

EXHIBIT 2

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE: . Case No. 02-41729
. .
ADELPHIA COMMUNICATIONS, . New York, New York
. Thursday, November 10, 2005
Debtors. . 9:52 a.m.
.

VOLUME III
TRANSCRIPT OF MOTION FOR APPROVAL OF DISCLOSURE STATEMENT
BEFORE THE HONORABLE ROBERT E. GERBER
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES: (On the Record)

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1 advisor.

2 (Counsel confer)

3 MR. SHALHOUB: I'm happy to work with the two groups,
4 Your Honor. I think it's going to be very difficult to come to
5 an agreement as to the appropriate assumptions to apply. So I
6 don't want to leave the Court with the perspective that the
7 debtors are optimistic that there will be an agreement, but
8 we're happy to work with the groups. It very well may be that
9 we're back here next week talking about this again. I think
10 that's why we proposed what we did.

11 You know, we sent out this chart in the format it's
12 in. We got some feedback from Mr. Uzzi. We got some feedback
13 from Mr. Johnston and he indicated again today that it was okay
14 in its present format. But if you include additional
15 discussion, there needs to be a lot more discussion, not just
16 the one or two scenarios that the Arahova guys think is --
17 thinks is good for them. We received no feedback whatsoever
18 from Mr. Kaplan, other than he didn't have time to look at the
19 thing.

20 So, if folks want to work together, we're happy to do
21 that. People should appreciate that we want to keep this
22 process moving forward and, you know, an appropriate eye on the
23 wheel, so to speak. But I'm not optimistic with respect to the
24 various -- there are multiple levels. I'm not an engineer. It
25 sounds like I got my math right when I took the Court through

1 the different scenarios, but we'll work with the parties.

2 THE COURT: All right. Well, here's my thinking on
3 this, folks. If practical, I would like to do better than
4 telling folks, by way of example, that their recovery is
5 between twenty-four and 140 percent. The underpinnings of my
6 ruling last week, to the extent it isn't clear, is that I was
7 not comfortable with the debtor siding with either of the two
8 principal feuding creditor groups or putting ourselves in a
9 scenario where we would have the appearance, if not the
10 reality, of one of the feuding groups enlisting the debtor as
11 an ally to gang up on the other. And that's why I thought it
12 was important -- I still do think it's important for the debtor
13 to maintain neutrality.

14 However, if the feuding parties can agree upon
15 assumptions, portions of those charts that they're comfortable
16 with or a very discreet number of additional ones which each
17 side wants to put into the other, into the assumption mix, so
18 that it's evenhanded, without material incremental work on the
19 part of the debtors, I would be receptive to that and would
20 regard that as an improvement.

21 If you guys try and fail because either side is
22 overreaching, I've got to warn you that -- or if it means too
23 much extra work for the debtors, that there would be a risk
24 that I would throw up my arms and say, the debtors tried it and
25 failed. I can only expect the realistic and we're going to go

1 with what we have.

2 But if you folks can agree upon parts or all of those
3 previously prepared charts that can be included with
4 appropriate disclaimers that these are assumptions that were
5 used solely by way of example, that were postulated by the
6 principal creditor groups, rather than by the debtors, that the
7 debtors take no position on it and most importantly of all,
8 that there can be no assurance that the Court would ever find
9 any of these particular outcome combinations to indeed by its
10 ruling, I would think that's an improvement and it's worth
11 trying.

12 I know the debtors are up their eyeballs in working on
13 getting this thing done, but since we have extra time to come
14 back with the resolution that the bank issues, I think this is
15 sufficiently beneficial. I would like the debtors to add this
16 as an extra log on their fire and that's what I would like you
17 all to try to do.

18 I'm going to emphasize, for the third or fourth time,
19 the debtor is to be performing the computations and is to not
20 change its conceptual neutrality in the inter-creditor dispute,
21 which I think it should continue.

22 MR. SHALHOUB: Thank you, Your Honor.

23 THE COURT: Mr. Uzzi, I don't know if you have other
24 concerns beyond those that we've already talked about.

25 MR. UZZI: With respect to this issue or -- or other

1 objections because we have other --

2 THE COURT: We have not yet begun to go through all of
3 the remainder?

4 MR. UZZI: Well -- well, there -- there are other
5 objections that are outstanding, that Mr. Shalhoub did not
6 raise.

7 One is the issue of the releases, which Your Honor had
8 reserved on last time we were here and I don't think that's
9 resolved, but I didn't hear Mr. Shalhoub mention whether or not
10 we had -- whether he intended to go forward with that issue
11 today.

12 The other issues are issues that overlap with some of
13 the other relief that we're seeking. On papers we filed
14 earlier in this week, I offered to the debtors to defer our
15 disclosure statement objections until we have more clarity on
16 how your Court wants to address the other motions.

17 THE COURT: Well, I'll tell you now and, of course,
18 that's going to be the subject of a conference that we're going
19 to hold in a more controlled environment, but it would take an
20 extraordinary showing on my part to say that the dissemination
21 of this disclosure statement should be deferred pending the
22 consideration of the issues that you want to raise, given my
23 views as to what due process would require for the
24 consideration of those issues.

25 So, if you want in the conference, which will be on

1 the record, albeit not in a public forum, to make points of
2 that character, I'll hear what you have to say, but the issues
3 you want to raise are reminiscent, in some ways, of the issues
4 the Equity Committee wanted to raise early in this case and the
5 same disinclination I had to deal with matters of such
6 extraordinary importance on a highly constricted timetable
7 would have seeming application to this, as well. And I have
8 major concerns about bringing the entire plan confirmation
9 process to a halt to permit addressing your concerns and when
10 addressing those concerns in any kind of fair way involves
11 giving due process to people who might not have your view of
12 the world. That's about all I think I should say on the public
13 record.

14 So, what are your other objections?

15 MR. UZZI: That -- those are -- the releases and our
16 issues regarding 1129(a)(3) and LaSalle are the only remaining
17 disclosure statement objections we have now.

18 I know, with respect to the releases, others -- others
19 have some issues on that and I'm happy to defer the release
20 argument if that's the debtor's intent.

21 THE COURT: I thought you were going to make some of
22 those points in your piece of the -- your position statement
23 and the disclosure statement.

24 MR. UZZI: No. You -- if you -- if you recall, Your
25 Honor, our sole objection with the releases --