

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re

Gawker Media, LLC,<sup>1</sup>

Debtor.

Gawker Media, LLC,

Plaintiff,

v.

Meanith Huon, Ashley Terrill, Teresa Thomas, Shiva  
Ayyadurai, Terry Gene Bollea, Charles C. Johnson, and  
Got News LLC,

Defendants.

Chapter 11

Case No. 16-11700 (SMB)

Adv. Proc. No. 16-\_\_\_\_\_ ( )

**DECLARATION OF MICHAEL S. WINOGRAD IN SUPPORT OF  
THE DEBTOR'S MOTION FOR (I) A PRELIMINARY INJUNCTION,  
AND/OR (II) EXTENSION OF THE AUTOMATIC STAY AND THE DEBTOR'S  
EX PARTE MOTION FOR A TEMPORARY RESTRAINING ORDER**

Pursuant to 28 U.S.C. § 1746, Michael S. Winograd declares as follows:

1. I am Counsel with the law firm Ropes & Gray LLP, proposed counsel to Gawker Media, LLC, the debtor and debtor in possession in the above-captioned chapter 11 cases ("Gawker Media" or the "Debtor", and together with parent Gawker Media Group, Inc. ("GMGI") and affiliate Kinja, Kft. ("Kinja"), the "Company").

2. I submit this affidavit in support of the Debtor's Motion for (i) a Preliminary Injunction, and/or (ii) Extension of the Automatic Stay imposed by Section 362(a) of the Bankruptcy Code (the "Motion") and the Debtor's Motion for a Temporary restraining Order ("the TRO Motion"), both filed concurrently herewith.

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<sup>1</sup>The last four digits of the taxpayer identification number of the Debtor, Gawker Media, LLC are 0492. The Debtor's corporate headquarters is located at 114 Fifth Avenue, 2d Floor, New York, New York 10011.

3. The Motion seeks entry of an order (1) preliminarily enjoining, pending termination of the automatic stay applicable to the Debtor, (A) the following existing lawsuits against the Debtor: (i) *Bollea v. Gawker Media, LLC, et al.*, No. 12012447-CI-011 (Fla. 6th Jud. Cir. Pinellas Cty.); (ii) *Huon v. Denton, et al.*, No. 11-cv-03054 (N.D. Ill.) and on appeal No. 15-3049 (7th Cir.); (iii) *Ashley Terrill v. Gawker Media, LLC, et al.*, No. 16-CV-00411 (S.D.N.Y.); (iv) *Teresa Thomas v. Gawker Media LLC, et al.*, No. 16-CV-09519 (Or. Multnomah Cty. Cir. Ct.); (v) *Ayyadurai v. Gawker Media, LLC, et al.*, No. 16-CV-10853 (D. Mass.); and (vi) *Charles C. Johnson, et al. v. Gawker Media, LLC, et al.*, No. 15CECG03734 (Cal. Super. Ct. Fresno Cty.) (collectively, the “Actions”), as against certain non-debtor parties who are also parties to the Actions, including (i) Nick Denton, the Company’s founder and the current President and Chief Executive Officer of GMGI and President of Gawker Media, and (ii) certain current or former employees of the Company, including John Cook, A.J. Daulerio, Gabrielle Darbyshire, Greg Howard, JK Trotter, and Sam Biddle (the “Individual Defendants,” and collectively with Mr. Denton, the “Non-Debtor Third Parties”), and (B) any Defendant in this Action (the “Adversary Action Defendants”) from taking further action in the Actions and from taking further action in any other existing litigation or filing further claims against Mr. Denton or any Individual Defendant where the conduct alleged was in the course of, and within the scope of, Mr. Denton’s or the Individual Defendant’s employment with the Debtor, absent approval of this Court; and/or (2) extending the automatic stay imposed by section 362(a) of the Bankruptcy Code to stay the Actions as against Mr. Denton and the Individual Defendants

4. The TRO Motion seeks entry of a temporary restraining order directing that, pending the Court’s hearing and ruling on the Motion: (1) the Action captioned *Bollea v. Gawker Media, LLC, et al.*, No. 12012447-CI-011 (Fla. 6th Jud. Cir. Pinellas Cty.) (the “*Bollea*

Litigation”) be temporarily restrained and enjoined as against (A) Mr. Denton, and (B) A.J. Daulerio; (2) Defendant Terry Gene Bollea be temporarily restrained and enjoined from taking further action in Bollea Litigation as against (A) Mr. Denton, and (B) A.J. Daulerio, or from otherwise seeking to enforce any judgment entered in the Bollea Litigation as against (A) Mr. Denton, and (B) A.J. Daulerio; and/or (3) the automatic stay imposed by section 362(a) of the Bankruptcy Code be hereby extended to stay the Bollea Litigation as against (A) Mr. Denton, and (B) A.J. Daulerio.

5. As set forth fully in the memorandum of law in support of the Motion and TRO Motion and the declarations filed contemporaneously therewith, the relief sought through the Motion and TRO Motion is urgently needed to protect the Debtor’s enterprise value and prospects of successfully reorganizing.

6. Indeed, as of *today*, the \$140.1 million of judgments in the *Bollea* against Gawker Media, Mr. Denton and Mr. Daulerio may be executed. The Final Judgment provides, “*let execution issue forthwith.*” See Final Judgment issued in Bollea Litigation (emphasis in original).

7. Plaintiff in the Bollea Litigation has refused to agree even to a brief temporary stay of execution of the judgments. Meanwhile, Peter Thiel, the driving force and financier of the Bollea Litigation, has repeatedly stated publicly that he is bent on destroying Gawker Media and Mr. Denton. For example, on May 25, Mr. Thiel, gave a lengthy interview to *The New York Times* in which he admitted that he has funded the Bollea Litigation, and other lawsuits against Gawker, to (as the *Times* reports) “try to put the media company out of business.”

8. There is no question that Mr. Bollea will seek to have the judgments against Gawker Media, Mr. Denton and Mr. Daulerio perfected as urgently as possible. Execution of those judgments will set off a chain of immediate, irreparable harms: (i) it will lead to crippling indemnification obligations for the Debtor; (ii) it will drive Mr. Denton to file for personal bankruptcy, thereby significantly distracting him from his central and vital role in the Debtor's ongoing efforts to successfully reorganize, including through the sale of its assets; and (iii) it will cause a chilling effect amongst the Debtor's writers and editors, who are critical to the Debtor's revenue and efforts to reorganize.

9. The purpose of the Debtor's request for a Temporary Restraining Order pending a ruling on the full Motion would be vitiated if advance notice were provided to Defendant Terry Gene Bollea, who is the plaintiff in the Bollea Litigation. It is our firm belief that upon notice of this adversary action, Mr. Bollea will seek to accelerate execution of any actual or potential judgments against Mr. Denton or Mr. Daulerio.

10. However, proposed counsel for the Debtor has contact information for the attorneys representing the Adversary Action Defendants in the Actions, as well for certain of the Adversary Action Defendants, and will serve the Motion papers on those counsel and parties promptly following the Court's decision on Debtor's request for a Temporary Restraining Order.

11. No prior request for the relief sought herein has been made by the Debtor.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: June 10, 2016  
New York, New York

  
Michael S. Winograd