

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

CAESARS ENTERTAINMENT OPERATING)
COMPANY, INC., et al.,) No. 15 B 01145
) Chicago, Illinois
) 1:30 p.m.
Debtor.) September 21, 2016

EXCERPT OF PROCEEDINGS BEFORE THE
HONORABLE A. BENJAMIN GOLDGAR

Court Reporter: Amy Doolin, CSR, RPR
U.S. Courthouse
219 South Dearborn
Room 661
Chicago, IL 60604.

***** EXCERPT *****

Since you mentioned the resignation of the mediator, I want to say something about that. The resignation came as quite a surprise to me. Even more surprising than the resignation itself was the resignation letter, which to me displayed two major areas of misunderstanding.

The letter described the bankruptcy court as a supervising court, supervising the mediation. Not the case. This was private mediation. When the debtors moved to have a mediator appointed, I made it very clear I had no ability to do that. As I recall, I told you that you've always had the ability to mediate, and you could do so or not as you saw fit, but that this was not something that I should be getting involved with. So not a supervising court.

The letter described the statements that were filed from the mediator as standard reports to a supervising court. They weren't standard reports. There was no requirement that the mediator ever report to the court in any fashion because, again, this was not court-supervised mediation. This was purely private.

These reports were filed for reasons

1 that I cannot explain. Each one was filed, not by
2 the mediator, but by a different party immediately
3 before one of the two Section 105 injunction
4 hearings. The first was filed in June by the
5 committee counsel. The second was filed in August by
6 the debtors. There was no requirement that these be
7 filed, as I said.

8 Compare the process with the examiner.
9 The examiner was court-appointed. The examiner made
10 reports to the court because he was ordered to.
11 Nothing required the mediator here to do anything.
12 Nothing from the court, in any event.

13 The other area of misunderstanding
14 concerns my remarks about the second statement from
15 the mediator and the occasion for those remarks. The
16 letter describes the mediator's statement as the
17 focus of the hearing and the court's observations.
18 No, it wasn't the focus of the hearing. I had an
19 injunction motion before me on which I was required
20 to rule. The motion was the focus of the hearing.
21 The motion was the focus of my observations.

22 The letter says that apparently the
23 court didn't find the statement helpful. It isn't a
24 question of it being helpful. I didn't require help.
25 I had an issue before me on which I had to rule. The

1 report was offered into evidence as an exhibit. As
2 evidence, its weight had to be assessed. The report
3 said there had been material progress in the
4 mediation. It didn't say anything else. It didn't
5 include any details. So I found that the mere
6 conclusion was not entitled to very much weight.
7 That's all I did.

8 The letter says that apparently I hold
9 atypical views on mediation. I don't recall
10 expressing any views on mediation, typical or
11 atypical. As it happens, I have almost no views on
12 mediation, other than the fact that I myself am not
13 very good at it, and so I try not to do it. But,
14 again, this was a private process, and the comments
15 that I made were comments in my capacity as a judge
16 assessing the weight of evidence in the course of a
17 ruling on a motion that the debtors made.

18 I have never pressed the mediator for
19 information. I have never sought anything from the
20 mediator in this case. I have never found fault with
21 the mediator in this case. I have never had any
22 occasion to comment on the mediation, except to the
23 extent that the parties put the issue before me. It
24 was private. It wasn't part of the bankruptcy case.
25 It was going on in the background. So, just to be

1 clear about all of this, I have to say, I found the
2 letter a little bit bewildering.

3 (Which were all the proceedings had in
4 the above-entitled cause, September
5 September 21, 2016, 1:30 p.m.)

6 I, AMY B. DOOLIN, CSR, RPR, DO HEREBY CERTIFY
7 THAT THE FOREGOING IS A TRUE AND ACCURATE
8 TRANSCRIPT OF PROCEEDINGS HAD IN THE ABOVE-
9 ENTITLED CAUSE.