

# EXHIBIT G

1 IN THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT  
 2 IN AND FOR PINELLAS COUNTY, FLORIDA  
 3 CIVIL DIVISION  
 4 TERRY GENE BOLLEA,  
 professionally known as HULK  
 5 HOGAN,  
 Plaintiff, Case No.  
 12-012447-CI-011  
 6 vs.  
 7 GAWKER MEDIA, LLC, aka GAWKER  
 MEDIA, NICK DENTON; A.J.  
 8 DAULERIO,  
 9 Defendants.

10 \_\_\_\_\_/  
 11  
 12 HEARING PROCEEDINGS BEFORE  
 13 THE HONORABLE PAMELA A.M. CAMPBELL

14 DATE: June 10, 2016  
 15 TIME: 9:06 a.m. to 10:55 a.m.  
 16 PLACE: Pinellas County Courthouse  
 17 545 1st Avenue North  
 Courtroom B  
 18 St. Petersburg, Florida  
 19  
 20 REPORTED BY: Aaron T. Perkins, RPR  
 Notary Public, State of  
 Florida at Large

21  
 22 Pages 1 to 62  
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 24  
 25

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1 PROCEEDINGS  
 2 (Court called to order at 9:06 a.m.)  
 3 THE COURT: All right. So we are here on  
 4 Case No. 12-012447, Bollea vs. Gawker. We are  
 5 here today for a number of motions.  
 6 Before we get into that, are there any  
 7 preliminary issues, Mr. Turkel?  
 8 MR. TURKEL: No, Judge.  
 9 THE COURT: Mr. Berry?  
 10 MR. BERRY: Your Honor, I want to clarify for  
 11 the record. We had a discussion in the hallway  
 12 between counsel, and everybody has agreed that  
 13 there will be, no matter what happens here with  
 14 the stay motions and the request for relief that  
 15 we're going to be discussing, there won't be any  
 16 execution proceedings that will be commenced until  
 17 the end of the hearing at the earliest.  
 18 MR. TURKEL: I think what he's saying is  
 19 while we're sitting here arguing, we're not going  
 20 to be executing or docketing anything, which is  
 21 consistent with when we said we would do it, until  
 22 June 10th.  
 23 THE COURT: Right.  
 24 MR. BERRY: Until the hearing is adjourned,  
 25 so nobody is racing to the courthouse, outside of

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1 the courthouse.

2 THE COURT: Okay. Great. Well, what a

3 wonderful agreement.

4 Okay. So then we're here for Gawker

5 defendants' request to stay pending appeal and to

6 address the amount of the supersedeas bond. And

7 there is plaintiff's motion to determine

8 confidentiality of the court records that pertains

9 to the pricing study, plaintiff's motion to

10 determine the confidentiality of court records

11 with the financial worth discovery, and the Court

12 is going to give the ruling on the Mayer Brown,

13 M-a-y-e-r, Brown report.

14 Why don't we start first with defendants'

15 motion to stay for execution of judgment.

16 Mr. Berry?

17 MR. BERRY: Thank you, Your Honor.

18 Your Honor, as plaintiff argued at the last

19 hearing and as the Court noted previously and,

20 again, noted in the order on the permanent

21 injunction that was entered earlier this week,

22 this is a case that is unlike any other. I think

23 at the last hearing, plaintiff's counsel said

24 there was no case like this case. The judgment

25 that Your Honor entered earlier in the week is of

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1 unprecedented size. It's based on a verdict of

2 unprecedented scale.

3 During the course of the litigation over the

4 past three years, Your Honor has repeatedly noted

5 that this case raises significant issues that will

6 ultimately have to be decided by the appeals

7 court. There is constitutional issues about the

8 right to privacy, about the First Amendment.

9 There is issues about the elements of the torts,

10 about what's compensable damages for each of those

11 torts. There is evidentiary issues that we sat in

12 the courthouse and debated both before the trial

13 and during the trial. At each stage we have all

14 understood that those are important issues.

15 They're significant issues that the appeals court

16 needs to decide.

17 Today, Your Honor, I'm coming before you to

18 ask for a meaningful opportunity to bring those

19 issues to the appeals court. I understand my

20 clients understand that the plaintiff wants

21 security for the judgment. That's now been

22 entered. What we are asking today, Your Honor,

23 and what we respectfully would request from you is

24 to balance those two interests: the plaintiff's

25 interest on the one hand in securing his judgment,

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1 our interest in preserving our right to appeal.

2 And, Your Honor, ensuring that appeal is

3 meaningful.

4 My clients face financial ruin simply because

5 of this unprecedented verdict. Ultimately, that

6 verdict could be overturned or it could be

7 reduced. As it stands now, if they face that

8 verdict today, if they face that judgment today,

9 they will face financial ruin. All we're asking,

10 Your Honor, is to exercise the authority that's in

11 your hand to give us a fair shot at the appeal

12 that we have all been talking about for the past

13 three years.

14 I'm not coming to you today asking for a

15 blank check to go to the appellate court. We're

16 not seeking some sort of free ride. We're not

17 seeking an unsecured stay. What we're asking for

18 and what we put in our papers that we filed

19 yesterday was a stay of execution pending appeal

20 with serious conditions. Mr. Denton, as we said

21 in the paper and now I can say the same for

22 Mr. Daulerio, are literally willing to put their

23 money where their mouth is. Both of them will

24 pledge their shares of Gawker Media Group, Inc.,

25 as security for the judgment that has been entered

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1 with the Court pending the disposition of the

2 appeals. This is their principal asset, and this

3 is what the plaintiff would get, ultimately, if we

4 were to execute.

5 In our papers and in the bench memo that

6 plaintiff filed, we've all agreed that the Court

7 has the authority to stay execution. This is a

8 judgment that Your Honor entered that includes

9 both monetary damages and the injunctive relief.

10 Thus, Rule 9.310(a) governs. Again, plaintiff has

11 conceded as much in the bench memo that was filed

12 on Wednesday. Under Rule 9.310(a) a stay pending

13 review can be conditioned on the posting of a good

14 and sufficient bond or other conditions or both.

15 As the case law that we have cited makes

16 clear, and that actually is cited in the

17 plaintiff's papers as well, you are vested with

18 discretion about the nature and the extent of the

19 security. Effectively, that presents you with two

20 questions. First, should a stay be entered, and,

21 second, under what conditions?

22 Here we've outlined in our papers -- I'm not

23 going to go into great depth about it -- there is

24 constitutional issues concerning the right to

25 appeal. There is federal First Amendment and due

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1 process issues. There is Florida issues  
2 concerning the constitutional right to appeal.  
3 Here, the stay should be issued so that our  
4 appeal is not effectively moot. As I said,  
5 without a stay, each defendant will immediately  
6 face financial ruin. The ultimate result of the  
7 appeal will be meaningless. But let me just get  
8 down to brass tacks and talk about the conditions  
9 for the stay.  
10 As I understand it from the bench memo that  
11 plaintiff filed and what was in the previous  
12 filings before the last hearing -- and I don't  
13 know if this has changed. We can discuss it later  
14 if it has.  
15 But the plaintiff has effectively asked the  
16 Court to apply the formula for automatic stays and  
17 money-only judgments under 9.310(b) or section  
18 45.045, even though he concedes that neither of  
19 those things actually apply here, because we're in  
20 the 9.310(a) land.  
21 Defendants simply cannot post \$150,000,000  
22 bond at this point or post a bond of \$50,000,000  
23 per defendant. If the stay is conditioned on  
24 either of those terms, no defendant could get a  
25 stay. Effectively, a high bond like that would be

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1 the same as denying a stay.  
2 If the plaintiff then attempted to execute  
3 under those conditions, as I say, each of  
4 defendant would face financial ruin, and,  
5 effectively, the plaintiff, you would assume has  
6 interest in collecting on the judgment, but it  
7 would ensure there would be nothing for him to  
8 collect on.  
9 Here we believe that the security should be  
10 reasonable under the circumstances, which is what  
11 the law says. And those circumstances include the  
12 constitutional considerations and discussion on  
13 papers and the weighty and significant issues that  
14 we've all discussed that will ultimately be  
15 presented to the appeals court.  
16 With our papers, we submitted detailed  
17 affidavits about our current financial positions,  
18 and those circumstances ought to be considered.  
19 And that's where I would like to turn you to now.  
20 Now, I will kind of go with them from, perhaps,  
21 the simplest to the weightiest issues here.  
22 First, Mr. Daulerio. His is the simplest  
23 case. There is no dispute, I believe, from either  
24 side that he has a negative net worth. He has no  
25 home, he has no car, he has no material assets.

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1 As documented in his affidavit, he has checking  
2 and savings accounts, but those have less money in  
3 them than the student loans that he has debt on.  
4 He has no current full-time employment, no means  
5 of regular income. He does have an ownership  
6 interest in RG3, which is a startup media company  
7 that was discussed at trial. That company is not  
8 operational. It's not earned any revenue, and  
9 it's worthless.  
10 He does, though, have his 5,900 shares of  
11 Gawker Media Group, Inc., what we've called GMGI  
12 throughout the proceedings. And although not in  
13 those papers, I can represent to the Court that he  
14 is willing to pledge all of those shares to the  
15 Court as security pending the disposition of  
16 appeal. Again, this is his most meaningful asset.  
17 The second defendant that I will talk about  
18 is Gawker Media. For Gawker Media, we submitted  
19 two affidavits, one from Ms. Dietrick, which  
20 attached a balance sheet, another from David Carr  
21 who is a bond broker in Tampa.  
22 What those affidavits show and what the  
23 balance sheet shows is that Gawker has no ability  
24 to post a meaningful bond at this time.  
25 Ms. Dietrick's affidavit explains the current

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1 financial position of the company. It could  
2 already be in a dire financial position, even  
3 setting aside the judgment issue. As Ms. Dietrick  
4 explains, there is cash flow issues within the  
5 company even without a judgment. This has been  
6 caused by expenses incurred in this and other  
7 litigation.  
8 Following the verdict that was entered here,  
9 as Ms. Dietrick explained, the company has hired  
10 professionals to evaluate its options in  
11 anticipation of the judgment that you entered this  
12 week. And the conclusion is it simply does not  
13 have free cash flow to post a meaningful bond. It  
14 certainly doesn't have anything material relative  
15 to the amount of the judgment or the \$50,000,000  
16 bond that would be required under the statute. It  
17 has no real estate, it has no significant tangible  
18 assets.  
19 As the balance sheet from May 31st, which is  
20 the last point that we have, pro forma financials,  
21 the company's liabilities exceed its assets. At  
22 that time it had two essential assets, \$5.3  
23 million in cash on hand, and then \$11.9 million in  
24 accounts receivable.  
25 But it also had significant liabilities. The

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1 three that are most meaningful for these purposes  
2 are a term loan from a company called Columbus  
3 Nova, that's \$15,000,000; a term loan from the  
4 Silicon Valley Bank that's over \$6,000,000; and  
5 then a letter of credit from Silicon Valley Bank  
6 that's over \$5,000,000. Those loans and letters  
7 of credit are secured by the company's cash and  
8 receivables. In addition, there is a company on  
9 one of the loans concerning the ratio of assets to  
10 liabilities. And, again, this is explained in the  
11 papers. Given that situation, they cannot pay the  
12 material amount relative to the judgment as  
13 security.

14 Once the verdict was rendered, Gawker asked  
15 David Carr of Willis Towers Watson, which, again,  
16 as explained in his affidavit, is one of the  
17 world's largest bond brokers. They asked Mr. Carr  
18 to explore where a company in Gawker's position  
19 could secure an appeal bond. The short answer is  
20 no.

21 As explained in Mr. Carr's affidavit, he  
22 looked at the audited financials for GMGI. He  
23 looked at the balance sheet for the company as of  
24 the end of the first quarter of 2016, which is  
25 right after the verdict was rendered, and

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1 estimated the company's book value, what its  
2 equity was. He then went out to five different  
3 bond companies and asked them, Would a company in  
4 this financial situation with this book value,  
5 could they get a supersedeas bond for \$50,000,000.  
6 The answer was he could, but the companies would  
7 need full collateral. They need either a letter  
8 of credit or cash.

9 As Ms. Dietrick explains in her affidavit,  
10 she checked with the company's bank and asked them  
11 if they could get a letter of credit, and the  
12 answer was yes, but only if you provide cash  
13 collateral, which, as I have already explained,  
14 they simply do not have. The bottom line is  
15 Gawker Media cannot secure a bond, and it cannot  
16 pledge cash in the amount that is material to the  
17 \$140,000,000 judgment.

18 That brings me to the last defendant, Nick  
19 Denton. Mr. Denton, like the others, has provided  
20 a detailed financial affidavit. It explains what  
21 his current financial situation is with each of  
22 his accounts. He has a retirement account. He  
23 has other accounts that, in total, have a little  
24 over \$50,000, and that includes money that he  
25 recently took out of his retirement account so

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1 that he could pay his living expenses.  
2 He also has a condominium that's already  
3 subject to a mortgage of 1.7 million, which, as he  
4 explained in his affidavit, he's now seeking to  
5 rent and is moving into a less expensive home.  
6 He's going to use that rent money so that he's  
7 able to support himself. That leaves his  
8 principal asset, which is his ownership interest  
9 in Gawker Media Group, Inc.

10 As explained in his affidavit and as we  
11 talked about before in these proceedings recent,  
12 he owns 45 million shares and options in the  
13 company. That's roughly 30 percent of the  
14 company, 29.2 percent, give or take. He is  
15 willing to pledge all of his shares to the court  
16 as security for any judgment following appeal.  
17 He's willing to do that on behalf of himself,  
18 Mr. Daulerio, and the company.

19 Now, Gawker Media Group, Inc., is a private  
20 company, so we don't know, you know, the values of  
21 the shares, but in the net worth phase of the  
22 case, plaintiff's experts said for purposes of  
23 punitive damages only, they estimated the value of  
24 GMGI. And based on Mr. Denton's ownership  
25 interest of the company, those shares, using

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1 plaintiff's expert's methodology, would be over  
2 \$81,000,000. We disputed that valuation at the  
3 time, but that's the value the plaintiff put on  
4 the shares.

5 This is essentially all of Mr. Denton's net  
6 worth. It's effectively all the plaintiff could  
7 recover from the defendants if they were to  
8 execute. We are willing to enter into an  
9 instrument to pledge those shares to the Court as  
10 security to ensure that we have a meaningful right  
11 to appeal.

12 As I said at the outset, if no stay is  
13 granted, the harm will be irreparable. It will  
14 mean certain financial ruin for all three  
15 defendants. It will affect -- it will impact not  
16 only them but the company's current creditors. We  
17 understand that plaintiff has an interest in  
18 seeking security for his judgment. We have taken  
19 time. We have employed other people to come up  
20 with a solution to balance that interest, that  
21 interest in security and judgment with the  
22 interest in a right to appeal that means  
23 something.

24 We've undertaken a serious analysis, and what  
25 we are offering is a serious condition. We have

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1 pledged what, between the three defendants, is the  
2 most meaningful asset they have. And, again, it's  
3 effectively what the plaintiff could get if he  
4 were to execute. The shares of stock, the  
5 ownership interest in GMGI, this is a company that  
6 Mr. Denton has built over the past 12 years. This  
7 is all of his financial equity. This is all of  
8 his sweat equity. We're willing to pledge it all.  
9 All we ask is a simple opportunity to take our  
10 case to the appeals court and have it decided  
11 without my clients being thrown into financial  
12 ruin.

13 We respectfully request, Your Honor, to give  
14 us that fair and meaningful shot at an appeal.

15 THE COURT: So I have read through the  
16 paperwork, the pleadings. The defendants and the  
17 plaintiffs have very good and skillful lawyers.

18 The Court has had an opportunity to review  
19 some financials during the punitive damage phase,  
20 during the trial phase, and now. And I will say  
21 that just from my review -- and I don't have a  
22 team of folks in the back to do an analysis --  
23 they seem to be significantly dwindling, the  
24 value, the shares.

25 The defense have fought all along the way any

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1 discovery into value and assets. And at our last  
2 hearing on May 25th, the defense again were  
3 objecting to any kind of discovery.

4 So what I would like your comments on is if I  
5 were to grant a stay under certain conditions,  
6 what kind of discovery -- and you alluded to some  
7 of it in your papers -- but what kind of discovery  
8 would the defense agree to?

9 MR. BERRY: The short answer, I think, is  
10 that you've already entered orders requiring us to  
11 fill in those financial information sheets, which  
12 provides extensive data and documentation.

13 THE COURT: The fact information sheet  
14 attached to the financial judgment?

15 MR. BERRY: Correct. And that already  
16 requires us to provide substantial information.  
17 And a lot of that information, the plaintiff has  
18 been given throughout discovery.

19 We would be willing to undertake whatever  
20 discovery -- I mean, without -- it's hard to say  
21 in a vacuum. But, I mean, at this point we have  
22 to provide our financial data. They will have  
23 every jot and tittle from Gawker Media, from A.J.  
24 Daulerio, and Nick Denton within those financial  
25 information sheets.

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1 Beyond that, I'm not sure what you're  
2 contemplating. But we would certainly be willing  
3 to discuss it. I can't deny that the assets are  
4 dwindling. And we have made that clear to the  
5 plaintiff repeatedly throughout the litigation.  
6 And we don't need to get into the reasons for it,  
7 but because of the litigation that's been filed  
8 here and elsewhere against the company, they have  
9 been forced to defend and not been able to get out  
10 from under that. That's the financial picture. I  
11 mean, it kind of is what it is at this point.

12 THE COURT: Okay. Well, I guess one of the  
13 things that I didn't see in anybody's paperwork  
14 were -- in reading through the rules and reading  
15 through the different cases, I don't see guidance  
16 to the Court as to the role of sympathy, you know,  
17 emotional issues.

18 The pleadings show here it is what it is, but  
19 we all have choices to make along the way. And  
20 while both sides have very skilled and talented  
21 lawyers, the parties themselves have made choices  
22 along the way. And so I guess it is what choices  
23 along the way -- should any of those choices come  
24 into play at this point in the Court's  
25 determination of what's fair?

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1 I mean, really, we start out the very  
2 beginning aspect to play -- to edit and play the  
3 video or not, to Mr. Houston's letter that says,  
4 Just give it back to us and don't play it anymore  
5 and walk away, and now, reportedly, both sides  
6 have spent over \$10,000,000 of legal fees and both  
7 sides being locked into the constitutional rights  
8 that they have, which certainly they do have them.  
9 And I am certainly cognizant of that. But I guess  
10 they have come at a price to defend for both  
11 sides.

12 So there have been lots of choices along the  
13 way, and more than just this litigation, of  
14 dwindling assets of the defendants, but -- okay.

15 MR. BERRY: I guess I would say a few things.

16 First, I guess in some respects we're not  
17 asking for sympathy but we're asking you for what  
18 the law does say, is just based on the conditions  
19 and the circumstances. And the circumstances now  
20 of where we are is exactly where we are.

21 And the framework -- and, again, I'm happy to  
22 talk about it, particularly with respect to the  
23 First Amendment and the independent appellate  
24 right of review. And we've in our papers provided  
25 precedent where these kind of weighty questions

1 are presented. Most recently in the Snyder vs.  
2 Phelps case, where the court there recognized  
3 that, notwithstanding the verdict that these folks  
4 could not pay, that there was important issues and  
5 provided lower bond requirements so they could  
6 make it to the next level of appeal, to the point  
7 that, you know, somebody -- the church, the leader  
8 of the church, bonded their property, which is  
9 exactly what we're asking here. So that's point  
10 one.

11 The second point is as far as the choices  
12 along the way, Your Honor, we obviously dispute  
13 some of the facts in the underlying motivations of  
14 the lawsuit and would rather not dwell on those at  
15 the moment. The simple fact of the matter is, as  
16 a defendant, we did not have a choice about  
17 whether to be drawn into court, nor what it would  
18 take to resolve the case. We had to defend  
19 ourselves.

20 As has been publicly reported some time ago,  
21 the plaintiff made a choice to dismiss a claim  
22 because he found out that it was tied to our  
23 insurance coverage. We had no choice but pay out  
24 of pocket for our defense. They knew that. That  
25 was their choice. We had no choice but to

1 continue to defend this litigation and other  
2 litigation spawned by Mr. Thiel at the helm of --  
3 at the head of Mr. Harder throughout the country.  
4 I don't want to necessarily put the problems in  
5 this courtroom, but that was not our choice.

6 THE COURT: I said both sides made choices.

7 MR. BERRY: Right. That was not our choice.  
8 What we're asking for you to do today and what we  
9 respectfully are asking this Court is that given  
10 the circumstances that we face now, that all of us  
11 face now, to consider those things, and to  
12 enter -- to allow us a stay based on real  
13 security, the only real tangible assets that we  
14 have to offer so that we can get to the appeals  
15 court and have it decide each of these issues from  
16 Day 1, you know, starting back when this lawsuit  
17 was first filed. There has obviously been strong  
18 disagreements among the litigants and among the  
19 judiciary.

20 THE COURT: I guess here is part of my  
21 concern, though. Really, Mr. Denton had at one  
22 point here -- and this is on the bottom of page 8  
23 and footnote 4 of your motion. Mr. Denton had  
24 42.6 percent of GMGI and now he's got 29 percent  
25 of GMGI. So while he's willing to pledge those

1 shares, I think there would need to be some  
2 discovery that said what happened. He had a lot  
3 of it and now he has minimal.

4 MR. BERRY: The plaintiff already has that  
5 information, Your Honor.

6 THE COURT: Okay.

7 MR. BERRY: And they cited it to you in their  
8 discovery motion last time. The upshot of it is  
9 that the investment -- or the money, the loan that  
10 came from Columbus Nova required him to give over  
11 his shares. And, again, the reason that was done  
12 was because the company was facing litigation  
13 costs from this and other things, and they had no  
14 choice. And, I mean, I can't -- without getting  
15 into our settlement discussions and waiving  
16 privilege, I can't discuss that with you.

17 THE COURT: Right.

18 MR. BERRY: But that's what happened to those  
19 shares. This is what he has. He is saying as of  
20 today, I am going all in; I'm putting all my chips  
21 on the table. Short of that, I'm not sure what  
22 else he could do.

23 THE COURT: Okay. Mr. Vogt, do you want to  
24 respond?

25 MR. BERRY: Sorry. I would just say that --

1 I'll make a representation to the Court. During  
2 that time period, we were not getting -- prior to  
3 that investment, my law firm was not getting paid.  
4 The company -- this litigation and the  
5 litigation -- I cannot emphasize enough --  
6 throughout the country has pushed them to the  
7 brink, and that's not a choice that Gawker made.

8 THE COURT: Thank you.

9 Mr. Vogt?

10 MR. VOGT: Thank you, Your Honor.

11 I guess I'll start with, The problem that  
12 we're really facing today is that despite the  
13 claim of impending financial ruin and the  
14 importance of the issues that we're addressing  
15 today, we got a 20-page motion with 11 exhibits  
16 and four affidavits yesterday at one o'clock.

17 THE COURT: I got mine at 2:30.

18 MR. VOGT: Very, very important issues. And  
19 that's how they were addressed. This verdict was  
20 rendered over two months ago. We had a hearing on  
21 the 25th where we discussed that this was coming  
22 up. And nothing was done until yesterday at one  
23 o'clock.

24 It makes this entire process much more  
25 difficult. We're faced with self-serving

1 affidavits about financial condition that we  
2 haven't had any ability to test or verify. As  
3 Your Honor correctly noted, one of the things we  
4 did at the hearing on the 25th is -- there hadn't  
5 been a bond motion filed yet -- was we asked for  
6 financial discovery so that we could be prepared  
7 for this, and they objected, you know, basically  
8 tying our arms behind our back.

9 We disagree factually and legally with  
10 everything in the motion for stay, for the most  
11 part. Most of the facts aren't relevant under  
12 Florida law. The cases they cite aren't binding  
13 precedent. And, in essence, what they're doing  
14 today is what they have done throughout this  
15 entire ordeal, which is they are refusing to  
16 accept responsibility for their actions, and they  
17 want special treatment.

18 They want their own newsworthiness test to  
19 apply. They want to file motions whenever they  
20 want to file them, and they want to have the Court  
21 ignore Florida law on bonds and follow other  
22 jurisdictions, because they don't want to post  
23 bond for a payout on a \$140,000,000 judgment.

24 I think, because of the situation that we're  
25 here and getting these files yesterday and these

1 offers of stock, I think that the Platt case, the  
2 Second DCA Platt case is pretty much on square  
3 with what you have here. One of the things it  
4 says, quite frankly, is that when you have a  
5 defendant in dire financial straits, it sort of  
6 militates against a stay. But, obviously, we  
7 can't verify what's been said so far.

8 So I think what we were planning to do, Your  
9 Honor -- and we actually worked a lot on this  
10 after we received the motion yesterday, is we had  
11 a proposed for Gawker, which was a temporary stay  
12 of execution. They do what they have already  
13 promised to do today, which is they pledge  
14 Mr. Denton's shares. They pledge his options.  
15 They pledge Mr. Daulerio's shares. And in  
16 addition to that, the Court imposes some extremely  
17 strict conditions which it is authorized to do.

18 We're in no way conceding what they're doing,  
19 that the stock is in any way a sufficient security  
20 for a bond at this point, but we don't have the  
21 discovery that Platt says we are legally entitled  
22 to at this point, because they have stalled and  
23 refused.

24 So give us the stock, give us the options,  
25 pledge the security and, in addition, impose some

1 conditions. And the conditions that we would  
2 want, Your Honor -- obviously, there will be terms  
3 and conditions associated with the stock itself,  
4 certificates being endorsed, so all that's rightly  
5 entitled vests in Mr. Bollea immediately upon the  
6 dismissal of any appeal or the affirmance of any  
7 final judgment. Those shares would be held in  
8 trust by the lawyers for Mr. Bollea. We would  
9 need verification that all necessary  
10 authorizations and approvals to transfer those  
11 shares, the options, as well as Mr. Daulerio's  
12 shares have been done.

13 We will want full compliance with paragraphs  
14 6, 7, 8 of the final judgment, which are the fact  
15 information sheets. We would also want the full  
16 compliance with paragraph 5 of the final judgment,  
17 as well as the permanent injunction. In addition  
18 to that, we would like some very, very short time  
19 frames on discovery so that we can hopefully,  
20 depending on your calendar, have a very quick  
21 turnaround and get back in here so we can have a  
22 meaningful discussion --

23 THE COURT: (Indicating).

24 MR. VOGT: I know, Your Honor -- about the  
25 amount of the bond.

1 The schedule that we would propose is that we  
2 would serve discovery in aid of execution on  
3 Monday. They would have until the following  
4 Monday to respond. They would then, the following  
5 week, have a corporate representative of Gawker  
6 Media, as well Mr. Denton and Mr. Daulerio and  
7 Ms. Dietrick, as well Mr. Carr, who submitted  
8 affidavits in support of the motion they filed,  
9 available for depositions. We would also like to  
10 be able to obtain letters rogatory and any related  
11 orders so that we can obtain discovery in the  
12 United Kingdom, Hungary, and in the Cayman  
13 Islands.

14 THE COURT: Could you give me what's the  
15 status of the order that I already entered on  
16 those letters rogatory?

17 MR. VOGT: We got those documents, some of  
18 them. We don't believe it's a complete  
19 production. They were actually supposed to be  
20 produced, I believe, on the final day of trial,  
21 and they were withheld until after the trial  
22 ended, until we finally got them. But we think  
23 that those are incomplete. And we've got some  
24 information in those that raise some new issues  
25 about when this trust was set up, the name of the



1 company changing.  
 2 There is a loan involved. Apparently, a loan  
 3 against those shares is at issue that we were  
 4 unaware of before. So those are the types of  
 5 things that we would want to vet out to see if,  
 6 perhaps, that trust issue we were talking about  
 7 all along is, you know, what we think it is.  
 8 Cayman Islands, that's where Gawker Media, Inc.,  
 9 is based. Hungary, we want the tax returns from  
 10 Kinja and things of that nature. And then to the  
 11 extent that we need to conduct -- to issue  
 12 subpoenas duces tecum, depositions of nonparties,  
 13 we would want that as well.  
 14 We would also want a condition that they  
 15 won't dissipate any assets that may otherwise be  
 16 subject to execution, whether through sale,  
 17 removal, alienation, transfer, anything like that,  
 18 or dilute Mr. Denton's stock, his options, or  
 19 Mr. Daulerio's stock any further without coming  
 20 back to the Court for prior approval. Obviously,  
 21 ordinary living expenses and things of that nature  
 22 would not be an issue of that.  
 23 THE COURT: I don't know. He just  
 24 transferred -- what was it -- \$45,000 for his  
 25 ordinary living expenses out of his IRA, 45, 50,

1 somewhere in that range.  
 2 MR. VOGT: And the two-million-dollar  
 3 mortgage that he took out on his condo was taken  
 4 out during the pendency of this case. So, yeah,  
 5 there is a number of issues like that that I  
 6 think, as they are crying poor, need to be vetted  
 7 out. And we can do that with expedited discovery.  
 8 And then, obviously, we would want them to  
 9 agree that there be no sale of all or  
 10 substantially all of the assets or the stock of  
 11 Gawker Media, Gawker Media Group, Inc., or Kinja  
 12 while these issues are pending.  
 13 There has been rumors and discussions of  
 14 potential sales of the company. We have this  
 15 investment or loan by Columbus Nova that took  
 16 place, rumors of Univision coming in and maybe  
 17 potentially buying assets or making an investment,  
 18 you know. We wouldn't any of that to occur while  
 19 this is going on until we can figure everything  
 20 out.  
 21 We think that that's a very reasonable  
 22 proposal under the circumstances. It's a lot in  
 23 line with what the defendants have already agreed  
 24 to do. And, you know, we just -- we just want  
 25 what we're entitled to in order to have a

1 meaningful hearing on this.  
 2 THE COURT: How long do you think you would  
 3 want for all that before you would want to come  
 4 back? How long do you think all that would take?  
 5 MR. TURKEL: I'm sorry. Did you hear that  
 6 question?  
 7 MR. VOGT: Yes.  
 8 THE COURT: He has two ears.  
 9 MR. VOGT: Yeah. I would think 30 days, just  
 10 because that would enable us to get that discovery  
 11 done, put it together, come back in. The other  
 12 thing that we would like to do, Your Honor, is --  
 13 and this is, again, straight out of the Platt  
 14 case. We would like to be able to immediately  
 15 record and re-record the final judgment in any  
 16 jurisdiction in which we need to, domesticate the  
 17 final judgment in order to perfect our security  
 18 interests, get our priority as lienholders, and  
 19 file judgment of lien certificates and whatever  
 20 similar procedures may be necessary in New York,  
 21 and elsewhere, in order to get our position  
 22 secured as a creditor.  
 23 THE COURT: So you'd domesticate them; you're  
 24 just going to enforce the collection. Is that  
 25 what you're telling me?

1 MR. VOGT: Correct.  
 2 MR. TURKEL: Is it proper if I can add two  
 3 sentences on that, Judge?  
 4 Given the condition of not dissipating or  
 5 alienating or transferring, the domestication ends  
 6 up just liening the asset, anyway. So if they are  
 7 going to agree not to move anything, the lien  
 8 won't really matter as long as we agree not to try  
 9 to foreclose on it, so -- if there were no  
 10 property, for instance.  
 11 THE COURT: Sort of like a lis pendens on  
 12 some real property, but there isn't any real  
 13 property other than --  
 14 MR. BERRY: Your Honor, in the exchange, I  
 15 missed the first part of what Mr. Vogt was saying  
 16 about domesticating the judgment.  
 17 THE COURT: I think that's where Mr. Turkel  
 18 came in.  
 19 MR. BERRY: Right. And this is where he was  
 20 proposing, I think, in 30 days we'd come back to  
 21 court. But then there's something I lost in the  
 22 transition of when he was domesticating the  
 23 judgment. I lost track of what it is time-wise.  
 24 THE COURT: We'll get to that, I'm sure.  
 25 MR. BERRY: Okay.

1 THE COURT: So, Mr. Vogt, was Mr. Turkel  
 2 suggesting that the final judgment get recorded  
 3 and domesticated now or after the discovery?  
 4 MR. VOGT: Now. And, in fact, Platt says  
 5 that that should happen. Platt says at headnote  
 6 5, Without a full bond the trial court should not  
 7 grant a stay against a judgment holder from  
 8 establishing liens against real and personal  
 9 property or that prevents a judgment holder from  
 10 obtaining priority over subsequent creditors.  
 11 THE COURT: Thank you.  
 12 MR. VOGT: Thank you.  
 13 THE COURT: So, Mr. Berry, would you like an  
 14 opportunity to discuss this with your attorneys?  
 15 Why don't we take a break, or are you ready to  
 16 respond at this point?  
 17 MR. BERRY: No. Thank you, Your Honor.  
 18 THE COURT: Would you like to talk to them?  
 19 MR. BERRY: Yes. I need to discuss things  
 20 with our attorneys. There is a couple things that  
 21 I can respond to as a basic premise, but it may  
 22 make sense to address the whole ball of wax. I  
 23 tried to write as quickly as possible.  
 24 THE COURT: I was too.  
 25 MR. BERRY: But I may have missed some of the

1 detail there, so it may be useful if they had  
 2 something in writing that we could have so that I  
 3 can make sure to understand exactly what it is  
 4 that's being suggested here.  
 5 THE COURT: I understand.  
 6 MR. TURKEL: Judge, we took -- we engaged in  
 7 the exercise yesterday of doing a proposed order  
 8 with this proffer in it. I mean, it was sort of,  
 9 from our perspective, getting the motion when we  
 10 got it and let's try and get this as a starting  
 11 point.  
 12 The only thing as a caveat -- and I will give  
 13 a copy of it to both the Court and Mr. Berry,  
 14 because I think, ultimately, if we go down this  
 15 path, it gives you a great starting point. It  
 16 embodies everything Mr. Vogt -- that was  
 17 essentially the list he was reading.  
 18 The only thing I would say is after hearing  
 19 their argument and sort of embracing the idea of  
 20 these affidavits coming in, we would like -- we  
 21 have a two-week discovery. We would like to  
 22 shorten the discovery span we proposed here by a  
 23 week. So, initially, we proposed it like two  
 24 weeks out, and we would like to do a week out.  
 25 I will just say this to the Court. If they

1 went through the exercise -- and you can just use  
 2 this as sort of a frame of preference as you read  
 3 it. But if they've gone through the exercise of  
 4 assimilating all this financial information and to  
 5 do all of these affidavits to come here to argue  
 6 that they can't afford a bond, they should have  
 7 most of this ready. And in that respect, I don't  
 8 think trying to expedite it into a week is  
 9 unreasonable, because ostensibly they have got it  
 10 all already. Give it to us.  
 11 And in that respect, that portion of this  
 12 proposed order we would want to move the dates up  
 13 a week.  
 14 THE COURT: All right. So why don't we do  
 15 this. If you will share that proposed order with  
 16 Mr. Berry, and then we take a break, and you'll  
 17 let me know when you want to come back.  
 18 MR. BERRY: Yeah, that would be terrific.  
 19 I would just like to say one thing, because  
 20 there was the letter that was sent to you  
 21 yesterday about the timing of our motion, and it's  
 22 been repeated several times already here.  
 23 We could not file a motion to stay the  
 24 judgment until the judgment was entered, and none  
 25 of us when we left here last time knew when that

1 was going to happen. When the judgment was  
 2 entered, as I told Mr. Vogt, I was in the hospital  
 3 with my son who was having a procedure that day.  
 4 And while we -- you know, some of this could be  
 5 lined up in advance, but we didn't know what the  
 6 judgment was going to say or the nature of the  
 7 injunctive relief that Your Honor was going to be  
 8 giving. We worked to get it done. We tried to  
 9 get it done as soon as possible.  
 10 THE COURT: I understand. We're all going on  
 11 limited sleep.  
 12 MR. BERRY: Right. And there was nothing  
 13 nefarious about it. I just wanted to make that  
 14 clear.  
 15 MR. TURKEL: The only other thing, Judge,  
 16 that Mr. Vogt just mentioned to me is Daulerio's  
 17 stock and Denton's option aren't in here. We'll  
 18 have to add that in also. We did the best we  
 19 could, but it's pretty exhaustive. And if it  
 20 pleases the Court, I would like to give you a copy  
 21 so you can have it to look through and then give  
 22 Mr. Berry a copy, and then we can talk and come  
 23 back in a few minutes.  
 24 THE COURT: Okay.  
 25 MR. BERRY: Your Honor, just so I understand,

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1 this hearing has to adjourn by 10:45, so I want --  
2 THE COURT: It doesn't have to. I'm just  
3 saying if it can, that would be helpful.  
4 MR. BERRY: Okay.  
5 THE COURT: I would like to go to that  
6 funeral.  
7 MR. BERRY: Yeah. I will do everything I  
8 can.  
9 THE COURT: I would really like to get this  
10 case done.  
11 MR. TURKEL: Yes, Judge.  
12 MR. BERRY: We have a lot to chew on here.  
13 THE COURT: And I don't want it to be our  
14 funeral that we're trying to go to.  
15 All right. Why don't we take a break and let  
16 me know when we're ready to come.  
17 MR. BERRY: Okay. We can go off the record.  
18 (A recess was taken at 9:47 a.m.)  
19 (Court called to order at 10:22 a.m.)  
20 THE COURT: Thank you. You-all can be  
21 seated.  
22 Mr. Berry?  
23 MR. BERRY: Yes, Your Honor.  
24 THE COURT: Would you like to respond to what  
25 the plaintiff's request is?

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1 MR. BERRY: Yes, I would.  
2 Let me just premise with what I -- all my  
3 comments here. This is an incredibly complicated  
4 proposal. While in four pages, in just a little  
5 bit, what it asks for here is incredibly  
6 complicated. And I'm trying to coordinate between  
7 three different clients here to ensure that I  
8 have -- everybody has an opportunity. And I'm a  
9 First Amendment lawyer; I'm not a business  
10 attorney; I'm not a collections attorney. And I  
11 don't -- this is a little beyond my ken, and so --  
12 THE COURT: It just doesn't seem to be -- I  
13 mean, really, it doesn't seem to be unreasonable,  
14 so it's hard for me to understand that this wasn't  
15 contemplated. I mean, when discovery all along  
16 the way is objected to. So the choice is  
17 basically a bond of a 150 million. Your papers  
18 clearly say we can't do that, but we want to  
19 pledge our shares, which everybody can see are  
20 extremely dwindling. And so it seems -- it's  
21 surprising, I guess, that this wouldn't have been  
22 contemplated.  
23 MR. BERRY: There is a couple issues. What I  
24 guess -- and I know that you would like to go to a  
25 funeral. What I would like to ask for is an

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1 opportunity to consult with the other folks and be  
2 able to negotiate something out with plaintiff's  
3 counsel and see if there's things in here that we  
4 can agree to. There are some things in here that  
5 I know just as a matter of procedure with respect  
6 to the pledge is not the way that the stock --  
7 THE COURT: It's not just that I want to go  
8 to another funeral. This has been going on -- I  
9 mean, really, the verdict came in months ago. I  
10 have got -- I'm also in another trial that they've  
11 had to be put off because I'm here, which they had  
12 witnesses expecting to go this morning. So I know  
13 I gave you-all this time frame, but that's just  
14 how the Court's calendar works. I'm sorry.  
15 MR. BERRY: Your Honor, we just -- some of  
16 this was contemplated. The discovery we can talk  
17 about. The other things in here I just got, you  
18 know, 25 minutes ago, and it is incredibly  
19 complicated.  
20 THE COURT: But you-all were the ones that  
21 said you'd pledge your shares. Do you just think  
22 you can just pledge your shares and not have any  
23 accountability or responsibility?  
24 MR. BERRY: That's not what we're saying at  
25 all, Your Honor.

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1 THE COURT: Okay. Tell me.  
2 MR. BERRY: As Mr. Berlin said at the last  
3 hearing, as we said in the papers discussing that  
4 discovery, we understand that there needs to be  
5 discovery. Again, what we don't think ought to  
6 happen is that there is a blank check for the  
7 plaintiff to take any and all discovery of any of  
8 this stuff, you know, including outside  
9 jurisdictions without telling anybody what that  
10 is.  
11 THE COURT: But on the other hand, there was  
12 an issue of a special magistrate last October,  
13 November. There were issues -- certain issues  
14 going on. The defense decided, No, we won't have  
15 any more special magistrate for our discovery.  
16 Okay. I understand that you have the right to  
17 withdraw your agreement to that, but here we are  
18 now, and even in your pleadings you're saying more  
19 discovery. Well, there just isn't a lot of  
20 hearing time on the Court's calendar for me to be  
21 the discovery magistrate. So here is what I  
22 think -- well, you finish what you want to say.  
23 MR. BERRY: Well, I guess with respect to  
24 discovery, there are rules about how discovery  
25 should proceed with respect to the dissipation of

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1 assets and concerning the requirement for a bond,  
2 and we would ask for those rules to be applied.  
3 With respect to the third-party discovery, there  
4 are rules about how that has to go.  
5 For example, Mr. Vogt was talking about the  
6 discovery taken in the UK. They served almost 120  
7 document requests on third parties. We don't  
8 control -- I have no idea whether what was  
9 produced was proper or not. That's well beyond  
10 my -- it's not the client.  
11 What I do understand and what I know for a  
12 fact is that Mr. Denton transferred shares to his  
13 minor niece and nephew in 2010, years before this  
14 Hulk Hogan post became involved. There is not a  
15 single piece of paper that suggested he's had  
16 anything to do with it since.  
17 With respect to the other provisions in here,  
18 we just simply can't agree with the pledge. There  
19 is things about the way that the stock operates in  
20 the Cayman islands where this just isn't a correct  
21 document. We are happy to pledge it, but we want  
22 to make sure it's done properly. I can't sit here  
23 today as a First Amendment lawyer and go through  
24 the details of that.  
25 With respect to these proposals, paragraphs E

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1 and G of this we simply cannot agree to with  
2 respect to the liens and the way that this  
3 provision is worded on the dissipation of any  
4 assets.  
5 Effectively, what that does -- the way this  
6 is worded is so vague that it gives the plaintiff  
7 the opportunity to run the company, freezes all of  
8 its assets and, one, Mr. Denton and Mr. Daulerio's  
9 lives during the course of the stay. We simply  
10 cannot agree to that. There may be something we  
11 can agree to, but I can't decide that in 20  
12 minutes on the fly having just seen this. This  
13 was something that we contemplated, but I didn't  
14 get this document until you did as well, Your  
15 Honor.  
16 I don't mean to be talking quickly, but I do  
17 know that we need to get this resolved. But this  
18 is just something we cannot consent to.  
19 THE COURT: Okay. And I don't know that  
20 anybody is asking you to consent to it. It's  
21 always nice if there is agreement. But if there  
22 isn't agreement, then the Court has authority to  
23 just order it, and then we'll see what fallout  
24 happens. And you-all certainly know the way to my  
25 door.

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1 Okay. Anything else that you want --  
2 MR. BERRY: The other point that I would make  
3 is just under the law, the law in the Second DCA  
4 is the Platt case that has been cited to you. And  
5 under that, the law is clear -- the DCA couldn't  
6 have been more clear -- that said the trial court  
7 can grant the stay on conditions that vary from  
8 those required for an automatic stay under the  
9 rules. And it held that it could stay the  
10 judgment on conditions that don't guarantee full  
11 payment of the judgment.  
12 It does talk about liens and taking that into  
13 consideration. But what it didn't allow was --  
14 what it didn't say should happen is effectively  
15 what this order does, which is to give the  
16 prevailing party the opportunity to control the  
17 business and control the lives while the stay was  
18 in effect, which is the effect of what paragraphs  
19 E and G do here.  
20 THE COURT: Well, what did you have in mind  
21 when you said that, on behalf of your client, that  
22 you were willing to pledge your shares that I  
23 guess I don't --  
24 MR. BERRY: We are willing to pledge our  
25 shares.

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1 THE COURT: And what does that contemplate,  
2 then, if it doesn't contemplate what this proposed  
3 order is going to?  
4 MR. BERRY: What we would contemplate is --  
5 again, the specific verbiage in here, I don't  
6 think, is correct as a matter of law. What we had  
7 contemplated was putting together two documents,  
8 one for Mr. Denton, one for Mr. Daulerio, that  
9 pledged the shares -- our preference would be to  
10 the Court to hold in escrow -- should the judgment  
11 ultimately be entered following the appeals, that  
12 would then be tendered to Mr. Bollea should he  
13 hold onto the judgment you entered.  
14 THE COURT: But you if you don't have  
15 conditions that go to that pledge, what  
16 prevents -- what assurances are there, other than  
17 a pledge, which by itself is sort of meaningless,  
18 what assurances are there that the pledged  
19 amount -- I mean, even in your comments earlier  
20 you said about the give and take. The give and  
21 take, the giving of loans, the taking of the  
22 assets, that's been going on now at least for the  
23 last year.  
24 So other than the words "pledge" -- and the  
25 Court doesn't want to hold on to any more than the

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1 Court has already been holding on to. I don't  
2 know what "pledge" means unless you put words to  
3 it that have enforcement.

4 MR. BERRY: Right. We want a legally binding  
5 document that says that these shares are for  
6 Mr. Bollea's benefit. He can take those shares if  
7 he ultimately holds on to this judgment, but we  
8 should have the opportunity to run the appellate  
9 gauntlet first. And that's a legally enforceable  
10 document.

11 They have asked, I think -- although, again,  
12 some of the nuances of this escapes me -- they  
13 have asked for that pledge to be made directly to  
14 him. Our preference would be to do it with the  
15 Court like you would with a bond. If it has to be  
16 his lawyers for the benefit of him -- I'll have to  
17 speak to corporate counsel -- but that may well  
18 work out.

19 THE COURT: I see what you're saying.

20 MR. BERRY: But the technical way that this  
21 is set up I know is incorrect, but that's what we  
22 would be giving him.

23 As far as the conditions, there would be  
24 discovery just as there would be in any case to  
25 ensure that there is not dissipation of assets by

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1 Mr. Denton and Mr. Daulerio. That's what we're --  
2 that's what we're contemplating.

3 What they have done is said we're going to  
4 take the judgment, go ahead and put liens on  
5 everything, that we then control every expenditure  
6 of the company and these two people and determine  
7 whether it's in the ordinary course of business.  
8 It doesn't even say ordinary course -- it doesn't  
9 even say under the ordinary course of personal  
10 life.

11 I mean, are they going to start dictating,  
12 you know, when Mr. Denton went to McDonald's, he  
13 should have gone to Burger King because they were  
14 running a special? You know, the company is  
15 paying X employee this; they're dissipating the  
16 assets because they should be paying them 20 cents  
17 a dollar, you know, an hour less. That kind of  
18 controls what I'm concerned about.

19 THE COURT: Okay. Thank you, Mr. Berry.  
20 Mr. Turkel?

21 MR. TURKEL: Yes, Judge.

22 Judge, we tried the case back in March.  
23 There has been substantial time since our last  
24 hearing, you know. I don't -- whether they needed  
25 to see the final judgment to submit this financial

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1 affidavit information yesterday is something I  
2 don't know that I can speak to.

3 But I will say this: They have been  
4 contending one way or another that they weren't  
5 going to have money to bond this offer, sufficient  
6 money. And there is nothing complicated about the  
7 pledge, Judge. Indeed, the form of a civil  
8 supersedeas bond under the Florida Rules of Civil  
9 Procedure, the approved forms the Supreme Court  
10 has approved, has the plaintiff pledging -- the  
11 defendant pledging to the plaintiff as principal  
12 the sum of X, which they are to bond off.

13 In paragraph B on page 2 of the proposed  
14 order, we are echoing what they have said. It's  
15 unencumbered and that they're going to pledge it.  
16 Now, how that normally works, how I have done it  
17 in the past is they endorse it in blank, and we  
18 hold it until such time as the security is no  
19 longer needed.

20 MR. BERRY: Your Honor, I apologize for  
21 interrupting. One of the issues -- again, this is  
22 well beyond my knowledge. But in the Cayman  
23 Islands where GMGI is incorporated, there are not  
24 shares of certificates. These are the kind of  
25 nuances that I'm talking about here.

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1 MR. TURKEL: Judge, I don't -- I don't know  
2 how to handle this constant refrain that Mr. Berry  
3 is not prepared to deal with these issues because  
4 he's a First Amendment lawyer. We all knew what  
5 the issues were going to be today. We knew that  
6 they weren't going to be about the First  
7 Amendment.

8 The issues were going to be about a bond  
9 requirement or, as they proffered, a pledge of  
10 stock, which the feeling I'm getting at this point  
11 is by calling their bluff and saying we'll take  
12 it, they're looking for ways at this point not to  
13 pledge the stock.

14 That being said, Judge, if you look at Platt  
15 in the Second District, I just want to read from  
16 the opinion in the last paragraph, in which the  
17 court said it's not necessary for this court to  
18 determine at this time what procedures a trial  
19 court should use to determine adequate conditions  
20 for a stay. But it would be reasonable to require  
21 the judgment debtor to submit to a deposition in  
22 aid of execution and a production of financial  
23 errors before the entry of such a stay. It would  
24 also seem prudent to permit the judgment creditor  
25 to update the information every few months by

1 additional discovery during the pendency of the  
2 appeal.

3 So they submit 24 hours, or less than 24  
4 hours, before hearing their evidence in the form  
5 of affidavits. And we imposed, in this proposed  
6 order, a condition. And that condition is that we  
7 be able to take expedited discovery to test those  
8 affidavits so that the Court can determine in  
9 accordance with Platt whether those conditions are  
10 reasonable or not. We're doing exactly what the  
11 Second has told us to do, or at least what the  
12 Second has said would be reasonable.

13 Call me a cynic, Your Honor, but I don't  
14 accept self-serving affidavits which I haven't had  
15 a chance to test. And so when you cut the wheat  
16 from the chaff, all we have proposed here is what  
17 they offered, which was a pledge of the stock as a  
18 temporary gap fill while the Court determines, A,  
19 whether the financial representations are credible  
20 enough for you not to impose upon and, B, to allow  
21 us to actually test those as we're afforded the  
22 right under Platt.

23 This is a temporary stay, Judge and a gap  
24 fill until we get there, because given less than  
25 24 hours to test their evidence -- which they're

1 required to submit and it's their burden to prove,  
2 we don't have enough time to determine whether  
3 what they're saying is true. So we want the  
4 stock.

5 THE COURT: Okay.

6 MR. TURKEL: That's all I really have, unless  
7 you have any questions, Your Honor.

8 THE COURT: Thank you.

9 Mr. Berry?

10 MR. BERRY: Your Honor, just a couple more  
11 points.

12 We can pledge the stock. The details of how  
13 this is done in -- we're just getting there. By  
14 5:00 p.m. June 14th, no issue for us. We can do  
15 it, but I would like to make sure that we do it in  
16 a way that is proper in accordance with the law as  
17 to where the stock is actually held. That is my  
18 simple point. The time frame, this is not  
19 something that we're concerned about.

20 THE COURT: But probably had some of that  
21 discovery taken place at least even during the  
22 punitive phase of discovery, then perhaps  
23 everybody would have had that answer by now, so  
24 here --

25 MR. BERRY: No. The discovery is a separate

1 issue than how this stock pledge happens.

2 The other thing -- and Mr. Turkel did not  
3 speak to this -- but this issue with the lien and  
4 this provision and the way it's drafted on the  
5 dissipation of assets and that we are required to  
6 meet legal and business expenses and the cost of  
7 legal representation is so vague that it, again,  
8 puts the plaintiff into control of the business  
9 and these two gentlemen's lives. We don't  
10 disagree that there is -- under Platt it's  
11 reasonable to have discovery about the dissipation  
12 of the assets. That's not the issue. It's these  
13 other provisions that Mr. Turkel has spoken to.

14 THE COURT: Okay. All right.

15 MR. TURKEL: I just want to read one cite  
16 into the record, Judge, something -- I'm sorry,  
17 but I just think it's important vis-à-vis the  
18 timeliness, 152 So.3d 657, Charter Schools vs.  
19 John Doe, which is the 2014, Third DCA case.

20 These are issues, Judge, that were supposed  
21 to be handled by them at the time post-trial  
22 motions were denied. Or as stated by the Court,  
23 As one source advises, a party who intends to stay  
24 a judgment by posting a bond should arrange to  
25 have a bond in place at the time the trial courts

1 rules on the motions.

2 But my concern is this, Judge: What are we  
3 going to do now, set this off again --

4 THE COURT: No.

5 MR. TURKEL: -- and go through this again?

6 THE COURT: Thank you.

7 So the Court is going to grant the  
8 defendant's motion to stay execution of the  
9 judgment pending appeal with the conditions that  
10 have been outlined. The Court will accept the  
11 pledging of the -- of GMGI's stock shares under  
12 the same conditions that are in this proposed  
13 order. And an additional part, though, is to  
14 include Mr. Daulerio, his shares, as well  
15 Mr. Denton's shares. The Court finds this to be a  
16 reasonable accomodation for the stay of the  
17 conditions of the stay at this point in time so  
18 discovery can be had.

19 I appreciate the fact, Mr. Berry, that you  
20 may need some additional information. I think  
21 this proposed order at least gives deadlines to  
22 those. If there is some issue along the way,  
23 perhaps you can discuss those with plaintiff's  
24 counsel and see if those issues can be worked out.  
25 If they can't be worked out, then we'll just see

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1 what kind of motions are filed, and then we'll go  
2 from there.

3 But the time to move on with this case is  
4 here. It's past. It's already past. And I  
5 appreciate the fact -- and I don't like putting  
6 you into a bind. I find you to be a very  
7 excellent lawyer, but we need to move on.

8 So let me propose some times so that we can  
9 maybe modify the Florida specifically retaining  
10 jurisdiction to modify this order. Let me propose  
11 some times under everybody's schedule -- so you  
12 can get your calendars out -- to perhaps work out  
13 whatever modifications we need to if you-all can't  
14 modify it yourself.

15 Would July 6th in the morning work for  
16 anybody, or is that too soon?

17 MR. TURKEL: I'm available. It's not too  
18 soon for us, Judge.

19 THE COURT: And, Mr. Vogt, you can send me a  
20 revised order adding Mr. Daulerio in there, and  
21 then I will execute that order.

22 MR. VOGT: Yes, Your Honor.

23 THE COURT: July 6th?

24 MR. BERRY: Yes, Your Honor, I can be  
25 available or I'm sure we can --

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1 THE COURT: Okay. So July 6th, nine o'clock,  
2 and that will just be in the morning.

3 MR. BERRY: Your Honor, is the idea that this  
4 stay is in effect now until the order is signed?

5 THE COURT: I'm signing the order today.

6 MR. BERRY: Okay. Well, then what I'd like  
7 to do, Your Honor, is request a temporary stay to  
8 allow us to seek review of that order from the  
9 DCA. We would ask for a temporary stay for a week  
10 so that we can file a motion with the DCA by  
11 Monday morning -- by Monday, and provide plaintiff  
12 time to respond. We will ask for this order to be  
13 stayed from -- for seven days from the entry of  
14 it.

15 THE COURT: That will be denied.

16 MR. BERRY: Can we ask for until 5:00 p.m. on  
17 Monday?

18 THE COURT: No. Denied.

19 MR. BERRY: To the end of the day today?

20 THE COURT: No.

21 MR. BERRY: Two hours?

22 THE COURT: I mean, really, we're way beyond  
23 all that. And in your pleadings you've offered to  
24 pledge your shares, so we're there.

25 MR. BERRY: Your Honor, again, the concern is

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1 not the pledging of shares; it's these conditions.  
2 THE COURT: I understand.

3 MR. BERRY: I just ask on behalf of the DCA  
4 to provide them the courtesy that we are going to  
5 be moving for a stay for them and would like time  
6 for the judges there to be able to rule on a  
7 request for a stay.

8 THE COURT: Okay. Denied. I have denied the  
9 request.

10 MR. BERRY: Thank you, Your Honor.

11 THE COURT: So I will get the order, the  
12 proposed order, adding Mr. Daulerio to the same  
13 issues as Mr. Denton, and we're going from there.

14 And then this July 6th, nine o'clock, that  
15 will be for the morning, a half day, so if we need  
16 to resolve any of these issues that you and  
17 Mr. Turkel can't seem to resolve on your own.  
18 Anything else?

19 Oh, let me give you a ruling, please, on the  
20 Mayer Brown report. Was there something else on  
21 the motion to stay that we need to resolve?

22 MR. TURKEL: No, Judge. We added the word  
23 "temporary" in the preamble, just to make that  
24 clear. When we submit the proposal and certain  
25 developments from the hearing, we're going to add

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1 some stylistic stuff, but that was it. I didn't  
2 want the Court to not know what we were going to  
3 do. Thank you.

4 THE COURT: So the Court at the last hearing,  
5 there was an issue regarding the Mayer Brown  
6 report. The Court has had an opportunity for an  
7 in-camera review of the Mayer Brown economic  
8 analysis of royalty payments between Gawker Media,  
9 LLC, and Blogwire Hungary, KFT, that is dated  
10 December 12th, 2011. The Court finds that while  
11 there are certain facts that are contained in  
12 the -- especially in the beginning of the report  
13 that the reviewers used in their analysis, those  
14 facts would be considered to be trade secrets.

15 I recognize, especially in preparing for  
16 today, some of those facts that may be trade  
17 secrets may already be public record, but I don't  
18 have the ability to go and figure out what's  
19 public record and what's not public record. But  
20 the Court would find them to be trade secrets.  
21 But, generally, the report overall would be  
22 privileged attorney-client information.

23 Mr. Safier, if you would prepare the order to  
24 that, and I'm returning this original -- or it's  
25 not an original, but the Mayer Brown report that I

1 reviewed, and I'll give it right back to you.  
 2 MR. SAFIER: Thank you very much, Your Honor.  
 3 THE COURT: Thank you.  
 4 As a part of that, if you would please, hold  
 5 on to that. You know what, Here. If you'd hand  
 6 it back to me, let me put my initials on each page  
 7 so that it's clear as to what I have reviewed.  
 8 And if you would please hold on to this until any  
 9 other review of this may come down as well --  
 10 MR. SAFIER: I will do so, Your Honor.  
 11 THE COURT: -- just so it's clear what I have  
 12 reviewed.  
 13 Any questions for anybody?  
 14 MR. TURKEL: None from the plaintiff, Judge.  
 15 THE COURT: Great. Thank you.  
 16 Anything else that I need to rule on?  
 17 MR. VOGT: I think just the two motions to  
 18 determine confidentiality.  
 19 THE COURT: Anybody want to argue those? It  
 20 seems that, really, the confidentiality aspect of  
 21 it is from the defendants.  
 22 Who is arguing that for the defendants?  
 23 MR. BERRY: I can take it, Your Honor.  
 24 THE COURT: It seems like the defense wants  
 25 that to remain confidential, not the plaintiffs.

1 MR. BERRY: There was confidential  
 2 information in there. With respect to the Mayer  
 3 Brown transfer of pricing study motion, the only  
 4 thing that I think we would ask to be confidential  
 5 is what you reviewed in camera, which is now  
 6 confidential regardless.  
 7 With respect to the other motion --  
 8 THE COURT: It was never filed  
 9 electronically, so I don't think it's an issue.  
 10 MR. BERRY: Correct. So I'm not sure what  
 11 else --  
 12 THE COURT: The motion itself would not be  
 13 determined to be confidential.  
 14 MR. BERRY: Correct. We don't object to  
 15 that.  
 16 With respect to the other motion, we have no  
 17 problem with the information becoming public with  
 18 one exception, the attached documents connected  
 19 with what they had received from the folks in the  
 20 UK. And it's my understanding that there was  
 21 representations made in the UK court that those  
 22 individuals could designate those documents as  
 23 confidential, you know. I don't represent them,  
 24 so I don't know what the situation is, but I think  
 25 that those documents should continue to be

1 confidential.  
 2 THE COURT: So it's just the attachments?  
 3 MR. BERRY: I don't have the motion in front  
 4 of me, but there is a series of documents that  
 5 they were provided in response to a UK subpoena.  
 6 THE COURT: Since I need to be very specific,  
 7 could you maybe get the motion and look at the  
 8 attachments --  
 9 MR. VOGT: I got it now, Your Honor.  
 10 THE COURT: -- and then we can make sure --  
 11 maybe Mr. Vogt could share his copy with you.  
 12 MR. VOGT: I guess, Your Honor, if you would  
 13 like -- unless they object to those things being  
 14 confidential -- I think we can submit a form order  
 15 on that.  
 16 THE COURT: With specificity.  
 17 MR. VOGT: Yes. We'll identify each of the  
 18 specific exhibits, You're Honor.  
 19 MR. BERRY: The only documents that we are  
 20 concerned about, as I said, are the things that  
 21 were produced by the UK, the people in the UK  
 22 under the confidentiality agreements, and any  
 23 information from those documents that wind up in  
 24 the motion. And then if they don't object, then  
 25 we can agree to that.

1 MR. VOGT: We'll do that, Your Honor.  
 2 THE COURT: Thank you.  
 3 Anything else for the hearing today?  
 4 MR. TURKEL: Nothing from the plaintiff, Your  
 5 Honor.  
 6 MR. SAFIER: Can I have one moment, Your  
 7 Honor?  
 8 MR. BERRY: Can we confer with the  
 9 plaintiffs?  
 10 THE COURT: Yes.  
 11 (A pause was had in the proceedings.)  
 12 THE COURT: Is there anything else?  
 13 MR. SAFIER: We're good.  
 14 MR. BERRY: Your Honor, we have a prepared  
 15 order on the denial of the temporary -- the  
 16 request for a temporary stay subject to appellate  
 17 review.  
 18 THE COURT: This is for Mr. Safier. You  
 19 already have an order prepared on that?  
 20 MR. BERRY: Yes, we do.  
 21 THE COURT: Is it handwritten?  
 22 MR. BERRY: No, Your Honor. I mean, it just  
 23 says --  
 24 THE COURT: How can I give you an order on  
 25 that when I haven't entered the other order yet?



1 MR. BERRY: Excellent question.  
 2 THE COURT: Yeah, I don't think -- because  
 3 I'm granting your motion under the conditions.  
 4 MR. SAFIER: Right. Could we draft it  
 5 quickly?  
 6 MR. BERRY: Yeah. Can we get --  
 7 THE COURT: Draft whatever you want. I'm  
 8 getting ready to go into another trial. It's very  
 9 important to those people too.  
 10 MR. SAFIER: Understood, Your Honor.  
 11 THE COURT: I will be in trial all afternoon.  
 12 MR. SAFIER: So Mr. Vogt will be submitting a  
 13 revised version of the order that you're planning  
 14 to enter. We will submit --  
 15 THE COURT: You're going to add Mr. Daulerio?  
 16 MR. SAFIER: Yes. And we will submit an  
 17 order that denies our motion for a temporary stay  
 18 so we can get --  
 19 THE COURT: Okay.  
 20 MR. SAFIER: Thank you.  
 21 THE COURT: Thank you very much.  
 22 (Hearing concluded at 10:55 a.m.)  
 23  
 24  
 25

1 REPORTER'S CERTIFICATE  
 2  
 3  
 4 STATE OF FLORIDA  
 5 COUNTY OF HILLSBOROUGH  
 6  
 7 I, Aaron T. Perkins, Registered Professional  
 8 Reporter, certify that I was authorized to and did  
 9 stenographically report the above hearing and that  
 10 the transcript is a true and complete record of my  
 11 stenographic notes.  
 12  
 13 I further certify that I am not a relative,  
 14 employee, attorney, or counsel of any of the  
 15 parties, nor am I a relative or employee of any of  
 16 the parties' attorney or counsel connected with  
 17 the action, nor am I financially interested in the  
 18 action.  
 19  
 20 Dated this 10th day of June, 2016.  
 21  
 22  
 23 \_\_\_\_\_  
 24 Aaron T. Perkins, RPR  
 25