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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

In re:

THE ROMAN CATHOLIC BISHOP OF
OAKLAND, a California corporation sole,

Debtor.

Case No. 23-40523

Chapter 11

**DEBTOR'S STATUS STATEMENT IN
ADVANCE OF FEBRUARY 17, 2026
STATUS CONFERENCE HEARING**

Judge: Hon. William J. Lafferty

Hearing Date:

Date: February 17, 2026

Time: 1:30 p.m.

Place: United States Bankruptcy Court
1300 Clay Street
Courtroom 220
Oakland, CA 94612



1 **TO THE HONORABLE WILLIAM J. LAFFERTY, UNITED STATES BANKRUPTCY JUDGE**
2 **AND ALL INTERESTED PARTIES AND/OR THEIR COUNSEL OF RECORD:**

3 The Roman Catholic Bishop of Oakland, a California corporation sole, and the debtor and debtor
4 in possession (the “Debtor”) in the above-captioned chapter 11 bankruptcy case (the “Chapter 11 Case”),
5 hereby files this status statement (this “Statement”) in advance of the status conference scheduled in this
6 case for February 17, 2026. More information regarding the status of the Chapter 11 Case and previous
7 developments are set forth in the Debtor’s earlier-filed status conference statements [Dkt. Nos. 192, 320,
8 458, 520, 760, 843, 1373, 2291, 2292, 2333, 2425, 2444, 2565 and 2606], and the Debtor’s *Third Amended*
9 *Disclosure Statement for Debtor’s Third Amended Plan of Reorganization* [Dkt. No. 1874].

10 **A. Settlement Update¹**

11 The Debtor delivered its response/counter-proposal (in the form of a markup of the settlement term
12 sheet) to the Committee’s most recent settlement term sheet on January 14, 2026.

13 Since the last hearing in this case on February 4, 2026, counsel for the Debtor and the Committee
14 met via telephone and Microsoft Teams multiple times to attempt to reach a settlement. This Court will
15 recall in December 2025, counsel for the Debtor and the Committee reached an agreement regarding the
16 amount to be contributed by the Debtor and certain of its non-Debtor affiliates toward a possible settlement
17 with the Committee – \$200 million. However, counsel for both parties reported to this Court that other
18 issues – including *but not limited to* the timeline for the Debtor to fund the settlement payment – remained
19 unresolved.

20 Following the February 4 hearing, the Debtor again renewed its focus on the schedule for
21 settlement payments, including by conducting additional meetings with its finance and real estate
22 professionals. Counsel for the Debtor also continued to speak directly with counsel for the Committee,
23 and **specifically requested *in writing***, more than two weeks ago, that the Committee mark up the Debtor’s
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25 ¹ Anticipating an objection by the Committee, the Debtor emphasizes this report does not breach the
26 mediation privilege. The Debtor has repeatedly made its positions regarding settlement outside of the
27 mediation process. There is no bar to the Debtor being transparent with the public about its settlement
28 position. Indeed, and especially in light of the Committee’s skewed rhetoric about the Debtor’s actions,
the public deserves to know the lengths to which the Debtor has gone to try to resolve this Chapter 11
Case.

1 last proposed settlement term sheet. Counsel for the Debtor also requested that the Committee mark up its
2 requested changes to the insurance assignment language in the Debtor's Third Amended Plan. Finally,
3 counsel for the Debtor requested that the Committee inform the Debtor how much money the Committee
4 expects each insurer to pay in settlement of their respective coverage obligations. The Committee has done
5 none of these things.

6 Last Monday (February 9), the Debtor conveyed an offer to the Committee to make additional
7 concessions to liquidate real estate to support funding the entire settlement within 3½ years of the effective
8 date, and committed to pay sooner if certain property (notably, the Livermore property) were rezoned and
9 entitled for development and sold within the 3½-year period. Notably, the Debtor determined it was
10 feasible to commit to payment within 3½ years of the effective date of a confirmed plan. Counsel for the
11 Debtor again requested that the Committee also provide a markup of the Debtor's settlement term sheet
12 dated January 14 to try to narrow other unresolved issues.

13 The parties have not reached an agreement on any of the issues which have been in dispute since
14 the February 4 hearing. The Committee has made no counterproposal to the Debtor regarding anything.
15 The Committee refuses to provide any markup to the Debtor's settlement term sheet.

16 The Debtor and the Committee therefore are at an impasse regarding possible settlement terms.

17 **B. Chapter 11 Update**

18 On February 4, following oral argument on the Debtor's motion to amend the interim
19 compensation procedures in this case, this Court denied the Debtor's motion to amend. This week, the
20 Debtor will timely pay professionals pursuant to CNOs filed for the most recent monthly fee statements.
21 The Debtor agreed to a request by the Committee for a short extension to file the next quarterly fee
22 applications, which will now be filed on or before February 24, 2026. The Debtor is reviewing possible
23 sources of additional liquidity to pay administrative expenses, including for example the possible sale of
24 additional real estate and possible use of some of the RCC-committed exit funding.

25 The Debtor anticipates it will likely file a Fourth Amended Plan of Reorganization and will be
26 prepared to discuss the schedule for same at the status conference on February 17. Given the record-
27 breaking amount the Debtor and certain of its non-Debtor affiliates have agreed to contribute to a
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1 settlement trust for the benefit of survivors of sexual abuse, supplemented by the amount certain insurers
2 are willing to pay to fund a settlement to the creditor survivors in this case and an assignment of the
3 Debtor's rights as to the remaining insurers, the Debtor believes a confirmed Plan would be better for all
4 stakeholders than a dismissal of the Chapter 11 Case. If the Debtor files a Fourth Amended Plan, the
5 Debtor believes the creditor votes will not change in any material way from the voting results last year.
6 Any Fourth Amended Plan filed by the Debtor will satisfy the requirements of Section 1129, including
7 Section 1129(b) and the best interests of creditors test under Section 1129(a)(7)(A)(ii).

8 DATED: February 16, 2026

Respectfully submitted,

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10 **FOLEY & LARDNER LLP**

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14 /s/ Shane J. Moses

SHANE J. MOSES

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16 *Counsel for the Debtor
and Debtor in Possession*

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STATUS CONFERENCE STATEMENT FOR FEBRUARY 17, 2026