|  | ED STATES BANKR<br>IERN DISTRICT O<br>SOUTHERN DIVI   | F MICHIGAN   |
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| IN RE: CITY OF DETR<br>MICHIGAN,                         | OIT, .  | Docket No. 13-53846<br>Detroit, Michigan<br>September 23, 2015 |
| Debto  | r   | 4:30 p.m.  |
| BEFORE T   | G RE. OBJECTION<br>OF KIM SPIC<br>HE HONORABLE TH<br>STATES BANKRUPT                              | IOMAS J. TUCKER  |
| APPEARANCES:   |   |  |
| For City of Detroit<br>Water and Sewerage<br>Department: |   | KILPATRICK<br>Suite 1708<br>18226-3985                         |
| For Kim Spicer:  | KIM SPICER<br>In pro per<br>29375 Sandalwo<br>Roseville, MI                                       |  |
| Court Recorder:  | Jamie Laskaska<br>United States<br>211 West Fort<br>21st Floor<br>Detroit, MI 4<br>(313) 234-0068 | Bankruptcy Court<br>Street<br>18226-3211                       |
| Transcribed By:  | Lois Garrett<br>1290 West Barr<br>Leslie, MI 49<br>(517) 676-5092                                 | 9251   |
| Proceedings recorded<br>transcript produced              |   |  |

THE CLERK: All rise. This court is now in session. 1 The Honorable Thomas J. Tucker is presiding. You may be 2 3 seated. The Court calls the case of the City of Detroit, 4 Michigan, Case Number 13-53846. THE COURT: All right. Good afternoon to everyone. 5 6 Let's have entries of appearance for this matter starting 7 with the city's counsel. MR. KILPATRICK: Good afternoon, your Honor. 8 9 Richardo Kilpatrick appearing on behalf of the City of 10 Detroit Water and Sewerage Department, DWSD. 11 THE COURT: All right. Good afternoon. 12 MS. SPICER: Good afternoon. Kim Spicer, City of Detroit, DWSD. 13 THE COURT: All right. So good afternoon. 14 This is 15 a further hearing, as you both know, on the objection that 16 was filed by the Detroit Water and Sewer Department to the 17 claim filed by Mr. Spicer. The matter number or docket number is 8990. It's Claim Number 3451 of Mr. Spicer. We 18 19 had a hearing, as you'll recall, back on April 8, I believe 20 it was, initial hearing on this claim objection. The Court 21 ordered some further briefing, a couple of rounds of it 22 actually, and that has occurred, and I have reviewed the 23 briefs and responses and various things filed after the April 24 8 hearing regarding this claim objection. So let me begin by 25 calling on Mr. Kilpatrick. What would you like to say?

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MR. KILPATRICK: Well, initially, your Honor, I'd 1 like to thank the Court for adjourning this matter over from 2 the prior date. I apologize. It was misdocketed by my 3 4 office, and I apologize to Mr. Spicer for any inconvenience it may have occasioned as well. I have nothing to add to the 5 briefing -- in addition to the supplemental briefing that was 6 7 done as requested by the Court in the April -- after the April 8th hearing and then subsequently at the beginning of 8 9 June. I think that the papers adequately set forth the 10 position of the department.

11 The last thing I would like to note is that even 12 though this matter has been pending before the Court, no action has been taken by Mr. Spicer to date to further or 13 perfect this claim. At minimum, we need a date certain for 14 15 him to do whatever he's going to do to liquidate the claim so 16 that there's some certainty before the distribution that's 17 going to be made from the pool of funds which is currently being held for unsecured creditors as part of the plan of 18 19 adjustment.

THE COURT: Well, I guess I'd like to get some clarification from you at this point of exactly what it is you're asking the Court to do with respect to your claim objection at this point. You saw, I'm sure -- I assume that you saw what happened with the city's objection to the claim of Richard Hall and the hearing -- the last hearing we had on

that and the settlement or the resolution of the claim 1 objection with Mr. Hall. I assume you saw those things. 2 You've not chosen to go down that path, and that's fine. 3 4 There's no reason you need to in terms of settling this matter with Mr. Spicer in a similar way, but the issues 5 there -- some of the issues were similar involving the claim 6 7 of Mr. Hall. But with respect to your objection to the claim 8 of Mr. Spicer here, as I recall from the April 8 hearing, you 9 agreed during that hearing, I think correctly so, that your 10 argument about timeliness -- the argument that you make that 11 Mr. Spicer has failed to file a lawsuit within the required 12 90 days after getting a right to sue letter from the EOC essentially means that his claim is time-barred. 13 And I think 14 you acknowledged in the April 8 hearing that would apply only 15 to any federal claims, discrimination claims, a Title VII 16 claim, and not to any state law claims that Mr. Spicer may 17 have filed or want to pursue under Michigan's Elliott-Larsen Act or Michigan law, so if I'm recalling right, we have that 18 19 sort of point that even if all your other arguments are well-20 taken, Mr. Spicer still has -- is not going to be barred by a favorable outcome on your claim objection from pursuing 21 22 his -- filing suit on his Elliott-Larsen Act claim or claims 23 to the extent he contends that he has any, so this wouldn't 24 fully resolve the claim objection -- or the claim, in any 25 event, necessarily. And you mentioned just a minute ago that

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| 1  |   |
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| 1  | at a minimum you need a date certain for Mr. Spicer to do     |
| 2  | whatever he's going to do. I assume that if the what the      |
| 3  | city is looking or what the department is looking for here    |
| 4  | is among other things maybe, is some date certain by which    |
| 5  | Mr. Spicer must file a lawsuit in an appropriate              |
| 6  | nonbankruptcy court on whatever discrimination claims he      |
| 7  | wants to pursue, and for the purpose of liquidating those     |
| 8  | claims, and your position is that as we sit here today even   |
| 9  | that Mr. Spicer is not barred by the not by the automatic     |
| 10 | stay in the case but also not by the discharge injunction or  |
| 11 | the that's in the confirmed plan or in the statute from       |
| 12 | filing such a suit for the purpose of liquidating the claim   |
| 13 | only, not for the purpose of trying to enforce it against     |
| 14 | property of the city if he gets a judgment. So what exactly   |
| 15 | is it you want the Court to do today on this?                 |
| 16 | MR. KILPATRICK: I would like disallowance of the              |
| 17 | \$200,000-plus claim because it is not based upon anything in |
| 18 | reality. I would suggest to the Court a practical resolution  |
| 19 | to this issue, that being to set a date certain for Mr.       |
| 20 | Spicer to do whatever he's going to do so that we can come up |
| 21 | with an ascertainable amount, I mean with some certainty, of  |
| 22 | what his entitlement is to participate in the pool of the     |
| 23 | distribution from the estate.                                 |
| 24 | THE COURT: Well   |
| 25 | MR. KILPATRICK: We are also resolving many issues             |
|    |   |

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with AFSCME and a number of other employees, and if he wants
to participate in that with Mr. Schwartz, that would be fine
as well.

4 THE COURT: Well, let me hand you and Mr. -- for you and Mr. Spicer a copy of this to -- I'll be sure that you're 5 6 both looking at the same thing when I ask you about this. 7 This is a copy I'm giving to each of you that I printed up of the stipulation and the resulting order that was entered in 8 9 July regarding the claim of Richard Hall and how that matter 10 was -- the timeliness issue in that matter was resolved, and 11 it's not exactly the same situation. I understand that. But 12 in terms of this date certain point that you're making, is this the kind of thing you want the Court to order; that is, 13 14 to rule that Mr. Spicer may file in an appropriate 15 nonbankruptcy court any lawsuit in order to liquidate his 16 claim -- his discrimination retaliation claim that's in his 17 proof of claim and then setting a deadline, whether it's 45 18 days or 30 days or whatever it may be, for him to do so or the consequence would be that his claim will be deemed time-19 20 barred with respect to the federal claims and perhaps even 21 disallowed as to all the claims? Is that the idea? 22 MR. KILPATRICK: Yes, it is, your Honor.

THE COURT: So when you -- you said a minute ago you

THE COURT: So when you -- you said a minute ago you want disallowance of his claim because the 200,000-plus amount of his claim doesn't have any basis in reality.

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That's really for -- to be determined in this process by 1 which his claim is going to be liquidated through litigation, 2 I guess, isn't it, unless it's settled by the parties? 3 4 MR. KILPATRICK: That's correct, your Honor. THE COURT: Is that the idea? Okay. All right. 5 6 MR. KILPATRICK: But in any event, I don't want 7 allowance of that claim as for participation purposes in the 8 distributions. 9 THE COURT: Sure. Yeah. And I guess --10 MR. KILPATRICK: Those distributions are in prospects at the beginning of next year, so, again, for all 11 12 purposes, I don't want that to be allowed at this point until there is a determination of the actual amounts. 13 14 THE COURT: Sure. Well, okay. So what would you --15 what would you ask that I set as a date certain for Mr. Spicer to file his lawsuit for this purpose? 16 17 MR. KILPATRICK: Forty --THE COURT: How much time do you want me to -- I can 18 19 ask him what he wants, but how much time do you want me to 20 give him? 21 MR. KILPATRICK: Forty-five days, your Honor. 22 THE COURT: Forty-five? So that's the amount of 23 time Mr. Hall got in this order that I handed you both. 24 Well, let me hear from Mr. Spicer for a moment about all 25 this. Mr. Spicer, basically the situation is you have

this -- based on what -- as I understand it now at this point 1 is you have -- you filed this proof of claim in the 2 bankruptcy case. The department has objected to it. 3 The 4 procedure by which you need to -- you and the department need to litigate the claim in order -- we call it liquidating the 5 6 claim; that is, to reduce it to a judgment. If you can't 7 agree on a settlement of the claim between you and the 8 department, you have to litigate it for the purpose of 9 resolving, you know, who's right and how much -- and how much the claim is, so the idea is you would have to file a lawsuit 10 11 in an appropriate nonbankruptcy court on your discrimination 12 claim for the purpose of obtaining a determination -- a 13 judicial determination in that lawsuit -- a judgment 14 determining whether your claim is valid and, if so, the 15 amount of your claim. And once you have done that, then your 16 claim would be allowed in the bankruptcy case in whatever 17 amount that nonbankruptcy court litigation determined the 18 claim was valid in. If that litigation determines that the 19 claim is not valid and you lose completely, then your claim 20 would be disallowed in its entirety here, so that's the idea. There has to be a place and a process for you and the 21 22 department to litigate this claim for purposes of fixing the 23 Is it a valid claim or isn't it, and, if so, what's claim. 24 the amount by which the claim would be allowed? And if you 25 get your claim allowed in a specific amount, some specific

amount, at some point through that process, then it would be allowed in that amount in your bankruptcy case, and you would get a distribution, according to the confirmed plan, pro rata along with everybody else in your class, which I think is Class 14, based on the allowed amount of your claim compared to the allowed amount of all the other allowed claims.

7 Now, I know you're not represented by an attorney at least in this bankruptcy case, and I don't know if you've 8 9 taken advantage of an opportunity you've had for many months 10 now to get some legal advice from an attorney about all this, 11 but I want to give you an opportunity to speak and say what 12 you would like to say here. I am inclined to enter an order of the type that Mr. Kilpatrick has described in the hearing 13 14 today, not one that disallows your claim at this point or 15 allows it but, rather, one that sets the process and a 16 deadline for you to file a lawsuit to get this claim 17 litigated, so what do you want to say about this?

MR. SPICER: Well, all I can say is I got paperwork 18 19 saying that it was going to go to the ADR process. Other 20 claimants have gotten their okay for ADR process. Even in 21 counsel's objection he writes that Mr. Schwartz and the City 22 of Detroit purposely didn't send me one, so I don't know how 23 it works, but if that's how it has to go, that's how it has 24 to go. I was inclined that -- to believe that legally and 25 morally and most of all ethically that they would have -- by

10 the attorney that they would have contacted me about these 1 situations, which they failed to do so, and it's in his own 2 3 write-up that they did fail to do so. 4 THE COURT: Well, I think what you're saying is that when this ADR process went forward, you weren't given notice 5 6 of the ADR evaluation hearing --7 MR. SPICER: Yes. THE COURT: -- so you didn't attend because you 8 9 didn't know about it --10 MR. SPICER: The date. 11 THE COURT: -- I assume is what you're saying. 12 MR. SPICER: Right. THE COURT: And the process went ahead without your 13 14 input, and you would have liked to have been there and 15 participated in that. Are you saying that you want some sort of ADR process to go forward on your claim now that would 16 17 include your participation? 18 MR. SPICER: Yes. Yes, sir, I do, because it was 19 omitted by counsel. Like I said. It's in his paperwork that 20 they omitted to notify me of any of these processes. 21 THE COURT: All right. Now, let's assume that 22 And I'm going to ask Mr. Kilpatrick if he -- what happens. 23 he thinks about that, doing that again now essentially, but 24 assuming either that doesn't happen or it happens and you 25 don't settle, you're going to have to file a lawsuit --

| 1  | MR. SPICER: Yes, sir.   |
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| 2  | THE COURT: against the city in order to                       |
| 3  | liquidate the amount of the claim, as I said, unless at some  |
| 4  | point you and the department reach a settlement an agreed     |
| 5  | settlement that would settle the amount of the claim          |
| 6  | MR. SPICER: Yes, sir.   |
| 7  | THE COURT: to be allowed. So you're going to                  |
| 8  | you may have to at some point file suit, and it may be fairly |
| 9  | soon, file a lawsuit. Whether you do that with the help of    |
| 10 | an attorney or not is going to be up to you. You have a       |
| 11 | right, of course, to hire any attorney of your choosing to    |
| 12 | represent you not only in this bankruptcy case but in filing  |
| 13 | such a lawsuit a discrimination lawsuit, but you also have    |
| 14 | a right to do that without an attorney. It's going to be up   |
| 15 | to you how you do that. All right. Anything else you want     |
| 16 | to say before I ask further questions of Mr. Kilpatrick?      |
| 17 | MR. SPICER: No, sir, your Honor.                              |
| 18 | THE COURT: Mr. Kilpatrick, what about this ADR                |
| 19 | process? I hear Mr. Spicer saying he'd like to go through     |
| 20 | that and participate in it. Is that something that's          |
| 21 | possible at this point, feasible, worth doing?                |
| 22 | MR. KILPATRICK: Your Honor, I don't think that it's           |
| 23 | feasible at this point, and I really don't have authorization |
| 24 | from the department to agree to that type of resolution. I    |
| 25 | know that Mr. Schwartz is in the process, again, of           |
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negotiating with various parties. There were a number of claims that weren't addressed as part of the plan that belong specifically to the department, and he's trying to liquidate those claims. I can -- I'm willing to find out if the department is willing to include this claim as part of that claims resolution process, but, again, I cannot agree to and I don't think that it's practical to do the ADR.

8 THE COURT: This claims resolution process that's 9 going on now, is that something different than the ADR 10 procedures under the ADR order?

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MR. KILPATRICK: Yes, it is. Yes, it is. THE COURT: Okay.

MR. KILPATRICK: It's actually a sort of mediation 13 14 facilitation type process just to work through the claims 15 quickly. People know that they're going to get pennies on a 16 dollar, and rather than waste more money, people are taking 17 very practical -- and as you see, I'm taking a very practical 18 approach to this rather than making legal arguments today. 19 Let's set a time certain. Let's get it moving so that 20 whatever small amount is paid out of the pool is paid and get 21 the claim allowed. That's what Mr. Schwartz is doing. 22 Again, I will make the inquiry and encourage both Mr. Spicer 23 and Mr. Schwartz to work together to come to -- to have 24 whoever is working with him to facilitate those claims 25 facilitate this one as well, but I --

|    | 13  |
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| 1  | THE COURT: I guess the idea is perhaps what                   |
| 2  | you're part of what you're thinking is if we just if I        |
| 3  | just enter an order today that requires Mr. Spicer to file    |
| 4  | suit within 30 within 45 days, as you've suggested, you       |
| 5  | still have the question, well, if he files suit or even       |
| 6  | before he has to file suit, what are the parties going to do  |
| 7  | to try to talk to each other to try to resolve this without a |
| 8  | lot of litigation expense? And you're saying that sort of     |
| 9  | consideration will happen whether the Court orders some sort  |
| 10 | of mediation or ADR process now or doesn't                    |
| 11 | MR. KILPATRICK: Correct.                                      |
| 12 | THE COURT: right? And so you're suggesting that               |
| 13 | the Court should just leave that piece of it alone and at     |
| 14 | this point just order this 45-day deadline for filing suit.   |
| 15 | MR. KILPATRICK: That's correct.                               |
| 16 | THE COURT: Is that the idea?                                  |
| 17 | MR. KILPATRICK: That's correct, your Honor.                   |
| 18 | THE COURT: So I'm just kind of looking at this                |
| 19 | order involving Richard Hall as a sort of blueprint for the   |
| 20 | kind of order that you're suggesting today. Again, it's not   |
| 21 | exactly the same, but should we follow that pattern, or would |
| 22 | you want to say something different in the order other        |
| 23 | than I mean you've got, for example, in this Richard Hall     |
| 24 | order, which, for the record, is on the file in the file      |
| 25 | at Docket Number 10102 in this case I guess would you want    |
|    |   |
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this pattern, paragraphs one through three, something like 1 this or parallel to this said regarding Mr. Spicer's claim? 2 3 MR. KILPATRICK: Paragraph one is sort of difficult. 4 I would like it to read that the Court is going to hold its ruling in abeyance pending actions to be brought by Mr. 5 6 Spicer. 7 So hold it in abeyance? THE COURT: 8 MR. KILPATRICK: Yes. 9 THE COURT: You mean what? Set it -- see, if you want to keep it pending, I guess the -- I would -- instead of 10 just adjourning it without date, I would want to adjourn it 11 12 to a date specific. It can be one --MR. KILPATRICK: In six months. Six months. 13 14 THE COURT: -- quite a way down the road, but we 15 could do that rather than withdraw it at this point if that's what you're saying. 16 17 MR. KILPATRICK: That's correct, your Honor. THE COURT: So something like adjourn it for further 18 19 hearing to be held -- you said six months. 20 MR. KILPATRICK: Yes. 21 THE COURT: So something like that for the paragraph 22 one concept. What about two and three? 23 MR. KILPATRICK: Two I cannot agree to. Whatever 24 the time limits are that exist are the time limits that 25 exist, and if they've expired, they've expired. I do not

have authority from the client to waive any applicable 1 statutes of limitation because, in essence, what that would 2 do would give the ability to, once again, visit the Title VII 3 4 action. If, indeed, those have expired, those -- again, Mr. Spicer was aware as of April that we had an argument, and the 5 Court sua sponte raised the issue of 108(c) which gave 6 7 additional time to bring that action even while this was 8 pending. I simply am without authority. I can check with 9 the client, but -- to see if they would be willing to do 10 that. 11 THE COURT: Well, where do you want the Title VII 12 federal discrimination claims statute of limitations issue to be litigated? You don't want that litigated in this court? 13

You want to litigate that in some state court? And is that going to be a problem for the state court saying, "Well, hey, you know, this is bound up in the effect of -- I mean this ought to be decided by the bankruptcy judge," is what that judge is going to say --

MR. KILPATRICK: Well --

THE COURT: -- right?

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21 MR. KILPATRICK: Why don't we reserve the issue if 22 there is a -- I think that any action that should -- that 23 would be brought would be brought under the Elliott-Larsen 24 Act in state court. Reserve the issue of the Title VII 25 action until the adjourned date for the hearing on this claim

1 objection.

| 2  | THE COURT: So the debtor would go forward only on             |
|----|---|
| 3  | an Elliott-Larsen Act claim in litigation and                 |
| 4  | MR. KILPATRICK: Or if he wants to file if he                  |
| 5  | wants to file suit here on the Title VII action, that'll be   |
| 6  | fine. Again, I don't have again, I'm without authority.       |
| 7  | I'm without authority to waive statutes of limitation, and    |
| 8  | that's something that I would have to get client consent on.  |
| 9  | Otherwise I'd be in trouble.                                  |
| 10 | THE COURT: Well, it seems to me this Court needs to           |
| 11 | decide  |
| 12 | MR. KILPATRICK: The Title VII action?                         |
| 13 | THE COURT: the statute of limitations issues                  |
| 14 | that you have argued in your briefs                           |
| 15 | MR. KILPATRICK: That's correct.                               |
| 16 | THE COURT: because they are bound up and                      |
| 17 | affected by issues of federal bankruptcy law and federal law, |
| 18 | including the federal law regarding tolling that may come up  |
| 19 | that I was going to ask you about if this went forward on a   |
| 20 | disputed basis today not too much unlike what the             |
| 21 | discussion I had with Mr. Simon when he was representing the  |
| 22 | city in the last hearing that we had on the objection to the  |
| 23 | city's claim the city's objection to claim of Richard         |
| 24 | Hall. I don't know if you've read the transcript of that      |
| 25 | hearing or not, but it was some of the same questions or      |
|    |   |

issues arise. It's a little different in this matter. 1 Ι 2 understand that. You've got an argument that Mr. Simon did not have in the Richard Hall matter that you're making as to 3 4 why you think the discharge injunction under the confirmed plan under the statute was modified to permit Mr. Spicer here 5 to file his Title VII claim long ago, and he hasn't done it. 6 7 In the Hall situation the city didn't really have an 8 argument. They weren't making an argument to that effect 9 because I think Hall had not gone through this ADR procedure, 10 which is sort of the basis for you arguing about this 11 discharge injunction here, but it seems to me this Court 12 needs to decide that issue rather than some nonbankruptcy court, so -- if it's to be ruled on rather than resolved by 13 14 some sort of agreement here between the parties, so I guess 15 perhaps what that means is that you can see whether you or 16 your client wants to waive that argument and that issue or 17 not, and if they don't, then we'll tee it up, and I'll rule 18 on it. Perhaps you should see about that -- have a chance to 19 see about that before we tee it up and I rule on it rather 20 than trying to do that today, but I don't know. Did you want 21 to say anything else about that piece of this? 22 MR. KILPATRICK: No. No, your Honor. Again, that's 23 one part that I do have to get client consent on, and I will --24 25 THE COURT: All right.

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MR. KILPATRICK: And I'm aware of the Hall proceeding and the discussions, and I will share those with the client as well.

4 THE COURT: Okay. As I said, there's a transcript even of the hearing -- the last hearing I had with -- on the 5 Hall matter in July on file, and I didn't get to the point of 6 7 I think I was going to rule on the Hall matter in a ruling. bench opinion on August 5, but before we got to that, the 8 9 stipulation was entered and the order was entered resolving 10 the Hall piece of -- issues, so I didn't rule on that issue. 11 Well, and then I assumed you would like something like 12 paragraph three in the Hall order put in any order that's -regarding Mr. Spicer. 13

MR. KILPATRICK: Correct.

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15 THE COURT: Well, so is this something that I should 16 give you an opportunity to talk to your client about and you 17 and Mr. Spicer to talk about, see if you can work out an 18 agreed order on this?

19MR. KILPATRICK: Yes, your Honor. I think that20would probably be the best thing.

THE COURT: You know, I don't like to keep -MR. KILPATRICK: I don't -THE COURT: -- dragging this out, but, you know, we
might be on the verge of some sort of --

MR. KILPATRICK: Resolution.

THE COURT: -- agreed resolution of this -- of where 1 this should go exactly. Well, so I think I'll do that. 2 How 3 much time? That means I'm going to have to set an 4 adjourned -- another adjourned -- or a further hearing on this. 5 MR. KILPATRICK: My October is horrible. I'm at the 6 7 Advisory Committee on Bankruptcy Rules, the National Bankruptcy Conference, and three meetings in Washington in 8 9 October. The next time I'm back will be the beginning of 10 November. 11 THE COURT: Well, although you can see if you can 12 get this resolved much sooner than that, of course. MR. KILPATRICK: I'm going to try to. I'm going to 13 14 try to resolve it as we walk out of here. THE COURT: Okay. Subject to you getting authority 15 16 from your client; right? MR. KILPATRICK: That's correct, your Honor. 17 THE COURT: Well, if I even try to adjourn it a 18 19 week, you'd probably be at the NCBJ meeting next Wednesday. 20 MR. KILPATRICK: The NCBJ and then the Federal Rules 21 Committee. The Advisory Committee on Bankruptcy Rules meets 22 the end of next week. 23 THE COURT: So the 30th, a week from today, you're 24 not available? 25 MR. KILPATRICK: I'm not, your Honor.

20 THE COURT: No. All right. So then you're saying 1 you jump in -- we jump into November? 2 3 MR. KILPATRICK: Please. 4 THE COURT: November 4 is the first Wednesday in November. Are you available that day for a hearing at -- I 5 quess we would make this 1:30 p.m. on -- well, actually, we'd 6 7 need to make this later in the day for Mr. Spicer's benefit 8 probably again for another 4:30 deal. 9 MR. KILPATRICK: Your Honor, I'm the chair of the Merit Selection Committee, and those are the days for our 10 11 interviews, the 3rd and the 4th. 12 THE COURT: Oh, okay. The 11th is the next Wednesday. That's the Veterans Day holiday, so there's no 13 14 court that day. The 18th at 1:30 --15 MR. KILPATRICK: That would be fine. 16 THE COURT: -- of November? 17 MR. KILPATRICK: That would be fine, your Honor. THE COURT: At 4:30, rather. I'm sorry. 4:30. 18 Mr. 19 Spicer, you heard the discussion. I'm going to set a further 20 hearing date but with the hope that you and Mr. Kilpatrick 21 and his client will be able to work out a resolution that 22 will make it unnecessary for you to come back for this 23 further hearing, but in case you're not able -- the parties 24 are not able to do that, then we're going to need to have a 25 further hearing. I've suggested November 18 at -- if you

21 still need a late in the afternoon time like we did today --1 2 MR. SPICER: I would, your Honor. 3 THE COURT: -- because of your work schedule, I can 4 do that. We can make it 4:30 p.m. again. Does that work? 5 MR. SPICER: Yes, sir. 6 THE COURT: So if a further hearing does have to go 7 forward, you can make it on November 18 at 4:30? 8 MR. SPICER: Yes, sir. 9 THE COURT: All right. We'll do that November 18 at 10 4:30, but, you know, again, with the hope that the parties can reach a resolution -- an agreed resolution as to exactly 11 how they're going to go forward to liquidate this claim, so 12 13 is there anything else that we need to talk about today then 14 on this, Mr. Kilpatrick? 15 No, your Honor. MR. KILPATRICK: THE COURT: Mr. Spicer, did you want to say anything 16 17 further? 18 MR. SPICER: No, sir, your Honor. 19 THE COURT: All right. Well, I will -- we'll do 20 that. We'll proceed on this basis, and, you know, if the 21 parties can reach an agreement to whatever extent, you'll 22 file a stipulation and submit an order as soon as possible, 23 and I'll --24 MR. KILPATRICK: I will work to get --25 THE COURT: -- be happy to look at it.

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MR. KILPATRICK: I'll work to get this resolved, 1 2 your Honor. 3 THE COURT: Great. Okay. Well, thank you. Thank you both. 4 MR. SPICER: Thank you. 5 6 MR. KILPATRICK: Thank you, your Honor. THE COURT: All rise. Court is adjourned. 7 (Proceedings concluded at 4:59 p.m.) 8

INDEX

WITNESSES:

None

EXHIBITS:

None

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

/s/ Lois Garrett

September 28, 2015

Lois Garrett