debtor's Exhibit 120 into the record.

10 THE COURT: Any objection to my accepting the
11 declaration as direct testimony? Yes, Mr. Lauria?

12 MR. LAURIA: No, Your Honor. I just wanted to
13 acknowledge on the record how difficult it is for my partner,
14 Glenn Kurtz, to listen to the offer of three witnesses without
15 cross-examining any of them.

16 (Laughter.)

17 THE COURT: Well, I'll tell you what. After we all
18 leave, he can pretend they're still there and ask all the
19 questions he wants.

20 Okay. Ms. Garcia, bring it on up.

21 (Debtor's Exhibit 120 is received into evidence.)

22 MS. GARCIA: Your Honor, I also believe that you've
23 stated on the record at various times that all evidence that
24 you took from the June 15th hearing forward and including the
25 three-day evidentiary hearing regarding the auction process are

1 part of the confirmation record, and therefore I'm not going to
2 move all of those exhibits into the record, assuming that's
3 satisfactory with you, since it's all part of the record
4 already.

5 THE COURT: All right. Please, when you do a final
6 form of your confirmation order, subsume the Court's prior
7 findings of fact and conclusions of law, if you prefer, if you
8 prepare those. Please make sure you reflect the inclusion of
9 those, the two memorandum opinions that I entered with respect
10 both to the June 15th hearing and then the hearing on the
11 motion to reconsider.

12 MS. GARCIA: And Your Honor, finally, Docket #243 is
13 the Debtor's disclosure statement and Docket #254 is the order
14 approving the disclosure statement. Part of our briefing also
15 relies on the validity of that disclosure statement as well as
16 the order approving that, so I would ask Your Honor to take
17 those into the evidentiary record as well, the disclosure
18 statement and the order approving the disclosure statement.

19 THE COURT: All right. Any objection?

20 (No response.)

21 THE COURT: I will do so.

22 (Docket #243 and #254 are received into evidence.)

23 MS. GARCIA: Thank you, Your Honor.

24 THE COURT: All right. Okay. What's next, Mr.

25 Sosland? Do you want your recess now?

1 MR. SOSLAND: That concludes our evidence in support
2 of -- that concludes the Debtor's evidence in support of
3 confirmation, Your Honor.

4 THE COURT: All right. Does anyone else want to be
5 heard? Mr. Leblanc?

6 MR. LEBLANC: Your Honor, --

7 THE COURT: Has Mr. Herenstein changed his mind?

8 MR. LEBLANC: No, Your Honor. I don't think anyone
9 has ever accused Mr. Herenstein of changing his mind in this
10 case.

11 I made a promise to Mr. Lauria last night that I would
12 stand before the Court and say these three words: I was wrong.
13 I've never been happier to say I was wrong than the process --
14 we feared, Your Honor, that the process wasn't going to be
15 successful, but the proof is in the pudding, and I'm very, very
16 happy to have been wrong about our -- our greatest fears of the
17 process were not realized. Our greatest hopes of the process
18 were. And I'm very happy to say that we were wrong.

19 And the result for us -- Mr. Strubeck described the bid
20 increment as \$100 million more for the estate. The effect for
21 the Lenders, because of the exclusion of certain provisions in
22 the plan, is actually far more dramatic. By our calculations,
23 the proceeds to the Lenders may have increased from as low as
24 \$210 million to as high as \$340 million, which is an enormous
25 result. And it's the result of both this Court's efforts, all

1 of the Court's staff, everybody who participated in the
2 auction, Mr. Crane and Mr. Cuban, and we're very appreciative
3 of everyone's efforts, including Your Honor's. And we wanted
4 to express our appreciation and also say we were wrong.

5 THE COURT: All right.

6 MR. LEBLANC: So, thank you, Your Honor.

7 THE COURT: Thank you, Mr. Leblanc.

8 Okay. Mr. Sosland, anything?

9 MR. SOSLAND: Your Honor, I guess a little bit of
10 guidance would be appreciated. So, you are correct that,
11 generally, the objections to proceeding under the plan for
12 approval of the sale to Rangers Baseball Express and
13 confirmation of the plan as amended is filed. We have a fourth
14 amended plan that was designed to address comments of the
15 Court, of the CRO, and numerous objections that were filed.
16 With regard in particular to the comments that were filed by
17 our First Lien and Second Lien Lenders and other parties,
18 including -- well, I don't mean to exclude anyone, but
19 including the United States Trustee, we have an amendment. Not
20 everyone has had a chance to view it, --

21 THE COURT: Okay.

22 MR. SOSLAND: -- given what we were doing yesterday.
23 Other than to report that the objection to proceeding in this
24 fashion by the First and Second Lien Lenders and others have
25 been resolved, we have a number of miscellaneous objections.

1 If you would like a report on where we stand on each of those
2 at this time, Ms. Larson can go through them. We would like an
3 opportunity to assess and --

4 THE COURT: Well, are you going to --

5 MR. SOSLAND: -- for 30 minutes.

6 THE COURT: Do you anticipate resolving those
7 objections today during the recess? Some of them? Any of
8 them? All of them?

9 MR. SOSLAND: At least some, --

10 THE COURT: All right.

11 MR. SOSLAND: -- Your Honor.

12 THE COURT: Well, my suggestion, then, would be,
13 before we address them, which is going to call for a dispute,
14 that you go ahead with your recess and see if you are able to
15 resolve them. My recollection is that they were cure amounts
16 and things of that nature for the most part, but I will hear
17 more about them, --

18 MR. SOSLAND: Right.

19 THE COURT: -- I am sure, if any of them survive.

20 MR. SOSLAND: A number of the ones that Ms. Larson
21 will address relate to cure amounts.

22 THE COURT: Yes.

23 MR. SOSLAND: The others that we need the recess for
24 relate to some language in the plan, Your Honor.

25 THE COURT: All right. Will you please do that? And

1 I have a couple of requests for you. One is, please make sure
2 that in your order and that before we leave today that I find
3 on the record that the modifications to the plan that you are
4 making at this hour fall within the terms of Rule 3019 and
5 therefore do not require new solicitation of the plan.

6 And secondly, please, I have not read -- I stopped reading
7 the plan a while back because it was changing faster than I
8 could keep up with it. So I have not read the provisions of
9 Section 11.6(a), but my assumption is that the plan does not
10 provide any releases, injunctions or exculpations that would be
11 inconsistent with Fifth Circuit precedent.

12 MR. SOSLAND: That's correct, Your Honor.

13 THE COURT: All right.

14 MR. SOSLAND: Indeed, I believe that we've copied, in
15 one instance, this Court's precedent in the *Pilgrim's Pride*
16 matter --

17 THE COURT: All right. All right.

18 MR. SOSLAND: -- in the plan.

19 THE COURT: Then why don't we take --

20 MR. SOSLAND: We have a blackline of the current
21 version.

22 THE COURT: Well, provide a copy to my -- I'll tell
23 you what. Provide a copy to my law clerks, and one of them --
24 Mr. Lynch, would you mind staying here, and then to the extent
25 that there are additional changes made, you can alert him to

1 those changes, if you have any further changes?

2 MR. SOSLAND: Right. We will do that, because I know
3 in particular, Your Honor, that 11.7 will be one of the
4 sections we'll be discussing --

5 THE COURT: All right.

6 MR. SOSLAND: -- during the recess.

7 THE COURT: All right. Well, then we'll take a
8 recess. Please advise Ms. Maben when you're prepared to
9 proceed. All right?

10 MR. SOSLAND: Thank you, Your Honor.

11 THE COURT: Yes, Ms. O'Neil?

12 MS. O'NEIL: Your Honor, just for the benefit of the
13 Court and the timing, I mean, literally, with all that's gone
14 on, very few of us have had a realistic opportunity to go
15 through this in any depth.

16 THE COURT: Right.

17 MS. O'NEIL: And particularly with the need on the
18 reservation on claims and whatnot that have been agreed to with
19 the parties and with the bidders, etcetera, we need time. So
20 this isn't going to be a 30-minute recess, realistically.

21 THE COURT: Well, let's see. Let's see where we are
22 in about 30 minutes, and then if it's going to require more
23 time, then at some time in the not-too-distant future I may
24 turn things over to Judge Jernigan so that I can actually not
25 have to follow Mr. Snyder's example and get a speeding ticket

1 while heading to the airport.

2 MS. O'NEIL: Okay. Well, thank you, Your Honor.

3 THE COURT: So, is that all right with you?

4 MS. O'NEIL: Certainly.

5 THE COURT: Okay. I would like to at least resume for
6 a few minutes before we decide that. So let's see where we are
7 in about 30 minutes. When it is convenient for us to resume,
8 let Ms. Maben know in about 30-40 minutes. All right?

9 MS. O'NEIL: Thank you, Your Honor.

10 THE COURT: All right. Thank you very much. We'll be
11 in recess.

12 THE CLERK: All rise.

13 (A recess ensued from 9:43 a.m. to 10:57 a.m.)

14 THE COURT: Please be seated. All right. What we're
15 going to do is I'm going to ask that Mr. Sosland advise me of
16 the status of open issues briefly. Then I have just a couple
17 of little comments to make in addition to what I've already
18 said that will close out my participation in this hearing, and
19 then I'm going to excuse myself without formality and Judge
20 Jernigan will take over and finish up the confirmation.

21 Mr. Sosland, if you could tell me what the open issues are?
22 I just want to know if there's anything that I've decided in
23 the past in the case that Judge Jernigan wouldn't be aware of
24 that would have bearing on any of the open issues. So, could
25 you tell me what they are?

1 MR. SOSLAND: Well, I think not, Your Honor. With
2 regard to the language that we've been discussing with the
3 Lenders, principally -- driven in the past by the First Lien
4 Lenders and now the Second Lien Lenders, there are three
5 provisions of the plan that we're discussing the language on
6 primarily, which are 6.2(c), which deals with who's in control
7 post-confirmation; 11.7, the indemnification; and 13.5, causes
8 of action. It may be that very shortly we'll have an agreement
9 on 6.2(c)--

10 THE COURT: All right.

11 MR. SOSLAND: -- and 11.7, which may just be
12 eliminated.

13 On the 13.5, I think we're going to have to reach an
14 agreement where we'll submit further language on it later, but
15 it wouldn't prevent confirmation or effectiveness of the plan.
16 And to the extent there is any modification, all of the parties
17 would agree that that won't modify -- wouldn't affect the
18 effectiveness of the plan today.

19 With regard -- you want me to --

20 MR. LAURIA: On 13, I've got to make a comment.

21 MR. SOSLAND: Okay. And I'll let Mr. Lauria address
22 -- there are issues that relate to the purchaser, and we want
23 to make sure that the purchaser is protected. Also, the
24 purchaser has to sign off on the plan --

25 THE COURT: Right.

1 MR. SOSLAND: -- as a condition to the asset purchase
2 agreement.

3 With regard to the numerous other issues that were raised
4 by miscellaneous parties, Ms. Larson can go largely through
5 those, but I don't think, Your Honor, that anything is going to
6 -- anything will be affected by or contradict any previous
7 ruling that's come before Your Honor during the Chapter 11
8 case.

9 THE COURT: All right.

10 MR. SOSLAND: If anybody disagrees with that, --

11 THE COURT: All right.

12 MR. SOSLAND: -- let me know, and maybe --

13 THE COURT: All right. If there's anyone that thinks
14 that there's -- let me hear from other parties if they think
15 there's anything that I ought to address. And again, I'm not
16 trying -- I have every -- I have no reason to doubt that Judge
17 Jernigan will get it right regardless, but if we've got law of
18 the case, we ought to make sure it applies. Mr. Lauria?

19 MR. LAURIA: Your Honor, maybe this is just a
20 clarification. I guess we'll find out if anybody has an issue
21 with this. We are, under the agreement and the plan, assuming
22 the obligations owed to all current and former players by the
23 team, --

24 THE COURT: Right.

25 MR. LAURIA: -- who are in fact covered by a

1 collective bargaining agreement --

2 THE COURT: Right.

3 MR. LAURIA: -- that is in place and not being
4 modified. There has been some discussion about trying to
5 attempt to retain claims and causes of action against former
6 players. This would, in our view, have the effect of
7 ultimately causing liability to fall back to Rangers Baseball
8 Express, and we just want to make sure that, to the extent
9 there's going to be any further negotiation of the language in
10 Section 13.5, that it is absolutely clear, Your Honor, that
11 that will not result in claims or causes of action against
12 current or former players --

13 THE COURT: All right.

14 MR. LAURIA: -- that are obligations we're assuming.

15 THE COURT: Any comment? Okay. That would -- yes,
16 Mr. Leblanc?

17 MR. LEBLANC: Just, Your Honor, I'll confirm on behalf
18 of the Ad Hoc Group, the Second Lien Agent and JPMorgan Chase
19 as the First Lien Agent that we don't have any --

20 THE COURT: Okay.

21 MR. LEBLANC: -- desire to retain causes of action
22 against current or former players.

23 THE COURT: All right. That's --

24 MR. FINE: Your Honor, just to tee up the same issue,
25 the Creditors' Committee had raised this in its limited

1 response and objection.

2 THE COURT: The substantive consolidation motion? Is
3 this what you're concerned about now?

4 MR. FINE: Well, yes, in part. What it goes to is
5 that the language attempts to retain causes of action to
6 essentially go back against all of the assumed obligations.
7 It's not just the present and former players, but all of that
8 \$208 million of assumed obligations which is under Class VII, I
9 believe, of the plan.

10 THE COURT: Okay.

11 MR. FINE: So it really goes to that entire issue of
12 --

13 THE COURT: All right. Well, I'm confident that you
14 can resolve that. It seems to me that anything that would have
15 the effect of impairing the ability of the buyer to get what he
16 paid for for what he paid for it ought not to be preserved. I
17 mean, if the result of preserving a cause of action is to in
18 some form or fashion alter the consideration, then it would be
19 something that shouldn't be a part of the plan, at least unless
20 somebody wants to indemnify the purchaser, which strikes me as
21 complex. So I don't see that you'll have a problem working
22 that out.

23 Can I count on you to do that, Mr. Sosland?

24 MR. SOSLAND: Yes, Your Honor.

25 THE COURT: All right. Okay, Mr. Fine?

1 MR. FINE: Thank you, Your Honor.

2 THE COURT: Okay. Anything else, Mr. Leblanc?

3 MR. LEBLANC: Your Honor, just to be very clear and to
4 put it on the record, we will be filing a motion to dismiss the
5 adversary proceeding relating to the Rangers Ballpark transfer.
6 We'll be doing -- I assume we'll --

7 THE COURT: Right.

8 MR. LEBLANC: -- be able to do it today. Mr. Seider,
9 I think, will address the one that's been filed by Latham &
10 Watkins on behalf of JPMorgan Chase.

11 THE COURT: All right. Mr. Seider?

12 MR. SEIDER: Thank you, Your Honor. For the record,
13 Michel Seider of Latham & Watkins on behalf of JPMorgan Chase
14 as agent.

15 We too will be withdrawing the adversary proceeding we
16 filed with respect to the Ballpark lease.

17 THE COURT: Excellent.

18 MR. SEIDER: I would, Your Honor, like to take just
19 one moment to clear up what may be or may not be a
20 misapprehension by Your Honor with respect to the impact of
21 last night's auction on the recoveries of the First Lien
22 Lenders under the credit agreement. Certainly, the results of
23 the auction are most welcome by the First Lien Agent. I do
24 want to point out, however, that there is still a very
25 significant amount --

1 THE COURT: Yes. I understand that.

2 MR. SEIDER: -- of first lien debt outstanding.

3 THE COURT: Well, there's -- but you're going to look
4 to assets other than the assets of this Debtor to resolve those
5 claims, as I understand it.

6 MR. SEIDER: That's --

7 THE COURT: Basically, we're talking now about the
8 Stars, right?

9 MR. SEIDER: That's correct, Your Honor.

10 THE COURT: Okay.

11 MR. SEIDER: And hopefully we will get to a point
12 where the recoveries discharge the first lien obligations.

13 THE COURT: Okay. Now, Mr. Sosland, --

14 MR. SEIDER: But until we do, --

15 THE COURT: -- don't you feel compelled by virtue of
16 Rule 1014(b) to commence the Stars case here.

17 (Laughter.)

18 MR. SEIDER: Can Your Honor guarantee the same result?

19 MR. SOSLAND: Your Honor, was that a -- was there a
20 question mark or was that a statement of Your Honor?

21 THE COURT: No. I'm certainly hopeful -- I believe
22 Mr. Galatioto is undertaking the sale of the Stars, and I'm
23 sure it will go very smoothly and to everyone's benefit. So,
24 thank you.

25 MR. SEIDER: Thank you, Your Honor.

1 THE COURT: All right. All right. Well, what I'm
2 going to do is I'm going to excuse myself and turn this over to
3 Judge Jernigan. But before I depart, I want to again thank you
4 all. I want to especially -- I want to congratulate the
5 purchasers of the Rangers. It was a long, hard fight. There
6 were times when I'm sure it seemed more painful than you wanted
7 it to be, and I'm sorry about that. But the process and the
8 system has worked. I congratulate you on your purchase. I
9 wish you the very, very best of luck with the Rangers, and I
10 hope and trust that you will get out of here shortly and go
11 back and see to it that they win a pennant and a World Series.
12 And if you'll excuse me now -- don't get up or anything -- but
13 Judge Jernigan is going to take over and I'm going to go to a
14 wedding.

15 (Proceedings conducted by Judge Stacey G.C. Jernigan
16 beginning at 11:05 a.m.)

17 THE COURT: All right. Well, it sounds like the next
18 step would be to let Ms. Larson take the podium and announce
19 the resolutions of the objections. But is there anyone who
20 wanted to be heard before we launch into that?

21 (No response.)

22 THE COURT: All right. Ms. Larson?

23 MS. LARSON: Thank you, Your Honor. Michelle Larson
24 on behalf of the Debtor.

25 What I'd like to announce, Your Honor, we filed with our

1 confirmation brief a summary of the different plan objections
2 that were filed and the Debtor's responses. I think that what
3 this would be, more than anything, is kind of a follow-up to
4 that, because a lot of our responses were that, you know, we
5 were reaching resolutions and what. So, if Your Honor would
6 indulge, I can go through those.

7 THE COURT: Okay.

8 MS. LARSON: The first objection, Your Honor, was SEG
9 of Ohio, and that was Docket 313. SEG had objected to the plan
10 because they wanted clarification that there was certain state
11 court litigation going on with a non-debtor affiliate that was
12 not going to be affected, wouldn't be affected under the plan.
13 And I think the order has actually already been uploaded, but
14 there's an agreed form of stipulated order that makes clear
15 that the real property which is going to be -- notice of the
16 real property and a description of it will be attached to the
17 form of order -- is not part of any real property and
18 improvements that are being sold to the purchaser by the Debtor
19 under the plan of reorganization and that the automatic stay
20 imposed by 362 does not affect that property or the state court
21 litigation that was going on between SEG of Ohio and primarily
22 Ballpark Real Estate.

23 THE COURT: Okay.

24 MS. LARSON: And that order would resolve the SEG
25 objection.

1 THE COURT: Okay. Very good.

2 MS. LARSON: The next objection, Your Honor, was that
3 of the Texas Comptroller, Docket #322. The Texas Comptroller
4 had objection to a former version of Section 11.6(a) of the
5 plan. The plan has been subsequently amended, and the
6 Comptroller has withdrawn that objection.

7 THE COURT: Okay.

8 MS. LARSON: The next objection, Your Honor, was filed
9 by Dallas County and Tarrant County taxing authorities. That
10 was Docket #362. Your Honor, we have also resolved our
11 objection with Dallas County and Tarrant County. We have
12 stipulated that, pursuant to Section 4.5, the treatment section
13 with respect to secured tax claims in the plan, that the liens
14 held by Dallas County and Tarrant County will persist. The
15 injunction will not affect the retention of those liens. And
16 we have also included further language that will be in the form
17 of a fourth amended plan that will be filed hopefully later
18 today, Your Honor, that will say that, "Each holder of an
19 allowed secured tax claim that is assumed by the purchaser
20 under the asset purchase agreement shall retain its existing
21 lien, if any, in the purchased assets and" -- and here's the
22 new language -- "any rights associated therewith pursuant to
23 applicable non-bankruptcy law." That's the new language. And
24 then "shall be paid in cash by the purchaser when such allowed
25 tax claim becomes due and owing in the ordinary course of

1 business."

2 THE COURT: Okay.

3 MS. LARSON: Essentially, it is a clarification that
4 any injunction that would otherwise apply to claims will not
5 apply to the enforcement action that a taxing authority would
6 otherwise have.

7 THE COURT: Okay.

8 MS. LARSON: And I know that Dallas County's counsel
9 is here today, so if there's anything --

10 THE COURT: All right. Ms. Spindler, do you want to
11 confirm that that language is agreed to?

12 MS. HUFFMAN: Your Honor, that is what we've agreed
13 to. We're satisfied that the purchaser intends to pay the
14 taxes and that our rights under state law are retained, which
15 is required in order for us to be truly unimpaired under the
16 plan.

17 THE COURT: Okay. Very good.

18 MS. LARSON: Next, Your Honor, was an objection that
19 was filed by ARC Holding, Ltd. and Fox Cable Ventures. Fox
20 Sports objected to the plan with respect to the then-existing
21 releases and exculpations in the plan. The Debtor agreed to
22 additional modifications in 11.6(a)(3) to specifically exclude
23 set-off and recoupment rights in Section 11.6. And based upon
24 that agreement, I understand from counsel, who I believe is
25 also here today, that this objection is resolved.

1 THE COURT: All right. Who is that counsel?

2 MR. LAURIN: Good morning, Your Honor. Paul Laurin on
3 behalf of ARC Holding.

4 Yes, that has satisfactorily resolved our objection.

5 THE COURT: Okay. Very good.

6 MR. LAURIN: Thank you.

7 MS. LARSON: I'm going to move past for right now,
8 Your Honor, the objection that was filed with the Committee,
9 because I think that we'd like a little more time to consult
10 with the Committee, and it's also going to -- I think the
11 resolutions will be part of the later announcements --

12 THE COURT: Okay.

13 MS. LARSON: -- with respect to a plan.

14 The next objection, Your Honor, was that filed by the
15 United States Trustee, and that was Docket #458. The United
16 States Trustee objected to the plan with respect to the fact
17 that there was a "no government release" provision essentially
18 allowing for governmental units to continue to pursue
19 regulatory actions and to be clear that that wasn't subject to
20 an injunction under the plan. The plan does now provide for a
21 satisfactory form of release for governmental actions now.

22 The United States Trustee similarly had objected with
23 respect to set-off rights for governmental authorities not
24 being preserved. Those are now preserved under the current
25 form of the plan.

1 And finally, the UST objected to the retention of
2 jurisdiction under the plan. What the Debtor did in response
3 to that objection is we followed the form of retention of
4 jurisdiction that His Honor Judge Lynn followed in the
5 *Pilgrim's* case. There was a similar objection made by the
6 United States Trustee and certain other plaintiffs' counsel in
7 existing suits in that case, and Judge Lynn essentially
8 bifurcated the form of retention of jurisdiction provisions in
9 the PPC plan to provide for certain forms of jurisdiction where
10 the Court would retain, subject to his exercise thereof,
11 jurisdiction over actions relating to, you know, the Chapter 11
12 and arising under the Bankruptcy Code, and then there would be
13 a further jurisdiction carve-out, which is essentially a
14 separate section, where, to the extent appropriate and under
15 the Bankruptcy Code, that the Court would retain that form of
16 jurisdiction. The revised form of plan that we handed up
17 earlier -- I'm not sure if Your Honor has a copy of that.

18 THE COURT: I do.

19 MS. LARSON: Okay. We have similarly bifurcated into
20 new Sections 12.1 and 12.2, a retention of jurisdiction section
21 that we believe comports with *Pilgrim's*. Ms. Lambert is in the
22 courtroom today, and I think does have one further statement
23 with respect to that section.

24 THE COURT: Okay. Ms. Lambert?

25 MS. LAMBERT: Lisa Lambert for the United States

1 Trustee.

2 Judge Jernigan, the issue in this case was that the
3 original provision said that the Bankruptcy Court would
4 exercise exclusive jurisdiction over defined issues. And the
5 Bankruptcy Court was defined as including Article III courts,
6 too. But the possibility was that there were concurrent
7 jurisdictional issues specifically with respect to government
8 claims like environmental claims that might be raised,
9 something like that. So we went back and used the language
10 from *Pilgrim's Pride*, and Judge Lynn had used language that, on
11 the one hand, talks about the presumption -- it's basically a
12 presumption that the Court is going to exercise jurisdiction
13 and that jurisdiction is proper. And then the second clause is
14 there's concurrent jurisdiction and the Court may exercise
15 jurisdiction.

16 And so the one outstanding -- they have, as Weil mentioned,
17 they worked hard and they have divided the language into the
18 two subparagraphs, as Judge Lynn had it in *Pilgrim's Pride*.
19 And the one question that the United States Trustee still had
20 is in Paragraph I, which you'll find on Page 32, beneath
21 Paragraph I is a channeling injunction which the Court imposed
22 in *Pilgrim's Pride* to hear specific issues. But up above, it
23 has, "To hear and determine all disputes involving the
24 discharge injunctions and exculpations." And because of the
25 nature of this case, I don't know whether it -- it's really an

1 issue for the Court to determine in its discretion. Does the
2 Court intend for the next five years to have exclusive
3 jurisdiction or primary jurisdiction? And surely, primary
4 jurisdiction over these things, make everybody come here and
5 say, "You have to go to state court"? Or should it be in the
6 other section, where there would be concurrent jurisdiction and
7 the Bankruptcy Court might exercise jurisdiction but would be
8 okay with a state court or another federal court interpreting
9 the scope?

10 THE COURT: Okay. So the Court is asked -- you're
11 asking the Court for resolution at this time?

12 MS. LAMBERT: It's really a matter for the Court's
13 discretion, and the United States Trustee pointed it out
14 because sometimes the Court is not so happy when, two years or
15 three years down the road, somebody comes in on an
16 interpretation of the discharge. They don't want to hear it.
17 So --

18 THE COURT: All right. Well, the way that this fourth
19 amended plan looks acceptable to the Court, and I think would
20 be acceptable to Judge Lynn, so I'm willing to go with it the
21 way you have it. Okay.

22 MS. LARSON: Thank you, Your Honor. And I believe
23 that resolves the United States Trustee's objection, Your
24 Honor.

25 THE COURT: All right.

1 MS. LARSON: Together with the prior stipulations.

2 The next set of objections, Your Honor, are more cure-
3 related objections. The first cure-related objection was that
4 of New Era Cap, and that was Docket #307. New Era objected to
5 the proposed form of cure amount. I can go through the
6 specific terms, Your Honor, but it's probably best to cut to
7 the chase, if you'd like.

8 THE COURT: If you would.

9 MS. LARSON: The proposed -- there is a proposed form
10 of stipulation as to cure amounts and set-off issues that will
11 go back and forth between New Era Cap and the Debtor, and that
12 form of agreed order will be handed up. Actually, it's been
13 uploaded for the Court's approval.

14 THE COURT: Okay. Do we have counsel here to confirm?

15 MR. KANE: Yes. Yes, Your Honor.

16 MS. LARSON: Yes. I apologize.

17 MR. KANE: John Kane for New Era Caps. We've reviewed
18 the -- we obviously have agreed to the stipulation and will
19 withdraw our objection upon filing.

20 THE COURT: Okay. Very good.

21 MR. KANE: Thank you.

22 MS. LARSON: Also, Your Honor, there was an objection
23 filed by Concussion, LLP. Concussion requested in its
24 objection confirmation that the sponsorship agreement would be
25 assigned to the purchaser. We have confirmation from

1 Concussion's counsel that, based upon our confirmation that the
2 sponsorship agreement at issue will be assumed and assigned to
3 purchaser, that the objection is resolved.

4 THE COURT: Okay. Very good.

5 MS. LARSON: The next objection was that filed by
6 Kone, K-O-N-E, Inc. Kone requested that the cure amounts in
7 Kone's contract be revised as well. Kone has agreed to a form
8 of stipulation, and that will be uploaded as well with respect
9 --

10 THE COURT: Okay. Very good.

11 MS. LARSON: I'm not sure if -- I don't believe Kone's
12 counsel is here today, Your Honor.

13 THE COURT: Okay.

14 MS. LARSON: But I was able to confirm with counsel
15 earlier this morning.

16 THE COURT: Okay.

17 MS. LARSON: There was an objection that was filed by
18 Alex Rodriguez which was Docket 447. I think some of the
19 context of that objection with respect to the plan and, as we
20 were discussing, whether or not player agreements, whether
21 there'd be any retention of cause of action there, I think that
22 will all be discussed once we have some resolution on a form of
23 language --

24 THE COURT: Okay.

25 MS. LARSON: -- when we discuss the Committee's

1 objection. So I'll carry that.

2 THE COURT: Okay.

3 MS. LARSON: But, additionally, with respect to Mr.
4 Rodriguez's objection, --

5 MR. LAURIA: Excuse me. Is there an open issue on the
6 current or former players? Because I thought we resolved that
7 with Judge Lynn on the record.

8 MS. LARSON: I thought that we were going to agree
9 upon language. If you don't think it's necessary, that's fine.

10 MR. LAURIA: Well, I just want to be clear that we're
11 not reopening an issue that we just resolved with Judge Lynn on
12 the record.

13 MS. LARSON: We have no intent to reopen the issue.

14 THE COURT: Mr. Lauria had announced that 13.5 had now
15 been amended and was agreed to by all, that there would not be
16 a retention of claims and causes of action as to current and
17 former players.

18 MR. SOSLAND: To clarify, Your Honor, there is no --
19 there is an agreement. The language hasn't been drafted yet.
20 Just so that --

21 THE COURT: Okay.

22 MR. SOSLAND: That -- so --

23 THE COURT: The concept is agreed to, subject to
24 wordsmithing?

25 MR. SOSLAND: Correct, Your Honor.

1 THE COURT: Okay.

2 MR. LAURIA: Thank you.

3 MS. LARSON: Thank you, Your Honor.

4 Additionally, with respect to Mr. Rodriguez's objection,
5 the Debtors would also like to supplement the declaration of
6 Ms. Kellie Fischer, if Your Honor would allow, with an oral
7 proffer.

8 THE COURT: Okay.

9 MS. LARSON: If called to testify, Ms. Fischer would
10 further testify that the asset purchase agreement with the
11 purchaser requires the assumption and assignment under 365 of
12 the Alex -- of the contracts with Alex Rodriguez, and
13 including, Your Honor, any other player contracts, just to be
14 -- for the sake of clarification. Ms. Fischer would further
15 testify that she understands that the assumption and assignment
16 proposed under the plan is being done in accordance with
17 Section 365, and that the assumption and assignment of the
18 player contracts is in the best interests of the estate.

19 THE COURT: Okay. Does that conclude the
20 supplementation?

21 MS. LARSON: Yes, it does, Your Honor. That concludes
22 the proffer.

23 THE COURT: Is Ms. Fischer in the courtroom to swear
24 to that?

25 MS. LARSON: Yes. She's right here in the front row,

1 Your Honor.

2 THE COURT: All right. Ms. Fischer, if you could just
3 stand and raise your right hand. Do you swear the supplemental
4 proffer just made, as well as any further statements you may
5 give the Court, was and will be the truth, the whole truth and
6 nothing but the truth, so help you God?

7 MS. FISCHER: I do.

8 THE COURT: Okay. Did anyone wish to cross-examine on
9 this?

10 MR. LEBLANC: No, Your Honor.

11 THE COURT: Okay. Thank you.

12 MS. LARSON: Your Honor, the next objection relating
13 to cure was filed by the Office of the Commissioner of
14 Baseball. Again, Your Honor, the objection was due to the fact
15 that the cure amounts are not known at this time, are still
16 being worked through. The Debtor is currently reviewing the
17 cure amounts proposed by the Commissioner's Office, and we
18 anticipate entering into a stipulation in the future to resolve
19 the objection.

20 THE COURT: Okay.

21 MS. LARSON: The remainder of the documents that were
22 -- or pleadings that were filed in respect of confirmation,
23 Your Honor, were more along the lines of reservation of rights
24 agreements, and those would be that filed by Major League
25 Baseball Players Association, Docket 449, the Office of the

1 Commissioner of Baseball at 450, and the City of Arlington and
2 Arlington Sports Facilities Development Authority's at Docket
3 457. And I think at the conclusion of the auction, the naming
4 of Rangers Baseball Express as the purchaser, I think each of
5 these have probably, to the -- obviously, their rights are
6 reserved, but to the extent there's any objection thereunder,
7 that those issues have been resolved.

8 THE COURT: Okay. Do we have counsel to confirm that?

9 MR. SELTZER: Yes. Very briefly, Your Honor, my name
10 is Richard Seltzer of the firm of Cohen Weiss & Simon. I
11 represent the Major League Baseball Players Association.

12 First, I'd like to add our congratulations to Rangers
13 Express as well for the successful bid. We, dependent on the
14 right words being added to 13.5 -- we understand that that
15 should be fairly simple -- we support confirmation. The plan
16 provides for the assumption of the collective bargaining
17 agreement, the individual player contracts, and all
18 responsibilities and all related payments to pay players and
19 former players, including deferred compensation. Section 9.2
20 of the plan provides that -- the plan and the asset purchase
21 agreement provides that a condition to closing to the seller,
22 for the seller, is the funding of escrow for deferred
23 compensation. The amount involved is calculated by the team
24 and provided to Major League Baseball, but we are informed that
25 the amount is in the general range of \$44-1/2 to \$50 million.

1 I might say, finally, Your Honor, that until peace broke
2 out this morning on all sides, the only thing that everyone
3 agreed to up to now, I think, in this case is that the real
4 value of this team was in its players. The Players Association
5 looks forward to the Rangers franchise emerging from
6 bankruptcy, continuing as a competitive club composed of a
7 group of really top-notch players.

8 Thank you.

9 THE COURT: Okay. That's very nice. Thank you.

10 MR. SHIMSHAK: Good morning, Your Honor. Steve
11 Shimshak; Paul Weiss; for the Office of the Commissioner of
12 Baseball.

13 As Ms. Larson reported, we have reserved our rights. It's
14 really for purposes of reviewing the final form of the plan and
15 the confirmation order and the resolution of the matters
16 concerning cure that she alluded to earlier. We're confident
17 we're going to work through all of that.

18 THE COURT: Okay.

19 MR. SHIMSHAK: Thank you, Your Honor.

20 THE COURT: Very good. Thank you. All right. Do we
21 have City of Arlington? I guess not. Okay.

22 MR. TAYLOR: What she announced is correct, Your
23 Honor.

24 THE COURT: Okay.

25 MR. TAYLOR: Clay Taylor, on behalf of the City.

1 THE COURT: Very good.

2 MS. LARSON: Thank you, Your Honor. That concludes my
3 presentation with respect to objections, Your Honor. I think I
4 would cede the podium to Mr. Sosland.

5 THE COURT: Okay.

6 MS. LARSON: Thank you very much.

7 MR. SOSLAND: Your Honor, if you would indulge us, I
8 think we made a lot of progress during the last recess, but at
9 least from the Debtor's side we had three different people
10 working in three different directions, and there were caucuses
11 among others as well. If we could have another brief recess in
12 order to accumulate all of our notes on whether we've reached
13 agreement or what we need to advise the Court may need to be
14 ruled on in the future, I think we'd have a much more efficient
15 presentation going forward.

16 THE COURT: Okay. Very good. All right. Well, we'll
17 plan on, what, a 30-minute approximately recess? Or do you
18 think --

19 MR. SOSLAND: I think 30 minutes should work, or if
20 that's not the case we'll advise Your Honor. And if we can
21 finish more quickly than that, we'll advise Your Honor.

22 THE COURT: Okay. Well, we stand by ready.

23 MR. SOSLAND: Thank you.

24 THE COURT: Okay. We're in recess.

25 THE CLERK: All rise.

1 (A recess ensued from 11:26 a.m. until 2:27 p.m.)

2 THE COURT: Please be seated. All right. We are
3 going back on the record now in the Texas Rangers confirmation
4 hearing.

5 Let's be clear for the record. When we last recessed, we
6 had taken in all of the confirmation evidence. We of course
7 had heard about the results of last night's auction. We heard
8 about the resolution of numerous objections to the Debtor's
9 plan, except for maybe the Unsecured Creditor Committee
10 objection. And the report was from Mr. Sosland that we had
11 just a handful of wordsmithing issues that needed to be
12 resolved before the Court would be in a position to formally
13 rule on confirmation. Specifically, the wordsmithing issues
14 remained as to Sections 6.2(c) of the plan, 11.7 and 13.5.
15 Those were the primary ones, and some odds and ends elsewhere.

16 So, Mr. Sosland, are you ready to hopefully announce
17 success in resolving the wordsmithing, or does the Court need
18 to perhaps help the parties in that regard?

19 MR. SOSLAND: Your Honor, I'm prepared to announce a
20 success.

21 THE COURT: Okay.

22 MR. SOSLAND: Over the course of the recess that the
23 Court generously granted to the parties, we worked through the
24 language, and I believe Your Honor has a handwritten copy of --

25 THE COURT: I do.

1 MR. SOSLAND: -- a marked-up plan that reflects the
2 agreement of the First and Second Lien Lenders and the Debtors
3 and the other parties to various provisions.

4 Now, with regard to one of those -- there may be more than
5 one, but in particular with regard to Section 13.5 and the last
6 sentence that was added to that, --

7 THE COURT: Okay.

8 MR. SOSLAND: -- there is a slightly-revised version
9 since your -- that's been signed off on by all of the parties.
10 If you'd like, we can read it, or I can hand it to you,
11 although this is our only current copy of it.

12 THE COURT: Okay. Why don't you just read it?

13 MR. SOSLAND: Okay. So the last sentence would read,
14 in its entirety, "Notwithstanding anything contained in this
15 Section 13.5, TRBP and its estate shall not retain any claims,
16 rights or causes of action, suits and proceedings, whether in
17 law or equity, whether known or unknown, in respect of any" --
18 maybe I do need your help. Excuse me, Your Honor.

19 MS. LARSON: "...in respect of any payment made to or
20 for the benefit of the holder of any assumed general unsecured
21 claim, including without limitation any such claim held by a
22 former or present employee or a former or present player of..."

23 MR. SOSLAND: "...of TRBP or the Texas Rangers Major
24 League Baseball Club."

25 THE COURT: Okay.

1 MR. SOSLAND: "...or the -- against Kellie Fischer,
2 Nolan Ryan or any employee of TRBP who shall become an officer
3 or employee of the purchaser upon the effective date."

4 THE COURT: All right.

5 MR. SOSLAND: Your Honor, the handwritten revisions
6 are in the process of being typed so they can be put into a
7 conformed plan that would be attached to a confirmation order.
8 We also earlier in the day presented a form of confirmation
9 order. In conformity with the official form and rule, we've
10 added an additional sentence requested by the United States
11 Trustee that makes clear that the -- that TRBP will pay the
12 U.S. Trustee fees through the closing of the Chapter 11 case,
13 the closing of the case.

14 I believe the UST has -- Ms. Lambert on behalf of the
15 United States Trustee had commented to another section in the
16 order that was requested by the purchaser. And since the
17 purchaser isn't here, that conversation may have to -- unless
18 the purchaser has come in. That's why I was looking behind me,
19 Well, if they come in, I'm happy for her to raise that.

20 Your Honor, we're ready to proceed, and after -- I'll yield
21 the podium, but what we would propose, Your Honor, we've
22 presented -- we rest. We've presented all of our evidence. We
23 believe that the evidence that we've presented to the Court in
24 the form of the declarations -- the testimony of Mr. Franks and
25 Ms. Fischer and Mr. Cofsky, as well as the full record in the

1 case, support confirmation of the plan. All objections at this
2 point have been resolved. We would ask the Court to confirm
3 the plan.

4 THE COURT: Okay. Ms. Lambert, you were going to
5 address the issue with Baseball Express for the confirmation
6 order?

7 MS. LAMBERT: Yes, Judge Jernigan. Did you want me to
8 articulate that now, or wait until they arrive, or --

9 THE COURT: Well, I'm trying to understand what the
10 deal is on where they are.

11 MR. PROSTOK: Your Honor, my understanding is they're
12 on their way. I don't -- I think there must have been some
13 kind of miscommunication about when this hearing was going to
14 resume. But Mr. -- my understanding is Mr. Averch will be here
15 very shortly. And I don't know if he -- if everything is
16 resolved on their end or not. I'm assuming it is, but I don't
17 know.

18 THE COURT: Okay.

19 MR. PROSTOK: I've just been informed that it's not.

20 THE COURT: Okay.

21 MS. LAMBERT: They're not aware of this issue because
22 they left before I had an opportunity to look at the
23 confirmation order, and so we haven't had an opportunity to
24 discuss it yet.

25 THE COURT: Okay. Why don't we wait a minute and hope

1 that Mr. Averch is about to walk in at any moment? And we'll
2 just hear from other parties any stragglng issues that they
3 have.

4 MS. O'NEIL: Your Honor, just in the -- since we're
5 waiting, I just wanted to raise an -- it's not really an issue.
6 It's what we've agreed to, but I wanted to get the Court's --
7 well, you don't have to give a thought on it, but I just want
8 to raise it with you.

9 We have provided -- the plan obviously had provided for
10 reservation of causes of action, which we think are
11 significant. And the -- because of the pace at which we are
12 moving and have moved, the agreement that we've reached is to
13 at this time refer -- and I'm going to look at Mr. Sosland, if
14 I say this wrong, to correct me -- to refer to a schedule that
15 will be referred to and be part of the order. We will then
16 have prepared that schedule as a document that may be filed
17 next week, but it will be part of the confirmation order that's
18 entered today. Otherwise, we're going to have to wait and let
19 us get this schedule more -- did I say that -- did I say that
20 the converse? We're -- I'm sorry. I haven't had a lot of
21 sleep, Your Honor, --

22 THE COURT: Okay.

23 MS. O'NEIL: -- so I need all the help I can get.

24 THE COURT: All right. Well, we just --

25 MR. SOSLAND: None of us has, Your Honor.

1 THE COURT: Yes.

2 MR. SOSLAND: The schedule, it's actually a schedule
3 to the plan.

4 THE COURT: Okay.

5 MR. SOSLAND: In 13.5, there's a reference to a
6 schedule that would describe with more specificity than
7 currently it's described the causes of action to be retained by
8 TRBP post-confirmation. And the proposal, Your Honor, is that
9 we could have the confirmation order entered confirming the
10 plan and subsequently file the schedule with the Court as
11 quickly as it can be prepared but not hold up entry of the
12 confirmation order waiting for the description of the schedule.
13 We didn't want to jam the people who wanted to look at that,
14 Your Honor.

15 THE COURT: Okay. So just to be clear, 13.5 provides
16 for the general retention of claims and causes of action of the
17 Debtor, of the retention in the estate of those, including but
18 not limited to a Schedule 13.5 which is going to be filed early
19 next week as a supplement to the plan, but then we have this
20 rider that does the opposite and excludes certain causes of
21 action that are not retained?

22 MS. O'NEIL: I think you've got it.

23 THE COURT: Okay.

24 MS. O'NEIL: I think you've said it better than I
25 think any of the rest of us could have.

1 THE COURT: Well, I guess I got sleep last night,
2 unlike you all. All right. Well, that certainly seems to work
3 to the Court. Does anyone have anything to say on that,
4 though?

5 MR. ESSERMAN: Yes, Your Honor. Sandy Esserman for
6 MLB. I don't have any problem with the general principle
7 that's just been outlined. We would just want to see that
8 schedule prior to it being submitted to the Court for
9 execution. We may or may not have comments on it. We don't
10 know what it says. So, --

11 THE COURT: Okay. So you want to see it prior to it
12 being filed, not prior to the Court signing --

13 MR. ESSERMAN: Yes.

14 THE COURT: -- an order that contemplates it?

15 MR. ESSERMAN: Correct.

16 THE COURT: Okay. All right.

17 MS. O'NEIL: Your Honor, I would assume all the
18 parties -- and that's part of, you know, the -- it's the
19 timing. The buyer understandably needs an order entered. That
20 is going to be a fairly significant schedule. But we don't
21 want to delay what they need to get closed on the transaction,
22 which should really not have much to do with this particular
23 schedule. Shouldn't have anything to do with the schedule,
24 maybe. So we're just trying to, you know, accommodate both of
25 these significant interests, and that's at least -- I think

1 we've come to that conclusion that should work under even the
2 existing case law on that issue. But if the Court thinks
3 there's -- that poses any kind of problem, we'd like to know it
4 now and then we'll try to figure out what the next step is.

5 THE COURT: Okay. Mr. Chevallier, did you want to be
6 heard on this issue?

7 MR. CHEVALLIER: Yes.

8 THE COURT: Go ahead.

9 MR. CHEVALLIER: Just for purposes of clarification of
10 the record, Your Honor, I earlier made an appearance on behalf
11 of Ballpark Real Estate, LP, but these remarks direct
12 themselves to Mr. Hicks, and I'm also appearing at this point
13 on behalf of Mr. Hicks and Hicks-affiliated entities as well,
14 as co-counsel with Mr. LeClair at McKool Smith in that regard.

15 There have been changes that have been made to the plan
16 with respect to indemnities and exculpations that have been
17 made today. We understand that, and I'm not standing before
18 the Court to argue with respect to those. I am standing before
19 the Court to say that Mr. Hicks and Hicks-affiliated entities,
20 you know, reserve all of their defenses and claims that may be
21 extant at this point in time. They're unrelated to
22 confirmation of the plan, the plan will be confirmed, but we
23 simply reserve all rights in that regard on behalf of those
24 entities.

25 And with respect to the list that's being described here

1 today, I think it's probably likely that Hicks-affiliated
2 entities will appear prominently on such lists, and we
3 certainly want the opportunity to see it as well, as requested
4 by Major League Baseball.

5 Finally, Your Honor, this is a separate housekeeping issue,
6 and I can save it if there's anyone else who wants to address
7 this particular one at this point in time.

8 THE COURT: Okay. Let's see. Does anyone else want
9 to address the process of the schedule?

10 MR. FINE: Your Honor, at some convenient point,
11 because -- I'm sorry. Your Honor, for the record, Jeffrey Fine
12 on behalf of the Unsecured Creditors' Committee. This may be
13 as convenient a point to do this as any other.

14 We had filed a limited objection to the plan that in large
15 part revolved around the very issues being discussed now on
16 this Paragraph 13.5. In particular, we were very concerned
17 that the plan leaves unimpaired unsecured creditors, with full
18 payment, 100 percent plus interest, and yet there was a
19 retention of causes of action that seemingly would allow
20 certain parties to come back against those very creditors. We
21 discussed those issues with the CRO and others, and were told
22 that that's exactly what they intended to do.

23 And so the genesis, just so the Court is aware, the genesis
24 especially of the last sentence of Paragraph 13.5 that excludes
25 those holders of assumed general unsecured claims is very

1 important and very relevant to the Committee.

2 And that in large part takes care of the Committee's
3 concerns regarding the plan. We wanted you to be aware of
4 that.

5 But we also likewise would like to see this supplemental
6 list or schedule, and we'd just like to see it when it's
7 circulated. We assume we won't have any problem with it, but
8 it's hard to comment on something we haven't seen.

9 THE COURT: Okay.

10 MR. FINE: Thank you, Your Honor.

11 THE COURT: All right. So, another party who wants to
12 see it before it's filed.

13 All right. Any other comments on this 13.5 schedule?

14 Let me just make sure I'm 100 percent clear on the notice
15 there has been and will be. The plan as it originally went out
16 had the broad language of 13.5 preserving causes of action and
17 claims in the estate. And then now we have, as we earlier
18 said, contemplated this rider that excludes out certain claims
19 and causes of action that in fact will not be retained, the
20 ones as to employees, players, assumed general unsecured
21 claims, certain officers and directors. And then there will be
22 the bolstering of 13.5 with this new Schedule 13.5.

23 I'm just trying to make sure I'm clear, Mr. Sosland, on how
24 the universe has changed from what went out to creditors to
25 vote on.

1 MR. SOSLAND: Well, I think --

2 THE COURT: You started out retaining everything,
3 right? Or no?

4 MR. SOSLAND: I think, well, we retained everything,
5 but retaining causes of action and actually bringing them are
6 two completely different things.

7 THE COURT: Right.

8 MR. SOSLAND: And not -- I should say, not
9 insignificantly. Very significantly, the plan has to be
10 acceptable to the purchaser with regard to items that relate to
11 the purchaser or the purchaser doesn't -- which is a provision
12 in the asset purchase agreement, or the purchaser doesn't have
13 to close on the asset purchase agreement. So, the asset -- so,
14 what's carved out -- let's talk about what's carved out in the
15 last sentence of Section 13.5. The assumed liabilities are the
16 ordinary course -- are basically the ordinary course vendor
17 relationships of the Texas Rangers Major League Baseball Club,
18 which is the club that the TRBP operates, right? And it's all
19 of its obligations -- includes, among other things, all of its
20 obligations under the collective bargaining agreement that all
21 of the MLB clubs and the Players Association, which is here in
22 the courtroom, are a party to. And it's a requirement for any
23 transfer of ownership of a baseball club, Major League Baseball
24 club, that those be assumed. And because of probably things
25 were batted around in conversation, it became very important to

1 a number of people, including the purchaser, and you did hear
2 Mr. Lauria earlier, --

3 THE COURT: Right.

4 MR. SOSLAND: -- that that be carved out.

5 THE COURT: Right.

6 MR. SOSLAND: With regard to -- and then it also
7 includes the rank and file employees. There are only two
8 officers of the existing debtor who would be officers -- the
9 changed language that I read takes out -- deletes the existing
10 officers as a generic concept and replaces it with two names.
11 Those names are Nolan Ryan, the current President of the club,
12 --

13 THE COURT: Right. And Kellie Fischer.

14 MR. SOSLAND: -- and Kellie Fischer, who testified,
15 the current Chief Financial Officer. They will continue in
16 those respective roles with the purchaser. And it's important
17 to the purchaser that no causes of action be brought against
18 them that would relate to these. So they are the only officers
19 who are protected by this provision, Your Honor, and there are
20 no directors or others of that ilk who are protected. So
21 that's the genesis.

22 And in terms of the likelihood that anyone was looking to
23 recovery on any of these claims, I would say in my opinion that
24 that's remote, --

25 THE COURT: Okay.

1 MR. SOSLAND: -- that no one would have expected these
2 claims to have been pursued.

3 I think that the claims that are being retained generally
4 that will include those on the Schedule 13.5 to be filed,
5 that's -- those are the claims where creditors may in fact be
6 contemplating that there will be, you know, additional sources
7 of recovery, without prejudice to the rights of any -- to any
8 defenses in that claim, but those are the claims that would
9 have been contemplated to be pursued.

10 THE COURT: Okay. Really, those claims, the ones on
11 the schedule, is more what I was concerned about. Were there
12 creditors who thought causes of action against them were not
13 being retained and now they're going to show up on a Schedule
14 13.5 after the Court has approved the plan that went out for a
15 vote? But that's not a possibility?

16 MR. SOSLAND: Well, the Lenders, I think, in the first
17 instance, are going to prepare the schedule. But backing up
18 for a minute, part of your question was "entitled to vote."
19 Ultimately, Your Honor, the only -- all of the creditors were
20 unimpaired --

21 THE COURT: That's right.

22 MR. SOSLAND: -- and the only party who voted on the
23 plan was the Chief Restructuring Officer --

24 THE COURT: That's right.

25 MR. SOSLAND: -- on behalf of Equity.

1 THE COURT: That's right.

2 MR. SOSLAND: So to the extent you're referring to the
3 case on --

4 THE COURT: Okay.

5 MR. SOSLAND: -- misleading creditors who vote, that's
6 not really applicable in this case.

7 THE COURT: Okay. That's right. All right. Is there
8 anyone else who wanted to be heard with regard to the 13.5
9 modifications?

10 (No response.)

11 THE COURT: All right. Well, just to be clear, the
12 Court is fine with not only the proposed rider language but is
13 fine with the concept of the Schedule 13.5 that is going to be
14 filed early next week. And as I understand it, you're going to
15 file the fourth amended plan, you're going to file it before
16 the Court signs an order, and it will reference the schedule to
17 be filed. So there will be a trail, so to speak, where people
18 can go back and know to look for the schedule. And again,
19 these people who have spoken up will be entitled to see it
20 before it's filed.

21 All right. Well, we have some other stray issues, I know,
22 that people wanted to address. Mr. Chevallier, do you want to
23 go ahead with your other issues?

24 MR. CHEVALLIER: Thank you, Your Honor. This issue
25 does relate to Ballpark Real Estate, LP. The Court may have

1 been aware that, initially, at the time the case was filed,
2 there was actually a land sale agreement by which my client was
3 going to sell certain land that it owned and leased to the
4 purchaser, Express. That land sale agreement was terminated
5 prior to the auction by mutual agreement of the parties, and at
6 the auction Express bid on the basis of assumption of what has
7 been called in the various pleadings the "Memorandum Regarding
8 Existing Land Use Agreement." So, that contract was originally
9 an excluded contract because the land sale agreement dealt with
10 any issues that would have otherwise been dealt with under the
11 land use agreement.

12 The APA has had to be amended to reflect that change
13 because of, previously, there were references to the land sale
14 agreement; now there is an assumption of the land use
15 agreement. We simply haven't seen the amended APA yet. And
16 that's understandable. I mean, we finished late last night and
17 the parties are -- as I understand it, the transactional folks
18 are working to get all of that done. So, and also because it
19 wasn't an assumed contract pursuant to the plan, you know,
20 there wasn't a cure provision for us to object to with respect
21 to that particular contract.

22 My understanding is that the numbers have all been talked
23 about, because to a large degree most of these were addressed
24 in the land sale agreement anyway. But we simply wanted to
25 reserve our rights until we've actually seen the amended asset

1 purchase agreement, so that we can see in writing that what we
2 understand to be the case has in fact occurred with respect to
3 assumption of that agreement. And to the extent we have any
4 issues with respect to cure, we can come back to the Court
5 after the confirmation order is entered with respect to those,
6 because they don't -- the purchaser, under the terms of the
7 APA, agrees to pay the cures. They're not coming out of the
8 proceeds from the estate. And we can always deal with that
9 subsequently if there is an issue, but I don't expect that
10 there will be one.

11 THE COURT: All right. Does anyone want to respond to
12 that? Mr. Kinvig?

13 MR. KINVIG: Very briefly, Your Honor. Cameron Kinvig
14 on behalf of the agent bank that holds an interest in BRE's
15 interest in the parking lot land. And I would simply echo what
16 Mr. Chevallier said. We'd just like to reserve our rights and
17 look at the language, but I don't anticipate there would be a
18 problem.

19 THE COURT: Okay. Thank you.

20 MR. CHEVALLIER: I'm going to have to correct one
21 thing Mr. Kinvig just said.

22 THE COURT: Okay.

23 MR. CHEVALLIER: His client does not have any direct
24 liens with respect to this land. They may have liens against
25 parties who own interests, but not the actual land. I think he

1 may have stated that differently on the record.

2 THE COURT: Okay. I wasn't going to make a finding
3 about that, so --

4 MR. KINVIG: Yes, Your Honor. Yeah. We have an
5 interest -- several interests, including economic interests and
6 otherwise, in his client, who has an interest in the BRE --

7 THE COURT: Okay. All right. Who else wishes to be
8 heard? Mr. Fine, did you have other issues, or are we done
9 with you? I don't mean to sound so negative, but --

10 MR. FINE: Your Honor, I probably do have issues, but,
11 no, I -- no, Your Honor, I don't really have any remaining
12 issues.

13 There had been other matters that we had raised in our
14 limited objection, but I believe they've all been addressed in
15 various ways in these modifications to the plan. And we're
16 satisfied with the plan. Of course, we haven't seen the actual
17 final product typed up, but we assume it will look the same as
18 what we've viewed right before the hearing. And so I don't
19 believe we have any further objections or issues with
20 confirmation.

21 Thank you, Your Honor.

22 THE COURT: All right. Well, I see Mr. Averch has
23 made it in.

24 We started without you. We have just been hearing a report
25 about the various loose ends that now seem to be resolved. But

1 there was at least one thing we very much needed you for, and
2 that was something the U.S. Trustee wanted to talk about.

3 MR. AVERCH: Yes, Your Honor, on the successor
4 liability.

5 First of all, Your Honor, I apologize to the Court, sincere
6 apology to the Court as well as my colleagues about my delay.
7 If I can have maybe a two-minute recess to work it out with Ms.
8 Lambert on the successor liability provisions, I believe we'll
9 be able to come to a resolution.

10 THE COURT: Okay. Did you say a two-minute or ten-
11 minute?

12 MR. AVERCH: Why don't we go for ten minutes?

13 THE COURT: Okay. We'll do that in just a minute.
14 But before we do that, I do want to follow up. I did review
15 the mark-up of the fourth amended plan in chambers, and I just
16 wanted to follow up on a couple of things. 6.2(c) was, of
17 course, one of the provisions you all were going to wordsmith
18 during the break. That, of course, is a provision that
19 addresses the post-effective date management. It originally
20 was worded so that the post-effective date management of the
21 Debtor would be disclosed on or prior to the confirmation date.
22 Now it looks like you've got language in there where the Debtor
23 shall designate the post-effective date management subject to
24 the consent of the Lenders. On the other hand, I've heard it
25 represented that Ryan and Fischer are the only ones at this

1 point that are contemplated. But, of course, that's -- I guess
2 the purchaser would be taking them on, not the --

3 MR. SOSLAND: Your Honor, what's contemplated is that
4 there will be an independent person not --

5 THE COURT: Just a person?

6 MR. SOSLAND: -- previously affiliated with TRBP
7 that's acceptable to the Lenders who will fill the role of
8 running what's left of TRBP after the completion of the sale
9 and the consummation on the effective date.

10 THE COURT: Okay.

11 MR. SOSLAND: And although we may know that person, it
12 hasn't quite been finalized, so since we don't know that
13 person's identity, we put it in the plan as we did. That
14 provision is being put in negotiated with and with the consent
15 of the First and Second Lien Lenders, their agents, the parties
16 who have participated in the case. To the extent there's
17 anything to do, it would be, well, ultimately for the benefit
18 of the Equity, since the direct creditors of the estate have
19 been paid in full, but those are the people who -- the Equity
20 -- they basically are the Equity's creditors. And so I think
21 the interests of the people who will indirectly own TRBP -- the
22 interests of -- the indirect economic interests in TRBP will be
23 involved in who that person is and they consent to that
24 provision, so I think their rights are protected.

25 THE COURT: Okay. So one independent person not

1 affiliated with the former Debtor, to be consented to by the
2 Lender. And then we have Mr. Ryan and Ms. Fischer going on
3 with the purchaser? Okay. Mr. Fine?

4 MR. FINE: Your Honor, if I just might, just to point
5 out to the Court that the primary job of this post-effective
6 date person who's going to be in charge of the Debtor is to
7 deal with distributions of the proceeds from the sale. Since
8 there will be some claims that are not going to be assumed by
9 the purchaser, the plan just provides that person has to make
10 appropriate reserves to hold back money. And it's our common
11 understanding that that is what is going to occur, and that's
12 one of the primary jobs of that person, who's going to be
13 deemed by the Lender parties and the Debtor.

14 THE COURT: Okay.

15 MR. FINE: Thank you, Your Honor.

16 THE COURT: Thank you. All right. So we've talked
17 about 6.2(c). We've talked about 13.5. 11.7 was the other one
18 highlighted before the break. That was the indemnification
19 section that provided for the Debtor's indemnification
20 obligations as to officers to remain intact. Now that is gone,
21 and it looks like we have a 9.1(c) schedule that has been added
22 on. Correct? Mr. Sosland, why don't you make sure I'm clear
23 on what has happened?

24 MR. SOSLAND: Ms. Larson will address that, Your
25 Honor.

1 THE COURT: Okay. Okay.

2 MS. LARSON: Yes, Your Honor. Michelle Larson for the
3 Debtor.

4 You are correct, Your Honor, that 11.7 will be deleted in
5 its entirety. What -- 9.1(c) was essentially the limited set
6 of contracts that the Debtor was affirmatively rejecting under
7 the plan. That list of contracts, 9.1(c), will actually be
8 supplemented. It will be supplemented to include what's been
9 defined in the plan as the interim agreement, which is an
10 agreement between the Debtor and MLB, and it will also include
11 individual indemnification agreements between TRBP and Thomas
12 Hicks, Mack Hicks, Laurie McCutchen, and Joseph Armes. Those
13 agreements will also be specifically rejected agreements under
14 the plan, and of course will be given proper notice of
15 rejection pursuant to the terms of the plan.

16 THE COURT: Okay. Thank you for clarifying that.

17 MS. LARSON: Sure.

18 THE COURT: Does anyone want to be heard on that?

19 MR. ESSERMAN: Not on this issue, Your Honor. When we
20 take the break, would you mind, since the last remaining issue
21 doesn't involve Major League Baseball and involves the U.S.
22 Trustee, I think, with the purchaser, would you mind if we were
23 excused?

24 THE COURT: I would not mind at all.

25 MR. ESSERMAN: Thank you.

1 THE COURT: I think some of us are jealous of you for
2 being excused. Thank you, Mr. Esserman.

3 All right. Well, really, those are the only questions the
4 Court had. And I will say that, subject to hearing about
5 whatever this open issue may be between the U.S. Trustee and
6 the -- well, let me -- I'm sorry. I did have one other thing I
7 forgot about.

8 11.4, Mr. Sosland, I think I would be remiss if I didn't
9 ask you about this. The exculpation provision, we have now
10 added Baseball Express as a party, in addition to the Debtor
11 and Committee, as getting an exculpation regarding what appears
12 to be postpetition acts. You of course were involved in
13 *Pilgrim's Pride*, where I think maybe Judge Lynn addressed his
14 view of *Pacific Lumber* and what it bars and what it doesn't.
15 Could you satisfy me that we aren't running afoul of *Pacific*
16 *Lumber* with the addition of Baseball Express?

17 MR. SOSLAND: Yes, Your Honor. Baseball Express, as
18 the winning bidder at last night's auction, --

19 THE COURT: Right.

20 MR. SOSLAND: -- is paying almost \$600 million --

21 THE COURT: Right.

22 MR. SOSLAND: -- to assume over \$200 million in
23 existing liabilities and to pay cash that will go to satisfy
24 all of the claims against the estate and to Equity and satisfy
25 significant portions of its claims. Without Baseball Express'

1 participation, none of that would happen. Baseball Express --
2 and as Your Honor is aware, this has been an extremely
3 litigious if short-lived case. They've requested this
4 exculpation, I think, but because of both the contributions and
5 their involvement at that level of contribution, it doesn't run
6 afoul.

7 In addition to that, before we included it in this
8 provision, all of the major parties who are in the courtroom,
9 all the creditors with economic interests, were asked whether
10 they objected to this provision in this paragraph, and I
11 believe the answer was none of them object. If anybody does,
12 they can speak to the issue. And under those circumstances, we
13 would request that you include it.

14 THE COURT: All right. Does anyone wish to address
15 this issue?

16 MR. AVERCH: Your Honor, if you're -- Craig Averch on
17 behalf of Baseball Express.

18 If you're going to rule in our favor, we don't have to
19 address it. I do think it's -- I was not involved in *Pilgrim's*
20 *Pride*. I think it's distinguishable there. You have an entity
21 acquiring the stock. Here, this deal could have been done, you
22 know, one of the alternatives was a 363 sale. There is no
23 connection between Baseball Express and this estate, I mean,
24 other than the purchase of the assets. It's not buying the
25 stock and continuing the old enterprise. And we did approach

1 the First Lien Holder, the Second Lien Holder, we spoke to the
2 CRO, and we had all of their consents before we requested this
3 what I think is a straightforward modification.

4 And Baseball Express hasn't done anything during this
5 Chapter 11 process to warrant not receiving an exculpation and
6 being able to operate the Rangers after the effective date free
7 and clear of this bankruptcy case. We're not involved in any
8 claims administration. We've assumed a lot of liabilities.
9 And we think this exculpation is appropriate, necessary, and
10 will allow Baseball Express to operate the Rangers separate and
11 apart from this Chapter 11 proceeding, and I don't believe that
12 the purchaser in *Pilgrim's*, you know, had the same -- it was a
13 different plan, different circumstance.

14 THE COURT: Okay. Anyone else wish to be heard on
15 this issue?

16 (No response.)

17 THE COURT: All right. Well, the Court would be
18 prepared to approve this provision. I think it certainly is
19 worth saying that -- or reiterating what Mr. Sosland said, that
20 we have a party who has given a significant consideration here.
21 And it is also worth noting that this is an exculpation that
22 pertains to postpetition activity and does have a carve-out for
23 gross negligence or willful misconduct.

24 Moreover, we have sophisticated parties with sophisticated
25 lawyers who all consent to Baseball Express being an exculpated

1 party. And I do think this also has distinguishing factors
2 from *Pilgrim's Pride*, as Mr. Averch has argued.

3 So the Court is prepared to bless that change to 11.4.

4 And I will say what I was about to say. The Court is ready
5 to confirm this plan and make the findings it needs to make,
6 subject to this last issue being either resolved or presented
7 to the Court so it can resolve the issue between the U.S.
8 Trustee and Baseball Express. So we will take a ten-minute
9 recess. It really does need to be a ten-minute recess and not
10 longer, because I know you're going to want to get an order
11 signed today. So we'll talk about the mechanics of that also
12 when we come back, but we'll take a ten-minute break and
13 hopefully be done.

14 THE CLERK: All rise.

15 (A recess ensued from 3:07 p.m. until 3:18 p.m.)

16 THE COURT: All right. Please be seated. We're going
17 back on the record in Texas Rangers.

18 Mr. Averch and Ms. Lambert, have you worked out the
19 remaining issue?

20 MS. LAMBERT: We have, Your Honor. It was mainly an
21 issue of construction.

22 THE COURT: Okay.

23 MR. AVERCH: Yes, Your Honor. Craig Averch on behalf
24 of Baseball Express.

25 We have modified the language and Ms. Lambert has agreed to

1 it.

2 THE COURT: All right. Do you all want to state on
3 the record for everyone else's benefit what that is?

4 MR. AVERCH: Yes, Your Honor. In the confirmation
5 order, the --

6 MS. LAMBERT: Does the Court have a copy of that?

7 THE COURT: I do.

8 MR. AVERCH: -- the first full paragraph on Page 3, it
9 will read as follows. It's the same language. "Except as
10 otherwise provided in the plan and as contemplated under the
11 asset purchase agreement:" colon, and then there'll be a new
12 Paragraph (a) with the same text that's there.

13 THE COURT: Okay. I must not have the current version
14 of the confirmation order. Mine barely goes into Page 3.

15 MR. AVERCH: Oh. I'm sorry, Your Honor. Your Honor,
16 I'm sorry. We had added this language already.

17 THE COURT: Okay.

18 (Counsel confer.)

19 THE COURT: In fact, I guess I should say I'm looking
20 at the 9:00 a.m. draft.

21 MR. AVERCH: Yeah.

22 THE COURT: Or, I don't know if it was 9:00 a.m. It
23 was handed to the Court at 9:00 a.m. this morning. Has this
24 document changed very much throughout the day?

25 MR. AVERCH: No, Your Honor.

1 THE COURT: Okay.

2 MR. AVERCH: There's three additional paragraphs.

3 THE COURT: Okay.

4 MS. O'NEIL: Your Honor, if I may, I haven't seen the
5 latest on the order. I just didn't know if there was an extra
6 copy.

7 MS. LAMBERT: There are two purposes for this change,
8 while we're waiting. The first purpose is to clarify that
9 there are some assumed tax liabilities in the plan. This
10 language specifies that taxes are not assumed. They have
11 assumed under the plan specific identified taxes. This is to
12 clarify that those plan provisions trump the exclusionary
13 paragraph in the confirmation order.

14 THE COURT: Okay.

15 MS. LAMBERT: The second purpose of this language is
16 the U.S. Trustee and the State Comptroller had added
17 governmental language that prohibits the exculpation language
18 as to the governmental entities and such. It's to clarify
19 that, in terms of environmental liability or joint and several
20 liability, the government language trumps the language in this
21 plan that says there is no assumed liability. We understand
22 there's no assumed liability, but it clarifies that the
23 governmental release in terms of joint and several for
24 responsible party or anything like that would still apply. And
25 the governmental language therefore is the preeminent language

1 on this point.

2 THE COURT: Okay. Mr. Averch, do you confirm or want
3 to add anything?

4 MR. AVERCH: Your Honor, I agree with the U.S.
5 Trustee's statement. Obviously, the purpose of this language
6 is to make sure that the purchaser, Express, is not liable for
7 claims simply because it purchased the assets. And this is the
8 standard "no successor liability" language that you see in 363
9 orders. We're happy to make that clarification for the U.S.
10 Trustee. We don't think it changes. It was not designed or
11 intended to circumvent any U.S. federal or local laws that
12 would be applicable to the purchaser.

13 THE COURT: Okay. All right. Thank you.

14 All right. Any remaining housekeeping matters? No?

15 MR. SOSLAND: Your Honor, at the break, Paragraph --
16 the last sentence of Paragraph 13.5, I'll just read into the
17 record, which I think people would like.

18 THE COURT: Okay.

19 MR. SOSLAND: I read that sentence into the record,
20 and then the last Clause (b), where it said -- now had -- I had
21 previously read said, "Kellie Fischer, Nolan Ryan, or any
22 employee," it now says -- it will say "any rank-and-file
23 employee."

24 THE COURT: Okay.

25 MR. SOSLAND: Inserting those words.

1 THE COURT: Okay.

2 MR. SOSLAND: The only other -- and the only other
3 housekeeping matter was to discuss the process, the mechanics
4 of the plan, assuming Your Honor is --

5 THE COURT: All right.

6 MR. SOSLAND: -- prepared to rule.

7 THE COURT: All right.

8 MS. O'NEIL: Well, I'm sorry.

9 THE COURT: Ms. O'Neil?

10 MS. O'NEIL: If I may, Holly O'Neil for GSP. Mr.
11 Chevallier was here and announced that he was representing Mr.
12 Hicks. And just we had agreed and he acknowledged that there
13 could be no interpretation of that particular section to
14 include Mr. Hicks, Mr. Hicks, Jr., or any of their family
15 members. And I think he acknowledged that. If I could maybe
16 get him to acknowledge that on the record, then I think we're
17 done.

18 THE COURT: All right. And again, we're back to the
19 13.5?

20 MS. O'NEIL: Yes, Your Honor.

21 THE COURT: Okay. Mr. Chevallier, will you
22 acknowledge that on the record, please? You look like you feel
23 beat down.

24 MR. CHEVALLIER: Well, not really, Your Honor.

25 THE COURT: Okay.

1 MR. CHEVALLIER: I think what I said was, Your Honor,
2 that that language does what it does and we don't -- it does
3 not in my opinion cover any of the Hicks parties.

4 THE COURT: There you go.

5 All right. Well, the Court will rule as follows with
6 regard to the Debtor's plan as first filed on May 24, 2010 and
7 then modified on June 6, 2010, then again on June 25, 2010,
8 then again on July 30, 2010, and then again as presented here
9 today and as may be further wordsmithed as announced here in
10 Court. The Court has jurisdiction in this matter pursuant to
11 28 U.S.C. Section 1334, and this is a core proceeding pursuant
12 to 28 U.S.C. Section 157(b)(2)(L).

13 The Court finds that notice of the plan has been in
14 compliance with Bankruptcy Code Sections 1125 and 1126 and
15 Bankruptcy Rules 3017 and 3018 and other applicable authority.
16 It appears that solicitation was in compliance with applicable
17 law. And the Court finds that the plan has been accepted,
18 where needed, by those impaired by the plan. The Court
19 specifically accepts the changed vote of Mr. Snyder from no to
20 yes, pursuant to 3018.

21 The Court accepts as credible the evidence that was
22 submitted here today from the different declarants.
23 Specifically, the ballot presentation that was given and the
24 declaration of Kellie Fischer, as supplemented by her testimony
25 today, and the declaration of Kevin Cofsky.

1 The Court finds that all objections to the plan that have
2 not otherwise been withdrawn or announced as resolved here
3 today should be overruled. And the Court finds that the plan
4 as modified meets the applicable requirements of Sections 1122,
5 1123 and 1129 of the Code.

6 The Court will specifically say that, with regard to the
7 plan modifications, the Court specifically finds that they meet
8 the requirements of Sections 1122, 1123 and 1129, and so the
9 plan as modified will be the plan that the Court now confirms.
10 And acceptances of the plan, what few there are, will be deemed
11 to apply to the plan as modified, without further solicitation
12 or notice and hearing being required pursuant to Bankruptcy
13 Rule 3019.

14 The Court specifically finds that the injunctions and
15 exculpations in the plan are not inconsistent with *Pacific*
16 *Lumber* and are specifically hereby approved.

17 The Court finally would add to the record that it finds and
18 concludes that the sale process and auction have been fair and
19 reasonable. There was a business justification for the sale
20 and auction. It was an exercise of reasonable business
21 judgment. The price derived represents fair value and was
22 derived through good faith and arm's-length negotiations.

23 The Court reserves the right to supplement in more detailed
24 written findings and conclusions that will be submitted by
25 Debtor's counsel, but with this the Court does confirm the

1 plan.

2 Mr. Sosland, as far as the mechanics, this order that Ms.
3 Larson has handed up with these handwritten nits and nats looks
4 fine to the Court, so the Court is assuming what makes sense is
5 for you all to go back to the office, make these last
6 handwritten fixes to the fourth amended plan, file it, and then
7 upload an electronic copy of your confirmation order which will
8 reference the new fourth amended plan at Docket Entry Number-
9 Whatever is the plan that the Court is approving.

10 Any issues with those mechanics?

11 MR. SOSLAND: No, Your Honor. That's precisely what
12 we had -- would have suggested ourselves. We will also file,
13 at the same time that we file the final -- the conformed copy
14 of the fourth amended plan, blacklines for the convenience of
15 the parties to see the changes --

16 THE COURT: Perfect.

17 MR. SOSLAND: -- from the third amended plan to the
18 fourth.

19 In addition, the plan contemplates -- I think it's in
20 6.1(b), but I may have the section reference wrong -- but in
21 any event, it contemplates filing the finalized asset purchase
22 agreement that the corporate people for the purchaser and the
23 Debtor are working on. As soon -- it doesn't -- it's not
24 required to be filed prior to entry of the confirmation order,
25 but just for the benefit of the Court, as soon as the APA is

1 finalized and executed, it will also be filed on the Court's
2 docket.

3 THE COURT: Okay. All right. Well, just so you know,
4 I am about to drive back to my office in Dallas, but of course
5 I have access to all of this over there, and so I should be
6 available to sign in one hour if you have it uploaded that
7 fast. And the law clerks will keep me apprised of any messages
8 they get on my drive to Dallas. All right? So do you think it
9 will be an hour or so, or --

10 MS. LARSON: Your Honor, we actually have the interim
11 blackline that reflects the changes that Your Honor looked at
12 in hand format here in the court, so we will convene with the
13 parties in interest here, try to get a finalized version, and
14 so -- and hopefully be able to make the calls from here and get
15 the filing started. So, yes, the one hour, I think, will work.

16 THE COURT: Okay. Well, I'll be on the lookout for
17 it. Congratulations to you all.

18 MS. LARSON: Thank you so much, Your Honor.

19 ALL COUNSEL: Thank you, Your Honor.

20 THE CLERK: All rise.

21 (Proceedings concluded at 3:30 p.m.)

22 --oOo--

23 CERTIFICATE

24 I certify that the foregoing is a correct transcript from
25 the electronic sound recording of the proceedings in the above-

1 entitled matter.

2

3 _____
Kathy Rehling
4 Certified Electronic Court Transcriber
CET**D-444

_____ Date

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