

EXHIBIT F

1
1210-51

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
))
TRANS WORLD AIRLINES, INC.,) Case No. 01-00056 (PJW)
et al.,))
) (Jointly Administered)
Debtors.)

United States Bankruptcy Court
824 Market Street - Sixth Floor
Wilmington, Delaware

August 17, 2001
9:30 a.m.

BEFORE: HONORABLE PETER J. WALSH,
United States Bankruptcy Judge

TRANSCRIPT OF PROCEEDINGS

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1. either litigate in the forum in which you were
2. involved pre-petition or you litigate in this court.
3. And I'm telling you you're not going to litigate it in
4. this court for a lot of reasons, not the least of
5. which is I may not have jurisdiction in certain
6. matters to hear it in this court.

7. MR. SANOZKY: Okay. Thank you, Your
8. Honor.

9. THE COURT: You're welcome.

10. MR. SELIGMAN: Your Honor, just to
11. clarify for the record, we never promised Mr. Cibulka
12. -- Mr. Sanozky that there was insurance here. We were
13. looking into it. At the last hearing you ordered us
14. to in ten days make a final determination of
15. insurance. We communicated that to Mr. Sanozky and at
16. that time he filed his motion.

17. THE COURT: Okay.

18. MR. SELIGMAN: Your Honor, the final
19. matter up this morning is another, is a motion for a
20. demand for a jury trial by Mr. McMillian, which I will
21. yield to Mr. McMillian.

22. MR. MC MILLIAN: Good morning, Your Honor.
23. My name is Herbert McMillian and I'm a former employee
24. of TWA.



1 My proof of claim is pertaining to
2 disability and disability issue benefit claims for
3 retirement. This case is pending in the Southern
4 District Court for review. It was adjudicated by
5 Judge Sands in the Southern District.

6 I have a copy of the order which my case
7 is pending in reference to the matter.

8 THE COURT: The Southern District of what?

9 MR. MC MILLIAN: New York, District Court.

10 THE COURT: I'm sorry. You had a trial?

11 MR. MC MILLIAN: No. I haven't had a
12 trial. My case hasn't come up.

13 THE COURT: It's still pending?

14 MR. MC MILLIAN: Still pending. I also
15 had a hearing in the Social Security Administration in
16 reference to the benefits and TWA was subpoenaed, as
17 well as their insurance. Neither one showed up in
18 May.

19 Their purpose is to continue to delay
20 thinking it will go away, but it will not go away.
21 According to the last two employees here, and I'm
22 quite sure there will be many more after me, is that I
23 would like to get with them and their attorneys and,
24 you know, continue this case in the Southern District



1 Court who has jurisdiction over this particular
2 matter.

3 So what I am asking this Court here in my
4 original motion is to transfer this to the appropriate
5 District Court that has jurisdiction over this matter,
6 which would be in New York Southern District Court,
7 which is pending, and also the Social Security
8 Administration.

9 I have tried to reach TWA's attorneys in
10 good faith and they have still refused to even discuss
11 this matter with me. I have doctors. I have a
12 permanent injury, on-the-job injury in 1979 which I'm
13 partially paralyzed and all that. I have had MRIs.
14 I've had X-rays. I've expert doctors that will
15 testify to this matter, which already have testified
16 to this matter and also attorneys.

17 To make it short and not take up, you
18 know, the time of the Court, I appreciate, you know,
19 your taking the time to listen, is that I would like
20 to do the same thing and lift the stay in reference to
21 amending my petition or either transferring the matter
22 to the District Court to a jury trial which has
23 jurisdiction over it. I understand that you do not
24 have jurisdiction over jury trials.



1 THE COURT: That's correct.

2 MR. MC MILLIAN: So I refer this matter by
3 order from you saying that it be removed or
4 transferred to the Southern District Court where it's
5 pending, if that's okay.

6 THE COURT: Okay. I'm not sure -- I don't
7 understand when you talk about transferring from this
8 Court. What is it in this court that you want
9 transferred to another court?

10 MR. CIBULKA: Remove the stay.

11 MR. MC MILLIAN: Remove the stay, Your
12 Honor.

13 THE COURT: All right. Let me hear from
14 the debtor.

15 MR. MC MILLIAN: Also, Your Honor, the
16 debtor -- what do you call it? The debtor, I got
17 notice yesterday of an objection, which is very late.
18 It's not acceptable to me in reference to violating
19 not only court rules, it also violates the law. And
20 this kind of prejudice is unfair for me to try to
21 continue this case in this particular court.

22 So the opinion is that I would request
23 this Court -- I have the papers here, my objection.

24 I gave the attorney a copy, which I don't



1 know the contents in their objection or what because I
2 objected and rejected the papers and sent it back to
3 them because of the late service.

4 THE COURT: Okay. Let me ask you a
5 question. As I understand it, at the time the
6 petition in this case was filed in January you had
7 pending two separate litigated matters?

8 MR. MC MILLIAN: Yes, sir.

9 THE COURT: One, a disability action in
10 the Southern District of New York?

11 MR. MC MILLIAN: Right.

12 THE COURT: And the second, a Social
13 Security claim?

14 MR. MC MILLIAN: Social Security claim
15 hearing, right, in reference to the -- right.

16 THE COURT: All right. Let me hear from
17 the debtor.

18 MR. SELIGMAN: Your Honor, while the
19 debtors have great sympathy for these pro se claimants
20 who want to lift the stay and have had a lot of
21 patience with working with them, our patience ended
22 when they present for Your Honor lies about us and
23 make us out that we are ignoring them and not trying
24 to work with them.



1 We have spoken with Mr. McMillian on
2 innumerable occasions. We have attempted to try to
3 find out exactly what his claims are for and tried to
4 work with him. Mr. McMillian has been totally
5 uncooperative in even discussing the matter of the
6 claims. We have oftentimes asked him to send us
7 documentation and he has refused and said, "You will
8 get it in the mail," in which case we get nothing
9 here. Mr. McMillian -- we even worked with
10 Mr. McMillian so that he could get a proof of claim on
11 file before the claims bar date.

12 Apparently, this motion for a jury trial
13 is with respect to that proof of claim. Again, Your
14 Honor, from looking at this claim, it appears there's
15 no insurance to cover this matter. This is similar to
16 the other matters, and we would request that this
17 matter not go forward as well.

18 THE COURT: Okay. I assume that you're in
19 agreement that there was pending at the petition date
20 a disability complaint, cause of action pending in the
21 Southern District?

22 MR. SELIGMAN: That's our understanding.

23 THE COURT: Okay. Now, what about the
24 Social Security hearing? What do you know about that?



1 MR. SELIGMAN: Frankly, Your Honor, we've
2 been trying to find out information about that. I
3 asked Mr. McMillian to send us information. We
4 haven't been able to investigate that and figure out
5 exactly what it's all about.

6 THE COURT: Well, it seems to me that if
7 it's a claim for a disability under Social Security,
8 we're not talking about a recovery against the estate
9 and it seems to me that he ought to be able to pursue
10 that even if it involves subpoenaing one or more
11 employees of TWA to appear at a Social Security
12 administrative hearing.

13 MR. SELIGMAN: Your Honor, I'm not an
14 expert on Social Security proceedings, but upon
15 investigation if it turns out that he's not seeking
16 recovery from the estate, we will be happy to enter
17 into a stipulation with him to allow him to proceed to
18 recover his benefits as long as they have no impact on
19 the estate.

20 THE COURT: Yes, sir.

21 MR. MC MILLIAN: Excuse me, Your Honor. I
22 disagree with counsel here. I have proof of servicing
23 of mail that I served counsel, counsel of TWA, as well
24 as the attorney who I knew at the time. I have



1 documents here from Social Security and subpoenas that
2 the Social Security issued.

3 May I?

4 THE COURT: Let me see it.

5 MR. MC MILLIAN: The proof is in the
6 documents right there.

7 While you're reading that, Your Honor, can
8 I make another statement?

9 THE COURT: Just a minute.

10 Yes.

11 MR. MC MILLIAN: To Mr. David Seligman --
12 is that your name? You work for Kirkland & Ellis,
13 right? Do you know an attorney named Marc Carmel?
14 Yes or no?

15 MR. SELIGMAN: Your Honor, Mr. Carmel is
16 an associate of mine who is now on vacation.
17 Mr. Carmel was in charge of working with Mr. McMillian
18 on numerous occasions. He did receive these
19 documents. He spoke to Mr. McMillian in trying to
20 find out exactly what they were all about and
21 Mr. McMillian wouldn't give any detail.

22 We're trying, Your Honor, to work with
23 him, but it's proven very difficult.

24 MR. MC MILLIAN: Excuse me, Your Honor.



1 Do you admit or do you deny that I
2 submitted papers to Mr. Carmel? He's the one that
3 said he was handling the case. I can prove that I
4 sent documents to him.

5 So, Your Honor, he purposely is delaying
6 on that and the thing is that I would not accept it.
7 He's standing there telling a lie to the Court.

8 THE COURT: Okay. I'm going to lift the
9 stay to allow Mr. McMillian to pursue his Social
10 Security claim and --

11 MR. MC MILLIAN: And also the class action
12 claim in the Southern District Court?

13 THE COURT: With respect to the Southern
14 District Court action, I'm going to deny the motion
15 without prejudice for the same reasons I have
16 articulated with respect to the two preceding motions;
17 namely, I think it's too early in this case to lift
18 the stay to require the debtor to expend resources on
19 a matter which at the end of the day may result in no
20 recovery for the claimants.

21 And I'm hoping that we will have a better
22 understanding of the resources available to the debtor
23 and a better understanding of the prospects for any
24 recovery by unsecured creditors ninety days from now



1 and so, therefore, I'm denying that portion of the
2 motion without prejudice.

3 MR. MC MILLIAN: Yeah. But, Your Honor,
4 this was -- this case has been adjudicated way before
5 this TWA even filed. Okay?

6 THE COURT: I understand.

7 MR. MC MILLIAN: Didn't I show you a copy
8 of the judge's order of the Southern District?

9 THE COURT: No. I don't need that.

10 MR. MC MILLIAN: Okay. But, anyway, I
11 will pursue that also if I get an injunction or
12 whatever I have to do, I would have it by next week, I
13 will serve it personally to him.

14 THE COURT: Well, I don't know what you're
15 going to do, but the only relief I'm granting you now
16 is relief from the stay to pursue the Social Security
17 matter. In fact, I'm not even sure that you need
18 relief from the stay to pursue the Social Security
19 matter because, as I understand it, it's not an action
20 to recover against the estate.

21 MR. MC MILLIAN: It's a matter in
22 reference to any class action which is similar to the
23 disability cases in the District Court which
24 adjudicated the Social Security benefits, you know.



1 So the thing is that I don't see how you can deny the
2 motion in reference to the District Court because it's
3 already pending, it's already been adjudicated.

4 THE COURT: Okay. I have made my ruling.

5 MR. MC MILLIAN: Okay. I'm not being
6 disrespectful, Your Honor. I'm just trying to make a
7 point.

8 THE COURT: Okay. I understand.

9 MR. SELIGMAN: Your Honor, I understand
10 Your Honor's ruling. I would request if Your Honor
11 could delay the lifting of the stay until the next
12 omnibus hearing. The reason is I would like to try
13 and find, given Mr. McMillian's statements, I would
14 like to find out exactly what the nature of the Social
15 Security action is and be able to give Your Honor a
16 little bit more facts hopefully at the next hearing so
17 that when Your Honor crafts a ruling lifting the stay
18 with respect to that we can understand a little bit
19 better the confines with respect to that.

20 MR. MC MILLIAN: I object, Your Honor.

21 THE COURT: Okay. I have made my ruling.

22 MR. MC MILLIAN: Okay. Thank you.

23 I don't know what the procedures are. Do
24 I have to wait and get it in the mail or I get it



1 from --

2 THE COURT: Well, I am going to direct
3 debtors' counsel to submit to me for signing an order
4 lifting the stay in accordance with my ruling. I just
5 think it's inappropriate to ask Mr. McMillian to try
6 to document that appropriately.

7 MR. SELIGMAN: That's fine, Your Honor.

8 MR. MC MILLIAN: Thank you very much.

9 MR. SELIGMAN: Your Honor, that concludes
10 everything on the agenda. However, there is a number
11 of --

12 THE COURT: Yes, you can have these
13 documents back.

14 MR. MC MILLIAN: You can take this.

15 THE COURT: You can have that.

16 MR. MC MILLIAN: Okay.

17 MR. SELIGMAN: Your Honor, there are a
18 number of stipulations that we previously submitted to
19 the Court, some of which are to lift the stay. The
20 certificates of no objection have been filed. We
21 would ask if we could just tender those up to Your
22 Honor for signature. These are stipulations entered,
23 filed with the Court a long time ago and they just
24 have been pending before Your Honor.

