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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 WJL  
  
Chapter 11  
  
Judge: Hon. William J. Lafferty

**DISCLOSURE STATEMENT FOR THE OFFICIAL COMMITTEE  
OF UNSECURED CREDITORS' PLAN OF REORGANIZATION,  
DATED MARCH 27, 2026**

1 **FROM THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE**  
2 **ROMAN CATHOLIC BISHOP OF OAKLAND**

3 **THE COMMITTEE RECOMMENDS THAT HOLDERS OF SEXUAL ABUSE**  
4 **CLAIMS VOTE TO:**

5 **ACCEPT (VOTE FOR) THE COMMITTEE PLAN**

6 **REJECT (VOTE AGAINST) THE DIOCESE PLAN**

7 The Official Committee of Unsecured Creditors (the “**Committee**”) in the chapter  
8 11 bankruptcy case of the Roman Catholic Bishop of Oakland (the “**Diocese**” or the  
9 “**Debtor**”) consists of nine survivors of sexual abuse (“**Survivors**”) who are entrusted with  
10 representing the interests of all Survivors.

11 The Committee and the Diocese have each filed a Plan of Reorganization (the  
12 “**Committee Plan**” and the “**Diocese Plan**”) which propose to compensate Survivors for  
13 the horrendous pain and trauma they have suffered at the hands of the Diocese. All  
14 Survivors in this bankruptcy case have the opportunity to vote on whether the Committee  
15 Plan or the Diocese Plan should be approved by the Bankruptcy Court. *The Committee*  
16 *strongly recommends that you vote to ACCEPT the Committee Plan and REJECT the*  
17 *Diocese Plan.*

18 The Committee Plan proposes that the Diocese pay \$195.2 million to a Survivors’  
19 Trust for the benefit of Survivors in three installments with the last payment due no later  
20 than September 2029 and offers a release of all claims against the Roman Catholic Welfare  
21 Corporation of Oakland (“**RCWC**”) if it agrees to pay \$118.9 million to the Survivors’  
22 Trust over the same period. In contrast, the Diocese Plan proposes that the Diocese pay  
23 just \$150 million to the Survivors’ Trust on a timetable that cannot be determined at this  
24 time, but is likely to extend into late 2030 and beyond, and offers RCWC a release if it  
25 pays only \$30 million. The Diocese Plan also proposes that several of its insurers  
26 contribute money to the Survivors’ Trust in exchange for a release of all further liability  
27 under their insurance policies. The problem with the Diocese Plan is that the settlement  
28 amount being paid to Survivors is far too low and it severely underestimates the value of  
its insurance coverage. The Diocese has millions of dollars of assets from which to  
compensate Survivors and can do so in far less time than is proposed in the Diocese Plan.

Many of you were harmed by some of the most notorious perpetrators in the  
Church. The Diocese Plan does not begin to fairly compensate Survivors for the years of  
negligence and the harm the Diocese failed to stop. Accordingly, the Committee filed the  
Committee Plan which: (i) pays \$195.2 million to Survivors over a shorter period of time  
than the Diocese Plan; (ii) permits Survivors to pursue the Debtor’s insurers to compel  
them to pay what they owe and (iii) requires long-term, meaningful changes to the way the  
Diocese protects its children now and in the future.

The Committee believes:

- The Debtor has resources available to pay more to Abuse Claimants than it proposes to in the Diocese Plan.

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- The Committee Plan will provide Abuse Claimants with a greater monetary recovery than the Diocese Plan.
- The Committee Plan’s mandate that the Diocese change the way it operates—so that the horrific harm the Diocese caused never happens again—is vital to a successful resolution of this case.

1                   **IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT**

2                   THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE ROMAN  
3 CATHOLIC BISHOP OF OAKLAND, A CALIFORNIA CORPORATION SOLE, SEEKS  
4 CONFIRMATION OF *THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' PLAN*  
5 *OF REORGANIZATION, DATED MARCH 27, 2026*. A COPY OF THE COMMITTEE PLAN  
6 IS ATTACHED TO THIS DISCLOSURE STATEMENT AS **EXHIBIT A**.<sup>1</sup>

7                   THIS DISCLOSURE STATEMENT, THE COMMITTEE PLAN, THE PLAN  
8 DOCUMENTS, THE ACCOMPANYING BALLOT AND RELATED MATERIALS ARE  
9 BEING FURNISHED BY THE COMMITTEE, AS THE PLAN PROPONENT, UNDER  
10 SECTIONS 1125 AND 1126 OF THE BANKRUPTCY CODE AND RULE 3016 OF THE  
11 FEDERAL RULES OF BANKRUPTCY PROCEDURE, IN CONNECTION WITH THE  
12 COMMITTEE'S SOLICITATION OF VOTES TO ACCEPT THE COMMITTEE PLAN. THIS  
13 DISCLOSURE STATEMENT IS DESIGNED TO PROVIDE ADEQUATE INFORMATION  
14 TO ENABLE HOLDERS OF IMPAIRED CLAIMS AGAINST THE DEBTOR (THAT ARE  
15 ENTITLED TO VOTE AS DESCRIBED HEREIN) TO MAKE AN INFORMED DECISION  
16 ON WHETHER TO ACCEPT OR REJECT THE COMMITTEE PLAN.

17                   THE SUMMARY OF THE COMMITTEE PLAN AND STATEMENTS MADE IN  
18 THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY  
19 REFERENCE TO THE COMMITTEE PLAN.

20                   HOLDERS OF CLAIMS ENTITLED TO VOTE ON THE COMMITTEE PLAN  
21 SHOULD NOT RELY ON ANY REPRESENTATIONS OR INDUCEMENTS MADE TO  
22 SECURE ACCEPTANCE OF THE COMMITTEE PLAN, OTHER THAN THOSE SET  
23 FORTH IN THIS DISCLOSURE STATEMENT. NO PERSON MAY GIVE ANY  
24 INFORMATION ON BEHALF OF THE COMMITTEE REGARDING THE COMMITTEE  
25 PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE COMMITTEE PLAN, OTHER  
26 THAN THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, EXCEPT  
27 FOR THE DEBTOR, WHICH FILED THE *DEBTOR'S FOURTH AMENDED PLAN OF*  
28 *REORGANIZATION* [DKT. NO. 2654] ON FEBRUARY 20, 2026, FOR WHICH IT WILL BE  
SOLICITING VOTES. ALL OTHER STATEMENTS REGARDING THE COMMITTEE  
PLAN, WHETHER WRITTEN OR ORAL, ARE UNAUTHORIZED.

IF THERE IS ANY CONFLICT BETWEEN THE DESCRIPTIONS SET FORTH IN  
THIS DISCLOSURE STATEMENT AND THE COMMITTEE PLAN OR ANY OTHER  
APPLICABLE DOCUMENT, THE COMMITTEE PLAN OR SUCH OTHER APPLICABLE  
DOCUMENT SHALL GOVERN.

IF THE COMMITTEE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT  
AND THE EFFECTIVE DATE OF THE COMMITTEE PLAN OCCURS, ALL HOLDERS OF  
CLAIMS AGAINST THE DEBTOR (INCLUDING, WITHOUT LIMITATION, THOSE  
HOLDERS OF CLAIMS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE

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<sup>1</sup> CAPITALIZED TERMS NOT DEFINED HEREIN HAVE THE MEANING ASCRIBED TO THEM IN  
THE COMMITTEE PLAN.

1 COMMITTEE PLAN OR WHO ARE NOT ENTITLED TO VOTE ON THE COMMITTEE  
2 PLAN, EXCEPT AS OTHERWISE PROVIDED IN THE COMMITTEE PLAN) WILL BE  
3 BOUND BY THE TERMS OF THE COMMITTEE PLAN AND THE TRANSACTIONS  
4 DESCRIBED IN THE COMMITTEE PLAN.

4 THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL  
5 INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT OR IN ANY  
6 EXHIBIT, EXCEPT AS EXPRESSLY INDICATED IN THIS DISCLOSURE STATEMENT  
7 OR IN ANY EXHIBIT. THIS DISCLOSURE STATEMENT WAS COMPILED FROM  
8 INFORMATION OBTAINED BY THE COMMITTEE FROM THE DEBTOR AS OF THE  
9 DATE HEREOF. THE COMMITTEE'S PROFESSIONALS HAVE NOT INDEPENDENTLY  
10 VERIFIED THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND  
11 ARE NOT RESPONSIBLE FOR ANY INACCURACIES THAT MAY BE CONTAINED IN  
12 THIS DISCLOSURE STATEMENT OR THE COMMITTEE PLAN. THE COMMITTEE HAS  
13 NOT YET COMMENCED DISCOVERY IN CONNECTION WITH THE DIOCESE PLAN.  
14 THE INFORMATION THE COMMITTEE RECEIVES MAY IMPACT THE PROJECTIONS  
15 SET FORTH HEREIN AND CERTAIN OTHER ASSUMPTIONS MADE HEREIN. THE  
16 STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF  
17 THE DATE HEREOF, AND THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL  
18 NOT CREATE ANY IMPLICATION THAT THE INFORMATION IS CORRECT AT ANY  
19 TIME SUBSEQUENT TO THIS DATE. THE COMMITTEE UNDERTAKES NO DUTY TO  
20 UPDATE THE INFORMATION SET FORTH OR REFERENCED HEREIN. SUBSEQUENT  
21 TO THE DATE HEREOF, THERE CAN BE NO ASSURANCE THAT: (I) THE  
22 INFORMATION AND REPRESENTATIONS CONTAINED HEREIN REMAIN  
23 MATERIALLY ACCURATE OR (II) THIS DISCLOSURE STATEMENT CONTAINS ALL  
24 MATERIAL INFORMATION. NOTWITHSTANDING THE FOREGOING, THE  
25 STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ASSUME THAT THE  
26 DEBTOR WILL OBTAIN POSTPETITION FINANCING IN THE AMOUNT AND AT THE  
27 TIME THE DEBTOR HAS STATED BEFORE THE BANKRUPTCY COURT. IF THE LOAN  
28 IS NOT OBTAINED, OR IS OBTAINED IN AN AMOUNT LESS THAN THE DEBTOR HAS  
PROJECTED, THE PROJECTIONS SET FORTH HEREIN MAY NOT BE ACCURATE.

19 PERSONS OR ENTITIES HOLDING OR TRADING IN OR OTHERWISE  
20 PURCHASING, SELLING, OR TRANSFERRING CLAIMS AGAINST THE DEBTOR  
21 SHOULD EVALUATE THIS DISCLOSURE STATEMENT IN LIGHT OF THE PURPOSE  
22 FOR WHICH IT WAS PREPARED, AND SHOULD BE AWARE THAT ACTUAL  
DISTRIBUTIONS MAY VARY FROM THE ESTIMATES CONTAINED HEREIN.

23 THIS DISCLOSURE STATEMENT MAY NOT BE RELIED UPON FOR ANY  
24 PURPOSE OTHER THAN TO DETERMINE WHETHER TO VOTE TO ACCEPT OR  
25 REJECT THE COMMITTEE PLAN, AND NOTHING STATED IN THIS DISCLOSURE  
26 STATEMENT CONSTITUTES AN ADMISSION OF ANY FACT OR LIABILITY BY ANY  
27 PERSON OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE COMMITTEE,  
28 THE DEBTOR OR ANY OTHER PERSON, OR BE DEEMED CONCLUSIVE EVIDENCE OF  
THE TAX OR OTHER LEGAL EFFECTS OF THE COMMITTEE PLAN ON THE DEBTOR,  
THE COMMITTEE, ANY RELEASED PARTY OR HOLDERS OF CLAIMS.

1 THIS DISCLOSURE STATEMENT IS FORWARD-LOOKING. FORWARD-  
2 LOOKING STATEMENTS ARE STATEMENTS OF EXPECTATIONS, BELIEFS, PLANS,  
3 OBJECTIVES, ASSUMPTIONS, PROJECTIONS, AND FUTURE EVENTS OF  
4 PERFORMANCE. AMONG OTHER THINGS, THIS DISCLOSURE STATEMENT  
5 CONTAINS FORWARD-LOOKING STATEMENTS WITH RESPECT TO ANTICIPATED  
6 FUTURE PERFORMANCE OF THE DEBTOR AND A SURVIVORS' TRUST TO BE  
7 CREATED FOR THE BENEFIT OF HOLDERS OF ABUSE CLAIMS, AS WELL AS  
8 ANTICIPATED FUTURE DETERMINATIONS OF CLAIMS AND DISTRIBUTIONS ON  
9 CLAIMS. THESE STATEMENTS, ESTIMATES, AND PROJECTIONS MAY OR MAY NOT  
10 PROVE TO BE CORRECT. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM  
11 THOSE REFLECTED IN THESE FORWARD-LOOKING STATEMENTS DUE TO A WIDE  
12 VARIETY OF SIGNIFICANT BUSINESS, LEGAL, AND ECONOMIC RISKS, INCLUDING,  
13 AMONG OTHERS, THOSE DESCRIBED IN THIS DISCLOSURE STATEMENT. THE  
14 COMMITTEE UNDERTAKES NO OBLIGATION TO UPDATE ANY FORWARD-  
15 LOOKING STATEMENT. NEW FACTORS EMERGE FROM TIME TO TIME AND IT IS  
16 IMPOSSIBLE TO PREDICT ALL FACTORS, NOR CAN THE IMPACT OF ALL FACTORS  
17 BE ASSESSED.

18 HOLDERS OF CLAIMS SHOULD NOT CONSTRUE THE CONTENTS OF THIS  
19 DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL OR  
20 TAX ADVICE. EACH HOLDER OF A CLAIM SHOULD CONSULT WITH THEIR OWN  
21 LEGAL, BUSINESS, FINANCIAL AND TAX ADVISORS WITH RESPECT TO ANY  
22 MATTERS CONCERNING THIS DISCLOSURE STATEMENT, THE SOLICITATION OF  
23 VOTES TO ACCEPT THE COMMITTEE PLAN, THE COMMITTEE PLAN AND THE  
24 TRANSACTIONS CONTEMPLATED BY THE COMMITTEE PLAN.

25 [THIS DISCLOSURE STATEMENT HAS BEEN APPROVED BY ORDER OF THE  
26 BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION OF A KIND AND  
27 IN SUFFICIENT DETAIL TO ENABLE HOLDERS OF CLAIMS TO MAKE AN INFORMED  
28 JUDGMENT WITH RESPECT TO VOTING TO ACCEPT OR REJECT THE COMMITTEE  
PLAN]. HOWEVER, THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE  
STATEMENT IS NOT A RECOMMENDATION OR DETERMINATION BY THE  
BANKRUPTCY COURT AS TO THE MERITS OF THE COMMITTEE PLAN. EACH  
HOLDER OF A CLAIM ENTITLED TO VOTE TO ACCEPT OR REJECT THE COMMITTEE  
PLAN SHOULD READ THIS DISCLOSURE STATEMENT AND THE COMMITTEE PLAN  
(INCLUDING ALL EXHIBITS AND SCHEDULES TO THE COMMITTEE PLAN AND  
DISCLOSURE STATEMENT) IN THEIR ENTIRETY BEFORE VOTING.

ALL DOCUMENTS FILED WITH THE BANKRUPTCY COURT, INCLUDING THE  
COMMITTEE PLAN AND DISCLOSURE STATEMENT, ARE AVAILABLE AT  
[HTTPS://VERITAGLOBAL.NET/RCBO](https://veritaglobal.net/rcbo) FREE OF CHARGE.

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1 **THE COMMITTEE RECOMMENDS THAT HOLDERS OF ABUSE CLAIMS**  
2 **VOTE TO ACCEPT THE COMMITTEE PLAN AND REJECT THE DIOCESE PLAN**  
3 **BECAUSE, AMONG OTHER THINGS, THE COMMITTEE PLAN PROVIDES AN**  
4 **ADDITIONAL \$44.2 MILLION TO ABUSE CLAIMANTS AND ACHIEVES OTHER**  
5 **IMPORTANT GOALS SET OUT BY ABUSE CLAIMANTS.**

6 In an attempt to protect itself from a deluge of claims arising out of sexual abuse  
7 committed by members of its clergy ("**Abuse Claims**"), the Roman Catholic Bishop of Oakland,  
8 a California corporation sole, filed for bankruptcy protection under chapter 11 of title 11 of the  
9 United States Code on May 8, 2023. The Debtor has remained in possession of its assets and has  
10 continued to manage its affairs. On May 23, 2023, the Office of the United States Trustee  
11 appointed the Committee, which consists of nine survivors of sexual abuse who filed Abuse  
12 Claims against the Diocese to represent other similarly-situated survivors of clergy sexual abuse  
13 ("**Abuse Claimants**"). More than 375 Abuse Claimants have filed Abuse Claims in the Debtor's  
14 bankruptcy case.

15 The Debtor filed the Diocese Plan on February 20, 2026. For the reasons described below,  
16 the Committee does not support the treatment of Abuse Claims proposed by the Debtor under the  
17 Diocese Plan. The problem with the Diocese Plan is that, among other things, the settlement  
18 amount being paid to Abuse Claimants is far too low. The Diocese proposes to pay over 375  
19 Abuse Claimants just \$150 million on a timetable that cannot be determined at this time, but is  
20 likely to extend into late 2030 and beyond. And non-debtor affiliate, RCWC, proposes to pay  
21 just \$30 million in consideration for releases of Abuse Claims asserted against it. Moreover, the  
22 Debtor proposes to settle its claims against certain insurers for approximately \$44.3 million. But  
23 the Committee values those claims as multiples of that amount.

24 The Committee thus filed the Committee Plan so that:

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- 29 (i) The Debtor must pay **\$195.2 million** in three installments with the last payment  
30 due no later than September 2029;
  - 31 (ii) RCWC, if it chooses, can elect to pay **\$118.9 million** in two installments with the  
32 last payment due no later than March 5, 2028 in consideration for releases of  
33 claims against it;
  - 34 (iii) Abuse Claimants can elect to litigate against the Debtor's insurers, which are  
35 contractually obligated to pay certain Abuse Claims, in order to receive a recovery  
36 from the Debtor's valuable insurance policies; and
  - 37 (iv) Abuse Claimants, the children in the care of the Diocese and society at large can  
38 be assured that the Debtor must take all steps necessary to make certain the harm  
39 that befell Abuse Claimants never occurs again.

1 **ARTICLE I**

2 **INTRODUCTION**

3 **A. Purpose and Contents of this Disclosure Statement**

4 This Disclosure Statement is intended as a “plain English” explanation and summary of  
5 the Committee Plan and is qualified in its entirety by the full terms of the Committee Plan. You  
6 should review the Committee Plan and Disclosure Statement in their entirety because the  
7 Committee Plan, if approved by the Bankruptcy Court, will control how your Abuse Claim, the  
8 only Class of Claims permitted to vote on the Committee Plan, is finally resolved against the  
9 Diocese. You are encouraged to consult an attorney to advise you regarding the terms of the  
10 Committee Plan and how it may affect your legal rights.

11 This Disclosure Statement was approved by the Bankruptcy Court on [●], 2026. A copy  
12 of the order approving this Disclosure Statement is attached as **Exhibit B**. The Bankruptcy Court  
13 will hold a hearing on confirmation of the Committee Plan and the Diocese Plan commencing on  
14 [●], 2026.

15 The materials in the package that you have received with this Disclosure Statement  
16 include:

- 17 (i) the Committee Plan;
- 18 (ii) the Diocese Plan;
- 19 (iii) the Debtor’s Disclosure Statement; and
- 20 (iv) ballots for voting to accept or reject the Committee Plan and the Diocese Plan with  
21 instructions on how to complete and return the ballots.

22 Both the Committee Plan and the Diocese Plan include exhibits that are part of the  
23 Committee Plan and Diocese Plan and those should be reviewed because they contain information  
24 relevant to your decision to vote to accept or reject the Committee Plan and the Diocese Plan.

25 Article II of this Disclosure Statement, the “Executive Summary,” explains why the  
26 Committee urges Abuse Claimants to vote for the Committee Plan and against the Diocese Plan.

27 Article III of this Disclosure Statement, “Frequently Asked Questions,” answers important  
28 questions about the Committee Plan and the Diocese Plan.

Article IV of this Disclosure Statement, “Committee Plan Overview,” summarizes the  
salient aspects of the Committee Plan and why it should be ACCEPTED by Abuse Claimants.

Article V of this Disclosure Statement, “Diocese Plan Overview,” summarizes the salient  
aspects of the Committee Plan and why it should be REJECTED by Abuse Claimants.

Article VI of this Disclosure Statement, “Confirmation Requirements and Risk Factors of  
the Committee Plan,” summarizes the requirements the Committee will need to meet to have the

1 Committee Plan confirmed and the risk factors Abuse Claimants should consider when voting on  
2 the Committee Plan.

3 **B. Voting on the Committee Plan**

4 Any vote an Abuse Claimant may have cast in connection with the Debtor’s prior plan of  
5 reorganization will not be counted. For a vote to be counted, each Abuse Claimant must cast a  
6 ballot in accordance with the instructions below.

7 To be counted, your Ballot must be received, pursuant to the following instructions, by  
8 Kurtzman Carson Consultants, LLC dba Verita Global (“**Verita**”), on or before **5:00 p.m.**  
9 **(prevailing Pacific Time) on [●], 2026** (the “**Voting Deadline**”) by one of the following  
10 methods:

11 If by first class mail, overnight courier or hand delivery:

12 The Roman Catholic Bishop of Oakland – Ballot Processing c/o Verita  
13 222 N. Pacific Coast Highway, 3rd Floor  
14 El Segundo, CA 90245

15 By electronic, online submission:

16 Please visit <https://www.veritaglobal.net/rcbo/>. Click on the “E-Ballot” section of the  
17 Debtor’s website and follow the directions on your Ballot to submit your E-Ballot. If you choose  
18 to submit your Ballot via Verita’s E-Ballot system, you should not also return a hard (paper) copy  
19 of your Ballot.

20 **IMPORTANT NOTE:** To vote electronically, you will need a unique E-Ballot ID Number  
21 that will be provided with your Ballot.

22 **IF YOU HOLD A CLAIM ENTITLED TO VOTE:**

23 Please (i) complete the information requested on the Ballot; (ii) sign, date and indicate  
24 your vote to accept or reject the Committee Plan and (iii) return the completed Ballot in the  
25 enclosed pre-addressed, postage-paid envelope, or by one of the other methods described above,  
26 so that it is actually received by Verita on or before the Voting Deadline.

27 **ANY BALLOTS RECEIVED AFTER THE VOTING DEADLINE WILL NOT BE  
28 COUNTED, NOR WILL ANY BALLOTS RECEIVED BY TELECOPY OR EMAIL BE  
ACCEPTED.**

IF YOU HAVE QUESTIONS ABOUT THE BALLOT, DID NOT RECEIVE A  
RETURN ENVELOPE WITH YOUR BALLOT, DID NOT RECEIVE AN ELECTRONIC  
COPY OF THE DISCLOSURE STATEMENT AND THE COMMITTEE PLAN OR NEED  
PHYSICAL COPIES OF THE BALLOT OR OTHER ENCLOSED MATERIALS, PLEASE  
CONTACT THE SOLICITATION AND CLAIMS AGENT, VERITA, BY EMAIL AT  
[RCBOINFO@VERITAGLOBAL.COM](mailto:RCBOINFO@VERITAGLOBAL.COM) OR BY CALLING (888)-733-1425 (U.S./CANADA)

1 OR (310)-751-2631 (INTERNATIONAL) AND REQUESTING TO SPEAK WITH A  
2 MEMBER OF THE BALLOTING TEAM.

3 **ARTICLE II**

4 **EXECUTIVE SUMMARY**

5 The Chapter 11 Case was filed against the backdrop of a terrible crisis and breach of trust.  
6 For the preservation of the Catholic Church and the well-being of all affected constituencies,  
7 particularly Abuse Claimants who hold the overwhelming majority of Claims in this Chapter 11  
8 Case (in both number and amount), the Debtor must fully commit available resources to ensure  
9 that the Debtor will comply with all of its obligations, and Abuse Claimants will be treated in a  
10 manner consistent with their rights, under the Bankruptcy Code.

11 To that end, the Committee Plan provides for (i) the Debtor to contribute \$195.2 million  
12 to a settlement trust (the “**Survivors’ Trust**”) established for the sole benefit of Abuse Claimants  
13 and (ii) RCWC to contribute \$118.9 million, if it elects to contribute to the Committee Plan in  
14 exchange for releases of its liability for Abuse Claims, for a total of **\$314.1 million**. The  
15 contributions will be made in installments with the last payment due on or before September 5,  
16 2029. The Debtor will also assign the proceeds of its insurance policies to the Survivors’ Trust,  
17 which the Committee believes are worth far more than the amounts the Debtor has agreed to  
18 accept under the Diocese Plan. The Committee Plan also provides for robust changes to the ways  
19 in which the Diocese protects its children to make certain the harm that befell Abuse Claimants  
20 never happens again.

21 In contrast, the Diocese Plan provides for a contribution of just \$150 million from the  
22 Debtor and, if it elects to contribute to the Diocese Plan in exchange for releases, \$30 million  
23 from RCWC for a total of **\$180 million**. The contributions will be made within three and a half  
24 years of the Effective Date of the Diocese Plan, which will occur no earlier than July 2026, and  
25 likely will not occur until all appeals of any Order confirming the Diocese Plan are resolved –  
26 which could take several years. Five Settling Insurers will contribute \$44.3 million to the  
27 Survivors’ Trust on the Effective Date of the Diocese Plan, which will provide for total Diocese  
28 Plan funding of \$224.3 million, and the Debtor will assign the proceeds under its insurance  
policies with three Non-Settling Insurers to the Survivors’ Trust. The Committee believes that  
these settlements significantly underestimate the value of the Debtor’s insurance policies. The  
Committee also believes that the insurance assignment in the Diocese Plan is highly prejudicial  
to Abuse Claimants and could negatively impact the value of insurance available from Non-  
Settling Insurers.

The Committee concludes that the Committee Plan is far superior in its treatment of Abuse  
Claimants for at least four reasons.

**First**, the Committee Plan provides for the Debtor to contribute \$45.2 million more than  
the Diocese Plan by September 5, 2029, while the Diocese Plan does not have a definitive date  
by which all of the Debtor Contributions must be made.

**Second**, the Committee Plan authorizes Abuse Claimants to grant RCWC a release only  
if it pays \$118.9 million to Abuse Claimants, which is \$88.9 million more than RCWC is required

1 to pay under the Diocese Plan. The Committee estimates, but subject to further review, that there  
2 may be as many as 120 Abuse Claims against RCWC, meaning RCWC would be paying \$990,833  
3 per Abuse Claim under the Committee Plan and just \$250,000 per Abuse Claim under the Diocese  
4 Plan.

4 **Third**, the insurance provisions of the Diocese Plan fail to adequately protect the rights of  
5 Abuse Claimants. The Debtor has agreed to tentative insurance settlements with five of its  
6 insurers that undervalue the carriers' exposure. By way of example, the first two cases released  
7 from the stay in the Archbishop of San Francisco's bankruptcy recently settled for a combined  
8 \$10.3 million—which amount is being funded solely by the Archbishop's insurers (many of  
9 whom are the same insurers in this case). Based on the Committee's analysis, there are at least  
10 325 Abuse Claims that allege abuse, in part, during a solvent insurers' coverage period. Using a  
11 placeholder of \$1 million per claim (which is significantly less than the average of the first two  
12 San Francisco lift stay settlements) produces a total insurance exposure of \$325 million. Yet the  
13 Debtor has settled with five of its eight insurers for a fraction of that amount. Thus, by tentatively  
14 settling with five of its eight insurers for an inadequate amount, the Debtor has both (i) failed to  
15 appropriately monetize the policies of the five settling insurers and (ii) impaired the value of the  
16 insurance assignment by permitting further recovery solely against the three remaining non-  
17 settling insurers.

12 In addition, the Diocese Plan strips the Survivors' Trust's ability to pursue the insurance  
13 declaratory judgment actions captioned *In re: The Roman Catholic Bishop of Oakland Insurance*  
14 *Adversary Proceeding Litigation*, Case Nos. 3:24-cv 00709-JSC, 3:24-cv-00711-JSC (N.D. Cal.)  
15 (the "**Coverage Action**"), for the benefit of Abuse Claimants. The Diocese Plan provides that  
16 "any effort to collect from Abuse Insurance Policies issued by the Non-Settling Insurers to satisfy  
17 an Abuse Claim after Confirmation of the Plan shall be sought individually by the applicable  
18 Holder of an Abuse Claim . . . ." Diocese Plan at § 8.3.13. As a result, common legal questions  
19 applicable to many of the Abuse Claims will need to be decided through a multiplicity of wasteful,  
20 individual coverage lawsuits, rather than an efficient, omnibus Coverage Action.

18 **Fourth**, the protection of children under diocesan supervision requires robust, sustained  
19 and independent oversight mechanisms. While the Debtor has agreed to retain a Compliance  
20 Monitor at the demand of the Committee, the Debtor's proposal to retain a Compliance Monitor  
21 for a limited five-year term fundamentally misunderstands the nature and scope of institutional  
22 reform. In addition, the Debtor's proposal that investigatory authority revert to the Bishop once  
23 the Compliance Monitor's term ends ignores the fundamental structural conflict of interest that  
24 necessitated independent oversight in the first instance. Accordingly, the Committee's Child  
25 Protection Protocols provide for a default term of ten years after which certain duties and powers  
26 vested in the Compliance Monitor will be assigned to a Compliance Advisory Board. In all  
27 circumstances, investigations relating to allegations of sexual abuse will not become final until  
28 an arbitrator determines that an Independent Professional Investigator completed a fair, fulsome  
and non-prejudicial investigation.

1 **ARTICLE III**

2 **FREQUENTLY ASKED QUESTIONS**

3 **1. *Why did the Diocese file a Chapter 11 Case?***

4 On May 3, 2023, the Diocese filed its chapter 11 case (the “**Chapter 11 Case**”) in the  
5 United States Bankruptcy Court for the Northern District of California. The Diocese filed its  
6 Chapter 11 Case to address and resolve claims arising out of sexual abuse asserted against the  
7 Diocese in light of the State of California re-opening the window during which such claims may  
8 be asserted.

9 Approximately 400 Abuse Claimants have asserted Abuse Claims seeking damages for  
10 sexual abuse by individuals allegedly associated with the Diocese or related entities. Many Abuse  
11 Claimants also filed lawsuits against the Diocese and other entities related to the Diocese before  
12 the Chapter 11 Case.

13 **2. *What is the Committee?***

14 The Committee was appointed by the United States Trustee to represent Abuse Claimants’  
15 collective interests in the Chapter 11 Case. The Committee is comprised of nine survivors of  
16 sexual abuse asserting claims against the Diocese for the harm and trauma they suffered and  
17 continue to suffer to this day. The Committee hired counsel to advise it on bankruptcy and  
18 insurance matters and hired a financial advisor to aid in its investigation of the Diocese’s assets.

19 **3. *What is a chapter 11 plan?***

20 Chapter 11 of the Bankruptcy Code allows a debtor (in this case, the Diocese) to resolve  
21 claims against it through a plan of reorganization. Abuse Claimants and other creditors who hold  
22 claims that will not be paid in full are given an opportunity to vote to approve or reject a plan.  
23 This type of claim is referred to as an “impaired claim” by the Bankruptcy Code and in the  
24 Committee Plan. In this case, Abuse Claimants are entitled to vote on the Committee Plan. If  
25 enough Abuse Claimants vote to accept the Committee Plan, and the Bankruptcy Court finds that  
26 the Committee Plan meets other requirements of the Bankruptcy Code, the Bankruptcy Court may  
27 enter an order approving the Committee Plan. Bankruptcy Court approval of a plan is referred to  
28 as “confirmation” of the plan under bankruptcy law. Once confirmed, the terms of the Committee  
Plan become binding on all creditors.

**4. *What is the Disclosure Statement?***

This Disclosure Statement is intended to provide you with enough information so that you  
can make an informed decision on whether to accept or reject the Committee Plan. This  
Disclosure Statement summarizes how the Committee Plan will affect your Abuse Claim against  
the Diocese and also explains the deficiencies in the Diocese Plan, which the Committee does not  
support.

1                   **5.       How much does the Committee Plan propose to pay Abuse Claimants?**

2           The Committee Plan provides that all Abuse Claims asserted against the Diocese will be  
3   channeled to, and paid from, the Survivors' Trust. The Survivors' Trust is a legal entity that will  
4   receive an assignment of certain of the Debtor's rights under its insurance policies with any  
5   insurer that does not settle with the Diocese and the Committee before the date the Committee  
6   Plan becomes effective (the "**Effective Date**") and will distribute settlement funds to Abuse  
7   Claimants. Under the Committee Plan, the Survivors' Trust created for the benefit of Abuse  
8   Claimants will be funded by:

- 9                   (i)     the Debtor in the amount of **\$195.2 million**; and  
10                   (ii)    RCWC (provided it elects to participate and receives releases from Class  
11                   4 Claimants holding Claims against it) in the amount of **\$118.9 million** for  
12                   a total of **\$314.1 million**.

13           The Committee Plan provides for payments from the Debtor and RCWC (provided it  
14   receives releases from Class 4 Claimants holding Claims against it) over 3.5 years from the  
15   Original Plan Filing Date of March 6, 2026. The Committee Plan also provides that the Diocese  
16   will assign to the Survivors' Trust insurance proceeds realized from any insurer that has not settled  
17   with the Committee and the Diocese by the Effective Date.

18                   **6.       How much does the Diocese Plan propose to pay Abuse Claimants?**

19           The Diocese has filed its own Plan of Reorganization, referred to as the Diocese Plan. The  
20   Diocese Plan also provides that all Abuse Claims asserted against the Diocese will be channeled  
21   to, and paid from, the Survivors' Trust. Under the Diocese Plan, the Survivors' Trust created for  
22   the benefit of Abuse Claimants would be funded by:

- 23                   (i)     the Debtor in the amount of \$150 million; and  
24                   (ii)    RCWC (provided it receives releases from Class 4 Claimants holding  
25                   Claims against it) in the amount of \$30 million for a total of **\$180 million**.

26           The Diocese Plan provides for payments from the Debtor and RCWC (provided it receives  
27   releases from Class 4 Claimants holding Claims against it) over 3.5 years from the Effective Date,  
28   which has not yet occurred and will occur no earlier than July 2026, and likely will not occur until  
all appeals of any Order confirming the Diocese Plan are resolved, which could take several years.  
The Diocese Plan also provides for approximately \$44.3 million to be contributed to the  
Survivors' Trust by five Settling Insurers and the Debtor assigning to the Survivors' Trust the  
rights and obligations of the Debtor in the three remaining Non-Settling Insurer Policies.

- (i)     **Does the Diocese Plan really "provide the highest per claim  
average payout to survivors of any similarly-sized diocesan  
bankruptcy filed in the United States"?**

          No. The Debtor continues to tout the Diocese Plan as groundbreaking, asserting that, if  
confirmed, the "[Debtor] Plan will ... provide the highest per claim average payout to survivors

1 of any similarly-sized diocesan bankruptcy filed in the United States.” *Executive Summary,*  
2 *Frequently Asked Questions, and General Information Regarding Debtor’s Fourth Amended Plan*  
3 *of Reorganization* [Dkt. No. 2654-1] (“**Debtor’s Plan Summary**”), 4:15–16. But comparing the  
4 Debtor’s proposed distribution to Abuse Claimants in this Chapter 11 Case to other diocesan  
5 bankruptcy cases to justify its fairness is wrong as a matter of law and highly misleading. Even  
6 if the distributions made to Abuse Claimants in other bankruptcy cases had relevancy when  
7 determining whether the Diocese Plan is fair and equitable—they do not—the Debtor ignores  
8 precedents that do not support its narrative and instead relies on purported comparables involving  
9 cases with materially different facts and circumstances that would plainly and significantly affect  
10 the value of the underlying claims:

- 11 • Repeatedly fails to include settlements that took place outside of the bankruptcy context  
12 in its analysis. These datapoints are a better indication of the value of Abuse Claims.  
13 Indeed, settlements outside the bankruptcy context are typically negotiated at arm’s  
14 length and are not limited by the Debtor’s ability to pay or restrained by the amount of  
15 insurance available or level of cooperation from insurers.
- 16 • Insists, in the face of black letter law to the contrary, that the Diocese Plan be found  
17 fair and equitable because the proposed distribution is measured by comparing it to  
18 distributions made to *other* survivors, in *other* bankruptcy cases, pending in *other*  
19 jurisdictions, in cases with *different* governing law, *different* estate assets, *different*  
20 insurance programs and *different* historical jury verdicts and settlements. The Debtor  
21 also fails to factor into its analysis whether the statute of limitations was open in prior  
22 cases, which is a material factor in determining claim values.
- 23 • Ignores precedents that do not support its narrative, including two California diocesan  
24 bankruptcy settlements: Diocese of San Diego and Diocese of Stockton.
- 25 • In addition, the Debtor continues to assert that there are only 324 valid Abuse Claims  
26 filed in the Chapter 11 Case. The Committee disputes the Debtor’s conclusion and  
27 contends that there are at least 375 facially valid Abuse Claims. The Debtor also asserts  
28 that the Survivors’ Trust will distribute \$180 million. This assertion is inaccurate for  
several reasons:
  - **First**, assuming a \$180 million contribution to the Survivors’ Trust, the Debtor  
and RCWC propose to pay this amount over three and a half years, without  
interest, of the Effective Date, which date is currently unknown and unknowable.  
However unlikely, if the Effective Date occurred by year end, the present value of  
the proposed settlement is \$150.3 million (assuming a 6.75% discount rate).
  - **Second**, the Debtor’s calculation includes the \$5 million earmarked for Unknown  
Abuse Claimants; and
  - **Third**, RCWC is highly unlikely to receive a meaningful number of releases under  
the Diocese Plan. If Abuse Claimants do not grant RCWC a release under the  
Diocese Plan, RCWC will not contribute its \$30 million, leaving only \$145 million  
available to Class 4 Abuse Claimants in the Chapter 11 Case.

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- Assuming 375 Abuse Claimants, whom do not consent to a release of RCWC, and using the present value of the Diocese Plan funding (excluding the Unknown Abuse Claim Reserve), in the amount of \$123.9 million, the average distribution to each Abuse Claimant is \$330,455, a far cry from the Debtor’s assertion that the average distribution to Abuse Claimants is \$521,739. Assuming RCWC received releases, the present value of the total Diocese Plan payments available to Class 4 Abuse Claimants is \$150.3 million, or \$400,742 per Abuse Claim.
  - In comparison, assuming (i) 375 Abuse Claimants and (ii) RCWC elects not to contribute to the Committee Plan, and using the present value of the Committee Plan funding (excluding the Unknown Abuse Claim Reserve), in the amount of \$184.9 million, the average distribution to each Abuse Claimant under the Committee Plan is \$448,552. Assuming RCWC elected to contribute to the Committee Plan, the present value of the total Committee Plan payments available to Class 4 Abuse Claimants is \$283.27 million, or \$755,395 per Abuse Claim.

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12

(ii) **Why does the Committee recommend that Abuse Claimants support the Committee Plan and reject the Diocese Plan?**

13 For the reasons set forth above and in Article II of this Disclosure Statement, entitled  
14 “Executive Summary,” the Committee recommends Abuse Claimants accept the Committee Plan  
and reject the Diocese Plan.

15 **7. How will the Committee Plan work?**

16 (i) **Establishment of the Survivors’ Trust**

17 The Committee Plan establishes a Survivors’ Trust for the benefit of Abuse Claimants.  
18 The Survivors’ Trust will distribute funds to Abuse Claimants from (i) the \$195.2 million of  
19 settlement funds from the Diocese, (ii) if RCWC elects to contribute to the Survivors’ Trust in  
20 exchange for releases, the \$118.9 million of settlement funds from RCWC and (iii) any additional  
21 funds collected through litigation and/or settlement with the Debtor’s insurers. \$7.7 million of  
this amount will be set aside to pay any unknown claims, which are Abuse Claims filed after the  
Committee Plan Effective Date.

22 The Survivors’ Trust will protect and enforce Abuse Claimants’ rights by continuing  
23 litigation against the Debtors’ insurers so that they are held liable for their contractual obligations.  
Certain Abuse Claimants may also seek to pursue the insurers for liability.

24 (ii) **Method for Determining Payments to Abuse Claimants**

25 Funds will be distributed to Abuse Claimants under guidelines described in the  
26 “Survivors’ Trust Distribution Plan” which is attached as an exhibit to the Committee Plan. The  
27 Survivors’ Trust Distribution Plan provides guidelines for an independent claim reviewer, the  
“Abuse Claims Reviewer,” to analyze Abuse Claimants’ Abuse Claims and award each Allowed  
28 Abuse Claim a point score between 0 and 100 taking into account both the nature of the abuse

1 inflicted and the impact of abuse on each Abuse Claimant. The settlement funds will be  
2 distributed based on the scores awarded by the Abuse Claims Reviewer.

3 The Committee believes that the process described in the Survivors' Trust Distribution  
4 Plan is a fair and reasonable way to distribute the funds available for payment of Abuse Claims.  
5 Under the Survivors' Trust Distribution Plan, Abuse Claimants may supplement their claims to  
6 provide more information they believe the Abuse Claims Reviewer should consider. The  
7 Survivors' Trust Distribution Plan also allows Abuse Claimants to appeal their award if they  
8 believe the award is too low.

9 The Committee recognizes that each Abuse Claimants' trauma is unique and believes that  
10 assessment by an independent evaluator provides a fair and efficient way to consider what  
11 happened to each Abuse Claimant and the effects of the abuse on each Abuse Claimant. The  
12 Committee recognizes that money alone is not sufficient to compensate Abuse Claimants for the  
13 abuse they suffered and the decades of trauma each Abuse Claimants suffered because of the  
14 abuse. The Committee also recognizes that excessive, onerous procedures for reviewing and  
15 allocating payment for Abuse Claims would cause delay and expense that would cause Abuse  
16 Claimants to wait longer to receive less money. For example, if evidentiary reviews (including  
17 documents and witnesses) were required to assess each Abuse Claim, the Committee believes that  
18 each review may take a minimum of 10-15 hours for a claims reviewer. In addition, Abuse  
19 Claimants would have to spend time preparing documents, testimony, and expert reports. Rather  
20 than force Abuse Claimants to wait longer for less money, the Committee believes the Survivors'  
21 Trust Distribution Plan strikes the right balance of efficiency and fairness to Abuse Claimants.

22 Similar allocation processes have been used successfully in over 20 chapter 11 cases  
23 involving other Roman Catholic dioceses and religious orders.

24 Notwithstanding the foregoing, Holders of Abuse Claims may elect to receive an  
25 immediate payment of \$50,000.00 (the "**Immediate Payment**") in accordance with the  
26 procedures set forth in the Committee Plan. If an Abuse Claimant elects to receive the Immediate  
27 Payment, the payment will be made shortly after the Committee Plan becomes effective. That  
28 date is indeterminate and may be meaningfully delayed as set forth in Article VI, Section 6.C.7.  
After receiving the Immediate Payment, an Abuse Claimant is not entitled to any further  
distributions from the Survivors' Trust and may not pursue any Abuse Claim against the Debtor,  
the Reorganized Debtor, the Survivors' Trust, the Released Parties, the Insurers and RCWC (and  
the RCWC Escrow).

For all other Abuse Claimants, the Survivors' Trustee will make an initial distribution of  
\$5,000.00 to Abuse Claimants holding Allowed Abuse Claims. Subsequently, as soon as  
practicable once all Abuse Claims have been scored under the Survivors' Trust Distribution Plan  
and any requests for reconsideration have been addressed, the Abuse Claims Reviewer will make  
distributions to Abuse Claimants proportionally based on the scores awarded by the Abuse Claims  
Reviewer, subject to certain adjustments as explained in the Survivors' Trust Distribution Plan.

By way of illustration only, if there are ultimately 375 Allowed Abuse Claims and the  
Survivors' Trust Assets total \$195.2 million, points awarded to an Abuse Claimant under the  
Survivors' Trust Distribution Plan are translated into dollars under the Committee Plan as follows:

- There are 375 Abuse Claimants holding Allowed Abuse Claims with an average score of 50 points per Abuse Claim;
- 50 points per claim multiplied by 375 Abuse Claims yields 18,750 total points;
- A total distributable amount of \$195.2 million is available, meaning each point would be valued at \$10,411 (\$195.2 million divided by 18,750 points); and thus
- Allowed Abuse Claims assigned 25, 50 and 75 points would receive projected total recoveries of \$260,275, \$520,550 and \$780,825 from the Survivors' Trust, respectively

If RCWC elects to contribute to the Committee Plan, the calculations would be increased as follows:

- A total distributable amount of \$314.1 million is available, meaning each point would be valued at \$16,752 (\$314.1 million divided by 18,750 points); and thus
- Allowed Abuse Claims assigned 25, 50 and 75 points would receive projected total recoveries of \$418,800, \$837,600 and \$1,256,400 from the Survivors' Trust, respectively.

In contrast, if there are ultimately 375 Allowed Abuse Claims and the Survivors' Trust Assets total \$150 million as provided for by the Diocese Plan, points awarded to an Abuse Claimant under the Survivors' Trust Distribution Plan are translated into dollars under the Diocese Plan as follows:

- There are 375 claimants holding Allowed Abuse Claims with an average score of 50 points per claim;
- 50 points per claim multiplied by 375 claims yields 18,750 total points;
- A total distributable amount of \$150 million is available, meaning each point would be valued at \$8,000 (\$150 million divided by 18,750 points); and thus
- Allowed Abuse Claims assigned 25, 50 and 75 points would receive projected total recoveries of \$200,000, \$400,000 and \$600,000 from the Survivors' Trust, respectively

If RCWC elects to contribute to the Diocese Plan, the calculations would be increased as follows:

- A total distributable amount of \$180 million is available, meaning each point would be valued at \$9,600 (\$180 million divided by 18,750 points); and thus
- Trust Claims assigned 25, 50 and 75 points would receive projected total recoveries of \$240,000, \$480,000 and \$720,000 from the Survivor's Trust, respectively.

The difference in treatment of Abuse Claims under the Committee Plan and the Diocese Plan if RCWC elects not to contribute under either Plan is summarized in this chart:

Points	Committee Plan	Diocese Plan
25	\$260,275	\$200,000
50	\$520,550	\$400,000
75	\$780,825	\$600,000

The difference in treatment of Abuse Claims under the Committee Plan and the Diocese Plan if RCWC elects to contribute under both Plans is summarized in this chart:

Points	Committee Plan	Diocese Plan
25	\$418,800	\$240,000
50	\$837,600	\$480,000
75	\$1,256,400	\$720,000

(iii) **Assignment of Insurance Claims to the Survivors' Trust**

The Committee Plan establishes a framework for post-confirmation litigation for Abuse Claimants seeking recovery from Non-Settling Insurers through the Litigation Option. Under the Committee Plan, if settlements acceptable to the Committee cannot be reached with all Insurers before confirmation of the Committee Plan, then, under the Committee Plan, Abuse Claimants with claims within the Non-Settling Insurers' coverage periods may pursue claims insured by Non-Settling Insurers as Litigation Claimants as authorized by the Survivors' Trustee in accordance with the Survivors' Trust Documents. The Survivors' Trust would retain the right to pursue causes of action of the Diocese against the Non-Settling Insurers and to settle with the Non-Settling Insurers on a global basis.

No later than the first anniversary of the Effective Date (i) Trust Claimants holding Abuse Claims against the Debtor may elect to pursue litigation against the Debtor (as nominal party only), Non-Settling Insurers and/or other parties and (ii) Trust Claimants that have executed and delivered a written form release of RCWC for all conduct occurring on or before the Effective Date of the Committee Plan (the "**RCWC Release Agreement**") may elect to pursue litigation against RCWC (as nominal party only), Non-Settling Insurers and/or other parties by filing the Litigation Option Notice. Only those Trust Claimants who are authorized by the Survivors' Trustee are permitted to move forward with a Litigation Claim against the Debtor, RCWC, Non-Settling Insurer(s) and/or other parties.

If the Survivors' Trustee enters into an Insurance Settlement Agreement with respect to a Target Policy that covers a Litigation Claimant's Abuse Claim, such Claimant is entitled to an enhanced Distribution (the "**Claim Enhancement**") as set forth below to his or her allocation under the Survivors' Trust Distribution Plan, which enhanced amount will be payable from the proceeds of the applicable Insurance Settlement Agreement. To the extent the Debtor and the Committee enter into an Insurance Settlement Agreement before the Confirmation Date with respect to a Target Policy that covers an Abuse Claim for which the automatic stay has been modified or lifted by the Bankruptcy Court such that it may continue after the Petition Date, such Abuse Claim will also be entitled to the Claim Enhancement. The Claim Enhancements are independent of one another and are not intended to be cumulative. The Survivors' Trustee will reserve sufficient amounts to fund such enhanced payments before making any Distribution of Insurance Settlement Agreement proceeds to Abuse Claimants who are not Litigation Claimants.

1 The Claim Enhancement will be applied as follows:

- 2 • A Litigation Claimant will be entitled to an enhancement of 10% if the Survivors' Trust  
3 negotiates an Insurance Settlement Agreement for a Target Policy of such Litigation  
4 Claimant if the Insurance Settlement Agreement is entered into prior to commencing  
litigation in such Litigation Claimant's case.
- 5 • A Litigation Claimant will be entitled to an enhancement of 25% if the Survivors' Trust  
6 negotiates an Insurance Settlement Agreement for a Target Policy of such Litigation  
7 Claimant if the Insurance Settlement Agreement is entered into after litigation  
commences but before a deposition or interview of the Litigation Claimant by opposing  
8 counsel in such Litigation Claimant's case.
- 9 • A Litigation Claimant will be entitled to an enhancement of 40% if the Survivors' Trust  
10 negotiates an Insurance Settlement Agreement for a Target Policy of such Litigation  
11 Claimant if the Insurance Settlement Agreement is entered into after a deposition or  
interview of the Litigation Claimant by opposing counsel but before commencement  
12 of a trial in such Litigation Claimant's case.
- 13 • A Litigation Claimant will be entitled to an enhancement of 50% if the Survivors' Trust  
14 negotiates an Insurance Settlement Agreement for a Target Policy of such Litigation  
15 Claimant if the Insurance Settlement Agreement is entered into on or after the first day  
16 of a trial in such Litigation Claimant's case.
- 17 • A Litigation Claimant will be entitled to an enhancement of one 100% if the Survivors'  
Trust negotiates an Insurance Settlement Agreement for a Target Policy of such  
18 Litigation Claimant if the Insurance Settlement Agreement is entered into after a  
19 Litigation Claim Award entered in favor of the Litigation Claimant in such litigation  
20 becomes final and non-appealable.

21 The Committee believes that the efforts of Litigation Claimants will materially enhance  
22 the Survivors' Trust's ability to pursue an appropriate settlement with Non-Settling Insurers and,  
23 therefore, enhancements for non-settling Litigation Claimants are appropriate under the  
24 circumstances.

25 In no event may a Litigation Claimant receive more than the total amount of his or her  
26 judgment from all sources. If, after accounting for recovery from parties other than the Survivors'  
27 Trust, a Litigation Claimant receives any amount in excess of the amount of the Litigation Claim  
28 Award, such amount will be recoverable by the Survivors' Trustee. In any case of a Trust  
Claimant who obtains a Litigation Claim Award, where the payment of any amounts payable to  
such Trust Claimant by (i) defendants in the Abuse Claim Litigation other than the Released  
Parties and/or (ii) one or more Non-Settling Insurers, when taken together with any distributions  
received by such Trust Claimant from the Survivors' Trust, would cause such Trust Claim to  
receive more than the total amount of his or her Litigation Claim Award, then (a) all amounts to  
be paid under such Litigation Claim Award that would be in excess of such Litigation Claim  
Award will be paid to the Survivors' Trustee to be allocated for distribution to other Trust  
Claimants on account of their *pro rata* share of Survivors' Trust Assets, or (b) if such amounts

1 are paid directly to the Litigation Claimant, such Litigation Claimant will immediately turn them  
2 over to the Survivors' Trustee; *provided, however*, any such Abuse Claimant is not barred by  
3 Section 9.9 of the Committee Plan from seeking extracontractual damages under the holding of  
4 *Hand* (defined below) and (iii) all defenses and the rights of any Non-Settling Insurer to oppose  
any such claim by an Abuse Claimant under *Hand* are fully preserved, including that *Hand* is not  
a correct statement of applicable law and that it would not apply to any such asserted claim.

5 The Survivors' Trust will make distributions of Survivors' Trust Assets to all Abuse  
6 Claimants without considering whether an Abuse Claim is or is not covered by an insurance  
7 policy. The reasons for this include (a) many Abuse Claims are covered by more than one Insurer  
8 and (b) the Settling Insurers are settling their liability with the Diocese as a whole and settlement  
9 payments made by the Settling Insurers include an unallocated portion to settle unfiled Abuse  
10 Claims and Abuse Claims the Diocese may assert for its own damages against each Insurer  
(including reimbursement of attorneys' fees and expenses, as well as other damages).

11 (iv) **The Committee Plan's Enhanced Child Protection Protocols**

12 An integral part of the Committee Plan is the Child Protection Protocols. The Committee  
13 is steadfast in its determination to make sure that the harm that befell Abuse Claimants does not  
14 happen to the children within the Diocese's care now and in the future. To that end, the  
15 Committee requires the Debtor to retain a Compliance Monitor for a default term of ten years,  
16 with whether that term should be extended being submitted to an arbitrator if the Compliance  
17 Monitor and the Bishop cannot agree. In contrast, the Diocese Plan only provides for a five-year  
18 default term. In the Debtor's Child Protection Protocols, after the Compliance Monitor's term  
19 ends, all powers, duties, and responsibilities of the Compliance Monitor revert to the Bishop. The  
20 Committee vehemently opposes this proposal. Time has shown that the Diocese needs an  
independent third-party to make certain the organization is doing everything within its power to  
keep children safe, including conducting independent investigations to make certain children are  
protected and the truth is never buried again. The Committee thus proposes that after the  
Compliance Monitor's term ends certain duties and powers vested in the Compliance Monitor be  
assigned to a Compliance Advisory Board. In all circumstances, accusations of sexual abuse by  
Clergy and diocesan personnel will not become final until an arbitrator determines that an  
Independent Professional Investigator has completed a fair, fulsome and non-prejudicial  
investigation.

21 (v) **The Channeling Injunction**

22 The Committee Plan provides for a Channeling Injunction through which Abuse Claims  
23 against the Debtor and certain other parties will be enjoined from being asserted against them, but  
24 those claims may only be pursued against the Survivors' Trust. It is intended that the channeling  
25 of the Channeled Claims will inure to the benefit of the Released Parties and the Settling Insurers.  
The Channeling Injunction does not bar claims against any Non-Settling Insurer except to the  
extent a Non-Settling Insurer becomes a Settling Insurer.

1 **ARTICLE IV**

2 **COMMITTEE PLAN OVERVIEW**

3 **A. Summary of Committee Plan’s Treatment of Claims**

4 The Committee Plan divides various creditors into classes. Individual claimants are  
5 classified based on the nature of their claims. The following chart summarizes the classification  
6 and proposed treatment of all claims and classes under the Committee Plan. Please refer to the  
7 Committee Plan for a fuller description of the treatment of creditors.

8 Under the Committee Plan, the classes of claims against the Debtor will be as follows:

Class	Class Description	Status	Voting Rights
Class 1	RCC Secured Claim	Unimpaired	Non-voting Deemed to accept
Class 2	Priority Unsecured Claims, other than non-classified claims set forth in Article III	Unimpaired	Non-voting Deemed to accept
Class 3	General Unsecured Claims	Unimpaired	Non-voting Deemed to accept
Class 4	Abuse Claims	Impaired	Eligible to vote
Class 5	Unknown Abuse Claims	Impaired	Eligible to vote via the Unknown Abuse Claims Representative
Class 6	Non-Abuse Litigation Claims	Unimpaired	Non-voting Deemed to accept
Class 7A	Abuse Related Contribution Claims Related to Class 4 Claims	No recovery	Non-voting Deemed to reject
Class 7B	Abuse Related Contribution Claims Related to Class 5 Claims	No recovery	Non-voting Deemed to reject

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18 The only class of creditors permitted to vote on the Committee Plan are Class 4 Abuse  
19 Claims and Class 5 Unknown Abuse Claims, through the vote of the Unknown Abuse Claims  
20 Representative. The Committee Plan seeks to satisfy the rights of Abuse Claimants in two ways.  
21 First, the Committee Plan ensures that the Debtor uses more of its assets to pay Abuse Claimants,  
22 including making certain the Debtor’s insurance rights are pursued vigorously. Second, the  
23 Committee Plan sets forth nonmonetary provisions designed to assist Abuse Claimants in healing  
24 and ensure – to the maximum extent possible – that abuse does not continue.

22 **B. Committee Plan’s Treatment of Abuse Claims**

23 To compensate Abuse Claimants, the Committee Plan establishes the Survivors’ Trust  
24 which will be funded with Survivors’ Trust Assets. The Survivors’ Trustee will liquidate the  
25 Survivors’ Trust Assets and distribute the proceeds to the Holders of Abuse Claims and Unknown  
26 Abuse Claims pursuant to the procedures contained the Survivors’ Trust Distribution Plan. The  
27 Survivors’ Trust will be created for the purpose of paying distributions to Holders of Allowed  
28 Class 4 and Class 5 Claims, the two Classes of Abuse Claims under the Committee Plan.

1 (i) **Cash Contributions to the Committee Plan**

2 The Survivors' Trust will be funded by:

- 3 (i) the Debtor in the amount of \$195.2 million; and
- 4 (ii) RCWC (provided it receives post-confirmation releases from Class 4
- 5 Claimants holding Claims against it) in the amount of \$118.9 million, for
- 6 a total of **\$314.1 million**. See Committee Plan, Section 9.3.<sup>2</sup>

7 The Committee Plan provides for payments from the Debtor and RCWC (provided it

8 receives releases from Class 4 Claimants holding Claims against it) over 3.5 years from the

9 Original Plan Filing Date of March 6, 2026, to be paid as follows:

- 10 • Effective Date: A total of \$103.1 million, of which (i) \$33.1 million will be paid by
- 11 the Debtor and (ii) \$70 million will be paid by RCWC (provided it receives post-
- 12 confirmation releases from Class 4 Claimants holding claims against it).
- 13 • Year 1: A total of \$6 million, all of which will be paid by the Debtor.
- 14 • Year 2: A total of \$77.7 million, of which (i) \$28.9 million will be paid by the Debtor
- 15 and (ii) \$48.9 million will be paid by RCWC (provided it receives post-confirmation
- 16 releases from Class 4 Claimants holding claims against it).
- 17 • Year 3: A total of \$46.3 million, all of which will be paid by the Debtor.
- 18 • Year 3.5: A total of \$80.9 million, all of which will be paid by the Debtor.

19 On the Effective Date, the Survivors' Trust will segregate \$5 million into the Unknown

20 Abuse Claims Reserve for the benefit of Holders of Class 5 Claims. The Survivors' Trust will

21 increase the amount in the Unknown Abuse Claims Reserve by \$1.3 million within one year after

22 the Effective Date and by \$1.4 million within two years of the Effective Date, for a total of \$7.7

23 million.

24 The Committee Plan is not predicated on the Debtor selling any particular piece of real

25 property. Nor does the Committee Plan require a loan of any kind other than the postpetition loan

26 the Debtor has stated it will need to continue paying the administrative expenses of the Chapter

27 11 Case. Rather, the Committee Plan is predicated on the guidance from the United States

28 Supreme Court, which has recognized that “[a] debtor can win a discharge of its debts if it

proceeds with honesty and places virtually all its assets on the table for its creditors.” See

*Harrington v. Purdue Pharma L.P.*, 603 U.S. 204, 209 (2024). Putting aside the Debtor’s millions

of dollars in cash and investments, the Debtor owns over 250 pieces of real property.

<sup>2</sup> Distributions to Abuse Claimants may be subject to fee agreements between Holders of Abuse Claims and their legal counsel. The Committee has no information on any such agreements. Legal counsel to Holders of Abuse Claims must comply with Rules 1.5 and 1.5.1 of the California Rules of Professional Conduct and Cal. Bus. & Prof. Code § 6147 in connection with any fees charged to Holders of Abuse Claims.

1 In any event, the Debtor has conceded it can continue its mission even while selling:

- 2 • twelve vacant real estate parcels titled in the name of the Debtor which are not part of
- 3 a larger parcel containing a Church or ministry-related building;
- 4 • vacant portions of eighteen real estate parcels titled in the name of the Debtor which
- 5 the Debtor has determined may be liquidated while allowing the Debtor to continue
- 6 its mission;
- 7 • Debtor-owned portions of twelve real property locations on which Churches currently
- 8 operate either as primary or secondary locations;
- 9 • five residential homes owned by the Debtor and one residential home owned by
- 10 Adventus; and
- 11 • certain other real estate currently being used in support of the Debtor's ministry.

12 Debtor's Plan Summary, 7:16-23;8:1-4.

13 The Debtor has a myriad of other ways in which to fund the Debtor Contribution,

14 including executing on its prepetition plan to close 30 or so parishes, reducing its operating

15 reserves for a temporary period of time, using restricted assets for their intended purpose and, in

16 turn, allowing the Debtor to use more unrestricted assets to make the Debtor Contribution and/

17 or borrowing from its Non-Debtor Catholic affiliates, financial institutions and/or the public

18 markets, as it has done before.

19 **(ii) The RCWC Escrow**

20 RCWC may, by written notice filed on the docket within seven days after the Voting

21 Deadline, elect to contribute the RCWC Contribution of \$118.9 million into an escrow account

22 managed by a third party (the "**RCWC Escrow**") on the Effective Date and thus, be entitled to

23 receive voluntary releases from Holders of Abuse Claims. RCWC will not receive a discharge,

24 release or benefit from any injunction under the Committee Plan and will only be entitled to

25 receive releases in accordance with the Committee Plan.

26 The Survivors' Trust may withdraw amounts from the RCWC Escrow in accordance with

27 the Survivors' Trust Documents and the escrow agreement between the Survivors' Trust, RCWC,

28 and the escrow agent. Those documents will provide that distributions from the RCWC Escrow

will only be made on account of Holders of Class 4 Claims whom the Abuse Claims Reviewer

determines asserted a compensable Claim against RCWC in the Holder's Proof of Claim. Such

withdrawals from the RCWC Escrow will not commence until after the Preliminary Abuse Claim

Allowance Deadline. The escrow agreement will provide the Survivors' Trust may withdraw

from the RCWC Escrow no more than the pro rata share of the RCWC Escrow balance designated

for each Holder of an Abuse Claim asserted against RCWC who has executed and returned to

RCWC a RCWC Release. The pro rata share of each Holder will be determined by the Survivors'

Trustee.

1 The RCWC Escrow construct is designed to allow RCWC to obtain consensual releases  
2 from Abuse Claimants holding Claims against it while enhancing the recovery to all Abuse  
3 Claimants. If any amount remains in the RCWC Escrow on account of an RCWC Claimant  
4 holding an Allowed Claim against RCWC having failed to execute a RCWC Release Agreement  
5 as of the three and a half-year anniversary of the Effective Date, the RCWC Escrow Agent will  
6 return such amount, less expenses of the RCWC Escrow, to RCWC no later than five (5) business  
7 days after the later of (i) the three and a half-year anniversary of the Effective Date or (ii)  
8 distribution to the Survivors' Trust of all payments to Holders of Allowed Class 4 Claims who  
9 executed and returned to RCWC an RCWC Release Agreement on or before the three and a half-  
10 year anniversary of the Effective Date.

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**(iii) The Committee Plan's Insurance Assignment**

The Committee Plan further contemplates an assignment of the Debtor's rights and obligations under its insurance policies with Non-Settling Insurers. This assignment will allow Abuse Claimants to immediately pursue additional recoveries against Non-Settling Insurers through litigation in state court and the Survivors' Trust to continue litigating the Coverage Action. At present, there are no Settling Insurers.

Although the Survivors' Trust will need to pay certain fees and expenses of litigation with Non-Settling Insurers, the Committee believes the value of the Debtor's insurance assets is far more valuable than the amount the Debtor has agreed to settle for. The Committee Plan is designed to allow for a full and fair opportunity for Abuse Claimants to realize the value of those assets, while preserving all of the Non-Settling Insurers' rights, claims and defenses against such claims.

The Committee believes that the Committee Plan—unlike the Diocese Plan, which the Insurers support—is insurance neutral. The Committee's Survivors' Trust Distribution Plan has no impact on post-confirmation litigation against the Non-Settling Insurers. Instead, it simply sets forth how the monetary value of Survivors' Trust distributions will be determined by the Abuse Claims Reviewer and the Survivors' Trustee solely for purposes of distributing Survivors' Trust Assets. The distributions and Survivors' Trust Distribution Plan scoring have no impact on the Non-Settling-Insurers' rights or obligations, which are determined solely under their policies and applicable law. *See* Committee Plan § 8.3.1 (“With respect to Non-Settling Insurers, nothing in the Plan, the Plan Documents, the Confirmation Order, or the Survivors' Trust Documents, including any provision that purports to be preemptory or supervening, shall in any way operate to, or have the effect of, impairing, altering, supplementing, changing, expanding, decreasing, or modifying (i) the terms and conditions of an Abuse Insurance Policy, (ii) the rights and obligations of the Debtor, its Estate or the Reorganized Debtor and any Non-Settling Insurers (and third-party claims administrators) under the Abuse Insurance Policies, or (iii) the coverage or benefits provided under the Abuse Insurance Policies.”).

Under the Committee Plan, if an insurer does not settle, all of the insurer's liability and coverage defenses are preserved with respect to post-confirmation litigation:

Nothing in the Plan, the Plan Documents, the Confirmation Order,  
or the Survivors' Trust Documents shall diminish or impair, or be

1 deemed to diminish or impair, the rights of any Non-Settling Insurer  
2 to defend any Abuse Claim or to assert any claim, defense, right, or  
3 counterclaim in connection with any Abuse Claim or Abuse  
Insurance Policy in accordance with applicable law ...

4 Committee Plan § 8.3.2.

5 Stated otherwise, a Non-Settling Insurer may not be liable for an Abuse Claim post-  
6 confirmation unless (i) a judgment is obtained in the underlying State Court Action against the  
7 Debtor or other co-insured parties; and (ii) coverage is then established for that judgment through  
8 an insurance coverage lawsuit. Non-Settling Insurers are entitled to both (i) defend the Debtor  
9 and other co-insured parties against the underlying lawsuits; and (ii) contest coverage for those  
lawsuits through separate litigation, subject to the terms of their policies and applicable law. For  
these reasons, the Committee Plan is insurance neutral and any insurance-related objections  
should be overruled.

10 **C. The Committee Plan’s Child Protection Protocols**

11 The Committee Plan further contemplates meaningful enhancements to the Debtor’s  
12 existing protocols and practices for the protection of youth and vulnerable adults embodied in the  
13 *Child Protection Protocols for the Roman Catholic Bishop of Oakland, California* attached to the  
14 Committee Plan as Schedule 1.1.33. The meaningful distinctions between the Committee’s Child  
Protection Protocols and the Debtor’s Child Protection Protocols are discussed in the Executive  
Summary above.

15 **ARTICLE V**

16 **DIOCESE PLAN OVERVIEW**

17 **A. Summary of Diocese Plan’s Treatment of Claims**

18 The Diocese Plan, like the Committee Plan, divides various creditors into classes.  
19 Individual claimants are classified based on the nature of their claims. The following chart  
20 summarizes the classification and proposed treatment of all claims and classes under the Diocese  
Plan.

Class	Class Description	Status	Voting Rights
Class 1	RCC Secured Claim	Impaired	Non-voting; deemed to accept
Class 2	Priority Unsecured Claims, other than non-classified claims set forth in Article III	Unimpaired	Non-voting; deemed to accept
Class 3	General Unsecured Claims	Impaired	Eligible to vote
Class 4	Abuse Claims	Impaired	Eligible to vote
Class 5	Unknown Abuse Claims	Impaired	Eligible to vote via the Unknown Abuse Claims Representative
Class 6	Non-Abuse Litigation Claims	Impaired	Eligible to vote

Class	Class Description	Status	Voting Rights
Class 7A	Abuse Related Contribution Claims Related to Class 4 Claims	No recovery	Non-voting; deemed to reject
Class 7B	Abuse Related Contribution Claims Related to Class 5 Claims	No recovery	Non-voting; deemed to reject

**B. Diocese Plan's Treatment of Abuse Claims**

**(i) Cash Contributions to the Diocese Plan**

The Diocese Plan also establishes a Survivors' Trust which will be funded with Survivors' Trust Assets. The Survivors' Trustee will liquidate the Survivors' Trust Assets and distribute the proceeds to the Holders of Abuse Claims and Unknown Abuse Claims pursuant to the procedures contained the Debtor's Survivors' Trust Distribution Plan. The Survivors' Trust will be created under the Diocese Plan for the purpose of paying distributions to Holders of Class 4 and Class 5 Claims.

The Survivors' Trust will be funded with (a) \$150 million in cash contributed by the Debtor over a 3.5-year period, (b) \$30 million in cash contributed by RCWC through an escrow arrangement which will distribute funds to be made available to Abuse Claimants if those Abuse Claimants asserting claims against RCWC grant RCWC post-confirmation releases and (c) the proceeds of the settlements by and between the Debtor and the Settling Insurers, which settlement amount is currently \$44.3 million. The Debtor will also contribute and assign to the Survivors' Trust the rights and obligations of the Debtor in the Non-Settling Insurer Policies.

The Survivors' Trust or RCWC Escrow will receive the following contributions from the Debtor or RCWC on the following schedule:

- Effective Date: A total of \$47.7 million, of which (i) \$40 million will be paid by the Debtor and (ii) \$7.7 million will be paid by RCWC (provided it receives post-confirmation releases from Class 4 Claimants holding claims against it).
- Year 1: A total of \$10.2 million, of which (i) \$7.2 million will be paid by the Debtor and (ii) \$3 million will be paid by RCWC (provided it receives post-confirmation releases from Class 4 Claimants holding claims against it).
- Year 2: A total of \$10.7 million, of which (i) \$4.7 million will be paid by the Debtor and (ii) \$6 million will be paid by RCWC (provided it receives post-confirmation releases from Class 4 Claimants holding claims against it).
- Year 3.5: A total of \$111.4 million, of which (i) \$98.1 million will be paid by the Debtor and (ii) \$13.3 million will be paid by RCWC (provided it receives post-confirmation releases from Class 4 Claimants holding claims against it).

The Debtor's contribution to the Survivors' Trust will be facilitated, in part, by an additional \$40 million new-money loan from Debtor affiliate, the Roman Catholic Cemeteries of

1 the Diocese of Oakland, as part of a refinance of an anticipated \$55 million new money loan  
2 provided to the Debtor after the Petition Date. Remaining amounts will come from the Debtor's  
3 unrestricted cash and proceeds raised from future sales of real estate owned by the Debtor or  
4 Adventus, one of the Non- Debtor Catholic Entities. RCWC's contribution will come from  
5 unrestricted cash and proceeds raised from the future sale of real estate owned by RCWC. Should  
6 RCWC make its full contribution, the contributions from the Debtor and RCWC to the Survivors'  
7 Trust will be \$180 million in the aggregate.

8 On the Effective Date, the Survivors' Trust will segregate \$5 million into the Unknown  
9 Abuse Claims Reserve for the benefit of Holders of Class 5 Claims.

10 The Committee believes the Debtor fails to use a large portion of its assets to satisfy Abuse  
11 Claims. In an effort to satisfy the Bankruptcy Code's requirement that creditors receive at least  
12 as much under the Diocese Plan than if the Debtor were hypothetically liquidated, the Debtor  
13 continues to mistakenly insist that it need not include all of its assets because it cannot be forced  
14 to sell its real estate. See Debtor's Plan Summary, 11;12-14 ("The sale of real property on which  
15 a Church currently sits and operates, or which is used in its ministry, would not happen in a forced  
16 liquidation under chapter 7 of the Bankruptcy Code."); see also *Disclosure Statement for Debtor's  
17 Plan of Reorganization*, Ex. B, at 7, ¶ F, Dkt. No. 1445-2 (arguing that Debtor need not include  
18 substantially all of its improved real estate in its liquidation analysis "[b]ecause the Debtors (sic)  
19 cannot have their chapter 11 cases (sic) converted into chapter 7 cases involuntarily, the Debtors  
20 (sic) also cannot be forced to close and sell Churches."). The Debtor is mistaken.

21 **First**, in accordance with the civil law of California, judgments against religious  
22 institutions are treated no differently than those against nonprofit and for-profit entities, and real  
23 property may be attached to satisfy the claims of creditors.

24 **Second**, the First Amendment does not shield the Debtor's assets, including its real estate  
25 holdings, from consideration under the hypothetical liquidation test.

26 **Third**, Congress did not carve out certain assets, including properties of religious  
27 organizations, from inclusion in section 1129(a)(7)'s best interests test.

28 After a thorough investigation, the Committee has concluded that the Diocese has, or has  
access to, millions of dollars of assets that it is not using to compensate Abuse Claimants.  
Moreover, while the Bankruptcy Court determined that substantive consolidation is not a viable  
cause of action in the Chapter 11 Case—a decision the Committee is appealing—in the context  
of determining whether the Diocese Plan is fair and equitable, the fact that the Bishop has touted  
his ability to control his non-Debtor affiliates when he needed money in the past should not be  
ignored. In fact, it is highly relevant. When the Debtor needed funds to complete the construction  
of its Cathedral, the Bishop informed his prospective creditors that he could take any number of  
actions within his Diocese to raise funds to repay debt, including directing non-Debtors to pay  
the debt. Now, the Bishop takes an about-face, insisting he cannot and will not take any similar  
action. Although, non-Debtor's Adventus and Furrer are both contributing assets to the Diocese  
Plan with no cognizable benefit, reinforcing the Committee's position. For example:

- Under the Diocese Plan, the Diocese ignores the Bishop’s wide-ranging power to control the operations and purse strings of the Non-Debtor Catholic Entities, and fails to use those powers to contribute available assets to the Survivors’ Trust for the benefit of Abuse Claimants.
- In Article IV.D of the Debtor’s Third Amended Disclosure Statement, the Diocese asserts that all funds raised through the Bishop’s Ministries Appeal are “restricted to fund the particular ministries and programs that the BMA was designed to support and facilitate ...” But when the Diocese was attempting to raise funds in the bond market, the Bishop represented that all funds received from the “Bishop’s Appeal” were unrestricted and available to pay “the budgeted expenses of the Diocese as well as any amounts payable on debt of the Diocese, including the Bonds.”

The Diocese Plan provides for RCWC to pay \$30 million to the Survivors’ Trust contingent on receiving the RCWC Releases. The Committee projects that there may be approximately 120 Abuse Claims against RCWC, meaning it would be paying \$250,000 per Abuse Claim. The Committee urges Abuse Claimants not to grant RCWC a release because its proposed payment dramatically undervalues its liability. *First*, prior settlements of Abuse Claims by the Diocese and RCWC averaged \$1.7 million per claim (adjusted for inflation). Even this per claim amount does not reflect what an Abuse Claimant might receive if he or she were to litigate their claim in California state court. *Second*, RCWC owns millions of dollars in assets, including cash, investments, and unencumbered real estate. Thus, a contribution far greater than \$250,000 per Abuse Claimant is required before any Abuse Claimant grants RCWC a release.

**(ii) The Diocese Plan’s Treatment of Insurance Claims**

Certain Settling Insurers have agreed to a settlement with the Debtor and will make a cash contribution to the Survivors’ Trust in the amount of \$44,347,868, to be paid on the Effective Date of the Diocese Plan. These insurers are Continental Casualty Company, LMI (as defined in the signature block thereof), Westport Insurance Corporation, f/k/a Employer Reinsurance Corporation, American Home Assurance Co. and the California Insurance Guarantee Association. The Debtor will also contribute any proceeds held by the Debtor or the Reorganized Debtor on account of any additional Insurance Settlement Agreements finalized and effectuated before the Effective Date, if any, and the Assigned Insurance Interests, all as explained in the Diocese Plan.

But the Diocese Plan undervalues the Debtor’s insurance by settling with five Settling Insurers and strips the Survivors’ Trust’s ability to pursue the Coverage Action for the benefit of all Abuse Claimants. As a result, common legal questions applicable to many of the Abuse Claims will need to be decided through a multiplicity of wasteful, individual coverage lawsuits, rather than an efficient, omnibus coverage action.

As for the tentative settlements with five of the Debtor’s insurers, the \$44.35 million settlement amount greatly undervalues the exposure of those insurers. By way of example, the first two cases released from the stay in the Archbishop of San Francisco’s bankruptcy recently settled for a combined \$10.3 million—which amount is being funded solely by the Archbishop’s insurers (many of whom are the same insurers in this case). Based on the Committee’s analysis, there are at least 325 Abuse Claims that allege abuse, in part, during a solvent Insurers’ coverage

1 period. Using a placeholder of \$1 million per claim (which is significantly less than the average  
2 of the first two San Francisco lift stay settlements) produces a total insurance exposure of \$325  
3 million. Yet the Debtor has settled with five of its eight insurers for a fraction of that amount.  
4 Thus, by tentatively settling with five of its eight insurers for an inadequate amount, the Debtor  
5 has both (1) failed to appropriately monetize the policies of the five settling insurers and (2)  
6 impaired the value of the insurance assignment by permitting further recovery solely against the  
7 three remaining non-settling insurers.

8 The Diocese Plan allows Non-Settling Insurers to become Settling Insurers if they agree  
9 to make a cash contribution to the Survivors' Trust. Settlement proceeds resulting therefrom to  
10 be used to further supplement recoveries to Trust Claims. To the extent no settlement with a  
11 particular Non-Settling Insurer is achieved, the Diocese Plan establishes a framework for post-  
12 confirmation litigation for Trust Claimants seeking recovery from Non-Settling Insurers through  
13 the Litigation Option.

14 **C. The Diocese Plan's Child Protection Protocols**

15 While the Diocese Plan also provides for certain child protection protocols, the Debtor's  
16 proposal to retain a Compliance Monitor for a limited five-year term fundamentally  
17 misunderstands the nature and scope of institutional reform. In addition, the Debtor's proposal  
18 that investigatory authority revert to the Bishop once the Compliance Monitor's term ends ignores  
19 the fundamental structural conflict of interest that necessitated independent oversight in the first  
20 instance.

21 **ARTICLE VI**

22 **CONFIRMATION REQUIREMENTS AND  
23 RISK FACTORS OF THE COMMITTEE PLAN**

24 **A. General Confirmation Requirements**

25 The Bankruptcy Code requires that, in order to confirm the Committee Plan, the  
26 Bankruptcy Court must make a series of findings on the Committee Plan and the Committee,  
27 including that: (i) the Committee Plan classifies Claims in a permissible manner; (ii) the  
28 Committee Plan complies with applicable provisions of the Bankruptcy Code; (iii) the Committee  
has complied with applicable provisions of the Bankruptcy Code; (iv) the Committee propose the  
Committee Plan in good faith and not by any means forbidden by law; (v) the disclosures required  
by section 1125 of the Bankruptcy Code have been made; (vi) the Committee Plan has been  
accepted by the requisite votes of Creditors (except to the extent that cramdown is available under  
section 1129(b) of the Bankruptcy Code); (vii) the Committee Plan is feasible and confirmation  
is unlikely to be followed by the liquidation or the need for further financial reorganization of the  
Debtor; (viii) the Committee Plan is in the "best interests" of all holders of Claims in an Impaired  
Class by providing to such holders on account of their Claims property of a value, as of the  
Effective Date, that is not less than the amount that such holder would receive or retain in a chapter  
7 liquidation, unless each holder of a Claim in such Class has accepted or otherwise consented to  
the Committee Plan; and (ix) all U.S. Trustee Fees and expenses payable under 28 U.S.C. § 1930,  
as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the  
Committee Plan provides for the payment of such fees on the Effective Date.

1           **B.     Best Interests Test**

2           Confirmation of a plan of reorganization requires that each holder of a claim in an  
3           impaired class must either: (i) accept the plan or (ii) receive or retain under the plan property of  
4           a value, as of the effective date, that is not less than the value such holder would receive or retain  
5           if the debtor was liquidated under Chapter 7 of the Bankruptcy Code. The Debtor takes the  
6           position that it is exempt from meeting this standard; the Committee disagrees. If the standard  
7           does apply, the Debtor argues that only certain of its assets need to be considered as part of the  
8           test. Again, the Committee disagrees. The Committee urges all Abuse Claimants to vote for the  
9           Committee Plan and to simultaneously vote to reject the Diocese Plan. The Committee anticipates  
10           that all Abuse Claimants will accept or otherwise consent to the Committee Plan and reject the  
11           Diocese Plan. Thus, even if the Court disagrees with the Committee’s legal arguments with  
12           respect to whether the Debtor is required to meet the hypothetical liquidation test, the Committee  
13           Plan can proceed to confirmation while the Diocese Plan must overcome this legal hurdle.

14           **C.     Financial Feasibility**

15           In order to confirm a plan, the Bankruptcy Code requires that a Bankruptcy Court find  
16           that confirmation of the plan is unlikely to be followed by liquidation or the need to further  
17           financially reorganize the Debtor (the “Feasibility Test”). For a plan to meet this test, the  
18           Bankruptcy Court must determine there is a reasonable likelihood that the reorganized debtor will  
19           possess the working capital and other resources necessary to meet its obligations under the plan.  
20           Based upon the financial projections attached as Exhibit C<sup>3</sup> and the assumptions set forth therein,  
21           the Committee believes that the Reorganized Debtor will be able to timely make all distributions  
22           required by the Committee Plan and to fund its operations going forward and, therefore, that  
23           confirmation of the Committee Plan is unlikely to be followed by liquidation or the need for  
24           further reorganization.

25           The Debtor has a myriad of ways in which to fund the Debtor Contribution, including, but  
26           not limited to, selling the real property it has committed to sell under the Diocese Plan, executing  
27           on its prepetition plan to close 30 or so parishes, reducing its operating reserves for a temporary  
28           period of time, using restricted assets for their intended purpose and, in turn, allowing the Debtor  
29           to use more unrestricted assets to make the Debtor Contribution and/ or borrowing from its Non-  
30           Debtor Catholic affiliates, financial institutions and/or the public markets, as it has done before.

31           The Committee Plan also anticipates that the Bankruptcy Court will rule that at least 90%  
32           of the assets the Debtor alleges are restricted are unrestricted in the adversary proceeding  
33           captioned *The Official Committee of Unsecured Creditors of the Roman Catholic Bishop of*  
34           *Oakland v. The Roman Catholic Bishop of Oakland and The Oakland Parochial Fund, Inc.* (Adv.  
35           Pro. 24-04051 WJL) (the “Restricted Asset Litigation”). Through the Restricted Asset  
36           Litigation, the Committee seeks a declaratory judgment that more than \$33.3 million held by the  
37           Debtor and its Churches are not held in trust and/ or are donor restricted such that those funds can

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38           <sup>3</sup>           The Committee has not filed financial projections with this Disclosure Statement because the Debtor has  
39           not filed its financial projections in support of the Diocese Plan. After the Debtor does so, the Committee  
40           will promptly file its projections which will be based on the Debtor’s projections as modified to incorporate  
41           assumptions underlying the Committee Plan.

1 be used to satisfy creditor claims. While the Committee is optimistic it will prevail in the  
2 Restricted Asset Litigation, litigation is inherently uncertain and thus the Bankruptcy Court may  
3 hold that some or all of the \$33.3 million in question is unavailable to pay creditor claims. Even  
4 if that is the case, the Committee has concluded that the Debtor can timely make all of the  
5 payments under the Committee Plan.

4 **D. Certain Risk Factors**

5 ALL HOLDERS OF IMPAIRED CLAIMS SHOULD READ AND CAREFULLY  
6 CONSIDER THE RISK FACTORS SET FORTH BELOW AS WELL AS THE OTHER  
7 INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND SCHEDULES  
8 AND EXHIBITS) PRIOR TO DETERMINING WHETHER AND HOW TO VOTE ON THE  
9 COMMITTEE PLAN. IF ANY OF THE FOLLOWING RISKS ACTUALLY OCCURS, THE  
10 COMMITTEE PLAN MAY NOT BE CONFIRMED BY THE BANKRUPTCY COURT AND/  
11 OR CREDITOR RECOVERIES COULD BE LOWER THAN OTHERWISE DESCRIBED  
12 HEREIN. THE RISKS AND UNCERTAINTIES BELOW ARE NOT EXHAUSTIVE, BUT  
13 REPRESENT THE RISKS THAT THE COMMITTEE BELIEVES ARE MATERIAL. THERE  
14 MAY BE ADDITIONAL RISKS THAT THE COMMITTEE CURRENTLY CONSIDERS NOT  
15 TO BE MATERIAL OR WHICH THE COMMITTEE IS CURRENTLY UNAWARE.

12 **1. *Failure to Satisfy Vote Requirement***

13 If the Committee obtains the requisite votes to accept the Committee Plan in accordance  
14 with the requirements of the Bankruptcy Code, the Committee intends, as promptly as practicable  
15 thereafter, to seek confirmation of the Committee Plan. In the event that sufficient votes are not  
16 received to confirm the Committee Plan, the Committee may be forced to pursue an alternative  
17 Committee Plan or the Committee may seek a dismissal of the case.

17 **2. *The Committee's Assumptions and Estimates May Prove Incorrect***

18 The Committee has relied on many of the Debtor's assumptions on the aggregate number  
19 and amount of non-Abuse Claims in each Class, the projected expenses incurred to date or to be  
20 incurred in connection with the confirmation of the Diocese Plan and Committee Plan and the  
21 Debtor's representations that it will procure a post-petition loan to finance the payment of its  
22 administrative expenses. There can be no guarantee, however, that the Committee's assumptions  
23 and estimates regarding these amounts will prove to be accurate. In addition, the Committee has  
24 not yet commenced discovery in connection with the Diocese Plan. The information the  
25 Committee learns through discovery may impact the Committee's projections and certain other  
26 assumptions made herein.

23 The Committee believes that the Debtor has more than sufficient assets at its disposal to  
24 timely and fully make the Debtor Contribution. There can be no guarantee, however, that the  
25 Committee's assumptions and estimates regarding the Debtor's ability to timely pay the Debtor  
26 Contribution will prove to be accurate.

1                                   **3.       Risk of Non-Confirmation**

2           Even if all impaired classes accept or could be deemed to have accepted the Committee  
3 Plan, the Committee Plan might not be confirmed by the Bankruptcy Court. Section 1129 of the  
4 Bankruptcy Code lists requirements for confirmation, including (a) that the confirmation of the  
5 Committee Plan not be followed by the need for a further liquidation or reorganization; (b) that  
6 the value of distributions to dissenting holders not be less than the value of distributions to such  
7 holders if the Debtor were liquidated under Chapter 7 of the Bankruptcy Code and (c) that the  
8 Committee Plan and the Committee otherwise comply with applicable provisions of the  
9 Bankruptcy Code. Although the Committee believes the Committee Plan will meet all applicable  
10 tests, there is no assurance that the Bankruptcy Court will reach the same conclusion.

11                                   **4.       The Debtor and Certain Non-Debtor Catholic Entities Will Raise**  
12                                   **Objections to Confirmation**

13           The Debtor and certain Non-Debtor Catholic Entities will object to confirmation of the  
14 Committee Plan. The Debtor and certain Non-Debtor Catholic Entities do not support the  
15 Committee Plan and contest many of the legal positions taken by the Committee and/or factual  
16 statements made herein. Although the Committee does not believe there will be any merit to such  
17 objections or assertions, if any, because the Committee Plan complies with federal and state law,  
18 ultimately, the Bankruptcy Court will decide any contested legal or factual issues, and there is no  
19 guarantee that those issues will be decided in the Committee’s favor. Confirmation is not assured  
20 in light of the Debtor’s and certain Non-Debtor Catholic Entities’ opposition, however strongly  
21 the Committee believes the Committee Plan can and should be confirmed.

22                                   **5.       Non-Settling Insurers Will Raise Objections to Confirmation**

23           Non-Settling Insurers will likely object to confirmation of the Committee Plan by  
24 asserting that the Committee Plan impermissibly alters their contractual rights, duties and  
25 obligations under their Insurance Policies. Although the Committee does not believe there is any  
26 merit to such objections or assertions—because the Committee Plan does not alter the rights,  
27 claims and defenses of the Non-Settling Insurers and otherwise complies with federal and state  
28 law—if the Non-Settling Insurers prevail on such contentions, the Bankruptcy Court might find  
that the Committee Plan is not proposed in good faith, is not feasible or otherwise not confirmable.  
Non-Settling Insurers will also oppose the Insurance Assignment.

          The Insurance Assignment effected by the Committee Plan provides Trust Claimants who  
choose the Litigation Option (“**Litigation Claimants**”) with the opportunity to liquidate their  
claims against the Debtor (as a nominal party) by way of a judgment in the tort system and then  
seek to recover the amount of their judgment under any applicable insurance policies of the  
Debtor. The ability of Litigation Claimants to monetize their judgment through recovery from  
Non-Settling Insurers on account of the Assigned Insurance Interests is a fundamental aspect of  
the Committee Plan that the Committee believes has value for such Claimants in the form of  
contractual rights (i.e., the potential insurance coverage for the judgement under the insurance  
policies) and potential extracontractual rights (i.e., through a potential future cause of action for  
bad faith against the Non-Settling Insurers). The Debtor believes that it holds no existing bad  
faith cause of action against any of its Insurers. Thus, the Debtor contends that no such cause of  
action (as opposed to insurance rights) can or will be assigned under the Committee Plan.

1 However, the intent of the Committee Plan is to assign all of Debtor’s rights under its insurance  
2 – including any potential future bad faith claims.

3 The Committee contends that Litigation Claimants may be able to assert potential direct  
4 bad faith claims against any of Debtor’s insurers should an insurer fail in good faith to pay a  
5 covered judgment after the Effective Date based on the decision in *Hand v. Farmers Ins. Exch.*,  
6 23 Cal. App. 4th 1847 (1994) (“*Hand*”). Section 5.14 of the Committee Plan reserves the rights  
7 of Litigation Claimants to assert such bad faith claims directly based on potential future actions  
8 by the Insurers after the Effective Date based on the *Hand* decision.

9 The Insurers contest whether any bad faith claims could be successfully asserted by  
10 Litigation Claimants, whether directly or through assignment from the Debtor. The Insurers  
11 assert, *inter alia*, that the Debtor will not be negatively affected by any post Effective Date future  
12 Insurer actions and therefore will not have a bad faith cause of action against the Insurers capable  
13 of assignment post Effective Date. The Insurers further contest whether *Hand* is a correct  
14 statement of California law such that Litigation Claimants may hold a direct bad faith cause of  
15 action against any Insurers. They also assert that supposed future bad faith claims based on things  
16 that have not yet happened are speculative. If the Insurers’ contentions in this regard are upheld  
17 by a court in future litigation, Litigation Claimants that obtain a covered judgment against the  
18 Debtor in name only could recover money from the Non-Settling Insurers under any applicable  
19 insurance policy up to the limits of those policies, but would be unable to recover any  
20 extracontractual damages (i.e., damages in addition to the insurance coverage provided under the  
21 insurance policies) based on any future acts or omissions by the Non-Settling Insurers. The  
22 Committee believes the Insurers’ position is not an accurate statement of the law, and certain  
23 conduct by Insurers that allegedly violate obligations to act in good faith would survive  
24 confirmation of the Committee Plan, such as the obligation to pay a covered judgment, and that  
25 an Insurer’s violation of that obligation could give rise to a direct bad faith cause of action on the  
26 part of Litigation Claimants.

27 As recognized by the Bankruptcy Court in its *Memorandum Concerning Certain Issues*  
28 *Raise During January 21, 2025 Hearing on Approval of Disclosure Statement* [Dkt No. 1673],  
the outcome of the dispute related to potential, future bad faith claims is not merely uncertain, it  
is unlikely to be determinable at confirmation, and likely cannot be determined until such time (if  
ever) that an Insurer is alleged to have acted in bad faith, which may occur, if at all, years after  
the occurrence of the Effective Date in this case.

#### 6. ***Post-Confirmation Litigation with Non-Settling Insurers May Not Result in Additional Recovery***

23 The Committee Plan provides for the assignment to the Survivors’ Trust of Assigned  
24 Insurance Interests against Non-Settling Insurers. The Non-Settling Insurers are likely to assert  
25 factual and legal defenses to both their coverage obligations and to the underlying liability of the  
26 Debtor and/ or RCWC. Litigation of such issues against Non-Settling Insurers through the  
27 Litigation Option could be protracted and expensive, with certain fees and expenses being paid  
28 out of the funds contributed by the Debtor to the Survivors’ Trust. In addition, there is no  
guarantee that the Survivors’ Trust will prevail in enforcing any of the Assigned Insurance  
Interests it receives under the Committee Plan against Non-Settling Insurers. In the event the

1 Non-Settling Insurers successfully defend against their coverage obligations and/or to the  
2 underlying liability of the Debtor and/ or RCWC, the Debtor Contribution, the RCWC  
3 Contribution, if it elects to make such contribution, and any settlement payments from Settling  
4 Insurers would be the sole source of recovery for Abuse Claims and those contributions would be  
5 reduced by the fees and expenses of litigation with the Non-Settling Insurers.

6 **7. Risk of Delay or Non-Occurrence of the Effective Date**

7 If the Committee Plan is approved by the Bankruptcy Court, the Committee expects the  
8 Debtor and/or the Non-Settling Insurers to appeal the Confirmation Order. In such case, the  
9 Effective Date of the Committee Plan will be delayed and if the Debtor and/ or the Non-Settling  
10 Insurers prevail on their appeal, the Effective Date will not occur.

11 **8. Uncertainty of Value**

12 The value of Abuse Claimants' distributions from the Survivors' Trust will depend, in  
13 part, on the risks outlined above and to the extent those risks materialize. In addition, the  
14 resolution of appeals, causes of action held by the Survivors' Trust and the reconciliation,  
15 liquidation and allowance of Abuse Claims may require considerable time, during which time  
16 interest will not accrue on allowed claims in the subject classes. These delays could affect or  
17 reduce the ultimate value of any recovery. The ultimate realized value of insurance assets may  
18 be different than the values assigned to such policies.

19 **9. Certain Federal Income Tax Considerations**

20 THE INCOME TAX LAWS APPLICABLE TO RECEIVING A DISTRIBUTION OR  
21 DEDUCTING A LOSS FROM A BANKRUPT ESTATE ARE COMPLEX. THE SUMMARY  
22 DESCRIPTION OF TAX CONSEQUENCES BELOW IS FOR GENERAL INFORMATIONAL  
23 PURPOSES ONLY AND IS SUBJECT TO SIGNIFICANT UNCERTAINTIES.

24 THE COMMITTEE HAS NOT REQUESTED A RULING FROM THE INTERNAL  
25 REVENUE SERVICE NOR HAS THE COMMITTEE OBTAINED AN OPINION OF  
26 COUNSEL WITH RESPECT TO THESE MATTERS. THUS, NO ASSURANCE CAN BE  
27 GIVEN AS TO THE TAX CONSEQUENCES OF THE COMMITTEE PLAN.

28 THE DISCUSSION CONTAINED IN THIS DISCLOSURE STATEMENT AS TO  
FEDERAL TAX CONSIDERATIONS IS NOT INTENDED OR WRITTEN TO BE USED,  
AND CANNOT BE USED, FOR AVOIDING PENALTIES.

NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX  
CONSEQUENCES OF THE COMMITTEE PLAN TO ANY HOLDER OF A CLAIM OR ANY  
OTHER ENTITY OR PERSON. EACH HOLDER OF A CLAIM SHOULD CONSULT ITS  
TAX PROFESSIONAL TO UNDERSTAND FULLY THE FEDERAL, STATE AND LOCAL  
AND FOREIGN TAX CONSEQUENCES OF THE COMMITTEE PLAN.

The following summary is a general discussion of certain of the potential Federal income  
tax consequences of the Committee Plan. The summary is based on relevant provisions of the  
Internal Revenue Code of 1986, as amended (the "Tax Code"), the applicable Treasury

1 Regulations promulgated thereunder (the “**Treasury Regulations**”), judicial authority, published  
2 rulings, and such other authorities considered relevant now in effect, all of which are subject to  
3 change.

4 The Federal income tax consequences to any creditor may be affected by matters not  
5 discussed below. Nor does the summary address all categories of creditors, some of which may  
6 be subject to special rules not addressed herein. There also may be state, local, or foreign tax  
7 considerations applicable to each creditor or the Debtor.

8 **(i) Tax Consequences to Creditors**

9 A creditor that receives cash in satisfaction of its claim will generally recognize a gain or  
10 loss in an amount equal to the difference between (i) the amount of cash received by such creditor  
11 in respect of its claim (excluding any cash received in respect of a claim for accrued interest) and  
12 (ii) the creditor’s tax basis in its claim.

13 The character of any gain or loss recognized as long-term or short-term capital gain or  
14 loss or as ordinary income or loss will be determined by a number of factors, including, among  
15 other things, the tax status of the creditor, whether the claim constitutes a capital asset in the hands  
16 of the creditor, whether the claim has been held for more than one year, and whether and to what  
17 extent the creditor has claimed a bad debt deduction (or charged a reserve for bad debts) with  
18 respect to the claim.

19 The Committee anticipates that distributions to Class 4 and 5 Claimants will, in all  
20 instances, constitute payment for damages on account of personal physical injuries or sickness  
21 arising from an occurrence, within the meaning of Section 104(a)(2) of the Tax Code. The  
22 Committee has not, however, fully analyzed such tax issues and cannot (and does not hereby)  
23 make an assurances or representations regarding the anticipated tax treatment of Class 4 and 5  
24 Claims.

25 **MANY FACTORS WILL DETERMINE THE TAX CONSEQUENCE TO EACH  
26 HOLDER OF AN UNSECURED CLAIM. FURTHERMORE, THE TAX CONSEQUENCES  
27 OF THE COMMITTEE PLAN ARE COMPLEX, AND IN SOME CASES, UNCERTAIN. IT  
28 IS THUS IMPORTANT THAT EACH HOLDER OF AN UNSECURED CLAIM OBTAIN HIS,  
29 HER, OR ITS OWN PROFESSIONAL TAX ADVICE REGARDING THE TAX  
30 CONSEQUENCES TO SUCH HOLDER OF AN UNSECURED CLAIM AS A RESULT OF  
31 THE COMMITTEE PLAN.**

32 **(ii) Tax Consequences to the Debtor**

33 The Debtor is a non-profit, non-stock member corporation having tax-exempt status under  
34 26 U.S.C. § 501(c)(3). Due to the Debtor’s status as a non-profit corporation, the Committee does  
35 not expect that the Committee Plan will result in any significant federal income tax consequences  
36 to the Debtor.



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**3. Chapter 7 Liquidation is Not a Viable Alternative**

Pursuant to 11 U.S.C. § 1112(c), if a debtor is “not a moneyed corporation,” a debtor’s Chapter 11 case cannot be converted to a Chapter 7 case without the debtor’s consent. The Diocese, as a non-for-profit entity, is not a moneyed corporation, and may not be forced to convert its Chapter 11 Case to a Chapter 7 case. Thus, conversion to Chapter 7 is not a viable alternative to the Committee Plan.

Dated: March 27, 2026

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**Exhibit A**

**THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' PLAN OF  
REORGANIZATION, DATED MARCH 27, 2026**

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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 WJL  
  
Chapter 11  
  
Judge: Hon. William J. Lafferty

**THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' PLAN OF  
REORGANIZATION, DATED MARCH 27, 2026**

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1 INTRODUCTION

2 This Plan of Reorganization, dated March 27, 2026 (as amended, modified or supplemented  
3 from time to time, the "Plan"),<sup>1</sup> is proposed by the Official Committee of Unsecured Creditors (the  
4 "Committee") of The Roman Catholic Bishop of Oakland, a California corporation sole, the debtor  
5 and debtor in possession (the "Debtor" or "RCBO") in the above-captioned chapter 11 bankruptcy  
6 case (the "Chapter 11 Case"). Holders of Claims (as those terms are defined below) may refer to  
7 the Disclosure Statement (defined below) for a summary and description of the Plan and projections  
8 of future operations. The Committee is the proponent of this Plan within the meaning of Section  
9 1129 of title 11 of the United States Code, as amended from time to time and as in effect during the  
10 Chapter 11 Case (the "Bankruptcy Code").

11 ARTICLE I

12 DEFINITIONS AND RULES OF INTERPRETATION

13 1.1. *Definitions.* As used in this Plan, unless defined in the above Introduction or  
14 elsewhere in the Plan, capitalized terms shall have the meanings set forth in this Section 1.1. Any  
15 term not otherwise defined herein but defined in the Bankruptcy Code or the Federal Rules of  
16 Bankruptcy Procedure as amended from time to time and as in effect during the Chapter 11 Case  
17 (the "Bankruptcy Rules") will have the meaning given to that term in the Bankruptcy Code or the  
18 Bankruptcy Rules, as applicable. The following definitions apply in this Plan:

19 1.1.1. "Abuse Claim Discharge Date" means the date upon which the Debtor  
20 receives a discharge with respect to an Abuse Claim, as determined in accordance with the  
21 provisions of Section 13.3.2 of the Plan.

22 1.1.2. "Abuse Claim" means any Claim relating to, in whole or in part, directly  
23 or indirectly, an act of Abuse committed by any Person before the Effective Date for which the  
24 Debtor or any its agents, employees, or representatives is allegedly responsible. Except as otherwise  
25 provided herein, the term "Abuse Claim" includes Unknown Abuse Claims and Trust Claims but  
26 not Abuse Related Contribution Claims.

27  
28 <sup>1</sup> For the avoidance of doubt, the terms "hereof" and/or "herein" as used in this Plan are references to this entire Plan.

1                   1.1.3.    “**Abuse Claimant**” means a Holder of an Abuse Claim.

2                   1.1.4.    “**Abuse Claims Reviewer**” means the Person chosen by the Committee to  
3 review Abuse Claims and allocate to each Allowed Abuse Claim a percentage of the Survivors’  
4 Trust recovery pool based on numerical scaling factors (but not based on alleged dollar value of the  
5 Claim), except for those Abuse Claims held by Abuse Claimants who have elected to receive an  
6 Immediate Payment, in accordance with the procedures set forth in the Survivors’ Trust Documents.  
7 The identity of the Abuse Claims Reviewer shall be disclosed in a Plan Supplement.

8                   1.1.5.    “**Abuse Insurance Policies**” means any insurance policy alleged in the  
9 Coverage Action or in any Abuse Claim Litigation (as defined in Section 9.8.4 of the Plan) to  
10 provide insurance coverage for any Abuse Claim.

11                  1.1.6.    “**Abuse Related Contribution Claim**” means any Person’s Claim against  
12 any other Person for contribution, indemnity, equitable indemnity, subrogation, or equitable  
13 subrogation, or reimbursement, or any other indirect or derivative recovery, arising because such  
14 Person has paid or defended against any Abuse Claim including but not limited to a Joint Tortfeasor  
15 or the like, but excluding any claim by an Insurer for contribution or similar relief.

16                  1.1.7.    “**Abuse**” means sexual conduct or misconduct, sexual abuse or  
17 molestation, sexual exploitation, indecent assault and/or battery, rape, pedophilia, ephebophilia,  
18 sexually related psychological or emotional harm, humiliation, anguish, shock, sickness, disease,  
19 disability, dysfunction, or intimidation, any other sexual misconduct or injury, contacts or  
20 interactions of a sexual nature, including the use of photography, video, or digital media, or other  
21 physical abuse or bullying without regard to whether such physical abuse or bullying is of a sexual  
22 nature, between a child and an adult, between a child and another child, or between a non-consenting  
23 adult and another adult, in each instance without regard to whether such activity involved explicit  
24 force, whether such activity involved genital or other physical contact, and whether there is or was  
25 any associated physical, psychological, or emotional harm to the child or non-consenting adult.

26                  1.1.8.    “**Additional Distributions**” has the meaning ascribed to such term in  
27 Section 9.8.3.3 of this Plan.

28                  1.1.9.    “**Additional RCWC Contributions**” has the meaning ascribed to such

1 term in Section 9.3.2.1 of this Plan.

2 1.1.10. “**Additional Reserves**” has the meaning ascribed to such term in Section  
3 9.8.3.3 of this Plan.

4 1.1.11. “**Administrative Expense Claim**” means any right to payment  
5 constituting a cost or expense of administration of the Chapter 11 Case under Sections 503(b) and  
6 507(a)(1) of the Bankruptcy Code, including, without limitation, any actual and necessary costs and  
7 expenses of preserving the Estate of the Debtor, any actual and necessary costs and expenses of the  
8 Debtor’s operations, and any indebtedness or obligations incurred or assumed by the Debtor in  
9 connection with the conduct of its business, but not including Fee Claims, Cure Claims, or U.S.  
10 Trustee Fees. Administrative Expense Claims are further described in in Section 3.1 below.

11 1.1.12. “**Administrative Expense Claims Bar Date**” means the date that is 45  
12 days after the Effective Date.

13 1.1.13. “**Affiliate**” shall have the meaning set forth in Section 101(2) of the  
14 Bankruptcy Code.

15 1.1.14. “**Allowed**” means, with reference to any Claim, proof of which was timely  
16 and properly filed or deemed timely filed by a Final Order, or if no Proof of Claim was filed, which  
17 has been or hereafter is listed by the Debtor in the Schedules, as liquidated in amount and not  
18 disputed or contingent and, in each case, as to which: (i) no objection to allowance has been  
19 interposed within the applicable period fixed by this Plan, the Bankruptcy Code, the Bankruptcy  
20 Rules, or the Bankruptcy Court, or (ii) an objection has been interposed and such Claim has been  
21 allowed, in whole or in part, by a Final Order. Notwithstanding the foregoing, pursuant to the  
22 Survivors’ Trust Distribution Procedures, the Survivors’ Trustee shall have the sole authority to  
23 deem any untimely Abuse Claim Allowed even if such Claim was not filed by the Bar Date.

24 1.1.15. “**Assigned Insurance Interests**” means all rights, claims, interests,  
25 benefits, responsibilities and obligations of the Debtor, RCWC (solely as to Abuse Claims the  
26 Holders of which have executed and delivered an RCWC Release Agreement) and the Non-Debtor  
27 Catholic Entities (solely as to Abuse Claims the Holders of which have provided a release to the  
28 Non-Debtor Catholic Entities) in the Non-Settling Insurer Policies, including, without limitation,

1 Insurance Claims, subject to the terms hereof including without limitation Articles VIII and IX of  
2 the Plan and the provisions of the Plan concerning the Litigation Option.

3 1.1.16. “**Assumed Employee Benefit Plans**” means any written contracts,  
4 agreements, policies, programs, and plans (including any related trust or other funding vehicle)  
5 governing any obligations relating to compensation, reimbursement, indemnity, health care benefits,  
6 disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave benefits,  
7 paid time off, savings, severance benefits, retirement benefits, welfare benefits, relocation programs,  
8 life insurance, and accidental death and dismemberment insurance, including written contracts,  
9 agreements, policies, programs, and plans for bonuses and other incentives or compensation for the  
10 current and former officers, employees, and priests, as applicable, of the Debtor, but excluding the  
11 Priest Long-Term Care Plan and the SERP.

12 1.1.17. “**Assumption Objection**” means an objection to assumption or cure of an  
13 Executory Contract, as described in Sections 7.2.2 and 7.2.3 herein.

14 1.1.18. “**Avoidance Actions**” means any and all rights to recover or avoid transfers  
15 or Liens under Chapter 5 of the Bankruptcy Code or otherwise, including Sections 506(d), 541, 542,  
16 543, 544, 545, 547, 548, 549, 550 or 553 of the Bankruptcy Code, or otherwise under the Bankruptcy  
17 Code or under similar or related state or federal statutes and common law, including all preference,  
18 fraudulent conveyance, fraudulent transfer, and/or other similar avoidance claims, rights, and causes  
19 of action, whether or not litigation has been commenced as of the Effective Date to prosecute such  
20 Avoidance Actions; subject, however, to any releases thereof provided in this Plan, the Confirmation  
21 Order, or any other Final Order of the Bankruptcy Court.

22 1.1.19. “**Ballot**” means the form of ballot approved by the Bankruptcy Court for  
23 each Class of Claims entitled to vote on this Plan, as sent to all creditors entitled to vote on this Plan,  
24 whereby such creditors are permitted to indicate their vote to accept or reject this Plan.

25 1.1.20. “**Bankruptcy Code**” has the meaning ascribed to such term in the  
26 Introduction Section of this Plan.

27 1.1.21. “**Bankruptcy Court**” means the United States Bankruptcy Court for the  
28 Northern District of California, Oakland Division, having jurisdiction over the Chapter 11 Case.

1                   1.1.22. “**Bankruptcy Rules**” has the meaning ascribed to such term in Section 1.1  
2 of this Plan.

3                   1.1.23. “**Bar Date Order**” means the *Order Establishing Deadlines for Filing*  
4 *Proofs of Claim and Approving the Form and Manner of Notice Thereof* [Dkt. No. 293], entered by  
5 the Bankruptcy Court on July 25, 2023, and as expressly amended and as may be expressly amended  
6 from time to time.

7                   1.1.24. “**Business Day**” means any day other than a Saturday, Sunday or any “legal  
8 holiday” as defined in Bankruptcy Rule 9006(a).

9                   1.1.25. “**Cash**” means the legal tender of the United States of America, or its  
10 equivalent.

11                   1.1.26. “**Cathedral Property**” means the parcel of real estate described on  
12 Schedule 1.1.26, owned as of the Petition Date by The Catholic Cathedral Corporation of the East  
13 Bay (“**CCCEB**

14                   1.1.27. “**Cause of Action**” means any action, claim, cause of action, controversy,  
15 demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment,  
16 account, defense, offset, power, privilege, license, and franchise of any kind or character  
17 whatsoever, whether known, unknown, contingent or non-contingent, matured or unmatured,  
18 suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured,  
19 assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract  
20 or in tort, in law, or in equity or pursuant to any other theory of law. For the avoidance of doubt,  
21 “Cause of Action” includes: (a) any right of setoff, counterclaim, or recoupment and any claim for  
22 breach of contract or for breach of duties imposed by law or in equity; (b) the right to object to  
23 Claims; (c) any Claim pursuant to Section 362 or Chapter 5 of the Bankruptcy Code; (d) any claim  
24 or defense including fraud, mistake, duress, and any other defenses set forth in Section 558 of the  
25 Bankruptcy Code; (e) any state or foreign law fraudulent transfer or similar claim; (f) any cause of  
26 action asserted by the Debtor in the Coverage Action; and (g) any cause of action described on the  
27 Debtor’s Schedules or Statements of Financial Affairs.

28                   1.1.28. “**CCCEB Note**” means that certain Promissory Note dated as of April 16,

1 2009, payable by CCCEB to the Debtor, as amended, modified, or restated including by that certain  
2 Amendment #1 to Promissory Note dated as of January 1, 2014, by and between the Debtor and  
3 CCCEB, and that certain Amendment #1 to Promissory Note dated as of February 1, 2017, by and  
4 between the Debtor and CCCEB.

5 1.1.29. “**CCCEB Settlement Documents**” means all documents necessary to  
6 effectuate the CCCEB Settlement as of the Effective Date.

7 1.1.30. “**CCCEB Settlement**” means the transaction described in Section 12.3 of  
8 the Plan, as set forth in the CCCEB Settlement Documents.

9 1.1.31. “**Channeled Claim**” means any Abuse Claim against a Released Party or  
10 any Settling Insurer arising from, in connection with, or related to an Abuse Claim, or any of the  
11 Abuse Insurance Policies issued by any Settling Insurers, including Abuse Related Contribution  
12 Claims, including (a) an Abuse Claim against any Person who personally committed an act or acts  
13 of Abuse resulting in a Claim against the Debtor or any Non-Debtor Catholic Entity; (b) any Claim  
14 (including any Abuse Claim) held by a Non-Settling Insurer against any Released Party other than  
15 the Debtor or the Reorganized Debtor; or (c) any Claim for which a Released Party is covered or  
16 allegedly covered by a Non-Settling Insurer Policy.

17 1.1.32. “**Channeling Injunction**” means the injunction imposed pursuant to  
18 Section 13.11 of this Plan and the Confirmation Order.

19 1.1.33. “**Chapter 11 Case**” has the meaning ascribed to such term in the  
20 Introduction Section of this Plan.

21 1.1.34. “**Child Protection Protocols**” means the Child Protection Protocols for  
22 the Roman Catholic Bishop of Oakland, California to be implemented not later than the Effective  
23 Date, a copy of which is attached as Schedule 1.1.34.

24 1.1.35. “**Churches**” means the individual Catholic churches within the Diocese of  
25 Oakland, each of which is part of the corporation sole that is the Debtor, and each of which is listed  
26 on Schedule 1.1.35 attached hereto.

27 1.1.36. “**Claim Enhancement**” has the meaning ascribed to such term in Section  
28 9.8.4.2 of this Plan.

1                   1.1.37. “**Claim**” shall have the meaning set forth in Section 101(5) of the  
2 Bankruptcy Code.

3                   1.1.38. “**Claims Bar Date**” means, including without limitation for Claims arising  
4 under Section 503(b)(9) of the Bankruptcy Code, and in accordance with the terms of the Bar Date  
5 Order, (i) for all Claims other than Claims of Governmental Units, September 11, 2023, at 5:00 p.m.  
6 Pacific Time, and (ii) for Claims of Governmental Units, November 6, 2023, at 5:00 p.m. Pacific  
7 Time.

8                   1.1.39. “**Claims Objection Deadline**” means the deadline for objecting to a  
9 Claim, which shall be on the date that is the later of: (a) 12 months after the Effective Date, and (b)  
10 such other period of limitation as may be specifically fixed by the Debtor or the Reorganized Debtor,  
11 as applicable, or by an order of the Court for objecting to such Claims. For the avoidance of doubt,  
12 the Claims Objection Deadline shall not apply to Abuse Claims or Non-Settling Insurers who agree  
13 to defend against any Abuse Claim Holder who elects the Litigation Option; *provided, however,*  
14 Non-Settling Insurers shall only assert objections and defenses to an Abuse Claim in the appropriate  
15 non-bankruptcy forum following the election of the Holder of such Abuse Claim of the Litigation  
16 Option as defined in Section 9.8.4 hereof.

17                   1.1.40. “**Claims Register**” means the official register of Claims maintained by the  
18 Debtor or Reorganized Debtor, as applicable.

19                   1.1.41. “**Class**” means a category of Holders of Claims as set forth in Section 2.3  
20 of this Plan, under Section 1122(a) of the Bankruptcy Code.

21                   1.1.42. “**Committee**” has the meaning ascribed to such term in the Introduction  
22 Section of this Plan.

23                   1.1.43. “**Confirmation Order**” means an Order of the Bankruptcy Court  
24 confirming the Plan under Section 1129 of the Bankruptcy Code. A form of the Confirmation Order  
25 shall be filed no later than April 29, 2026 or such other date as set by the Bankruptcy Court.

26                   1.1.44. “**Confirmation**” means the entry of the Confirmation Order on the docket  
27 of the Chapter 11 Case.

28                   1.1.45. “**Contribution**” has the meaning ascribed to such term in Section 8.4 of

1 this Plan.

2 1.1.46. “**Coverage Action**” means the proceeding captioned *In re: The Roman*  
3 *Catholic Bishop of Oakland Insurance Adversary Proceeding Litigation*, Case Nos. 3:24-cv- 00709-  
4 JSC & 3:24-cv-00711-JSC (N.D. Cal.) and all adversary proceedings consolidated thereunder.

5 1.1.47. “**Creditor**” shall have the meaning set forth in Section 101(10) of the  
6 Bankruptcy Code.

7 1.1.48. “**Cure Amount**” means all amounts, including an amount of \$0.00,  
8 required to cure any monetary default under any Executory Contract or Unexpired Lease (or any  
9 lesser amount agreed to by the counterparty to an Executory Contract or Unexpired Lease of the  
10 Debtor) to be assumed by the Debtor under Sections 365 or 1123 of the Bankruptcy Code.

11 1.1.49. “**Cure Claim**” means a monetary Claim arising out of the Debtor’s  
12 default(s) under any Executory Contract or Unexpired Lease at the time such contract or lease is  
13 assumed by the Debtor pursuant to Section 365 of the Bankruptcy Code.

14 1.1.50. “**Debtor Contribution Deeds of Trust**” has the meaning ascribed to such  
15 term in Section 9.3.1.6 of this Plan.

16 1.1.51. “**Debtor Contribution**” has the meaning ascribed to such term in Section  
17 9.3.1 of this Plan.

18 1.1.52. “**Debtor**” has the meaning ascribed to such term in the Introduction Section  
19 of this Plan.

20 1.1.53. “**Defense Costs Reserve**” means the separate, segregated account created  
21 by the Survivors’ Trustee in the amount of \$3,000,000.00 to fund the reasonable and necessary out  
22 of pocket attorneys’ fees, costs and other expenses of the Debtor and RCWC (solely as to Abuse  
23 Claims the Holders of which have executed and delivered an RCWC Release Agreement) in  
24 connection with their participation in any litigation prosecuted by a Class 4 or Class 5 Claimant in  
25 accordance with, and subject to, this Plan.

26 1.1.54. “**DIP Facility**” means any Debtor-in-Possession financing obtained by the  
27 Debtor prior to the Effective Date pursuant to Section 364 of the Bankruptcy Code.

28 1.1.55. “**DIP Obligations**” means all amounts outstanding under the DIP Facility.

1                   1.1.56. “**Disallowed**” means, with respect to any Claim, a Claim or any portion  
2 thereof that: (a) has been disallowed by a Final Order, (b) is listed on the Schedules as having a  
3 value of zero dollars or as contingent, disputed, or unliquidated and as to which no Proof of Claim  
4 or request for payment of an Administrative Expense Claim was timely filed or deemed timely filed  
5 pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise  
6 deemed timely filed under applicable law or this Plan, (c) is not listed on the Schedules and as to  
7 which no Proof of Claim or request for payment of an Administrative Expense Claim was timely  
8 filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or  
9 any Final Order of the Court or otherwise deemed timely filed under applicable law or this Plan, (d)  
10 has been withdrawn by agreement of the Debtor and the Holder thereof, or (e) has been withdrawn  
11 by the Holder thereof. Any Claim or portion of a Claim not Disallowed shall be either Allowed or  
12 Disputed as provided in the Plan.

13                   1.1.57. “**Disclosure Statement**” means the disclosure statement for this Plan  
14 approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code and Bankruptcy  
15 Rule 3017 (including all schedules and exhibits thereto), as such disclosure statement may be  
16 amended or modified from time to time.

17                   1.1.58. “**Disputed**” means, with reference to any Claim: (i) a Claim as to which  
18 an objection has been filed and which objection has not either been withdrawn, determined by a  
19 Final Order, or otherwise finally resolved pursuant to the Plan; or (ii) a Claim specifically stated  
20 herein to be Disputed.

21                   1.1.59. “**District Court**” means the United States District Court for the Northern  
22 District of California having jurisdiction over the Coverage Action.

23                   1.1.60. “**Effective Date**” means the first Business Day after Confirmation of the  
24 Plan on which all conditions precedent to the effectiveness of the Plan have either been (a) satisfied  
25 or (b) waived pursuant to Sections 10.2 and 10.3 of the Plan, respectively.

26                   1.1.61. “**Entity**” shall have the meaning set forth in Section 101(15) of the  
27 Bankruptcy Code.

28                   1.1.62. “**Estate**” means the estate created for the Debtor in this Chapter 11 Case

1 under Section 541 of the Bankruptcy Code.

2 1.1.63. “**Excluded Party**”: means (i) any individual who personally committed  
3 an act of Abuse that resulted or would result in an Abuse Claim against the Debtor or any Released  
4 Party, but solely in his or her capacity as an abuser; (ii) Joint Tortfeasors, unless such Joint  
5 Tortfeasor is identified as a Released Party in the Plan Documents, (iii) a successor or predecessor  
6 of the Debtor to the extent of such successor’s or predecessor’s independent liability for an act or  
7 acts of Abuse, (iv) the Holy See and (v) any religious order or other Entity that is an affiliate of or  
8 associated with the Roman Catholic Church (other than the Debtor, the Reorganized Debtor and the  
9 Released Parties); *provided, however*, that neither of the following is an “Excluded Party”: (a) any  
10 Person claiming to be an insured (as a named insured, additional insured, or otherwise) under any  
11 of the Settling Insurer Policies and/or (b) any Person who has actually or allegedly acquired or been  
12 assigned the right to make a Claim for coverage under any of the Settling Insurer Policies.

13 1.1.64. “**Exculpated Parties**” means each of the following in their capacity as  
14 such, to the extent permitted under applicable Ninth Circuit law, including without limitation  
15 *Blixseth v. Credit Suisse*, 961 F.3d 1074 (9th Cir. 2020): (a) the Debtor, including the Churches, (b)  
16 the Reorganized Debtor, including the Churches, (c) the Committee, (d) the Committee’s members,  
17 (e) the College of Consultors of the Diocese of Oakland and each of its members, (f) The Diocese  
18 of Oakland Finance Council and each of its members, (g) the Presbyteral Council of the Diocese of  
19 Oakland and each of its members, (h) the Mediators, (i) the Unknown Abuse Claims Representative,  
20 and (j) for each of the foregoing, their respective officers, directors, agents, employees, equity  
21 holders, attorneys, financial advisors, accountants, and other duly authorized employed  
22 Professionals in this Chapter 11 Case.

23 1.1.65. “**Exculpation Clause**” means Section 13.6 of this Plan.

24 1.1.66. “**Exculpation**” means the treatment of an Exculpated Party under, or the  
25 effect of, the Exculpation Clause.

26 1.1.67. “**Executory Contract Cure Schedule**” means the schedule to be filed by  
27 the Debtor as part of a Plan Supplement setting forth the amount the Debtor asserts is required to be  
28 paid pursuant to Section 365(b)(1) of the Bankruptcy Code in connection with the Debtor’s

1 assumption of any Executory Contract.

2 1.1.68. “**Executory Contract Rejection Schedule**” means a schedule to be filed  
3 by the Debtor as part of the Plan Supplement identifying any Executory Contracts to be rejected by  
4 the Debtor as of the Effective Date of the Plan.

5 1.1.69. “**Executory Contract**” means a contract to which the Debtor is a party that  
6 is subject to assumption or rejection under Sections 365 or 1123 of the Bankruptcy Code.

7 1.1.70. “**Fee Claim**” means a Claim under Sections 328, 330, 331, 503, or 1103 of  
8 the Bankruptcy Code for compensation of a Professional or other Entity for services provided to the  
9 Debtor or Committee, or expenses incurred in the course of providing services to the Estate, during  
10 the Chapter 11 Case.

11 1.1.71. “**File**,” “**Filed**,” or “**Filing**” means file, filed, or filing with the Bankruptcy  
12 Court in the Chapter 11 Case or in the District Court in the Coverage Action.

13 1.1.72. “**Final Decree**” means the decree contemplated under Bankruptcy Rule  
14 3022.

15 1.1.73. “**Final Determination**” has the meaning ascribed to such term in Section  
16 9.8.2 of this Plan.

17 1.1.74. “**Final Distribution**” has the meaning ascribed to such term in Section  
18 9.8.3.4 of this Plan.

19 1.1.75. “**Final Order**” means an order or judgment of the Bankruptcy Court (or  
20 any other court) entered by the Bankruptcy Court (or any other court) on the docket in the Chapter  
21 11 Case (or the docket of such other court), which has not been reversed, stayed, modified, amended,  
22 or vacated, and as to which: (a) the time to appeal, petition for *certiorari*, or move for a new trial,  
23 stay, reargument, or rehearing has expired and as to which no appeal, petition for *certiorari*, or  
24 motion for new trial, stay, reargument, or rehearing shall be pending, or (b) if an appeal, writ of  
25 *certiorari*, new trial, stay, reargument, or rehearing thereof has been sought, such order or judgment  
26 of the Bankruptcy Court (or other court) shall have been affirmed by the highest court to which such  
27 order was appealed, or *certiorari* shall have been denied, or a new trial, stay, reargument, or  
28 rehearing shall have been denied or resulted in no modification of such order, and the time to take

1 any further appeal, petition for *certiorari*, or move for a new trial, stay, reargument, or rehearing  
2 shall have expired, as a result of which such order shall have become final in accordance with  
3 Bankruptcy Rule 8002; *provided, however*, that the possibility that a motion under Rule 60 of the  
4 Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed  
5 relating to such order shall not cause an order not to be a Final Order.

6 1.1.76. “**General Unsecured Claim**” means an Unsecured Claim that is not an  
7 Abuse Claim, Unknown Abuse Claim, or Non-Abuse Litigation Claim.

8 1.1.77. “**Governmental Unit**” shall have the meaning set forth in Section 101(27)  
9 of the Bankruptcy Code.

10 1.1.78. “**Hand**” has the meaning ascribed to such term in Section 5.14 of this Plan.

11 1.1.79. “**Holder**” means a Person or Entity with ownership or legal control of a  
12 Claim, including without limitation an Abuse Claim.

13 1.1.80. “**Immediate Payment Election Deadline**” has the meaning ascribed to  
14 such term in Section 9.7 of this Plan.

15 1.1.81. “**Immediate Payment Notice**” means a notice to Holders of Abuse Claims  
16 informing them of their right to elect the Immediate Payment, which may be signed and returned to  
17 the Survivors’ Trustee to indicate the election of a Holder to receive the Immediate Payment in lieu  
18 of any further distributions. The Immediate Payment Notice will be filed as a Plan Supplement and  
19 approved under the Confirmation Order.

20 1.1.82. “**Immediate Payment**” means a one-time irrevocable and indefeasible  
21 distribution of \$50,000 paid to an Abuse Claimant who elects the Immediate Payment option from  
22 the Survivors’ Trust on the terms and conditions set forth in this Plan.

23 1.1.83. “**Impaired**” means, with respect to a Class of Claims, a Class of Claims  
24 that is not Unimpaired.

25 1.1.84. “**Initial Debtor Contribution**” has the meaning ascribed to such term in  
26 Section 9.3.1 of this Plan.

27 1.1.85. “**Initial Determination**” has the meaning ascribed to such term in Section  
28 9.8.1 of this Plan.

1                    1.1.86.    “**Initial Distribution**” has the meaning ascribed to such term in Section  
2 9.8.3.2 of this Plan.

3                    1.1.87.    “**Initial RCWC Contribution**” has the meaning ascribed to such term in  
4 Section 9.3.2.1 of this Plan.

5                    1.1.88.    “**Initial Reserve**” has the meaning ascribed to such term in Section 9.8.3.2  
6 of this Plan.

7                    1.1.89.    “**Insurance Assignment**” means the transaction described in Section 8.1  
8 of the Plan, subject to the terms of the Plan, the Abuse Insurance Policies, and applicable law.

9                    1.1.90.    “**Insurance Claims**” means all Claims, causes of action and enforceable  
10 rights against a Non-Settling Insurer whether sounding in contract, tort, or otherwise, including  
11 equity and bad faith, held by: (a) the Debtor for any reason related to any Abuse Claim asserted or  
12 alleged against the Debtor, including those for (i) indemnity and payment of any such Abuse Claim;  
13 (ii) any Non-Settling Insurer’s failure or refusal to provide insurance coverage for any such Abuse  
14 Claim under any Insurance Policy; (iii) any Non-Settling Insurer’s tortious or wrongful claims  
15 handling including the failure or refusal of any Non-Settling Insurer to timely compromise and settle  
16 any such Abuse Claims against the Debtor pursuant to any Abuse Insurance Policy, (iv) to the extent  
17 not otherwise encompassed by Section (iii) above, any Non-Settling Insurer’s failure or refusal to  
18 reasonably settle such Abuse Claims, and (v) the interpretation or enforcement of the terms of any  
19 Abuse Insurance Policy as it pertains to any of the foregoing; and (b) any Settling Insurers, RCWC  
20 (solely as to Abuse Claims the Holders of which have provided have executed and delivered an  
21 RCWC Release Agreement) and the Non-Debtor Catholic Entities (solely as to Abuse Claims the  
22 Holders of which have provided a release to the Non-Debtor Catholic Entities) for any reason related  
23 to any Abuse Claim against any Settling Insurers, RCWC and the Non-Debtor Catholic Entities,  
24 whether independently or jointly liable with the Debtor on such Abuse Claim, including for (i)  
25 indemnity and payment of any such Abuse Claim, (ii) any Non-Settling Insurer’s failure or refusal  
26 to provide insurance coverage under any Insurance Policy for any such Abuse Claim against the  
27 Debtor, RCWC (solely as to Abuse Claims the Holders of which have executed and delivered an  
28 RCWC Release Agreement), the Non-Debtor Catholic Entities (solely as to Abuse Claims the

1 Holders of which have provided a release to the Non-Debtor Catholic Entities) or a Settling Insurer,  
2 (iii) any Non-Settling Insurer’s tortious or wrongful claims handling including the failure or refusal  
3 of any Non-Settling Insurer to timely compromise and settle any such Abuse Claims against RCWC  
4 (solely as to Abuse Claims the Holders of which have executed and delivered an RCWC Release  
5 Agreement) or the Non-Debtor Catholic Entities (solely as to Abuse Claims the Holders of which  
6 have provided a release to the Non-Debtor Catholic Entities) pursuant to any Insurance Policy, (iv)  
7 to the extent not otherwise encompassed by Section (iii) above, any Non-Settling Insurer’s failure  
8 or refusal to reasonably settle such Abuse Claims, and (v) the interpretation or enforcement of the  
9 terms of any Insurance Policy as it pertains to any of the foregoing. The term “Insurance Claim”  
10 also includes any Claims or causes of action related to any Assigned Insurance Interests.

11           1.1.91. “**Insurance Recoveries**” means the rights to any proceeds of an Abuse  
12 Insurance Policy, whether pursuant to the policy outright, an Insurance Settlement Agreement, or a  
13 judgment, award, decree, or other court or administrative order.

14           1.1.92. “**Insurance Settlement Agreement**” means any settlement agreement  
15 among (i) the Debtor, a Settling Insurer and the Committee, if an Insurance Settlement Agreement  
16 is executed and approved by a final, non-appealable order of the Bankruptcy Court before the  
17 Effective Date, or (ii) the Survivors’ Trust and any Settling Insurer, if executed after the Effective  
18 Date.

19           1.1.93. “**Insurers**” means the defendants in the Coverage Action. For the  
20 avoidance of doubt, this term, whether or not qualified with “Settling” or “Non-Settling,” shall  
21 include the California Insurance Guarantee Association.

22           1.1.94. “**Joint Tortfeasor**” means any Person, other than the Debtor, who is  
23 alleged to be a joint tortfeasor with the Debtor and/or any Released Party in connection with the  
24 Abuse or alleged Abuse giving rise to an Abuse Claim.

25           1.1.95. “**Judgment Reduction**” has the meaning ascribed to such term in Section  
26 8.4 of this Plan.

27           1.1.96. “**Lien**” means any mortgage, pledge, deed of trust, assessment, security  
28 interest, lease, lien, adverse claim, levy, charge or other encumbrance of any kind, including any

1 “lien” as defined in Section 101(37) of the Bankruptcy Code, or a conditional sale contract, title  
2 retention contract or other contract to give any of the foregoing.

3 1.1.97. “**Litigation Claim Award**” means a judgment or verdict determining that  
4 the Debtor, RCWC (but solely if RCWC has elected to make the RCWC Contribution) and/or any  
5 Released Party is/are liable to a Litigation Claimant on account of a Litigation Claim.

6 1.1.98. “**Litigation Claim**” means a Trust Claim authorized to be litigated against  
7 the Debtor, RCWC (but solely if RCWC has elected to make the RCWC Contribution) and a  
8 Released Party in accordance with this Plan and the Plan Documents.

9 1.1.99. “**Litigation Claimant Agreement**” means the agreement, to be filed as a  
10 Plan Supplement, which must be executed by a Litigation Claimant under Section 8.2 of this Plan  
11 before litigating a Litigation Claim.

12 1.1.100. “**Litigation Claimant**” means a Trust Claimant who has elected the  
13 Litigation Option.

14 1.1.101. “**Litigation Option Notice**” has the meaning ascribed to such term in  
15 Section 9.8.4 of this Plan. The Litigation Option Notice will be filed as a Plan Supplement.

16 1.1.102. “**Litigation Option**” means a Trust Claimant’s election to pursue a  
17 Litigation Claim as authorized by Section 8.2.2 of the Plan.

18 1.1.103. “**Livermore Option**” has the meaning ascribed to such term in Section  
19 9.3.4 of this Plan.

20 1.1.104. “**Livermore Property**” means the real property owned by Adventus  
21 having a street address of 3658 Las Colinas Road, Livermore, California, and bearing the legal  
22 description set forth on Schedule 1.1.104 attached hereto.

23 1.1.105. “**Mediators**” means, individually and collectively: (i) the Honorable  
24 Christopher Sontchi (Ret.), Sontchi, LLC; (ii) Jeffrey Krivis, Mediation Offices of Jeffrey Krivis;  
25 (iii) Timothy Gallagher, The Gallagher Law Group; and (iv) the Honorable Randall J. Newsome  
26 (Ret.), Randall Newsome ADR.

27 1.1.106. “**Non-Abuse Cause of Action**” means any Cause of Action unrelated to  
28 Abuse.

1 1.1.107. “**Non-Abuse Claims**” means all Claims pending against the Debtor  
2 asserting Causes of Action unrelated to Abuse, including Non-Abuse Litigation Claims.

3 1.1.108. “**Non-Abuse Litigation Claims**” means Claims arising out of litigation  
4 pending against the Debtor prior to the Petition Date asserting Non-Abuse Causes of Action.

5 1.1.109. “**Non-Abuse Litigation Reserve**” means the Cash reserve to be  
6 established by the Reorganized Debtor pursuant to Section 12.7.2 of the Plan to pay Non-Abuse  
7 Litigation Claims.

8 1.1.110. “**Non-Debtor Catholic Entity**” means any of the following: RCC, the  
9 Oakland Parochial Fund, Lumen Christi Academies of the Roman Catholic Diocese of Oakland,  
10 CCCEB, The Oakland Society for the Propagation of the Faith, Catholic Charities of the Diocese of  
11 Oakland, Inc. (d/b/a Catholic Charities of the East Bay), Catholic Church Support Services (d/b/a  
12 Catholic Management Services), Furrer Properties, Inc., Adventus, Catholic Foundation for the  
13 Diocese of Oakland, Christ the Light Cathedral Corporation, or any religious order.

14 1.1.111. “**Non-Settling Insurer Policy**” means any Abuse Insurance Policy issued  
15 by a Non-Settling Insurer.

16 1.1.112. “**Non-Settling Insurer**” means any insurer who issued a Non-Settling  
17 Insurer Policy who has not executed a final and binding settlement agreement with the Debtor, with  
18 the consent of the Committee, by the Effective Date.

19 1.1.113. “**Original Plan Filing Date**” means March 6, 2026.

20 1.1.114. “**Payment Obligations**” has the meaning ascribed to such term in Section  
21 8.4 of this Plan.

22 1.1.115. “**Person**” shall have the meaning set forth in Section 101(41) of the  
23 Bankruptcy Code.

24 1.1.116. “**Petition Date**” means May 8, 2023, the date on which the Chapter 11  
25 Case commenced in the Bankruptcy Court.

26 1.1.117. “**Plan Documents**” means this Plan, the Plan Supplement, all appendices  
27 and exhibits to the forgoing, the CCCEB Settlement Documents, the Survivors’ Trust Documents,  
28 the Confirmation Order, and any other documents created, executed, or entered into pursuant to the

1 Plan.

2 1.1.118. “**Plan Payment Period**” has the meaning ascribed to such term in Section  
3 9.3.1.3 of this Plan.

4 1.1.119. “**Plan Supplement**” means the compilation of documents and forms of  
5 documents, schedules, and exhibits to the Plan (as amended, supplemented, or modified from time  
6 to time in accordance with the terms hereof and the Bankruptcy Code and the Bankruptcy Rules),  
7 to be Filed no later than April 29, 2026 or such other date as may be set by the Court, including  
8 without limitation the following: (a) the Schedule of Assumed Executory Contracts and Unexpired  
9 Leases; (b) the Executory Contract Rejection Schedule (if any); (c) the CCCEB Settlement  
10 Documents; (d) the form of the Survivors’ Trust Agreement; (e) the form of the Survivors’ Trust  
11 Distribution Plan; (f) the form of the RCWC Release Agreement; (g) the form of the RCWC Escrow  
12 Agreement; (h) the form of the Litigation Claimant Agreement; (i) the form of the Litigation Option  
13 Notice and (j) the form of the Immediate Payment Notice.

14 1.1.120. “**Plan**” has the meaning ascribed to such term in the Introduction Section  
15 of this Plan.

16 1.1.121. “**Post-Confirmation Notice List**” means the list of Persons or Entities to  
17 receive notice of matters after the Confirmation Date, specifically: (a) the Reorganized Debtor; (b)  
18 the Survivors’ Trustee; (c) the Office of the United States Trustee; (d) Persons against whom relief  
19 is sought; and (e) Persons who request notice of such matters through a written request that is filed  
20 with the Bankruptcy Court and served on the Debtor not earlier than the Confirmation Date.

21 1.1.122. “**Post-Effective Date Insurance Settlement**” has the meaning ascribed to  
22 such term in Section 9.2.8 of this Plan.

23 1.1.123. “**Preliminary Abuse Claim Allowance Deadline**” means the date that is  
24 sixty (60) days following the Effective Date, or if such date is not a Business Day, then the next  
25 Business Day thereafter.

26 1.1.124. “**Priest Long-Term Care Plan**” means the long-term care plan maintained  
27 by the Debtor for priests employed by the Debtor, Churches, and Non-Debtor Catholic Entities.

28 1.1.125. “**Priority Tax Claim**” means any Claim of a Governmental Unit under

1 Section 507(a)(8) of the Bankruptcy Code.

2 1.1.126. “**Priority Unsecured Claim**” means any Claim against the Debtor that is  
3 entitled to priority in right of payment under Section 507(a) of the Bankruptcy Code, other than an  
4 Administrative Expense Claim or a Priority Tax Claim.

5 1.1.127. “**Privileged Communications**” has the meaning ascribed to such term in  
6 Section 8.6 of this Plan.

7 1.1.128. “**Professional**” means any Person or Entity employed by the Debtor, the  
8 Committee, or the Estate in the Chapter 11 Case under Sections 327 or 1103 of the Bankruptcy  
9 Code, any of the Mediators, or any Person or Entity seeking compensation or reimbursement of  
10 expenses under Section 503(b)(4) of the Bankruptcy Code.

11 1.1.129. “**Proof of Claim**” means a Claim, along with any supporting  
12 documentation, Filed against the Debtor in the Chapter 11 Case.

13 1.1.130. “**Protected Parties**” means the Debtor, the Reorganized Debtor and the  
14 Settling Insurers.

15 1.1.131. “**RCBO**” has the meaning ascribed to such term in the Introduction Section  
16 of this Plan.

17 1.1.132. “**RCC Pre-Petition Loan Documents**” means the documents  
18 documenting RCC’s prepetition Secured Claim.

19 1.1.133. “**RCC**” means the Roman Catholic Cemeteries of the Diocese of Oakland,  
20 a non-profit religious corporation.

21 1.1.134. “**RCWC Claimant**” has the meaning ascribed to such term in Section  
22 9.3.2.5 of this Plan.

23 1.1.135. “**RCWC Contribution Deeds of Trust**” has the meaning ascribed to such  
24 term in Section 9.3.2.8 of this Plan.

25 1.1.136. “**RCWC Escrow Agreement**” means an escrow agreement between  
26 RCWC, the Survivors’ Trustee, and the RCWC Escrow Agent, which shall be in substantially the  
27 form filed with the Plan Supplement.

28 1.1.137. “**RCWC Escrow**” means an escrow account administered pursuant to the

1 terms of the RCWC Escrow Agreement by a third-party escrow agent who shall be identified in the  
2 RCWC Escrow Agreement (the “**RCWC Escrow Agent**”). For the avoidance of doubt, the RCWC  
3 Escrow Agent shall not be a Non-Debtor Catholic Entity.

4 1.1.138. “**RCWC Release Agreement**” means the RCWC Release Agreement, to  
5 be filed as a Plan Supplement, by which a Holder of an Abuse Claim may consensually release  
6 RCWC, including its current and former directors, managers, officers, employees, predecessors,  
7 successors, assigns, managed accounts or funds, agents, advisory board members, financial  
8 advisors, partners, attorneys, accountants, investment bankers, consultants, and other professionals,  
9 of any and all Claims that have been asserted or might be asserted by such Holder based on any  
10 conduct occurring before the Effective Date of the Plan in consideration for RCWC paying the  
11 RCWC Contribution.

12 1.1.139. “**RCWC**” means the Roman Catholic Welfare Corporation of Oakland, a  
13 non-profit religious corporation. This definition includes any school RCWC managed, manages,  
14 administered, administers, operated, or operates.

15 1.1.140. “**Rejection Claim**” means a Claim for rejection damages arising out of the  
16 rejection of an Executory Contract or Unexpired Lease by the Debtor, whether the rejection occurs  
17 through an order of the Bankruptcy Court approving a motion to reject an Executory Contract or  
18 Unexpired Lease or through confirmation of this Plan or any other chapter 11 plan.

19 1.1.141. “**Rejection Claims Bar Date**” means, as to a particular Rejection Claim,  
20 the date that is the earlier of (a) sixty (60) calendar days following the entry of an order rejecting an  
21 Executory Contract or Unexpired Lease, the rejection of which gave rise to the Rejection Claim, or  
22 (b) thirty (30) days after entry of the Confirmation Order.

23 1.1.142. “**Released Parties**” means collectively: (a) the Debtor; (b) the  
24 Reorganized Debtor; (c) the Churches, none of whom are separately incorporated from the Debtor  
25 and whose releases under the Plan shall be one and the same as, and not separate from or in addition  
26 to, the releases of the Debtor and Reorganized Debtor and (d) with respect to each of the foregoing  
27 Persons and Entities in clauses (a) through (c), such Person and their, or such Entity and its, current  
28 and former directors, managers, officers, employees, predecessors, successors, assigns, managed

1 accounts or funds, agents, advisory board members, financial advisors, partners, attorneys,  
2 accountants, investment bankers, consultants, and other professionals; *provided, however*, this term  
3 expressly excludes (i) any Person accused of committing a physical act of Abuse upon an Abuse  
4 Claimant or their predecessor(s)-in-interest, (ii) any Non-Debtor Catholic Entity (except that RCWC  
5 may receive the releases granted in the RCWC Release Agreement pursuant to Section 9.3.2 of the  
6 Plan) , and (iii) any Catholic diocese or archdiocese other than the Debtor or Reorganized Debtor.

7 1.1.143. “**Releases**” means the release of any Claim or Cause of Action in favor of  
8 Released Parties as set forth in Section 13.8 of the Plan given by the persons or entities listed in  
9 subparagraphs (a) through (b) of this Section of the Plan (collectively, the “**Releasing Parties**”):  
10 (a) the Released Parties; and (b) with respect to each of the foregoing Persons and Entities in clause  
11 (a), such Person and their, or such Entity and its, current and former directors, managers, officers,  
12 employees, equity holders (regardless of whether such interests are held directly or indirectly),  
13 interest holders, predecessors, successors, and assigns, subsidiaries, affiliates, managed accounts or  
14 funds, and each of their respective current and former equity holders, officers, directors, managers,  
15 principals, shareholders, members, management companies, fund advisors, employees, agents,  
16 advisory board members, financial advisors, partners, attorneys, accountants, investment bankers,  
17 consultants, representatives, and other professionals. For the avoidance of doubt, (i) “Releasing  
18 Parties” excludes Non-Settling Insurers and (ii) Non-Settling Insurers are not giving any Releases  
19 to Released Parties under the Plan.

20 1.1.144. “**Reorganized Debtor**” means the Debtor upon the occurrence of the  
21 Effective Date and thereafter.

22 1.1.145. “**Review Determination**” has the meaning ascribed to such term in Section  
23 9.8.2 of this Plan.

24 1.1.146. “**Schedules**” means, to the extent required, the schedules of assets and  
25 liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial  
26 affairs Filed by the Debtor under Section 521 of the Bankruptcy Code, as the same may have been  
27 amended, modified, or supplemented from time to time.

28 1.1.147. “**Secured**” means, when referring to a Claim, a Claim: (a) secured by a

1 Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable  
2 pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff  
3 pursuant to Section 553 of the Bankruptcy Code, to the extent of the value of the Creditor's interest  
4 in an Estate's interest in such property or to the extent of the amount subject to setoff, as applicable,  
5 as determined pursuant to Section 506(a) of the Bankruptcy Code; or (b) otherwise Allowed by the  
6 Plan as a Secured Claim.

7 1.1.148. "**SERP**" means the Diocese of Oakland Priests Supplemental Retirement  
8 Plan.

9 1.1.149. "**Settling Insurer Policy**" means any Abuse Insurance Policy issued by a  
10 Settling Insurer.

11 1.1.150. "**Settling Insurer**" means any insurer with whom (i) the Debtor and  
12 RCWC have, with the written consent of the Committee, executed a settlement agreement as of the  
13 Effective Date, or (ii) the Survivors' Trust executes a settlement agreement after the Effective Date.

14 1.1.151. "**Survivors' Trust Advisory Committee**" means the Entity created under  
15 Section 9.1.3 of the Plan.

16 1.1.152. "**Survivors' Trust Agreement**" means the agreement establishing the  
17 Survivors' Trust in conformity with the provisions of the Plan approved in the Confirmation Order  
18 and entered into by the Reorganized Debtor on behalf of the Survivors' Trust Beneficiaries and the  
19 Survivors' Trustee on the Effective Date, pursuant to the terms of the Plan. A copy of the Survivors'  
20 Trust Agreement will be filed as a Plan Supplement.

21 1.1.153. "**Survivors' Trust Assets**" means collectively, whether contributed on or  
22 after the Effective Date, and including all proceeds thereof, (i) the Debtor Contribution, (ii) the  
23 Debtor Contribution Deeds of Trust, (iii) the RCWC Contribution (if any), (iv) the RCWC  
24 Contribution Deeds of Trust, (v) any proceeds of Insurance Settlement Agreements realized by the  
25 Debtor (before the Effective Date) or the Survivors' Trust (after the Effective Date), and (vi) the  
26 Assigned Insurance Interests.

27 1.1.154. "**Survivors' Trust Beneficiaries**" means Holders of Allowed Class 4 and  
28 Class 5 Claims.

1                   1.1.155. “**Survivors’ Trust Distribution Plan**” means the plan and guidelines for  
2 distributing liquid assets of the Survivors’ Trust to Abuse Claimants and Unknown Abuse Claims,  
3 the form of which will be filed as a Plan Supplement.

4                   1.1.156. “**Survivors’ Trust Documents**” means all documents necessary to  
5 establish and administer the Survivors’ Trust, including without limitation the Survivors’ Trust  
6 Agreement and the Survivors’ Trust Distribution Plan.

7                   1.1.157. “**Survivors’ Trust**” means the trust created for the benefit of the  
8 Survivors’ Trust Beneficiaries in accordance with this Plan, the Confirmation Order, and the  
9 Survivors’ Trust Agreement.

10                  1.1.158. “**Survivors’ Trustee**” means the Person chosen by the Committee to serve  
11 as trustee of the Survivors’ Trust in accordance with the terms of the Plan, the order confirming the  
12 Plan, and the Survivors’ Trust Documents, or any of their successors.

13                  1.1.159. “**Target Policy**” means any Insurance Policy issued by a Non-Settling  
14 Insurer that is alleged to afford coverage for any Litigation Claim.

15                  1.1.160. “**Tax Code**” means the Internal Revenue Code of 1986, as amended.

16                  1.1.161. “**Third Amended Disclosure Statement**” means the *Third Amended*  
17 *Disclosure Statement for Debtor’s Third Amended Plan of Reorganization* filed in the Chapter 11  
18 Case at docket number 1874, including all exhibits and schedules thereto and references therein that  
19 relate to the Debtor’s Plan.

20                  1.1.162. “**Treasury Regulations**” has the meaning ascribed to such term in Section  
21 9.1.3 of this Plan.

22                  1.1.163. “**Trust Claimant**” means the Holder of a Trust Claim.

23                  1.1.164. “**Trust Claims**” means the Abuse Claims of Holders who have not elected  
24 to receive an Immediate Payment, which Claims shall be reviewed and allocated a percentage of the  
25 Survivors’ Trust recovery pool based on numerical scaling factors (but not based on alleged dollar  
26 value of the Claim) by the Abuse Claims Reviewer pursuant to the procedures set forth in the  
27 Survivors’ Trust Documents.

28                  1.1.165. “**U.S. Trustee Fees**” means quarterly fees owed to the U.S. Trustee under

1 28 U.S.C. § 1930(a)(6).

2 1.1.166. “**U.S. Trustee**” means the Office of the United States Trustee for Region  
3 17, which includes the Northern District of California.

4 1.1.167. “**Unclassified Claims**” has the meaning ascribed to such term in Section  
5 2.2 of this Plan.

6 1.1.168. “**Unexpired Lease**” means a lease of nonresidential real property to which  
7 the Debtor is a party that is subject to assumption or rejection under Sections 365 or 1123 of the  
8 Bankruptcy Code.

9 1.1.169. “**Unimpaired**” means, with respect to a Class of Claims, a Claim that is  
10 unimpaired within the meaning of Section 1124 of the Bankruptcy Code, including without  
11 limitation through payment in full in Cash.

12 1.1.170. “**Unknown Abuse Claim**” means an Abuse Claim arising out of an alleged  
13 act of sexual abuse that occurred on or before the Effective Date for which (a) no Proof of Claim  
14 was Filed or deemed timely Filed on or before the Claims Bar Date, or (b) a Proof of Claim was  
15 Filed after the Claims Bar Date or otherwise submitted to the Survivors’ Trustee, if such Abuse  
16 Claim was not untimely under California state law (*e.g.* not discovered or reasonably discoverable  
17 before the Claims Bar Date, or subject to a new law re-opening the claims window).

18 1.1.171. “**Unknown Abuse Claims Representative**” means Joshua Hogan, or any  
19 other Person or Entity appointed by the Court to represent the interests of Holders of Unknown  
20 Abuse Claims, including without limitation for actions to be taken on behalf of Holders of Unknown  
21 Abuse Claims under this Plan.

22 1.1.172. “**Unknown Abuse Claims Reserve**” means the reserve established on the  
23 Effective Date pursuant to the Survivors’ Trust Documents for the benefit of Holders of Class 5  
24 Claims.

25 1.1.173. “**Unsecured Claim**” means a Claim, including without limitation an Abuse  
26 Claim or Unknown Abuse Claim, which is not an Administrative Claim, Fee Claim, Priority Claim,  
27 Priority Tax Claim, or Secured Claim.

28 1.1.174. “**Voting Deadline**” means the date established by the Bankruptcy Court by

1 which ballots to accept or reject this Plan must be filed.

2 1.2. ***Construction of Terms***

3 1.2.1. The singular of any of the foregoing definitions includes the plural and vice  
4 versa where the context so requires, “includes” and “including” are not limiting, “may not” is  
5 prohibitive and not permissive, and “or” is not exclusive.

6 1.2.2. A term used in the Plan, whether or not capitalized, that is not defined in  
7 the Plan but that is used in the Bankruptcy Code, or the Bankruptcy Rules has the meaning assigned  
8 to the term in the Bankruptcy Code or Bankruptcy Rules, as applicable.

9 1.2.3. The headings in the Plan are for convenience of reference only and shall  
10 not limit or otherwise affect the provisions of the Plan.

11 1.3. ***Appendices and Plan Documents.***

12 All Plan Documents and appendices to the Plan are incorporated into this Plan by reference  
13 and are a part of this Plan as if set forth in full herein. The documents contained in the exhibits and  
14 the Plan Supplement shall be approved by the Bankruptcy Court pursuant to the Confirmation Order.  
15 Holders of Claims or their counsel may inspect a copy of the Plan Documents, once filed, in the  
16 Office of the Clerk of the Bankruptcy Court during normal business hours, or may obtain a copy of  
17 the Plan Documents by sending a written request to the following email address:  
18 [RCBOInfo@veritaglobal.com](mailto:RCBOInfo@veritaglobal.com).

19 **ARTICLE II**

20 **SUMMARY OF CLASSIFICATION OF CLAIMS**

21 2.1. ***Claims Provided for Herein.*** Various types of Claims are defined or described in  
22 this Plan. This Plan is intended to deal with all Claims against the Debtor or property of the Debtor  
23 or the Debtor’s Estate of whatever character, whether or not with recourse, contingent or non-  
24 contingent, liquidated or unliquidated, and whether or not previously Allowed by the Bankruptcy  
25 Court pursuant to Section 502 of the Bankruptcy Code, which arise in any manner or from any event  
26 or circumstance arising before the Effective Date. However, only those Claims Allowed pursuant  
27 to Section 502 of the Bankruptcy Code, or in the case of Abuse Claims allowed by the Survivors’  
28 Trustee, will receive any distribution under this Plan. All Claims against the Debtor will be

1 discharged without any distribution, recovery, recourse, or residual interest or right to the extent not  
2 expressly included in any Class or otherwise provided any treatment hereunder.

3 2.2. **Unclassified Claims.** All Claims except the DIP Obligations Claim, Administrative  
4 Expense Claims, Priority Tax Claims, Fee Claims, U.S. Trustee Fee Claims, and Cure Claims  
5 (collectively, the “**Unclassified Claims**”) are placed in the Classes listed in this Article II. In  
6 accordance with Section 1123(a)(1) of the Bankruptcy Code, the Unclassified Claims, as described  
7 in Article III of this Plan, have not been classified and thus are excluded from the Classes  
8 summarized in Section 2.3 and Article IV of the Plan.

9 2.3. **Claims Classification.** A Claim is classified in a particular Class only to the extent  
10 that the Claim qualifies within the description of that Class and is classified in other Classes to the  
11 extent that any remainder of the Claim qualifies within the description of such other Classes. For  
12 purposes of this Plan, the Classes of Claims against the Debtor shall be as follows:

Class	Class Description	Status	Voting Rights
Class 1	RCC Secured Claim	Unimpaired	Non-voting Deemed to accept
Class 2	Priority Unsecured Claims, other than non-classified claims set forth in Article III	Unimpaired	Non-voting Deemed to accept
Class 3	General Unsecured Claims	Unimpaired	Non-voting Deemed to accept
Class 4	Abuse Claims	Impaired	Eligible to vote
Class 5	Unknown Abuse Claims	Impaired	Eligible to vote via the Unknown Abuse Claims Representative
Class 6	Non-Abuse Litigation Claims	Unimpaired	Non-voting Deemed to accept
Class 7A	Abuse Related Contribution Claims Related to Class 4 Claims	No recovery	Non-voting Deemed to reject
Class 7B	Abuse Related Contribution Claims Related to Class 5 Claims	No recovery	Non-voting Deemed to reject

1 **ARTICLE III**  
2 **TREATMENT OF UNCLASSIFIED CLAIMS: ADMINISTRATIVE CLAIMS, PRIORITY**  
3 **TAX CLAIMS AND UNITED STATES TRUSTEE'S FEES**

4 The following Claims shall not be classified hereunder but shall be entitled to the treatment  
5 set forth in this Article.

6 3.1. ***Administrative Expense Claims***

7 3.1.1. *Treatment of DIP Obligations Claim.* Except to the extent that the Holder  
8 of an Allowed DIP Obligations Claim agrees to a less favorable treatment, the Holder of an Allowed  
9 DIP Obligations Claim, if any, shall receive, on the Effective Date, in full satisfaction, settlement,  
10 and release of, and in exchange for, such Claim, Cash in an amount equal to the unpaid amount of  
11 such Allowed DIP Obligations Claim.

12 3.1.2. *Treatment of Administrative Expense Claims.* Except to the extent a Holder  
13 of an Allowed Administrative Expense Claim agrees to less favorable treatment with respect to such  
14 Allowed Administrative Expense Claim, each Holder of an Allowed Administrative Expense Claim  
15 shall receive, on account of and in full and complete settlement, release and discharge of, and in  
16 exchange for, such Claim, payment of Cash in an amount equal to such Allowed Administrative  
17 Expense Claim on or as soon as reasonably practicable after the later of: (a) the Effective Date; (b)  
18 the first Business Day after the date that is thirty (30) calendar days after the date such  
19 Administrative Expense Claim becomes an Allowed Administrative Expense Claim; (c) such other  
20 date(s) as such Holder and the Debtor or the Reorganized Debtor shall have agreed; or (d) such other  
21 date ordered by the Bankruptcy Court; *provided, however,* Allowed Administrative Expense Claims  
22 arising in the ordinary course of the Debtor's operations during the Chapter 11 Case may be paid by  
23 the Debtor or the Reorganized Debtor (as applicable) in the ordinary course of business and in  
24 accordance with the terms and conditions of the particular agreements governing such obligations,  
25 course of dealing, course of operations, or customary practice.

26 3.1.3. *Administrative Expense Claims Bar Date.* Except as provided for herein  
27 or in any order of the Bankruptcy Court, and subject to Section 503(b)(1)(D) of the Bankruptcy  
28 Code, Holders of Administrative Expense Claims, other than a Fee Claim or a Claim for U.S.

1 Trustee Fees, accruing on or before the Confirmation Date must file and serve on the Debtor requests  
2 for the payment of such Claims not previously Allowed by a Final Order in accordance with the  
3 procedures specified in the Confirmation Order, on or before the Administrative Expense Claims  
4 Bar Date, or such Claims shall be automatically Disallowed, forever barred from assertion, and  
5 unenforceable against the Debtor or the Reorganized Debtor, the Estate, or their property without  
6 the need for any objection or further notice to, or action, order, or approval of the Bankruptcy Court,  
7 and any such Claims shall be deemed fully satisfied, released, and discharged. Administrative  
8 Expense Claims representing obligations incurred by the Debtor or Reorganized Debtor (as  
9 applicable) after the date and time of the entry of the Confirmation Order shall not be subject to  
10 application to the Bankruptcy Court and may be paid by the Debtor or Reorganized Debtor (as  
11 applicable) in the ordinary course of business and without Bankruptcy Court approval.

12       3.2. **Priority Tax Claims.** The legal and equitable rights of Holders of Priority Tax  
13 Claims are Unimpaired under the Plan. Except to the extent a Holder of an Allowed Priority Tax  
14 Claim agrees to less favorable treatment, each Holder of an Allowed Priority Tax Claim shall receive  
15 on account of and in full and complete settlement, release and discharge of, and in exchange for,  
16 such Allowed Priority Tax Claim, Cash in an amount equal to such Allowed Priority Tax Claim on,  
17 or as soon thereafter as is reasonably practicable, the later of: (a) the Effective Date, to the extent  
18 such Claim is an Allowed Priority Tax Claim on the Effective Date; (b) the first Business Day after  
19 the date that is thirty (30) days after the date such Priority Tax Claim becomes an Allowed Priority  
20 Tax Claim; and (c) the date such Allowed Priority Tax Claim is due and payable in the ordinary  
21 course as such obligation becomes due; *provided, however*, that the Debtor and Reorganized Debtor  
22 each reserves the right to prepay all or a portion of any such amounts at any time under this option  
23 without penalty or premium.

24       3.3. **Fee Claims.** All Professionals or other Entities requesting the final allowance and  
25 payment of a Fee Claim for services rendered during the period from the Petition Date to and  
26 including the Effective Date shall File final applications for allowance and payment of such Fee  
27 Claims no later than the first Business Day that is forty-five (45) days after the Effective Date.  
28 Objections to any Fee Claim must be Filed and served on the Reorganized Debtor and the applicable

1 Professional no later than the first Business Day that is 30 days after the Filing of the final fee  
2 application that relates to the Fee Claim (unless otherwise agreed by the Debtor or the Reorganized  
3 Debtor, as applicable, and the Professional requesting allowance and payment of a Fee Claim). An  
4 Allowed Fee Claim, including any amounts previously held back by Order of the Bankruptcy Court,  
5 shall be paid in full, in Cash, in such amounts as are Allowed by the Bankruptcy Court no later than  
6 the first Business Day that is twenty-one (21) calendar days after the entry of a Final Order Allowing  
7 the Fee Claim. The Reorganized Debtor is authorized to pay compensation for services rendered or  
8 reimbursement of expenses incurred by its Professionals after the Effective Date in the ordinary  
9 course and without the need for Bankruptcy Court approval. Unless otherwise directed by the  
10 Bankruptcy Court, all Professionals filing final fee applications shall comply with the *Order*  
11 *Appointing Fee Examiner and Establishing Procedures for Review of Interim and Final Fee*  
12 *Applications Filed by Estate Professionals* [Dkt. No. 1122] entered in the Chapter 11 Case,  
13 including any subsequent amendments.

14 3.4. **Cure Claims.** Cure Claims shall be paid in full in accordance with, and at such times  
15 as are set forth in, Section 7.2 of the Plan.

16 3.5. **United States Trustee Fees.** To the extent any U.S. Trustee Fees have become due  
17 before the Effective Date and have not previously been paid, then such fees shall be paid pursuant  
18 to 11 U.S.C. § 1129(a)(12) and 28 U.S.C. § 1930. Any U.S. Trustee Fees relating to the period from  
19 and after the Effective Date shall be paid as provided in Section 12.9.4 of the Plan.

## 20 ARTICLE IV

### 21 TREATMENT OF CLASSIFIED CLAIMS

#### 22 4.1. **Class 1 – Secured Claim of RCC**

23 4.1.1. **Description.** Class 1 shall consist of the Allowed Secured Claim of RCC.

24 4.1.2. **Treatment.** Except to the extent RCC agrees to less favorable treatment of  
25 its Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for its  
26 Allowed Secured Claim, RCC shall receive payment in full of the amount of its Allowed Secured  
27 Claim in accordance with the RCC Prepetition Loan Documents.

28 4.1.3. **Impairment and Voting.** Class 1 is Unimpaired under the Plan.

1           4.2.    ***Class 2 – Priority Unsecured Claims***

2                   4.2.1.    *Description.* Class 2 shall consist of all Allowed Priority Unsecured  
3 Claims, other than non-classified claims set forth in Article III.

4                   4.2.2.    *Treatment.* Except to the extent a Holder of an Allowed Priority Unsecured  
5 Claim agrees to less favorable treatment of such Claim, in full and final satisfaction, settlement,  
6 release, and discharge of and in exchange for such Allowed Priority Unsecured Claim, each such  
7 Holder shall receive payment in Cash in an amount equal to such Allowed Priority Unsecured Claim,  
8 payable on or as soon as reasonably practicable after the later of (a) the Effective Date, (b) the date  
9 when such Priority Unsecured Claim becomes an Allowed Priority Unsecured Claim, or (c) the date  
10 on which the Holder of such Priority Unsecured Claim and the Debtor or Reorganized Debtor, as  
11 applicable, shall otherwise agree in writing.

12                   4.2.3.    *Impairment and Voting.* Class 2 is Unimpaired under the Plan. Each  
13 Holder of a Class 2 Claim is conclusively presumed to have accepted the Plan under Section 1126(f)  
14 of the Bankruptcy Code and was not entitled to vote on the Plan.

15           4.3.    ***Class 3 – General Unsecured Claims***

16                   4.3.1.    *Description.* Class 3 shall consist of all Allowed General Unsecured  
17 Claims. Class 3 does not include Abuse Claims.

18                   4.3.2.    *Treatment.* Except to the extent a Holder of an Allowed General  
19 Unsecured Claim (including an Allowed Rejection Claim) agrees to less favorable treatment, in full  
20 and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed  
21 General Unsecured Claim, each such Holder shall receive payment in Cash in an amount equal to  
22 such Allowed General Unsecured Claim on the Effective Date; *provided, however*, that if a General  
23 Unsecured Claim is not Allowed as of the Effective Date, it shall be paid on the date that is twenty-  
24 one (21) days after the date such General Unsecured Claim becomes an Allowed General Unsecured  
25 Claim.

26                   4.3.3.    *Impairment and Voting.* Class 3 is Unimpaired under the Plan. Each  
27 Holder of a Class 3 Claim is not entitled to vote to accept or reject this Plan.

28

1           4.4.    ***Class 4 – Abuse Claims***

2                   4.4.1.    *Description.* Class 4 shall consist of all Allowed Abuse Claims, other than  
3 Unknown Abuse Claims.

4                   4.4.2.    *Treatment.* This Plan creates the Survivors’ Trust to fund payments to  
5 Holders of Allowed Abuse Claims entitled to such payments under the Plan and the Survivors’ Trust  
6 Documents. Except to the extent a Holder of an Allowed Abuse Claim agrees to less favorable  
7 treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of and in  
8 exchange for such Allowed Abuse Claim, each such Holder shall receive their allocable share of the  
9 Survivors’ Trust Assets at the time and in the manner set forth in Articles VIII and IX hereof and  
10 the Survivors’ Trust Documents. It is intended that any payment on an Allowed Abuse Claim will  
11 constitute payment for damages on account of personal physical injuries or sickness arising from an  
12 occurrence, within the meaning of Section 104(a)(2) of the Tax Code.

13                   4.4.3.    Holders of Abuse Claims shall be forever enjoined and estopped from  
14 prosecuting any outstanding, or filing any future, litigation, Claims, or Causes of Action arising out  
15 of or related to such Abuse Claims against any of the Released Parties and may not proceed in any  
16 manner against any of the Released Parties in any forum whatsoever, including any state, federal,  
17 or non-U.S. court or any administrative or arbitral forum, and are required to pursue such Abuse  
18 Claims solely against the Survivors’ Trust as provided in the Survivors’ Trust Documents; *provided,*  
19 *however,* that, pursuant to Section 8.2.2 of the Plan, following authorization to proceed as a  
20 Litigation Claimant pursuant to the terms of the Plan Documents, Holders of Abuse Claims whose  
21 Claims potentially implicate an Abuse Insurance Policy issued by a Non-Settling Insurer (including  
22 but not limited to occurring during the coverage period of an Abuse Insurance Policy issued by a  
23 Non-Settling Insurer) may pursue their Abuse Claims in a court of competent jurisdiction against  
24 the Debtor and any other defendant in accordance with the terms hereof (which action to pursue an  
25 Abuse Claims by the Holder of an Abuse Claim may include the continuation of an action  
26 commenced by such Holder of an Abuse Claim against the Debtor and other co-defendants, as  
27 applicable, prior to the Petition Date, or the commencement of a new action to the extent no such  
28 action to pursue an Abuse Claim was commenced by the Holder of such Abuse Claim prior to the

1 Petition Date). The Non-Settling Insurer with respect to any applicable Abuse Insurance Policy  
2 shall be able to assert each and every available defense (including any insurance coverage defenses)  
3 under applicable Law or the applicable Abuse Insurance Policy relating to any Abuse Claim;  
4 *provided, further* that nothing in this Section 4.4 shall impair the rights of any Non-Settling Insurer  
5 set forth in Article VIII of the Plan; *provided, further*, that any such Claims are subject to the terms  
6 of the Plan and that Claims against the Debtor or a Released Party may be paid solely from the  
7 Survivors' Trust Assets and the Non-Settling Insurer(s), and the Holders of such Claims shall have  
8 no recovery whatsoever at any time against any Released Party or any property or interest in property  
9 of any Released Party beyond Insurance Recoveries.

10 4.4.4. To preserve coverage under any Non-Settling Insurer's Abuse Insurance  
11 Policies and potential bad faith rights, Holders of Class 4 Claims specifically reserve, and do not  
12 release, any Claims they may have against the Debtor, the Reorganized Debtor, or any other  
13 Released Party that implicate coverage under any Non-Settling Insurer's Abuse Insurance Policies,  
14 but recovery is limited to the proceeds of the Non-Settling Insurer's Abuse Insurance Policies and  
15 all other damages (including extra-contractual damages), awards, judgments over policy limits,  
16 penalties, punitive damages and attorney's fees and costs that may be recoverable against any Non-  
17 Settling Insurer because of their conduct regarding Insurance Coverage for, or defense or settlement  
18 of, any Abuse Claim, and recoveries for any such judgments or awards will be against only the Non-  
19 Settling Insurer and the Survivors' Trust in accordance with the Plan and the Survivors' Trust  
20 Documents and not at any time against any Released Party or any property or interest in property of  
21 any Released Party, beyond available Insurance Recoveries. Class 4 Claims will not be released or  
22 enjoined as against the Debtor, the Reorganized Debtor, or any other Released Party for any Abuse  
23 Claim that may be covered under any Non-Settling Insurer's Abuse Insurance Policies until such  
24 Claims are settled with the Debtor, the Reorganized Debtor, any other Released Party and such Non-  
25 Settling Insurer or are fully adjudicated, resolved, and subject to Final Order, but recovery is limited  
26 as described above.

27 4.4.5. *Impairment and Voting.* Class 4 Claims are Impaired under the Plan.  
28 Unless otherwise ordered by the Bankruptcy Court, each Holder of a Class 4 Claim is entitled to

1 vote to accept or reject the Plan.

2 4.5. ***Class 5 – Unknown Abuse Claims***

3 4.5.1. *Description.* Class 5 shall consist of all Allowed Unknown Abuse Claims.

4 4.5.2. *Treatment.* The Unknown Abuse Claims Reserve shall be established on  
5 the Effective Date pursuant to the Survivors' Trust Documents. Except to the extent a Holder of an  
6 Allowed Unknown Abuse Claim agrees to less favorable treatment of such Claim, in full and final  
7 satisfaction, settlement, release, and discharge of and in exchange for such Allowed Unknown  
8 Abuse Claim, each such Holder shall receive their allocable share of the Unknown Abuse Claims  
9 Reserve at the time and in the manner set forth in Articles VIII and IX hereof and the Survivors'  
10 Trust Documents. It is intended that any payment on an Allowed Unknown Abuse Claim will  
11 constitute payment for damages on account of personal physical injuries or sickness arising from an  
12 occurrence, within the meaning of Section 104(a)(2) of the Tax Code.

13 4.5.3. *Impairment and Voting.* Class 5 Claims are Impaired under the Plan.  
14 Unless otherwise ordered by the Bankruptcy Court, the Unknown Abuse Claims Representative is  
15 entitled to vote to accept or reject the Plan on behalf of all Holders of Class 5 Claims.

16 4.6. ***Class 6 – Non-Abuse Litigation Claims***

17 4.6.1. *Description.* Class 6 shall consist of all Allowed Non-Abuse Litigation  
18 Claims.

19 4.6.2. *Treatment.* This Plan creates the Non-Abuse Litigation Reserve to fund  
20 payments to Holders of Allowed Non-Abuse Litigation Claims in accordance with Section 12.7 of  
21 the Plan. Except to the extent a Holder of an Allowed Non-Abuse Litigation Claim agrees to less  
22 favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge  
23 of and in exchange for such Allowed Non-Abuse Litigation Claim, each such Holder shall receive  
24 their allocable share of the Non-Abuse Litigation Reserve.

25 4.6.3. *Impairment and Voting.* Class 6 Claims are Unimpaired under the Plan.  
26 Each Holder of a Class 6 Claim is deemed to accept the Plan.

27 4.7. ***Class 7A – Abuse Related Contribution Claims Related to Class 4 Claims***

28 4.7.1. *Description.* Class 7A shall consist of all Abuse Related Contribution

1 Claims against the Debtor arising out of a Class 4 Claim.

2 4.7.2. *Treatment.* All Class 7A Claims shall be Disallowed.

3 4.7.3. *Impairment and Voting.* Class 7A Claims are Impaired under the Plan.  
4 Holders of Class 7A Claims shall not receive a distribution under this Plan and are therefore deemed  
5 to reject the Plan.

6 4.8. ***Class 7B – Abuse Related Contribution Claims Related to Class 5 Claims***

7 4.8.1. *Description.* Class 7B shall consist of all Abuse Related Contribution  
8 Claims against the Debtor arising out of a Class 5 Claim.

9 4.8.2. *Treatment.* All Class 7B Claims shall be Disallowed.

10 4.8.3. *Impairment and Voting.* Class 7B Claims are Impaired under the Plan.  
11 Holders of Class 7B Claims shall not receive a distribution under this Plan and are therefore deemed  
12 to reject the Plan.

13 **ARTICLE V**

14 **DISPUTED CLAIMS AND CLAIM DISTRIBUTIONS**

15 5.1. ***Single Claim.*** Except as otherwise provided by this Plan, a Person that holds  
16 multiple Allowed Claims based on the same indebtedness or obligation shall be deemed to have  
17 only one Allowed Claim against the Estate in an amount equal to the largest of all such similar  
18 Claims for the purposes of voting and distribution under the Plan.

19 5.2. ***Claims Objections.***

20 5.2.1. *Who May Object.* Subject to the terms of this Section 5.2, any party in  
21 interest shall be entitled to object to Non-Abuse Claims to the extent permitted under Section 502(a)  
22 of the Bankruptcy Code, and the Holder of any Non-Abuse Claim to which an objection is made is  
23 entitled to assert their defenses to such objection.

24 5.2.2. *Objections to Abuse Claims.* From and after the Effective Date, only the  
25 Survivors' Trustee may object to Abuse Claims and solely in accordance with the Survivors' Trust  
26 Documents; *provided, however,* the Non-Settling Insurers shall be entitled to defend against any  
27 Litigation Claim in the non-bankruptcy court system based upon any of the objections that could  
28 otherwise have been asserted in the Chapter 11 Case, as provided in Articles VIII and IX hereof.

1                   5.2.3.     *Time for Objections to Non-Abuse Claims.* The Reorganized Debtor may  
2 File an objection to any Claim at any time through the closing of the Chapter 11 Case. For all other  
3 parties in interest, an objection to a Claim must be Filed on or before the Claims Objection Deadline.

4                   5.2.4.     *Disputed Claim.* Upon the filing of an objection to a Claim, the Claim shall  
5 be a Disputed Claim.

6                   5.3.     *Treatment of Disputed Non-Abuse Claims.* Until such time as an unliquidated,  
7 contingent, or unliquidated or contingent portion of a Non-Abuse Claim becomes Allowed or is  
8 Disallowed, such Claim will be treated as a Disputed Claim for all purposes related to Plan  
9 distributions. No distribution shall be made on account of any Disputed Claim unless and until all  
10 objections to such Disputed Claim have been settled or withdrawn or have been determined by an  
11 order which has become a non-appealable order, and the Disputed Claim has become an Allowed  
12 Claim. In the event that Disputed Claims in Class 2 or Class 3 are pending at the time of a  
13 distribution under the Plan, the Reorganized Debtor shall maintain a reasonable reserve for such  
14 Disputed Claims. No distribution of such reserved funds for a Disputed Claim shall be made until  
15 such Disputed Claim has been resolved by order of the Court or compromise consistent with the  
16 terms of the Plan and the Bankruptcy Code

17                   5.4.     *Late Filed Claims.* Any Claim, other than an Abuse Claim, for which the Bar Date  
18 Order required a Proof a Claim to be submitted, but for which Claim no Proof of Claim was  
19 submitted, on or before their applicable Claims Bar Date, or which are not otherwise deemed timely  
20 or Allowed by order of the Bankruptcy Court, shall receive no distribution under this Plan. Such  
21 Claims shall be deemed Disallowed Claims and shall be expunged. The submission of a Ballot shall  
22 not constitute an amendable informal Proof of Claim or an amendment to a previously filed Proof  
23 of Claim or scheduled Claim. Any amendment to an otherwise timely filed Proof of Claim must be  
24 Filed on or before the Confirmation Date, provided that the foregoing shall not waive or modify the  
25 right of any party in interest to object to amendment of a Claim before the Confirmation Date. The  
26 Survivors' Trust Documents shall govern the treatment of Class 4 Claims filed after the Claims Bar  
27 Date, provided the Class 4 Claim has not previously been deemed timely filed by the Bankruptcy  
28 Court. The Unknown Abuse Claims Representative need not submit or File a Proof of Claim on

1 behalf of Holders of Class 5 Claims as a prerequisite to vote on the Plan or for any Class 5 Claims  
2 to be deemed Allowed. Holders of Class 5 Claims, if any, shall submit their Claims in accordance  
3 with the procedure for submitting Unknown Abuse Claims under the Survivors' Trust Documents.

4       **5.5. Claim Estimation.** To effectuate distributions pursuant to the Plan and avoid undue  
5 delay in the administration of the Plan, the Reorganized Debtor and/ or the Committee shall have  
6 the right to seek an order of the Court pursuant to Section 502(c) of the Bankruptcy Code as to any  
7 Disputed Claim, other than Class 4 or Class 5 Claims, estimating or limiting: (i) the amount that  
8 must be withheld from or reserved for distribution purposes on account of such Disputed Claim, (ii)  
9 the amount of such Claim for allowance or disallowance purposes, or (iii) the amount of such Claim  
10 for any other purpose permitted under the Bankruptcy Code. Whether any such Claim is subject to  
11 estimation pursuant to Section 502(c) of the Bankruptcy Code, and the timing and procedures for  
12 such estimation proceedings, if any, shall be determined by the Court pursuant to applicable law.

13       **5.6. No Distribution to Disallowed Claims.** No distribution shall be made on account of  
14 any Claim which (i) is not an Allowed Claim in whole or in part, or (ii) has otherwise been deemed  
15 or determined to be a Disallowed Claim.

16       **5.7. Timing of Distributions to Allowed Non-Abuse Claims.**

17               **5.7.1. Next Business Day.** Whenever any distribution to be made pursuant to the  
18 Plan would otherwise be due on a day other than a Business Day, such distribution shall be due on  
19 the immediately succeeding Business Day.

20               **5.7.2. Timeliness.** Any distribution to be made by the Reorganized Debtor  
21 pursuant to the Plan or agreements entered into pursuant to the Plan, or by the Survivors' Trust  
22 pursuant to the Plan or Survivors' Trust Documents or agreements entered into pursuant to either,  
23 shall be deemed to have been timely made if made within fifteen (15) days after the time therefor  
24 specified in the Plan or such other agreements between the Holder of a Claim and the Debtor,  
25 Reorganized Debtor, or Survivors' Trust, as applicable. No additional interest shall accrue or be  
26 paid with respect to any distribution as a consequence of such distribution not having been made on  
27 the date specified therefor herein. For the avoidance of doubt, this Section does not modify the  
28 terms of assumed Executory Contracts or Unexpired Leases of non-residential real property.

1           5.8.    **Transfers of Claims.** As of the close of business on the Confirmation Date, there  
2 shall be no further changes in the record Holders of Claims for purposes of distributions under the  
3 Plan unless the Reorganized Debtor (as to all Claims other than Class 4 and Class 5 Claims) or the  
4 Survivors' Trustee (as to Class 4 and Class 5 Claims) otherwise agree. Neither the Reorganized  
5 Debtor nor the Survivors' Trustee shall have any obligation to recognize any unapproved transfer  
6 of Claims occurring after the Confirmation Date.

7           5.9.    **Prepayment.** Notwithstanding anything to the contrary herein or in the Plan  
8 Documents, the Reorganized Debtor may prepay all or any portion of an Allowed Claim payable by  
9 the Reorganized Debtor or a note issued by the Debtor or Reorganized Debtor in payment of an  
10 Allowed Claim at any time without charge or penalty.

11           5.10. **Delivery of Distributions.** Distributions to Holders of Allowed Claims, other than  
12 Class 4 or Class 5 Claims, will be sent to (i) the addresses set forth in any written notice of address  
13 change delivered to the Debtor or the Reorganized Debtor after the date of any related Proof of  
14 Claim; (ii) the address set forth on such Holder's Proof of Claim Filed with the Court; (iii) the  
15 address set forth on the Schedules, if no Proof of Claim has been filed and no notice of change of  
16 address has been received; or (iv) the last known address reflected in the Debtor's books and records.  
17 Distributions to Abuse Claimants and Unknown Abuse Claimants from the Survivors' Trust Assets  
18 will be made in accordance with the Survivors' Trust Documents.

19           5.11. **Unclaimed Distributions.** If a Holder of an Allowed Claim cannot be located after  
20 reasonable effort or otherwise fails to accept a distribution within ninety (90) days following the  
21 date of such distribution, then the distribution to such Holder shall be canceled and there shall be no  
22 further distributions required with respect to such Claim.

23           5.12. **No Interest.** Unless otherwise specifically provided for in the Plan, by applicable  
24 law (including Section 506(b) of the Bankruptcy Code), or agreed to by the Debtor or the  
25 Reorganized Debtor (as applicable): (i) interest shall not accrue or be paid on any Claim, and no  
26 Holder of any Claim shall be entitled to interest accruing on and after the Petition Date on account  
27 of any Claim; and (ii) without limiting the foregoing, interest shall not accrue on or be paid on any  
28 Disputed Claim in respect of the period from the Effective Date to the date a final distribution is



1 Plan by such Class pursuant to Section 1129(a)(8) of the Bankruptcy Code.

2 6.3. ***Effect of Objections.*** If an objection to a Non-Abuse Claim is filed before the  
3 deadline established for voting on the Plan, the Holder of such Claim cannot vote and any Ballot  
4 submitted by such Holder shall not be counted unless the Court, after notice and hearing, either  
5 overrules the objection or orders that the Claim be Allowed for voting purposes.

## 6 **ARTICLE VII**

### 7 **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

8 7.1. ***Prior Orders.*** All orders of the Court entered in the Chapter 11 Case authorizing the  
9 assumption or rejection of Executory Contracts or Unexpired Leases pursuant to Section 365 of the  
10 Bankruptcy Code are hereby ratified.

#### 11 7.2. ***Assumption of Contracts and Unexpired Leases.***

12 7.2.1. ***Contracts to be Assumed.*** The Executory Contracts listed in Schedule 7.2.1,  
13 which will be filed as a Plan Supplement, shall be assumed as of the Effective Date pursuant to  
14 Section 365 of the Bankruptcy Code by confirmation of this Plan. Entry of the Confirmation Order  
15 shall constitute approval, pursuant to Sections 365(a) and 1123 of the Bankruptcy Code, for the  
16 assumption of each Executory Contract assumed under this Section 7.2. Each Executory Contract  
17 assumed by the Debtor will re-vest in and be fully enforceable by the Reorganized Debtor in  
18 accordance with its terms, except as such terms are modified by the provisions of the Plan or any  
19 order of the Bankruptcy Court authorizing and providing for its assumption, or by applicable law.

20 7.2.2. ***Employee Benefits.*** On the Effective Date, all Assumed Employee Benefit  
21 Plans are deemed to be, and shall be treated as, Executory Contracts under this Plan, and shall be  
22 assumed as of the Effective Date. All outstanding payments which are accrued and unpaid as of the  
23 Effective Date pursuant to the Assumed Employee Benefit Plans shall be made by the Reorganized  
24 Debtor on the later of (i) the Effective Date, (ii) as soon as practicable thereafter, or (iii) when  
25 otherwise due under the applicable Assumed Employee Benefit Plan. Such assumption shall have  
26 the effect of curing and reinstating the rights of the employee beneficiaries and shall result in the  
27 full release and satisfaction of any Claims and Causes of Action against the Debtor or defaults by  
28 the Debtor arising under any Assumed Employee Benefit Plan at any time before the Effective Date.

1 Any Proofs of Claim filed with respect to an Assumed Employee Benefit Plan shall be deemed  
2 Disallowed Claims and expunged, without further notice to or action, order, or approval of the  
3 Bankruptcy Court.

4           7.2.3. *Assumption of Other Contracts.* Except for any Executory Contract: (i)  
5 previously rejected by order of the Bankruptcy Court, (ii) subject to a pending motion to reject  
6 before the Bankruptcy Court, (iii) previously expired or terminated pursuant to its own terms, or (iv)  
7 treated otherwise under this Plan, each Executory Contract entered into by the Debtor prior to the  
8 Petition Date shall be assumed, unless and except as otherwise provided in the Plan, Confirmation  
9 Order, or Insurance Settlement Agreement.

10           7.2.4. *Cure Amount and Payment.* As to each assumed Executory Contract, unless  
11 an Assumption Objection is filed no later than the deadline set forth below, the cure amount required  
12 under Section 365(b)(1) of the Bankruptcy Code shall be the amount set forth on the Executory  
13 Contract Cure Schedule, as it may be amended from time to time prior to Confirmation, or no  
14 payment if such Executory Contract is not listed on the Executory Contract Cure Schedule (for the  
15 avoidance of doubt, unless a different amount is set forth on the Executory Contract Cure Schedule,  
16 the Debtor contends that no cure payment is required). Such payment shall be made by the Debtor  
17 in full in Cash on the later of the Effective Date or when any Assumption Objection regarding the  
18 cure amount for the applicable Executory Contract is resolved by the Bankruptcy Court, or on such  
19 other terms as the parties to each such Executory Contract may otherwise agree.

20           7.2.5. *Objections to Assumption and Cure.* Any Person who is a party to an  
21 Executory Contract assumed under the Plan that objects to assumption or the cure amount must File  
22 with the Court and serve upon interested parties an Assumption Objection. An Assumption  
23 Objection shall be accompanied by a declaration or other sufficient evidence setting forth the basis  
24 for any objection to assumption of that party's Executory Contract or Unexpired Lease, including  
25 without limitation as to the cure amount, on or before the later of: (i) the deadline set for filing of  
26 objections to confirmation of the Plan, or (ii) seven (7) days after the filing of the Executory Contract  
27 Cure Schedule (or any amendment thereto affecting such executory contract). Any Entity that fails  
28 to timely file and serve an Assumption Objection will be deemed to waive any and all objections to

1 the proposed assumption of its Executory Contract. A hearing on the Assumption Objections will  
2 take place at the hearing on Confirmation, or as soon thereafter as the Court is available.

3 7.3. **Rejection of CCCEB Lease.** In connection with and contingent upon the execution  
4 of the CCCEB Settlement, the Unexpired Lease between the Debtor and CCCEB in effect as of the  
5 Petition Date, together with any other contracts or agreements between the Debtor and CCCEB  
6 related to use or possession of the Cathedral Property, shall be rejected as of the Effective Date.

7 7.4. **Rejection of Contracts.**

8 7.4.1. **Rejected Contracts.** Any Executory Contract or Unexpired Lease listed in  
9 the Executory Contract Rejection Schedule attached as Schedule 7.4.1, which will be filed as a Plan  
10 Supplement, shall be rejected as of the Effective Date. Entry of the Confirmation Order shall  
11 constitute the approval, pursuant to Section 365(a) of the Bankruptcy Code, of the rejection of such  
12 Executory Contracts and Unexpired Leases pursuant to the provisions of the Plan.

13 7.4.2. **Bar Date for Rejection Claims.** Any Claim arising out of the rejection of  
14 an Executory Contract or Unexpired Lease shall be a Disallowed Claim and forever barred and shall  
15 not be enforceable against the Debtor, the Reorganized Debtor, the Estate, or the Survivors' Trust  
16 and shall not be entitled to any distribution under the Plan, unless a Proof of Claim for such rejection  
17 Claim is filed and served on the Reorganized Debtor within twenty-one (21) days after the later of  
18 (a) the entry of an order of the Court approving the rejection of the Executory Contract or Unexpired  
19 Lease or (b) the Confirmation Date; *provided* that nothing contained in this Plan shall extend any  
20 deadline previously approved by the Court for a Person to file a Proof of Claim with respect to any  
21 Executory Contract or Unexpired Lease previously rejected in the Chapter 11 Case.

22 7.4.3. **Treatment of Rejection Claims.** Any Claim arising from the rejection of an  
23 Executory Contract or Unexpired Lease shall be classified and treated as a Class 3 General  
24 Unsecured Claim against the Debtor.

25 **ARTICLE VIII**

26 **INSURANCE ASSIGNMENT AND OTHER INSURANCE MATTERS**

27 8.1. **The Insurance Assignment.** Subject to the rights of the Non-Settling Insurers set  
28 forth herein, including Sections 8.2 and 8.3 of this Plan, in addition to the Debtor Contribution and

1 contributions from RCWC being paid to the Survivors' Trust through the RCWC Escrow (if any),  
2 the Assigned Insurance Interests shall be automatically and without further act or deed assigned and  
3 transferred to the Survivors' Trust on the Effective Date (the "Insurance Assignment") and the  
4 Insurance Assignment shall become effective. The Insurance Assignment shall not be construed as  
5 an assignment of the Non-Settling Insurer Policies but rather an assignment of the Debtor's and  
6 RCWC's rights and interests (but solely as to Abuse Claims the Holders of which have executed  
7 and delivered an RCWC Release Agreement) in the Non-Settling Insurer Policies for the Abuse  
8 Claimants and the Survivors' Trust to directly receive proceeds and remedies for Insurance Claims  
9 available under the Non-Settling Insurers' Abuse Insurance Policies, notwithstanding any anti-  
10 assignment provision in or incorporated into any such Abuse Insurance Policy. Upon the assignment  
11 of the Assigned Insurance Interests to the Survivors' Trust, Abuse Claimants shall have the right to  
12 either receive a distribution of their individual allocable shares of contributions to the Survivors'  
13 Trust, pursue all available insurance coverage and remedies for Insurance Claims under the Non-  
14 Settling Insurer Policies pursuant to, and in accordance with, applicable law and the terms of the  
15 Non-Settling Insurer Policies, or both, all as set forth in Article IX hereof. Upon the assignment of  
16 the Assigned Insurance Interests to the Survivors' Trust, recourse to the Released Parties shall be  
17 limited to the Assigned Insurance Interests and any other rights or interests expressly granted to the  
18 Survivors' Trust under this Plan. In furtherance of the Insurance Assignment:

19           8.1.1. The Insurance Assignment is made free and clear of all Claims, Liens,  
20 encumbrances, or Causes of Action of any nature whatsoever pursuant to Section 363(f) of the  
21 Bankruptcy Code, except for rights and defenses of the Non-Settling Insurers, including available  
22 limits of liability for coverage of certain types of claims under one or more of the Abuse Insurance  
23 Policies that may have been reduced by certain prepetition payments made by an Insurer under any  
24 of the Abuse Insurance Policies.

25           8.1.2. The Survivors' Trust shall be solely responsible for satisfying, to the extent  
26 required under applicable law or the Abuse Insurance Policies, any premiums, deductibles, self-  
27 insured retentions, and fronting obligations arising in any way out of any and all Abuse Claims.

28           8.1.3. Upon the effectiveness of the Insurance Assignment, the Survivors' Trust

1 shall have whatever obligations, if any, that exist under the Abuse Insurance Policies under  
2 applicable law, including without limitation all notice obligations required under the Abuse  
3 Insurance Policies and applicable law pertaining to Abuse Claims; *provided, however*, that the  
4 Survivors' Trust's assumption of such responsibility shall not relieve the Debtor, the Reorganized  
5 Debtor or the Released Parties from their respective obligations under the Abuse Insurance Policies  
6 as provided under applicable Law.

7 8.1.4. The Insurance Assignment is absolute upon the occurrence of the Effective  
8 Date, and requires no further action by the Released Parties, the Survivors' Trust, the Bankruptcy  
9 Court, the Non-Settling Insurers, or any other Entity.

10 8.1.5. The Insurance Assignment shall be governed by, and construed in  
11 accordance with, the Bankruptcy Code and the laws of the state of California, without regard to  
12 conflict of law principles.

13 8.1.6. Subject to the terms hereof, the Insurance Assignment shall be effective to  
14 the maximum extent permissible under applicable law and the terms of the Abuse Insurance Policies.

15 8.2. ***Insurance Coverage for Abuse Claims.***

16 8.2.1. As set forth in Article IX of this Plan, Abuse Claimants who do not elect  
17 to receive an Immediate Payment may elect the Litigation Option. An Abuse Claimant may only  
18 litigate coverage of such Holder's Abuse Claim under the Non-Settling Insurer's Abuse Insurance  
19 Policy(ies) by electing the Litigation Option.

20 8.2.2. At any time prior to the earlier to occur of the first anniversary of the  
21 Effective Date or the applicable Abuse Claim Discharge Date, the Survivors' Trustee, in accordance  
22 with the Survivors' Trust Distribution Plan and Survivors' Trust Agreement, may authorize one or  
23 more Abuse Claimants, at such Abuse Claimants' expense, to proceed as a Litigation Claimant by  
24 commencing (or resuming prosecution of) an action in any court of competent jurisdiction solely  
25 for the purpose of determining any liability that the Debtor and/or RCWC (but solely as to Abuse  
26 Claims the Holders of which have executed and delivered an RCWC Release Agreement) may have  
27 with respect to their Litigation Claim, the amount of that liability, and to pursue Insurance Claims  
28 against Non-Settling Insurers. For the avoidance of doubt, nothing herein prevents an Abuse

1 Claimant from proceeding with a Claim against RCWC if that Abuse Claimant has not released  
2 RCWC as provided for under this Plan.

3 8.2.3. Prior to authorizing an Abuse Claimant to proceed as a Litigation Claimant,  
4 the Survivors' Trustee shall (i) apply the selection criteria stated in the Survivors' Trust Documents,  
5 (ii) consult with the Reorganized Debtor and/or RCWC (but solely as to Abuse Claims the Holders  
6 of which have executed and delivered an RCWC Release Agreement) and (iii) require the Abuse  
7 Claimant to execute the Litigation Claimant Agreement. The Survivors' Trustee shall provide a  
8 copy of each Litigation Claimant Agreement to the Reorganized Debtor upon receipt thereof, and  
9 to RCWC (but solely as to Abuse Claims the Holders of which have executed and delivered an  
10 RCWC Release Agreement) and Protected Parties upon request. If the Survivors' Trustee does not  
11 authorize an Abuse Claimant to proceed as a Litigation Claimant, that Abuse Claimant may petition  
12 the Bankruptcy Court to overrule the Survivors' Trustee's decision.

13 8.2.4. Consistent with the injunctions and discharge provided for or ratified in  
14 Article XIII of this Plan, any judgment obtained by an Abuse Claimant in respect of any Litigation  
15 Claim may not be enforced against (a) any of the Released Parties, (b) any of the non-insurance  
16 property or assets of the Released Parties; or (c) any Settling Insurers or the assets or property of the  
17 foregoing. Rather, any judgment obtained by an Abuse Claimant in respect of any Litigation Claim  
18 shall be paid under the Plan and the Survivors' Trust Distribution Plan and shall be fully enforceable  
19 solely against, and paid by, any Non-Settling Insurer under the terms of that Non-Settling Insurer's  
20 Insurance Policy and applicable law.

21 8.2.5. A Litigation Claimant may elect to (i) assign his or her unpaid judgment to  
22 the Survivors' Trust, (ii) assign the net recovery, after payment of all expenses and costs, including  
23 the payment of any contingency counsel fees, from any settlement or judgment to the Survivors'  
24 Trust or (iii) keep the proceeds of any settlement or judgment in accordance with the terms of the  
25 Survivors' Trust Documents. In the event of (i) the Survivors' Trust shall be authorized to pursue  
26 recovery of an unpaid judgment from any Non-Settling Insurer for the benefit of the Survivors'  
27 Trust and all Survivors' Trust Beneficiaries. In the event of (i) or (ii), the Litigation Claimant shall  
28 be eligible to share in any future Survivors' Trust Distributions and retain any Distribution the

1 Litigation Claim previously received. In the event of (iii), the Litigation Claimant shall no longer  
2 be eligible or entitled to any additional distributions from the Survivors' Trust but may retain any  
3 Distribution the Litigation Claim previously received.

4 8.2.6. If an Abuse Claimant elects the Litigation Option then, among other things,  
5 (i) the rights of affected Non-Settling Insurers to defend or associate in the defense of such Abuse  
6 Claim shall be fully preserved so that a Non-Settling Insurer who has offered to, or has an obligation  
7 to, defend may do so, and (ii) the rights of affected Non-Settling Insurers to assert all rights, claims  
8 and coverage defenses in any insurance recovery action (under Cal. Ins. Code § 11580 or otherwise)  
9 shall also be fully preserved. In any such insurance recovery action (under Cal. Ins. Code § 11580  
10 or otherwise), Abuse Claimants shall have no greater or lesser rights than the Debtor, including as  
11 to any findings of fact, conclusions of law, or rulings issued in connection with the Coverage Action  
12 or any other coverage litigation between the Debtor or the Survivors' Trust and any of the Insurers.  
13 If any Non-Settling Insurer elects not to defend an Abuse Claim in the non-bankruptcy court system  
14 after receiving proper notice and opportunity to do so, the Abuse Claimant shall be entitled to seek  
15 a default judgment against the Debtor as nominal party only, solely to allow such Abuse Claimant  
16 to then pursue insurance rights under Cal. Ins. Code § 11580 in accordance with the provisions in  
17 the Plan.

18 8.2.7. If an Abuse Claimant elects the Litigation Option, liquidates its Abuse  
19 Claim, and obtains a final judgment by a Final Order against a Non-Settling Insurer, such Non-  
20 Settling Insurer shall pay the amount of the judgment directly to the Holder of such Claim in  
21 accordance with, and subject to, the provisions of the Plan; *provided, however*, that if the Abuse  
22 Claimant assigns his or her judgment to the Survivors' Trust of the Survivors' Trust obtains a final  
23 judgment by a Final Order against a Non-Settling Insurer, such Non-Settling Insurer shall pay the  
24 amount of the judgment directly to the Survivors' Trust in accordance with, and subject to, the  
25 provisions of the Plan.

26 8.3. ***Preservation of the Rights of Non-Settling Insurers.***

27 8.3.1. With respect to Non-Settling Insurers, nothing in the Plan, the Plan  
28 Documents, the Confirmation Order, or the Survivors' Trust Documents, including any provision

1 that purports to be preemptory or supervening, shall in any way operate to, or have the effect of,  
2 impairing, altering, supplementing, changing, expanding, decreasing, or modifying (i) the terms and  
3 conditions of an Abuse Insurance Policy, (ii) the rights and obligations of the Debtor, its Estate or  
4 the Reorganized Debtor and any Non-Settling Insurers (and third-party claims administrators) under  
5 the Abuse Insurance Policies, or (iii) the coverage or benefits provided under the Abuse Insurance  
6 Policies.

7           8.3.2. With respect to the Non-Settling Insurers, notwithstanding any provision  
8 in the Plan, the Plan Documents, the Confirmation Order, or the Survivors' Trust Documents,  
9 nothing contained in any such documents or in this paragraph shall impose, or shall be deemed or  
10 construed to impose, any obligation on any Non-Settling Insurer to provide a defense for, settle, or  
11 pay any judgment with respect to, any Abuse Claim. Rather, a Non-Settling Insurer's obligations,  
12 if any, with respect to an Abuse Claim shall be determined solely by and in accordance with the  
13 applicable Abuse Insurance Policy or Abuse Insurance Policies issued by that Non-Settling Insurer  
14 subject to applicable non-bankruptcy law. Nothing in the Plan, the Plan Documents, the  
15 Confirmation Order, or the Survivors' Trust Documents shall diminish or impair, or be deemed to  
16 diminish or impair, the rights of any Non-Settling Insurer to defend any Abuse Claim or to assert  
17 any claim, defense, right, or counterclaim in connection with any Abuse Claim or Abuse Insurance  
18 Policy in accordance with applicable law; *provided, however*, that any claim or counterclaim for  
19 Contribution against a Settling Insurer shall be addressed as provided herein.

20           8.3.3. For all issues relating to insurance coverage concerning Non-Settling  
21 Insurers, the provisions, terms, conditions, and limitations of the applicable Abuse Insurance  
22 Policies shall control, subject to applicable non-bankruptcy law.

23           8.3.4. A Non-Settling Insurer's obligation, if any, with respect to an Abuse Claim  
24 shall be determined solely by and in accordance with the applicable Abuse Insurance Policy or  
25 Abuse Insurance Policies issued by that Non-Settling Insurer subject to applicable non-bankruptcy  
26 law. Liability with respect to any Abuse Claim for purposes of any recovery against an Abuse  
27 Insurance Policy will be determined pursuant to applicable non-bankruptcy law.

28           8.3.5. With respect to the Non-Settling Insurers, for purposes of establishing the

1 value of any Abuse Claim for purposes of recovery from, or coverage under, any Abuse Insurance  
2 Policy issued by a Non-Settling Insurer, no determination made in the Chapter 11 Case, nor any  
3 determinations made by the Abuse Claims Reviewer or Survivors' Trustee concerning any Abuse  
4 Claim at any time, shall be binding on or against a Non-Settling Insurer, nor shall any party  
5 (including any Abuse Claimant) offer into evidence, or seek to admit into evidence, any such alleged  
6 determination in any tort actions pursued by Abuse Claimants against the Debtor (as a nominal party  
7 only) or the Survivors' Trust in the non-bankruptcy court system for the purpose of recovering from  
8 Non-Settling Insurers, except for the limited purpose of establishing the amount of any credit to  
9 which the Debtor (as a nominal party) may be entitled to offset any verdict in favor of an Abuse  
10 Claimant.

11           8.3.6. The allowance, valuation and payment from the Survivors' Trust to an  
12 Abuse Claimant holding an Allowed Claim is not an admission of liability by the Debtor or  
13 Reorganized Debtor (as applicable), any Non-Settling Insurer, the Survivors' Trust, or any other  
14 Person with respect to any Abuse Claims and has no *res judicata* or collateral estoppel effect on any  
15 Non-Settling Insurer, the Debtor, the Survivors' Trust, or any other Person, except that such  
16 determination may be introduced for the limited purpose of establishing the amount of any credit to  
17 which the Debtor (as a nominal party) or the Survivors' Trust may be entitled to offset any verdict  
18 in favor of an Abuse Claimant.

19           8.3.7. Neither the Abuse Claims Reviewer's nor Survivors' Trustee's allowance,  
20 valuation and payment from the Survivors' Trust to an Abuse Claimant holding an Allowed Claim,  
21 nor anything in the Survivors' Trust Documents (including any action or decision pursuant to the  
22 Survivors' Trust Documents, including any estimation of Claims or payment of distributions), shall  
23 constitute a trial or an adjudication on the merits, or evidence of liability or damages, in any litigation  
24 with the Non-Settling Insurer or any other Person.

25           8.3.8. With respect to Non-Settling Insurers, nothing in the Plan, the Plan  
26 Documents, the Confirmation Order, or the Survivors' Trust Documents shall, under any theory, (a)  
27 constitute a trial, a judgment, an adjudication on the merits, or evidence establishing the liability (in  
28 the aggregate or otherwise) or obligation of the Debtor or the Survivors' Trust with respect to any

1 Abuse Claim, (b) constitute a trial, a judgment, an adjudication on the merits, or evidence (or be  
2 introduced as evidence) establishing the liability of any Non-Settling Insurer in current or  
3 subsequent litigation for any Claim, including, without limitation, any Abuse Claim, or under any  
4 Abuse Insurance Policy, (c) constitute, or be deemed to constitute (or be introduced to support) a  
5 determination of the reasonableness of the amount of any Claim, including any Abuse Claim, either  
6 individually or in the aggregate with other Claims, (d) be deemed to grant to any Person or Entity  
7 any right to sue any Non-Settling Insurer directly, in connection with a Claim, including any Abuse  
8 Claim, or any Abuse Insurance Policy, that such Person or Entity did not otherwise have under  
9 applicable non-bankruptcy law, (e) constitute a finding or determination (or be introduced to support  
10 a finding or determination) that the Debtor is a named insured, additional insured, or insured in any  
11 other way under any Abuse Insurance Policy, (f) constitute a finding or determination (or be  
12 introduced to support a finding or determination) that any Insurer in fact issued any alleged Abuse  
13 Insurance Policy or that any alleged Abuse Insurance Policy has any particular terms or conditions,  
14 (g) constitute a finding or determination (or be introduced to support a finding or determination)  
15 that any Insurer has any defense or indemnity obligation with respect to any Claim or Abuse Claim,  
16 or (h) constitute a finding or determination (or be introduced to support a finding or determination)  
17 on any matter at issue or which may be raised as an issue in any action, including the Coverage  
18 Action. In addition, no payment made in accordance with the Plan shall be, or be deemed to be, a  
19 waiver of any rights of any Non-Settling Insurer under any Abuse Insurance Policy.

20 8.3.9. Other than with respect to the effectiveness of the Insurance Assignment  
21 contemplated by the Plan and the findings necessary to confirm the Plan under Section 1129 of the  
22 Bankruptcy Code for such purpose only, no Non-Settling Insurer shall be bound in any current or  
23 future litigation concerning an Abuse Claim or an Abuse Insurance Policy by any factual findings  
24 or conclusions of law issued in connection with Confirmation of the Plan, and no such findings of  
25 fact or conclusions of law shall have any *res judicata* or collateral estoppel effect on any Claim,  
26 defense, right, offset, or counterclaim that has been asserted or that may be asserted in any current  
27 or subsequent litigation concerning an Abuse Claim or an Abuse Insurance Policy. Non-Settling  
28 Insurers shall retain, and be permitted to assert, (i) all of their insurance coverage defenses subject

1 to applicable non-bankruptcy law in connection with Abuse Claims notwithstanding any provision  
2 of the Plan, the Plan Documents, or the Confirmation Order, *provided, however*, no Non-Settling  
3 Insurer may assert the Insurance Assignment as a defense to any Insurance Claim nor challenge the  
4 efficacy or validity of the Insurance Assignment, and (ii) all of the Debtor's defenses to liability,  
5 both legal and equitable, in connection with any asserted Abuse Claim, and the Non-Settling  
6 Insurers' rights to assert all such underlying defenses and insurance coverage defenses in connection  
7 with Abuse Claims will not be impaired in any way by the Plan, the Plan Documents, the  
8 Confirmation Order, or the Survivors' Trust Documents, but shall be subject to applicable non-  
9 bankruptcy law.

10           8.3.10. Any disputes regarding a Non-Settling Insurer's liability for Abuse Claims  
11 and/or coverage therefor under any Abuse Insurance Policy shall be resolved under applicable non-  
12 bankruptcy law in a court of competent jurisdiction or such other venue as the affected parties  
13 (including the Non-Settling Insurer(s)) may agree.

14           8.3.11. Nothing herein shall limit the ability of any Non-Settling Insurer to agree  
15 to different terms or treatment of its Abuse Insurance Policies as part of a consensual settlement  
16 with the Debtor, Survivors' Trust, and/or Abuse Claimants.

17           8.3.12. Any Non-Settling Insurer's legal, equitable, or contractual rights and  
18 obligations relating to the Abuse Insurance Policies issued by such Non-Settling Insurer shall be  
19 determined under applicable non-bankruptcy law. Nothing in the Plan shall be construed to impair  
20 or diminish the Debtor's or any Non-Settling Insurer's legal, equitable, or contractual rights or  
21 obligations under any Abuse Insurance Policy including, but not limited to, the ability to negotiate  
22 resolution of any dispute. The Non-Settling Insurers reserve all policy defenses and Claims,  
23 including without limitation all rights and defenses concerning cooperation, offsets, recoupments,  
24 deductions, deductibles, self-insured retentions, and all rights and defenses provided in their  
25 policies. For the avoidance of doubt, nothing herein shall restrict the Survivors' Trust from  
26 resolving or making a distribution on account of any Abuse Claims without the consent of any Non-  
27 Settling Insurer.

28           8.3.13. Except as expressly stated herein, any coverage issues involving the Non-

1 Settling Insurers or the Abuse Insurance Policies issued by the Non-Settling Insurers shall be  
2 determined in accordance with applicable non-bankruptcy law. All positions and arguments with  
3 respect to available coverage under such Abuse Insurance Policies shall be fully preserved for  
4 assertion by the Non-Settling Insurers, the Abuse Claimants, and/or the Survivors' Trust in any  
5 litigation of coverage issues. Subject to the terms of the Plan, the Non-Settling Insurers, the Abuse  
6 Claimants, and the Survivors' Trust reserve their rights, if any, to (i) bring proceedings concerning  
7 the application and interpretation of the terms of the Abuse Insurance Policies and rights thereunder,  
8 as well as whether defense and/or indemnity are owed under the Abuse Insurance Policies, and (ii)  
9 oppose any such proceeding commenced by any other Person or Entity in any court of appropriate  
10 jurisdiction as determined under applicable non-bankruptcy law; *provided, however*, because the  
11 Debtor will have received a discharge under the Plan, any effort to collect from Abuse Insurance  
12 Policies issued by the Non-Settling Insurers to satisfy an Abuse Claim after Confirmation of the  
13 Plan shall be sought after such Holder's Claim has been liquidated as provided herein. Any disputes  
14 regarding a Non-Settling Insurer's liability for Abuse Claims (after such Abuse Claim has been  
15 liquidated under the provisions set forth above) and/or coverage therefor under Abuse Insurance  
16 Policies shall be resolved under applicable non-bankruptcy law in a court of competent jurisdiction  
17 or such other venue as the affected parties (including the Non-Settling Insurer(s)) may agree.

18 8.3.14. The limitations in this Section 8.3 are for the benefit of the Non-Settling  
19 Insurers to preserve their ability to assert the Debtor's defenses to Abuse Claims as well as Non-  
20 Settling Insurers' own coverage defenses. For the avoidance of doubt, the Debtor (and the  
21 Reorganized Debtor, as applicable) reserves its right to enforce the Plan, including without  
22 limitation its discharge, and to the benefits of any settlements reached with Settling Insurers,  
23 provided that the foregoing will not limit the protections afforded to the Non-Settling Insurers  
24 herein. All parties in interest in this Chapter 11 Case shall retain the right to enforce the Claims Bar  
25 Date Order (as amended) and all confidentiality orders issued in the Chapter 11 Case.

26 8.3.15. The foregoing provisions of Section 8.3 hereof shall be incorporated into  
27 the Confirmation Order.

28 8.4. ***Scope of Plan Injunctions.*** Any injunction under the Plan or Confirmation Order

1 shall not enjoin a Non-Settling Insurer's right to assert any Claims against the Survivors' Trust for  
2 contribution, subrogation, indemnification, reimbursement, or other similar Claims (collectively,  
3 "**Contribution**") for any Settling Insurer's alleged share or equitable share relating to the defense  
4 and/or indemnity obligation for any Abuse Claim, or for any Claim released in any Insurance  
5 Settlement Agreements; *provided, however*, that the Non-Settling Insurers may only assert a  
6 Contribution Claim against the Survivors' Trust if the Contribution Claim exceeds the Judgment  
7 Reduction amount. If a Non-Settling Insurer asserts it has (a) Contribution Claims directly or  
8 indirectly arising out of or in any way relating to such Non-Settling Insurer's payment of loss on  
9 behalf of the Debtor or defense expenses incurred in any action that should have been paid by or are  
10 otherwise attributable to a Settling Insurer related to any Abuse Claim or (b) rights to recover any  
11 self-insured retentions/obligations and/or deductibles (collectively, "**Payment Obligations**") in  
12 connection with its payment of defense and/or indemnity related to an Abuse Claim, then (i) such  
13 Contribution Claims or Payment Obligations may be asserted as a setoff, defense, or counterclaim  
14 against any Abuse Claimant and/or the Survivors' Trust in any insurance action or insurance  
15 recovery action (under Cal. Ins. Code § 11580 or otherwise) involving such Non-Settling Insurer  
16 and (ii) to the extent such Contribution Claims or Payment Obligations are determined to be valid,  
17 the liability (if any) of such Non-Settling Insurer to the Holder of the Abuse Claim or the Survivors'  
18 Trust shall be reduced by the amount of such Contribution Claims or Payment Obligations (the  
19 "**Judgment Reduction**"), *provided* that if any such Contribution Claim exceeds the liability of such  
20 Non-Settling Insurer to the Survivors' Trust, the Non-Settling Insurer does not waive any excess  
21 claim and may seek affirmative recovery from the Survivors' Trust. To the extent payment of a  
22 self-insured retention is a condition to a Non-Settling Insurer's obligation to provide defense or  
23 indemnity under applicable non-bankruptcy law and the Non-Settling Insurer's applicable insurance  
24 policies, the failure of the Survivors' Trust to pay such self-insured retention to the Non- Settling  
25 Insurer shall result in the Non-Settling Insurer having the right to argue that such failure of payment  
26 is a complete defense to any claim for coverage by the Non-Settling Insurer to, or related to, any  
27 claim for recovery of insurance from the Non-Settling Insurer.

28 8.5. *Non-Settling Insurers' Contribution Claims Against Settling Insurers.* In any

1 action, including the Coverage Action, involving an Abuse Claimant and one or more Non-Settling  
2 Insurers, where a Non-Settling Insurer has asserted, asserts, or could assert any Contribution Claim  
3 against any of the Settling Insurers or the Survivors' Trust, and such Contribution Claims are  
4 determined by the court presiding over such Claims to be valid, then any judgment or award obtained  
5 against such Non-Settling Insurer by such Abuse Claimant shall be automatically reduced by the  
6 amount, if any, that the Survivors' Trust or any of the Settling Insurers is liable to pay such Non-  
7 Settling Insurer as a result of the Non-Settling Insurer's Contribution Claim, so that the Contribution  
8 Claim is thereby satisfied and extinguished; *provided, however*, that, as against the Survivors' Trust  
9 (as successor to the Debtor), a Non-Settling Insurer may only assert any such Contribution Claim  
10 for the payment of a deductible or self-insured retention. The Settling Insurers shall be required to  
11 cooperate in good faith with the Debtor, the Reorganized Debtor, and/or the Survivors' Trust to take  
12 commercially reasonable steps to defend against any Contribution Claim by a Non-Settling Insurer.

13       8.6. **Cooperation.** The Debtor (including the Estate and the Reorganized Debtor) shall  
14 have the obligation as provided in the Abuse Insurance Policies to cooperate with the Non-Settling  
15 Insurers with respect to the investigation and defense of Abuse Claims pursuant to the terms of the  
16 Non-Settling Insurers' respective Abuse Insurance Policies, including with respect to preserving  
17 any documents relevant to liability or coverage disputes, making documents and witnesses available  
18 to the Non-Settling Insurers concerning such disputes, and maintaining privilege with regard to the  
19 defense. The Reorganized Debtor and its agents will not voluntarily waive any privilege under non-  
20 bankruptcy law applicable to documents or communications related to alleged Abuse Claims  
21 (collectively, "**Privileged Communications**"). Without limiting the generality of the foregoing,  
22 neither the Reorganized Debtor nor its agents shall provide the Survivors' Trust or any Abuse  
23 Claimant with any Privileged Communications, absent the express consent of all affected Non-  
24 Settling Insurers or a court order compelling such a production. The Reorganized Debtor shall  
25 provide prompt notice of any requests and/or motions to compel disclosure of Privileged  
26 Communications and cooperate with affected Insurers with respect to the same. The Non-Settling  
27 Insurers reserve all coverage defenses with respect to any current or future failure to cooperate. The  
28 Debtor and the Survivors' Trust reserve all rights under the applicable Abuse Insurance Policies of

1 the Non-Settling Insurers. The terms of the Plan (including Articles VIII and IX hereof) constitute  
2 a voluntary agreement by the Non-Settling Insurers to the Insurance Assignment, and such terms  
3 shall not be deemed to be an involuntary order to that effect.

4       8.7.    ***Reductions In Non-Settling Insurers' Liability.*** No Abuse Claimant who elects the  
5 Litigation Option shall recover in the aggregate from the Survivors' Trust and any Non-Settling  
6 Insurer an amount greater than the total amount of the judgment entered by the applicable court of  
7 competent jurisdiction on such Holder's underlying Abuse Claim, subject to the terms of Section  
8 5.14 herein. A Non-Settling Insurer shall have all rights available under non-bankruptcy law to  
9 assert, seek, and enforce any right to offset, recoup, or otherwise reduce its liability on any such  
10 entered judgment, including without limitation all rights available under non-bankruptcy law to  
11 assert, seek, and recover on such claims against the Survivors' Trust. For the avoidance of doubt,  
12 such Abuse Claimant is not barred by this Section 8.7 from seeking extracontractual damages under  
13 the *Hand* holding, and all defenses and the rights of any Non-Settling Insurer to oppose any such  
14 claim by an Abuse Claimant under *Hand* are fully preserved, including that *Hand* is not a correct  
15 statement of applicable law and that it would not apply to any such asserted claim.

16       8.8.    ***Settling Insurers.***

17       8.8.1.    ***Pre-Confirmation Insurance Settlement Agreements.*** If, before  
18 Confirmation, an Insurer enters into an Insurance Settlement Agreement with the Debtor and the  
19 Committee under which the Insurer becomes a Settling Insurer hereunder upon entry of the  
20 Confirmation Order, the Committee shall file with the Plan Supplement any provisions required by  
21 the proposed Settling Insurer, and agreed to by the Debtor and the Committee, to be made a part of  
22 this Plan. Any such provisions set forth in the Plan Supplement shall be deemed incorporated into  
23 this Section as part of the Plan. Any Insurer that becomes a Settling Insurer shall receive the  
24 treatment as may be provided in any Insurer Settlement Agreement approved by a Final Order. Each  
25 Insurance Settlement Agreement is effective and binding upon all Persons who have notice, and any  
26 of the foregoing Persons' successors and assigns, upon the entry of a Final Order approving the  
27 Insurance Settlement Agreement and satisfaction of all conditions precedent, provided that such  
28 settlement shall not affect the rights of any remaining Non-Settling Insurers. All payments by each

1 Settling Insurer to the Survivors' Trust, and all releases contained in an Insurance Settlement  
2 Agreement, shall occur and/or be effective according to the terms of each such agreement. The  
3 Insurance Settlement Agreements shall survive the Confirmation and the Effective Date. The rights  
4 of the parties under any Insurance Settlement Agreement shall be determined exclusively under the  
5 applicable Insurance Settlement Agreement and those provisions of the Final Order approving such  
6 Insurance Settlement Agreement, the Plan, and the Confirmation Order.

7 8.8.2. *Sale Free and Clear.* Each Settling Insurer Abuse Insurance Policy shall  
8 be sold to the issuing Settling Insurer, pursuant to Sections 105, 363, and 1123 of the Bankruptcy  
9 Code, free and clear of all Liens and Claims of all Persons, to the extent provided for in each  
10 applicable Insurance Settlement Agreement, *provided* that such sale shall not affect the rights of any  
11 remaining Non-Settling Insurers.

12 8.8.3. *Timing.* The injunctions, releases, and discharges to which any Settling  
13 Insurer is entitled pursuant to such Insurance Settlement Agreement, the Plan, the Confirmation  
14 Order, the Final Order approving the Insurance Settlement Agreement, and the Bankruptcy Code  
15 shall become effective pursuant to the terms of such Insurance Settlement Agreement.

16 8.8.4. *Contribution Claims of Settling Insurers.* Each Settling Insurer agrees that  
17 it will not pursue any Abuse Related Contribution Claim that it might have against any other Insurer  
18 (a) whose Contribution Claim against Settling Insurers is satisfied and extinguished entirely; or (b)  
19 that does not make an Abuse Related Contribution Claim against the Settling Insurer, or any of  
20 them. If, in the future, a Non-Settling Insurer releases its Abuse Related Contribution Claims, if  
21 any such exist, that it may have against the Settling Insurers, then such released Settling Insurer  
22 shall release its Abuse Related Contribution Claims against such releasing Insurer. If any Non-  
23 Settling Insurer asserts a Claim directly against the Survivors' Trust arising from or concerning one  
24 or more Settling Insurers' Abuse Insurance Policies, any Abuse Related Contribution Claim of the  
25 Settling Insurers shall be transferred to the Survivors' Trust, and the Survivors' Trust shall be  
26 authorized to assert the Contribution Claims of such Settling Insurer against such Non-Settling  
27 Insurer.

28 8.9. *The Coverage Action.* On the Effective Date, the Survivors' Trust shall be

1 substituted as the named plaintiff in the Coverage Action and have all rights of the Debtor to pursue  
2 recoveries against any Non-Settling Insurers. For the avoidance of doubt, the Survivors' Trust shall  
3 have no right to pursue recoveries in the Coverage Action against any Settling Insurer.

#### 4 **ARTICLE IX**

#### 5 **THE SURVIVORS' TRUST**

6 9.1. *Creation of the Survivors' Trust, Appointment of Survivors' Trustee, and*  
7 *Survivors' Trust Advisory Committee.*

8 9.1.1. *Establishment and Purpose of the Survivors' Trust.* On the Effective Date,  
9 the Survivors' Trust shall be established in accordance with the Survivors' Trust Documents. The  
10 Survivors' Trust will, upon its creation, and without limitation: (1) assume liability for all Abuse  
11 Claims, including without limitation Unknown Abuse Claims, against the Debtor, RCWC (but  
12 solely as to Abuse Claims the Holders of which have executed and delivered an RCWC Release  
13 Agreement), and any Settling Insurers; and (2) receive, hold, administer, liquidate, and distribute  
14 the Survivors' Trust Assets in accordance with this Plan and the Survivors' Trust Documents. The  
15 Survivors' Trust shall administer, process, settle, resolve, liquidate, satisfy, Trust Claims and make  
16 Trust Distributions in such a way that Abuse Claimants are treated equitably and in a substantially  
17 similar manner, subject to the applicable terms of the Plan Documents and the Survivors' Trust  
18 Documents. From and after the Effective Date, (x) the Abuse Claims and Unknown Abuse Claims  
19 against the Debtor and RCWC (but solely as to Abuse Claims the Holders of which have executed  
20 and delivered an RCWC Release Agreement) and (y) Claims against any Settling Insurer for or  
21 relating to insurance coverage in connection with such Claims, shall be channeled to the Survivors'  
22 Trust pursuant to the Channeling Injunction set forth in Section 13.11 of the Plan and may be  
23 asserted only and exclusively against the Survivors' Trust, subject to the right of Holders of Abuse  
24 Claims who elect the Litigation Option to name the Debtor and/ or RCWC (but solely as to Abuse  
25 Claims the Holders of which have executed and delivered an RCWC Release Agreement) as a  
26 nominal defendant as provided in the Plan. The Survivors' Trust shall have no liability for Non-  
27 Abuse Litigation Claims. Holders of Non-Abuse Litigation Claims shall have no recourse to the  
28 Survivors' Trust with respect to such Claims.

1                   9.1.2.     *Irrevocability.* The Survivors’ Trust shall be irrevocable. The Debtor shall  
2 not alter, amend, revoke or terminate the Survivors’ Trust. The Debtor shall have no power or  
3 authority to direct the Survivors’ Trustee to return any of the Survivors’ Trust Assets to the Debtor  
4 or RCWC.

5                   9.1.3.     *Qualified Settlement Fund.* The Survivors’ Trust is intended to qualify as  
6 a “qualified settlement fund” pursuant to Section 468B of the Tax Code and the regulations  
7 promulgated thereunder (the “**Treasury Regulations**”). The Debtor shall be the “transferor” within  
8 the meaning of Treasury Regulation Section 1.468B-1(d)(1). The Survivors’ Trustee shall be the  
9 “administrator” of the Survivors’ Trust within the meaning of Treasury Regulation Section 1.468B-  
10 2(k)(3).

11                   9.1.4.     *Survivors’ Trust Advisory Committee.* The Plan and Trust Agreement  
12 provide for the creation of a Survivors’ Trust Advisory Committee, which shall initially consist of  
13 those members of the Committee, or their designees, who agree to serve on the Survivors’ Trust  
14 Advisory Committee. The members of the Survivors’ Trust Advisory Committee shall have only  
15 such limited rights, duties and powers as set forth in the Plan and Survivors’ Trust Agreement. The  
16 process for appointing replacement members of the Survivors’ Trust Advisory Committee shall be  
17 provided in the Survivors’ Trust Agreement. Upon termination of the Survivors’ Trust, or as  
18 otherwise provided in the Survivors’ Trust Agreement, the Survivors’ Trust Advisory Committee  
19 shall be deemed dissolved and discharged of and from all further authority, duties, responsibilities,  
20 and obligations with respect to or in connection with the Survivors’ Trust and the Chapter 11 Case.  
21 Except for the reimbursement of reasonable actual costs and expenses incurred in connection with  
22 their duties as members of the Survivors’ Trust Advisory Committee, the members of the Survivors’  
23 Trust Advisory Committee shall serve without compensation. Reasonable expenses incurred by  
24 members of the Survivors’ Trust Advisory Committee may be solely paid by the Survivors’ Trust  
25 without need for approval of the Bankruptcy Court. For the avoidance of doubt, none of the  
26 Protected Parties shall be responsible for any fees, costs, or expenses associated with the Survivors’  
27 Trust Advisory Committee. Except with respect to Insurance Settlement Agreements entered into  
28 by the Survivors’ Trust after the Effective Date and certain other matters set forth in the Survivors’

1 Trust Documents, the Survivors' Trust Advisory Committee is intended to be consultative in nature  
2 and assist the Survivors' Trustee in the independent exercise of the Survivors' Trustee's duties.

3 9.2. ***Appointment and Powers of the Survivors' Trustee.*** On the Confirmation Date, the  
4 Bankruptcy Court shall appoint the Survivors' Trustee to serve in accordance with, and who shall  
5 have the functions and rights provided in, the Survivors' Trust Documents. Any successor  
6 Survivors' Trustee shall be appointed in accordance with the terms of the Survivors' Trust  
7 Documents. For purposes of the Survivors' Trustee performing his or her duties and fulfilling his  
8 or her obligations under the Survivors' Trust and the Plan, the Survivors' Trust and the Survivors'  
9 Trustee shall be deemed to be "parties in interest" within the meaning of Section 1109(b) of the  
10 Bankruptcy Code. The Survivors' Trustee shall have such powers and duties as are set forth in the  
11 Survivors' Trust Documents, including without limitation the following:

12 9.2.1. ***Survivors' Trustee as Fiduciary.*** The Survivors' Trustee shall be deemed  
13 to be a fiduciary of the Survivors' Trust under the terms of the Survivors' Trust Agreement and shall  
14 have all rights, powers, authority, responsibilities, and benefits under California law specified in the  
15 Plan and as reflected in the Survivors' Trust Agreement, including commencing, prosecuting or  
16 settling causes of action, enforcing contracts, and asserting Claims, defenses, offsets and privileges.  
17 If there is any inconsistency or ambiguity between the Confirmation Order and the Survivors' Trust  
18 Agreement with respect to Survivors' Trustee's authority to act, the provisions of the Survivors'  
19 Trust Agreement shall control.

20 9.2.2. ***Liquidation of Survivors' Trust Assets.*** The Survivors' Trustee shall  
21 liquidate and convert to Cash the Survivors' Trust Assets, make timely distributions, and not unduly  
22 prolong the duration of the Survivors' Trust. The Survivors' Trustee may also abandon any property  
23 which the Survivors' Trustee determines in the Survivors' Trustee's reasonable discretion to be of  
24 *de minimis* value or of more burden than the value of the Survivors' Trust.

25 9.2.3. ***Protection of Survivors' Trust Assets.*** The Survivors' Trustee shall protect  
26 and enforce the rights in and to the Survivors' Trust Assets under the Survivors' Trust Documents.

27 9.2.4. ***Bank Accounts of the Survivors' Trust.*** The Survivors' Trustee may open  
28 and maintain bank accounts on behalf of the Survivors' Trust to deposit funds in and draw checks

1 on the bank accounts as appropriate under the Survivors' Trust Documents. Notwithstanding  
2 anything herein to the contrary, the Survivors' Trustee may open and maintain bank accounts on  
3 behalf of the Survivors' Trust after Confirmation but before the Effective Date.

4 9.2.5. *Insurance.* The Survivors' Trustee shall obtain all reasonably available  
5 insurance coverage with respect to any property that is, or may in the future become, a Survivors'  
6 Trust Asset.

7 9.2.6. *Non-Settling Insurance.* The Survivors' Trustee may use the Survivors'  
8 Trust Assets to prosecute litigation against the Non-Settling Insurers. If the Survivors' Trust  
9 successfully resolves an Insurance Claim or otherwise receives a recovery of insurance proceeds  
10 relating to any Abuse Claim from a Non-Settling Insurer, such proceeds shall become Survivors'  
11 Trust Assets available to pay, and shall increase the amount available to pay, Abuse Claims,  
12 pursuant to the Survivors' Trust Distribution Plan.

13 9.2.7. *Taxes.* The Survivors' Trustee may request an expedited determination of  
14 taxes of the Survivors' Trust under Section 505(b) of the Bankruptcy Code for all returns filed for,  
15 or on behalf of, the Survivors' Trust for all taxable periods through the dissolution of the Survivors'  
16 Trust.

17 9.2.8. *Settlements With Non-Settling Insurers.* Notwithstanding any present  
18 exclusionary language in the Plan, after the Effective Date, any Insurer that is a Non-Settling Insurer  
19 may enter into an Insurance Settlement Agreement with the Survivors' Trustee (a "**Post-Effective**  
20 **Date Insurance Settlement**"); *provided, however,* that the Survivors' Trustee shall File a notice  
21 with the Bankruptcy Court within thirty (30) days of entering into any such Post-Effective Date  
22 Insurance Settlement and the Insurer that is a party to the Post-Effective Date Insurance Settlement  
23 (and any related Persons or Representatives, as applicable) shall be deemed to be a Settling Insurer  
24 for all purposes hereunder. Subject to the terms of the Survivors' Trust Documents, any Post-  
25 Effective Date Insurance Settlement and amendments thereto shall be binding and effective without  
26 approval of or any other action by the Bankruptcy Court.

27 9.3. *Property and Funding of the Survivors' Trust.* The Survivors' Trust shall be funded  
28 with (i) aggregate Cash contributions from the Debtor and Reorganized Debtor (as applicable) of

1 \$195.2 million, (ii) the Cash contribution from RCWC of \$118.9 million if RCWC elects to  
2 contribute the RCWC Contribution into the RCWC Escrow as set forth in Section 9.3.2 of the Plan;  
3 (iii) any proceeds held by the Debtor or the Reorganized Debtor on account of Insurance Settlement  
4 Agreements as set forth in this Section 9.3, and (iv) the Assigned Insurance Interests. These  
5 contributions to the Survivors' Trust shall be made according to the schedule set forth in this Section  
6 9.3. The Debtor Contribution and any RCWC Contribution shall be made in respect of the uninsured  
7 exposure of the Debtor and RCWC for Abuse Claims (including Unknown Abuse Claims),  
8 including, but not limited to, years in which no Abuse Insurance Policies are available and, to the  
9 extent required under applicable law, when a self-insured retention or deductible must be satisfied  
10 to access potential coverage under Non-Settling Insurer Policies. The Debtor Contribution and any  
11 RCWC Contribution are not, and shall not be construed as, a discharge and/or release of any Abuse  
12 Claim (including any Unknown Abuse Claim) covered or alleged to be covered under any of the  
13 Non-Settling Insurer Policies. Notwithstanding the foregoing, the Debtor and RCWC, solely as to  
14 Abuse Claimants granting it a release, shall have no further financial obligations under this Plan or  
15 the Plan Documents to Holders of Allowed Abuse Claims, including Allowed Unknown Abuse  
16 Claims, other than the obligations required to be paid to the Survivors' Trust in Section 9.3 hereof.

17 9.3.1. *Debtor Contribution.* On the Effective Date of the Plan, the Debtor shall  
18 transfer \$33.1 million, in good and available funds, to the Survivors' Trust using wiring instructions  
19 provided by the Survivors' Trustee (the "**Initial Debtor Contribution**"). The Survivors' Trust shall  
20 also receive Cash from the Debtor as follows (collectively, the "**Additional Debtor Contributions**")  
21 and together with the Initial Debtor Contribution, the "**Debtor Contribution**"):

22 9.3.1.1. No later than the date that is one year after the Original Plan  
23 Filing Date, the Debtor shall transfer no less than \$6 million in good and available funds to  
24 the Survivors' Trust using wiring instructions provided by the Survivors' Trustee; *provided,*  
25 *however,* if the Effective Date has not occurred by such date, this Additional Debtor  
26 Contribution shall be made on the Effective Date.

27 9.3.1.2. No later than the date that is two years after the Original Plan  
28 Filing Date, the Debtor shall transfer no less than \$28.9 million in good and available funds

1 to the Survivors' Trust using wiring instructions provided by the Survivors' Trustee;  
2 *provided, however*, if the Effective Date has not occurred by such date, this Additional  
3 Debtor Contribution shall be made on the Effective Date.

4 9.3.1.3. No later than the date that is three years after the Original  
5 Plan Filing Date, the Debtor shall transfer no less than \$46.3 million in good and available  
6 funds to the Survivors' Trust using wiring instructions provided by the Survivors' Trustee;  
7 *provided, however*, if the Effective Date has not occurred by such date, this Additional  
8 Debtor Contribution shall be made on the Effective Date.

9 9.3.1.4. No later than the date that is three and one half years after the  
10 Original Plan Filing Date (the "**Plan Payment Period**"), the Debtor shall transfer no less  
11 than \$80.9 million in good and available funds to the Survivors' Trust using wiring  
12 instructions provided by the Survivors' Trustee; *provided, however*, if the Effective Date has  
13 not occurred by such date, this Additional Debtor Contribution shall be made on the  
14 Effective Date.

15 9.3.1.5. *Timing of Payments.* During the Plan Payment Period, the  
16 Debtor shall pay to the Survivors' Trust (i) the net proceeds (after reimbursement of closing  
17 costs and attorneys' fees, if any) realized from the closing of any sale of real estate titled in  
18 the name of the Debtor and (ii) the value of the assets found to be unrestricted through entry  
19 of a Final Order in the adversary proceeding captioned *The Official Committee of Unsecured*  
20 *Creditors of the Roman Catholic Bishop of Oakland v. The Roman Catholic Bishop of*  
21 *Oakland and The Oakland Parochial Fund, Inc.* (Adv. Pro. 24-04051 WJL) regardless of  
22 whether such payment(s) cause the Debtor to exceed the minimum transfers described in  
23 Sections 9.3.1.1 - 9.3.1.4 hereof

24 9.3.1.6. *Debtor Contribution Deeds of Trust.* To secure the  
25 Additional Debtor Contributions, the Debtor shall grant the Survivors' Trust a Lien on  
26 certain real property to be agreed upon by the Debtor and the Committee prior to the  
27 Effective Date (or if agreement is not reached by the Effective Date as determined by the  
28 Court), to be memorialized in deeds of trust to be executed and delivered on the Effective

1 Date (such agreements being the “**Debtor Contribution Deeds of Trust**”). Such real  
2 property shall be valued by Hilco Real Estate, LLC in an amount of no less than one hundred  
3 and twenty-five percent (125%) of the Additional Debtor Contributions.

4 9.3.1.7. *Failure to Timely Make the Initial Debtor Contribution or the*  
5 *Additional Debtor Contributions.* The failure of the Debtor or Reorganized Debtor to timely  
6 pay the Initial Debtor Contribution or any of the Additional Debtor Contributions to the  
7 Survivors’ Trust shall constitute an event of default under this Plan. Upon the occurrence  
8 of an event of default, (i) the Initial Debtor Contribution and all Additional Debtor  
9 Contributions shall become immediately due and payable, and (ii) the Survivors’ Trust may,  
10 without notice to the Debtor or Reorganized Debtor, foreclose on the Debtor Contribution  
11 Deeds of Trust or commence suit in state court for entry of a judgment against the Debtor  
12 and/or the Reorganized Debtor for all outstanding obligations due from the Debtor and/or  
13 the Reorganized Debtor to the Survivors’ Trust. The Survivors’ Trust also may, with the  
14 consent of the Survivors’ Trust Advisory Committee, restructure the timing and terms of  
15 payment of the Initial Debtor Contribution and any or all of the Additional Debtor  
16 Contributions.

17 9.3.2. *Optional Contribution from RCWC.* RCWC may, by written notice Filed  
18 on the docket within seven (7) days after the Voting Deadline, elect to contribute the RCWC  
19 Contribution into the RCWC Escrow on the Effective Date and thus, be eligible to receive voluntary  
20 releases from Holders of Abuse Claims as set forth in this Section 9.3.2. Notwithstanding anything  
21 to the contrary set forth herein, RCWC shall not receive a discharge, release or benefit from any  
22 injunction under this Plan and shall only be entitled to receive the releases granted in the RCWC  
23 Release Agreement in accordance with this paragraph.

24 9.3.2.1. *RCWC Cash Contribution.* If RCWC elects to contribute the  
25 RCWC Contribution into the RCWC Escrow, on the Effective Date it shall transfer \$70  
26 million, in good and available funds, to the RCWC Escrow using wiring instructions  
27 provided by the RCWC Escrow Agent (the “**Initial RCWC Contribution**”). The RCWC  
28 Escrow shall also receive Cash from RCWC as follows (collectively, the “**Additional**

1            **RCWC Contributions**” and together with the Initial RCWC Contribution, the “**RCWC**  
2            **Contribution**”):

3                            9.3.2.2.            No later than the date that is two years after the Original Plan  
4            Filing Date, RCWC shall transfer \$48.9 million, in good and available funds to the RCWC  
5            Escrow using wiring instructions provided by the RCWC Escrow Agent; *provided, however,*  
6            if the Effective Date has not occurred by such date, this Additional RCWC Contribution  
7            shall be made on the Effective Date.

8                            9.3.2.3.            *Survivors’ Trust Withdrawals from RCWC Escrow.* The  
9            Survivors’ Trust shall receive distributions from the RCWC Escrow in accordance with the  
10           Survivors’ Trust Documents and the RCWC Escrow Agreement. The Survivors’ Trust  
11           Documents and the RCWC Escrow Agreement shall provide that distributions to the  
12           Survivors’ Trust from the RCWC Escrow shall not commence until after the Preliminary  
13           Abuse Claim Allowance Deadline, after which the funds in the RCWC Escrow shall be  
14           released and transferred to the Survivors’ Trust as Holders of Class 4 Claims whom the  
15           Abuse Claims Reviewer determines asserted a compensable Claim against RCWC in the  
16           Holder’s Proof of Claim (an “**RCWC Claimant**”) execute and return to counsel for RCWC,  
17           the Debtor and the Committee and after the Effective Date, to counsel to RCWC, the  
18           Reorganized Debtor and the Survivors’ Trustee the RCWC Release Agreement. For each  
19           RCWC Claimant who executes an RCWC Release Agreement, the RCWC Escrow Agent  
20           shall release to the Survivors’ Trust that claimant’s pro rata share of the RCWC Contribution  
21           Amount on the later of (i) the Effective Date and (ii) five (5) days of the RCWC Escrow  
22           Agent receiving the RCWC Release Agreement provided that the *pro rata* share of each such  
23           Holder shall be determined by the Survivor’s Trustee.

24                            9.3.2.4.            *Channeling of RCWC Claims.* Any Claim held by an RCWC  
25           Claimant who executes an RCWC Release Agreement shall be channeled to the Survivors’  
26           Trust such that the Survivors’ Trust shall have the sole obligation to pay such Claim in  
27           accordance with this Plan and the Survivors’ Trust Documents.

28                            9.3.2.5.            *Excess Funds in RCWC Escrow.* In the event all RCWC

1 Claimants holding Allowed Claims against RCWC execute an RCWC Release Agreement,  
2 any amount remaining in the RCWC Escrow shall thereupon be transferred to the Survivors'  
3 Trust for distribution to all Abuse Claimants.

4 9.3.2.6. *Return of Remaining Balance in RCWC Escrow.* If any  
5 amount remains in the RCWC Escrow on account of an RCWC Claimant holding an  
6 Allowed Claim against RCWC having failed to execute a RCWC Release Agreement as of  
7 the three and a half-year anniversary of the Effective Date, the RCWC Escrow Agent shall  
8 return such amount, less expenses of the RCWC Escrow, to RCWC no later than five (5)  
9 business days after the later of (i) the three and a half-year anniversary of the Effective Date  
10 or (ii) distribution to the Survivors' Trust of all payments to Holders of Allowed Class 4  
11 Claims who executed and returned to RCWC an RCWC Release Agreement on or before  
12 the three and a half-year anniversary of the Effective Date.

13 9.3.2.7. *RCWC Contribution Deeds of Trust.* To secure the  
14 Additional RCWC Contributions, RCWC shall grant the Survivors' Trust a Lien on certain  
15 real property, to be memorialized in deeds of trust to be executed and delivered on the  
16 Effective Date (such agreements being the "**RCWC Contribution Deeds of Trust**"). Such  
17 real property shall be valued by Hilco Real Estate, LLC in an amount of no less than one  
18 hundred and twenty five percent (125%) of the Additional RCWC Contributions.

19 9.3.3. *Separate Contributions.* Any contribution to the Survivors' Trust by  
20 RCWC shall be in addition to and separate from the Debtor Contribution.

21 9.3.4. *Livermore Option.* Should Adventus sell part or all of the Livermore  
22 Property such that funds from any such sale are received earlier than three years and six months  
23 following the Original Plan Filing Date (the "**Livermore Option**"), then Adventus agrees and the  
24 Confirmation Order shall provide that the net proceeds of each such sale shall be distributed for the  
25 benefit of the Estate in the following sequence, conditioned on the Effective Date having occurred  
26 within such three and a half year period:

27 9.3.4.1. First, to Adventus in the amount of its closing costs,  
28 including without limitation all professional fees associated with the Livermore Property and

1 entitlement, development, and sale thereof.

2 9.3.4.2. Second, on behalf of the Debtor, to the Survivor's Trust, in  
3 an amount not to exceed the amount of all remaining Debtor Contribution obligations under  
4 the Plan.

5 9.3.4.3. Third, should any funds remain, to Adventus.

6 9.3.4.4. *Payment in Full of Debtor Contribution.* Should one or more  
7 sales pursuant to the Livermore Option result, when combined with all previous payments  
8 to the Survivors' Trust by RCBO in accordance with the Plan, in the Survivors' Trust  
9 realizing the full amount owed by RCBO under the Plan, then RCBO shall thereafter have  
10 no further payment obligations to the Survivors' Trust under the Plan.

11 9.3.5. *Insurance Settlement Agreements.*

12 9.3.5.1. In addition to the Debtor Contribution, any Cash received by  
13 the Debtor on or before the Effective Date in connection with an Insurance Settlement  
14 Agreement shall be transferred to the Survivors' Trust on the Effective Date and shall be  
15 part of the Survivors' Trust Assets.

16 9.3.6. *Assignment of Assigned Insurance Interests.* On the Effective Date, the  
17 Insurance Assignment described in Article VIII of the Plan shall become effective.

18 9.3.7. *Use of Survivors' Trust Assets.* The Survivors' Trust Assets shall be used  
19 in accordance with and for the purposes set forth in the Survivors' Trust Documents, including  
20 without limitation to pay Abuse Claims and reasonable expenses of the Survivors' Trust and to  
21 pursue and execute Insurance Settlement Agreements. Notwithstanding anything herein to the  
22 contrary, no monies and/or assets comprising the Survivors' Trust Assets that are transferred,  
23 granted, assigned, or otherwise delivered to the Survivors' Trust shall be used for any purpose other  
24 than in accordance with the Plan and the Survivors' Trust Documents.

25 9.4. *Unknown Abuse Claims Reserve.* Upon the Effective Date, the Survivors' Trust  
26 shall segregate \$5 million into the Unknown Abuse Claims Reserve. Within one year of the  
27 Effective Date, the Survivors' Trustee will segregate an additional \$1.3 million into the Unknown  
28 Abuse Claims Reserve and within two years of the Effective Date, the Survivors' Trustee will

1 segregate an additional \$1.4 million into the Unknown Abuse Claims Reserve. The Unknown  
2 Abuse Claims Reserve shall be maintained for the greater of (i) five years after the Effective Date,  
3 and (ii) resolution of all Unknown Abuse Claims submitted to the Survivors' Trustee within five  
4 years after the Effective Date. On that date, the remaining funds in the Unknown Abuse Claims  
5 Reserve will be de-segregated and returned to the Survivors' Trusts' general accounts, and neither  
6 the Debtor, Reorganized Debtor, Survivors' Trust, nor any Settling Insurer shall have any more  
7 liability for any Unknown Abuse Claim.

8 9.5. ***Vesting.*** On the Effective Date, all Survivors' Trust Assets shall vest in the  
9 Survivors' Trust, and the Debtor, Reorganized Debtor, RCWC, subject to the terms of the RCWC  
10 Escrow, and Settling Insurers shall be deemed for all purposes to have transferred all of their  
11 respective interests in the Survivors' Trust Assets to the Survivors' Trust. On the Effective Date,  
12 or as soon as practicable thereafter, the Reorganized Debtor, any other Released Party, and Settling  
13 Insurers, as applicable, shall take all actions reasonably necessary to transfer any Survivors' Trust  
14 Assets to the Survivors' Trust. Upon the transfer of control of Survivors' Trust Assets in accordance  
15 with this paragraph, the Debtor, Reorganized Debtor, RCWC, subject to the terms of the RCWC  
16 Escrow, and the Settling Insurers shall have no further interest in the Survivors' Trust Assets except  
17 as otherwise explicitly provided in this Plan.

18 9.6. ***Survivors' Trust Assumption of Liabilities for Abuse Claims.*** The transfer to,  
19 vesting in and assumption by the Survivors' Trust of the Survivors' Trust Assets as contemplated  
20 by the Plan shall, as of the Effective Date, discharge all obligations and liabilities of and bar any  
21 recovery or action against the Released Parties for or in respect of all Abuse Claims (including  
22 Unknown Abuse Claims). The Confirmation Order shall provide for such discharge. Subject to  
23 Article VIII hereof and the rights of Abuse Claimants who elect the Litigation Option, the Survivors'  
24 Trust shall, as of the Effective Date, assume sole and exclusive responsibility and liability for all  
25 Abuse Claims against the Released Parties, and such Claims shall be paid by the Survivors' Trust  
26 from the Survivors' Trust Assets or as otherwise directed in the Survivors' Trust Documents and  
27 Articles VIII and IX hereof. From and after the Effective Date, all Abuse Claims against the  
28 Released Parties shall be considered Channeled Claims subject to the Channeling Injunction under

1 Section 105(a) of the Bankruptcy Code and the provisions of the Plan and the Confirmation Order.  
2 Subject to the foregoing, from and after the Effective Date, the Released Parties shall not have any  
3 obligation with respect to any liability of any nature or description arising out of, relating to, or in  
4 connection with any Abuse Claims.

5 9.6.1. Notwithstanding the foregoing, the Holder of an Abuse Claim may  
6 commence an action against the Debtor (as a defendant) and, if applicable, one or more Released  
7 Parties (as defendants), solely for liquidating an Abuse Claim to pursue Insurance Recoveries  
8 regarding such Abuse Claim from a Non-Settling Insurer. To the extent a Non-Settling Insurer has  
9 refused to defend an Abuse Claim, the Reorganized Debtor and/or Released Party (or the Survivors'  
10 Trust or Survivors' Trustee as assignee of the Insurance Actions and Insurance Recoveries) may  
11 enter into stipulated judgments with the Holder of an Abuse Claim or the Survivors' Trust, or,  
12 alternatively, the Abuse Claimant shall be entitled to seek a default judgment against the Debtor or  
13 Released Party as a nominal party only; provided that nothing herein affects such Non-Settling  
14 Insurer's rights or obligations under applicable Law. Except as set forth below, the discharge  
15 provided for in Article XIII hereof and the rights of the Debtor, the Reorganized Debtor, and other  
16 Released Parties, any judgment obtained in such action may not be enforced against the Debtor, the  
17 Reorganized Debtor, a Released Party, and/or their respective property or interest in such property,  
18 including, but not limited to, the property that vests with the Reorganized Debtor pursuant to Section  
19 12.1 hereof and any property acquired by the Reorganized Debtor after the Effective Date, and such  
20 judgment shall be paid under the Plan and the Survivors' Trust Documents and shall be paid by any  
21 Non-Settling Insurer under the terms of that Non-Settling Insurer's Abuse Insurance Policy and  
22 applicable law.

23 9.6.2. To preserve coverage under any Non-Settling Insurer's Abuse Insurance  
24 Policies, the Holders of Abuse Claims specifically reserve, and do not release, any Claims they may  
25 have against the Debtor, the Reorganized Debtor, any other Released Party or RCWC (to the extent  
26 that the releases granted in the RCWC Agreement are granted) that implicate coverage under any  
27 Non-Settling Insurer's Abuse Insurance Policies, but recovery is limited to the Survivors' Trust,  
28 proceeds of the Non-Settling Insurer's Abuse Insurance Policies and all other damages (including

1 extra-contractual damages), awards, judgments over policy limits, penalties, punitive damages and  
2 attorney's fees and costs that may be recoverable against any Non-Settling Insurer because of their  
3 conduct regarding Insurance Coverage for, or defense or settlement of, any Abuse Claim, and  
4 recoveries for any such judgments or awards will be against only the Non-Settling Insurer in  
5 accordance with the Plan and the Survivors' Trust Documents and not at any time against any  
6 Released Party or RCWC or any property or interest in property of any Released Party or RCWC,  
7 beyond available Insurance Recoveries.

8           9.6.3. Nothing herein affects a Non-Settling Insurer's rights or obligations under  
9 applicable law, including any insurance coverage defenses or such Non-Settling Insurer's right to  
10 pursue Claims for contribution from other Non-Settling Insurers.

11           9.6.4. If any Insurance Recoveries from Insurance Actions that are assigned to  
12 the Survivors' Trust hereunder are received by the Reorganized Debtor, the Released Parties or  
13 RCWC, such Insurance Recoveries shall be held in trust for the benefit of the Survivors' Trust and  
14 shall be immediately remitted by the Reorganized Debtor, the Released Parties or RCWC to the  
15 Survivors' Trust.

16           9.6.5. Neither the Debtor's, the Released Parties' or RCWC's obligations to a  
17 Holder of an Abuse Claim shall be deemed to have been paid in full, nor their liability to a Holder  
18 of an Abuse Claim satisfied, because of reserves for, distributions because of, or payments received  
19 by a Holder of an Abuse Claim from the Survivors' Trust, subject to the Channeling Injunction set  
20 forth herein. The Survivors' Trust and Litigation Claimants, as applicable, may continue efforts to  
21 obtain recoveries from Non-Settling Insurers related to the Abuse Claims. In addition, the Non-  
22 Settling Insurers remain fully liable for their obligations related to the Abuse Claims, and their  
23 obligations are not reduced by the Debtor's commencement of this Chapter 11 Case or (subject to  
24 Section 9.9 of this Plan) by the amount of the distributions Holders of Abuse Claims receive, or are  
25 entitled to receive, based on the Plan. For the avoidance of doubt, determinations by the terms of  
26 the Survivors' Trust Documents and/or any distributions entitled to be received from the Survivors'  
27 Trust shall not constitute a determination of the Debtor's, any Released Party's or RCWC's liability  
28 or damages for Abuse Claims.

1           9.7.    ***Right to Elect to Receive an Immediate Payment.*** Not later than fourteen (14) days  
2 following the Effective Date, the Survivors' Trustee shall mail the Immediate Payment Notice to  
3 counsel for all Holders of Abuse Claims or to any Holder of an Abuse Claim that is not represented  
4 by counsel. Holders of Abuse Claims may elect to receive the Immediate Payment from the  
5 Survivors' Trust by signing and returning the Immediate Payment Notice such that it is postmarked  
6 (if sent by US Mail) not later than the date that is forty-five (45) days after the Effective Date, or if  
7 such date is not a Business Day the next Business Day thereafter (the "**Immediate Payment**  
8 **Election Deadline**"). Only Abuse Claimants who return an Immediate Payment Notice not later  
9 than the Immediate Payment Election Deadline, affirmatively indicating their election to receive the  
10 Immediate Payment, shall be entitled to receive the Immediate Payment. If an Abuse Claimant  
11 elects to receive the Immediate Payment, the payment will be made within thirty (30) days after the  
12 Immediate Payment Election Deadline. After receiving the Immediate Payment, the Abuse  
13 Claimant shall not be entitled to any further distributions from the Survivors' Trust and shall not be  
14 entitled to pursue any Abuse Claim against the Debtor, the Reorganized Debtor, the Survivor's  
15 Trust, the Released Parties, the Insurers and RCWC (and the RCWC Escrow). The Immediate  
16 Payment Notice shall include conspicuous language indicating that return of the election form and  
17 acceptance of the Immediate Payment constitutes a full and final release of all Claims against the  
18 foregoing parties. If a Person submitted, or is the Holder of, more than one Abuse Claim and such  
19 Holder elects to receive the Immediate Payment, such Holder shall only be entitled to one Immediate  
20 Payment on account of all of their Abuse Claims, shall not be entitled to any further distributions  
21 from the Survivors' Trust, and shall be deemed to have released all Claims against the Debtor, the  
22 Reorganized Debtor, the Survivor's Trust, the Released Parties and the Insurers.

23           9.8.    ***Method of Determination of Abuse Claims and Rights of Abuse Claimants to***  
24 ***Choose to Pursue Litigation.*** After the Effective Date, every Trust Claim held by an Abuse  
25 Claimant shall be reviewed and allocated a percentage of the Survivors' Trust Assets based on  
26 numerical scaling factors (but not based on alleged dollar value of the Claim) by the Abuse Claims  
27 Reviewer in order to determine the distribution to each such Holder in accordance with the terms of  
28 the Survivors' Trust Documents.

1                   9.8.1.    *Notice of Initial Determination.* Based on the percentage allocation  
2 determined by the Abuse Claims Reviewer, the Survivors' Trustee shall provide a determination of  
3 the distribution to which each Holder of each Trust Claim is entitled (the "**Initial Determination**"),  
4 in accordance with the terms of the Survivors' Trust Documents. Counsel to each Holder of a Trust  
5 Claim, or the Holder of a Trust Claim if they are not represented by counsel, will receive a notice  
6 containing the Initial Determination, including a projected recovery based on the anticipated  
7 available assets of the Survivors' Trust at the time of the Initial Determination.

8                   9.8.2.    *Right to Appeal Notice of Initial Determination.* Within thirty (30) days of  
9 receipt of the notice of the Initial Determination, each Holder of a Trust Claim shall have the right  
10 to request an additional review of the Initial Determination by the Abuse Claims Reviewer and shall  
11 be allowed to submit additional documentation or information that such Claimant believes should  
12 be considered. The Abuse Claims Reviewer shall provide a subsequent determination (the "**Review**  
13 **Determination**"), as provided for in the Survivors' Trust Documents. If requested, the Review  
14 Determination shall be the "**Final Determination**" for purposes of such Holder's distributions from  
15 the Survivors' Trust. If the Review Determination is not requested, the outcome of the Initial  
16 Determination shall be the Final Determination. For the avoidance of doubt, no determination will  
17 be made in the Chapter 11 Case concerning the alleged dollar value of an Abuse Claim for purposes  
18 of Abuse Insurance Policies issued by Non-Settling Insurers. Neither the Abuse Claims Reviewer's  
19 nor Survivors' Trustee's review of an Abuse Claim and determination of qualification, nor the  
20 Survivors' Trust's estimation of Claims or payment of distributions, shall constitute a trial, an  
21 adjudication on the merits, or evidence of liability or damages in any litigation with the Non-Settling  
22 Insurer or any other Person.

23                   9.8.3.    *Distributions to Trust Claimants from the Survivors' Trust.* Subject to the  
24 Survivors' Trust Documents, the following procedures will govern distributions to Trust Claimants  
25 from the Survivors' Trust:

26                               9.8.3.1.            Within 30 days of the Abuse Claims Reviewer's completion  
27 of all Review Determinations, the Survivors' Trustee shall make a projection of anticipated  
28 distributions to each Holder of a Trust Claim. This amount may differ from the Initial

1 Determination after accounting for Review Determinations.

2 9.8.3.2. The Survivors' Trustee will make an initial distribution (the  
3 "**Initial Distribution**") to each Trust Claimant. The Initial Distribution shall be comprised  
4 of each such Trust Claimants' *pro rata* share of the Survivors' Trust Assets existing on that  
5 date, less reasonable reserves for the Survivors' Trust (the "**Initial Reserve**").

6 9.8.3.3. Upon the receipt of additional Cash contributions into the  
7 Survivors' Trust, the Survivors' Trustee shall make further distributions (the "**Additional**  
8 **Distributions**") to the Trust Claimants, less appropriate reserves (the "**Additional**  
9 **Reserves**").

10 9.8.3.4. After (i) the final resolution of all Trust Claims, including  
11 with respect to the Trust Claimants who selected the Litigation Option, and (ii) all Survivors'  
12 Trust Assets are monetized, the Survivors' Trustee shall make a final distribution to the Trust  
13 Claimants (the "**Final Distribution**"), which shall include previously withheld reserves and  
14 any reallocated funds. If, 180 days after the date of the Final Distribution, there are any  
15 funds which are not claimed by any Trust Claimant, such unclaimed funds shall revert to the  
16 Survivors' Trust for distribution pursuant to the Survivors' Trust Documents.

17 9.8.4. *Right to Elect Litigation Against Non-Settling Insurers and Other Parties.*

18 Irrespective of whether a Trust Claimant has requested an additional review of the Initial  
19 Determination by the Abuse Claims Reviewer, not later than the first anniversary of the Effective  
20 Date, (i) Trust Claimants holding Abuse Claims against the Debtor may elect to pursue litigation  
21 against the Debtor (as nominal party only), Non-Settling Insurers and/or certain other parties and  
22 (ii) Trust Claimants that have executed and delivered an RCWC Release Agreement may elect to  
23 pursue litigation against RCWC (as nominal party only), Non-Settling Insurers and/or certain other  
24 parties by filing a notice in a form to be attached as a Plan Supplement (the "**Litigation Option**  
25 **Notice**"). For the avoidance of doubt, the Litigation Option Notice may be filed at any time  
26 following the Effective Date, but not later than the deadline set forth in this Section. Trust Claimants  
27 who do not timely make an election will be deemed to have chosen to forego the Litigation Option.  
28 Only those Trust Claimants who are authorized by the Survivors' Trustee shall be permitted to move

1 forward with Abuse Claim Litigation against the Debtor, RCWC, Non-Settling Insurer(s) and/or  
2 other parties. Before a Trust Claimant is authorized by the Survivors' Trustee to move forward with  
3 Abuse Claim Litigation against the Debtor, RCWC, Non-Settling Insurer(s) and/or other parties, the  
4 Trust Claimant must first execute and deliver the Litigation Claimant Agreement to the Survivors'  
5 Trustee.

6 9.8.4.1. Upon written notice to the Survivors' Trustee, subject to the  
7 Survivors' Trustee's sole and absolute discretion, a Litigation Claimant may rescind that  
8 election. Notwithstanding the foregoing, the Survivors' Trustee shall consent to such  
9 rescission if such written notice of rescission is given prior to entry of an order of dismissal  
10 or a final judgment by a Final Order in the Abuse Claim Litigation in favor of a Released  
11 Party or RCWC.

12 9.8.4.2. *Claim Enhancement.* To the extent the Survivors' Trustee  
13 enters into an Insurance Settlement Agreement with respect to a Target Policy that covers a  
14 Litigation Claimant's Abuse Claim, such Claimant shall be entitled to an enhanced  
15 Distribution (the "**Claim Enhancement**") as set forth below to his or her allocation pursuant  
16 to the Survivors' Trust Distribution Plan, which enhanced amount shall be payable from the  
17 proceeds of the applicable Insurance Settlement Agreement. To the extent the Debtor and  
18 the Committee enter into an Insurance Settlement Agreement prior to the Confirmation Date  
19 with respect to a Target Policy that covers an Abuse Claim for which the automatic stay has  
20 been modified or lifted by the Bankruptcy Court such that it may continue after the Petition  
21 Date, such Abuse Claim shall also be entitled to the Claim Enhancement. The Claim  
22 Enhancements are independent of one another and are not intended to be cumulative. The  
23 Survivors' Trustee shall reserve sufficient amounts to fund such enhanced payments prior to  
24 making any Distribution of Insurance Settlement Agreement proceeds to Abuse Claimants  
25 who are not Litigation Claimants. The Claim Enhancement shall be applied as follows:

26 9.8.4.3. A Litigation Claimant shall be entitled to an enhancement of  
27 ten percent (10%) if the Survivors' Trust negotiates an Insurance Settlement Agreement for  
28 a Target Policy of such Litigation Claimant if the Insurance Settlement Agreement is entered

1 into prior to commencing litigation in such Litigation Claimant's case.

2 9.8.4.4. A Litigation Claimant shall be entitled to an enhancement of  
3 twenty-five percent (25%) if the Survivors' Trust negotiates an Insurance Settlement  
4 Agreement for a Target Policy of such Litigation Claimant if the Insurance Settlement  
5 Agreement is entered into after litigation commences but prior to a deposition or interview  
6 of the Litigation Claimant by opposing counsel in such Litigation Claimant's case.

7 9.8.4.5. A Litigation Claimant shall be entitled to an enhancement of  
8 forty percent (40%) if the Survivors' Trust negotiates an Insurance Settlement Agreement  
9 for a Target Policy of such Litigation Claimant if the Insurance Settlement Agreement is  
10 entered into after a deposition or interview of the Litigation Claimant by opposing counsel  
11 but before commencement of a trial in such Litigation Claimant's case.

12 9.8.4.6. A Litigation Claimant shall be entitled to an enhancement of  
13 fifty (50%) if the Survivors' Trust negotiates an Insurance Settlement Agreement for a  
14 Target Policy of such Litigation Claimant if the Insurance Settlement Agreement is entered  
15 into on or after the first day of a trial in such Litigation Claimant's case.

16 9.8.4.7. A Litigation Claimant shall be entitled to an enhancement of  
17 one hundred percent (100%) if the Survivors' Trust negotiates an Insurance Settlement  
18 Agreement for a Target Policy of such Litigation Claimant if the Insurance Settlement  
19 Agreement is entered into after a Litigation Claim Award entered in favor of the Litigation  
20 Claimant in such litigation becomes final and non-appealable.

21 9.9. In no event may a Litigation Claimant receive more than the total amount of his or  
22 her judgment from all sources. For the avoidance of doubt, if, after accounting for recovery from  
23 parties other than the Survivors' Trust, a Litigation Claimant receives any amount in excess of the  
24 amount of the Litigation Claim Award, such amount shall be recoverable by the Survivors' Trustee.  
25 In any case of a Trust Claimant who obtains a Litigation Claim Award, where the payment of any  
26 amounts payable to such Trust Claimant by (i) defendants in the Abuse Claim Litigation other than  
27 the Released Parties and/or (ii) one or more Non-Settling Insurers, when taken together with any  
28 distributions received by such Trust Claimant from the Survivors' Trust, would cause such Trust

1 Claim to receive more than the total amount of his or her Litigation Claim Award, then (a) all  
2 amounts to be paid under such Litigation Claim Award that would be in excess of such Litigation  
3 Claim Award shall be paid to the Survivors' Trustee to be allocated for distribution to other Trust  
4 Claimants on account of their *pro rata* share of Survivors' Trust Assets, or (b) if such amounts are  
5 paid directly to the Litigation Claimant, such Litigation Claimant shall immediately turn them over  
6 to the Survivors' Trustee; *provided, however*, any such Abuse Claimant is not barred by this Section  
7 9.9 from seeking extracontractual damages under the holding of *Hand* and (iii) all defenses and the  
8 rights of any Non-Settling Insurer to oppose any such claim by an Abuse Claimant under *Hand* are  
9 fully preserved, including that *Hand* is not a correct statement of applicable law and that it would  
10 not apply to any such asserted claim.

11           9.9.1. *Reporting Requirement.* The Survivors' Trustee shall report to the  
12 Reorganized Debtor, on a quarterly basis, or upon reasonable request, (i) the date on which each  
13 Abuse Claimant is notified of their award under the Survivors' Trust Distribution Plan, (ii) whether  
14 each Abuse Claimant has elected the Immediate Payment or the Litigation Option, and (iii) any  
15 modification made by any Abuse Claimant to their treatment status.

16           9.10. ***Provisions for Preliminary Distribution to Holders of Allowed Abuse Claims.***

17           9.10.1. *Preliminary Review.* Not later than the Preliminary Abuse Claim  
18 Allowance Deadline, the Abuse Claims Reviewer shall review the Proof of Claim for each Abuse  
19 Claim to (a) determine whether it is an Allowed Claim, and (b) determine whether it asserts a  
20 compensable claim against RCWC. The allowance of Abuse Claims by the Abuse Claims Reviewer  
21 shall have no effect on the amount of the contributions of the Debtor or RCWC. Neither the  
22 determination by the Abuse Claims Reviewer that a Proof of Claim is an Allowed Claim, nor that a  
23 Proof of Claim asserts a compensable claim against RCWC, shall constitute a trial, an adjudication  
24 on the merits, or evidence of liability or damages in any litigation with any Non- Settling Insurer or  
25 any other Person.

26           9.10.2. *Preliminary Distribution.* Not later than ten (10) days after the Preliminary  
27 Abuse Claim Allowance Deadline, the Survivors' Trustee shall make a Preliminary Distribution to  
28 the Holder of each Abuse Claim determined by the Abuse Claims Reviewer to be an Allowed Claim



1 Confirmation of this Plan that must be (i) satisfied, or (ii) waived, subject to Court approval:

2 10.1.1. A Final Order finding the Disclosure Statement contains adequate  
3 information pursuant to Section 1125 of the Bankruptcy Code shall have been entered by the Court.

4 10.1.2. The Plan, Plan Supplement, Survivors' Trust Documents and any other  
5 Plan Documents are in a form acceptable to the Committee.

6 10.1.3. The proposed Confirmation Order is acceptable to the Committee.

7 10.1.4. The Confirmation Order approves the Channeling Injunction and  
8 Exculpation Clause.

9 10.1.5. The Confirmation Order approves the form of the RCWC Release  
10 Agreement and includes a finding that any Abuse Claimant returning a signed RCWC Release  
11 Agreement shall fully and completely release all claims against RCWC as and to the extent provided  
12 in the RCWC Release Agreement.

13 10.1.6. The Confirmation Order shall include a finding of fact that the Committee,  
14 any Settling Insurers, and each of their respective present and former members, officers, directors,  
15 employees, advisors, attorneys, and agents acted in good faith within the meaning of and with  
16 respect to all of the actions described in Section 1125(e) of the Bankruptcy Code and are, therefore,  
17 not liable for the violation of any applicable law, rule, or regulation governing such actions.

18 10.1.7. The Confirmation Order in a form consistent with the foregoing shall be  
19 entered in the Chapter 11 Case.

20 10.2. **Conditions to Effectiveness.** The following are conditions precedent to the Effective  
21 Date that must be (i) satisfied, or (ii) waived, subject to Court approval (for the avoidance of doubt,  
22 the Effective Date is not conditioned on resolution of any litigation or assumption of any Unexpired  
23 Leases or Executory Contracts):

24 10.2.1. The Confirmation Order shall have been entered and shall be a Final Order  
25 in a form reasonably acceptable to the Committee, and there shall be no stay or injunction that would  
26 prevent the occurrence of the Effective Date. The Committee in its sole discretion may waive the  
27 requirement that the Confirmation Order be a Final Order.

28 10.2.2. There shall have been no material amendments to the Plan or Confirmation

1 Order following entry of the Confirmation Order.

2 10.2.3. The Debtor, the Survivors' Trustee, and any other necessary parties shall  
3 have executed all documents necessary for formation of the Survivors' Trust, and for the Survivors'  
4 Trustee to administer and operate the Survivors' Trust.

5 10.2.4. The Debtor shall have executed and delivered to the Survivors' Trustee the  
6 Debtor Contribution Deeds of Trust.

7 10.2.5. If RCWC has elected to make the RCWC Cash Contribution, RCWC shall  
8 have executed and delivered to the Survivors' Trustee the RCWC Contribution Deeds of Trust.

9 10.2.6. The Initial Debtor Contribution, the Initial RCWC Contribution (if  
10 applicable) and any Additional Debtor Contributions and Additional RCWC Contributions due on  
11 the Effective Date shall have been paid, and the proof thereof provided to the Debtor and the  
12 Survivors' Trustee.

13 10.2.7. All other actions, authorizations, filings, consents, and approvals required  
14 (if any), including but not limited to canonical approvals, shall have been obtained, effected, or  
15 executed in a manner acceptable to the Committee and remain in full force and effect or, if waivable,  
16 waived by the Person or Persons entitled to the benefit thereof.

17 10.2.8. All other actions, documents, and agreements necessary to implement and  
18 effectuate the Plan shall have been effected or executed.

19 10.2.9. The statutory fees owing to the United States Trustee as of the deadline for  
20 payment immediately preceding the Effective Date shall have been paid in full.

21 10.3. **Waiver of Conditions.** The conditions to Confirmation set forth in Section 10.1 or  
22 the Effective Date set forth in Section 10.2 may be waived, in whole or in part, by the Committee,  
23 subject to approval of the Court. The failure to satisfy any material condition to Confirmation or  
24 the Effective Date may be asserted by the Committee in its sole discretion so long as such failure  
25 was not primarily caused by any action or inaction by the Committee. The failure of the Committee  
26 to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each  
27 such right shall be deemed an ongoing right, which may be asserted at any time.

28 10.4. **Revocation of the Plan.** If Confirmation does not occur, an order denying

1 Confirmation is entered by the Court, or if the Plan does not become effective, then the Plan shall  
2 be null and void, and nothing contained in the Plan or Disclosure Statement shall: (a) constitute a  
3 waiver or release of any Claims against the Debtor; (b) constitute a waiver or release of any right,  
4 claim or cause of action of the Committee; (c) constitute an admission of any fact or legal conclusion  
5 by the Committee or any other Person; (d) prejudice in any manner the rights of the Committee or  
6 any other party in any related or further proceedings; or (e) constitute a settlement, implicit or  
7 otherwise, of any kind whatsoever.

8 **ARTICLE XI**

9 **RESERVED**

10 **ARTICLE XII**

11 **MEANS FOR IMPLEMENTING THE PLAN**

12 **12.1. *Revesting.***

13 12.1.1. *Revesting of Property in the Reorganized Debtor.* On the Effective Date,  
14 all property of the Estate as defined in Section 541 of the Bankruptcy Code other than the Survivors'  
15 Trust Assets, including any Causes of Action, shall be revested in the Reorganized Debtor, free and  
16 clear of all Liens and encumbrances and all Claims, rights, interests, and entitlements. Thereafter,  
17 the Reorganized Debtor may use, sell, transfer or exchange such property in its discretion, subject  
18 to any restriction or limitation set forth in the Plan.

19 12.1.2. *Obtaining Credit.* At any time after the Effective Date the Reorganized  
20 Debtor may obtain credit in its sole discretion without approval of the Bankruptcy Court.

21 12.1.3. *No Waiver.* No claim, right, Cause of Action, or other property of the  
22 Estate shall be deemed waived or otherwise forfeited by the Debtor's failure to identify such  
23 property in the Schedules or the Disclosure Statement accompanying the Plan.

24 12.2. ***Non-Monetary Commitment to Healing and Reconciliation.*** In order to further  
25 promote healing and reconciliation, and in order to continue efforts to protect children and  
26 vulnerable adults and to prevent Abuse from occurring in the future, the Reorganized Debtor shall,  
27 (a) as of the Effective Date continue the non-monetary measures outlined in Article IV(G) of the  
28 Third Amended Disclosure Statement entitled "Debtor's Mission to Effect Reconciliation and

1 Compensation” after the Effective Date; and (b) not later than the Effective Date (unless a different  
2 date is provided in the Confirmation Order) implement the additional Child Protection Protocols in  
3 the form filed as Schedule 1.1.34, which non-monetary measures are expressly incorporated herein,  
4 provided that if there is any inconsistency between existing measures identified in “(a)” above, and  
5 the Child Protection Protocols, the Child Protection Protocols shall govern.

6 12.3. **CCCEB Settlement.** Upon the occurrence of the Effective Date, the CCCEB  
7 Settlement, in accordance with the CCCEB Settlement Documents, shall become effective. The  
8 CCCEB Settlement shall include the following terms:

9 12.3.1. In full and complete satisfaction of all obligations under the CCCEB Note,  
10 CCCEB shall transfer to RCBO on the Effective Date fee simple title to the Cathedral Property,  
11 together with all improvements thereon and all tangible personal property owned by CCCEB and  
12 located on or used in connection with operation of the Cathedral Property.

13 12.3.2. CCCEB shall assign to RCBO, and RCBO shall assume all obligations of  
14 CCCEB under, all current contracts related to maintenance, operation, and security of the Cathedral  
15 Property, provided that RCBO may decline to assume any such contract following reasonable  
16 diligence review, and further provided that to the extent any such contracts are not assignable under  
17 their terms or applicable law or assignment would constitute a breach under the terms of such  
18 contract, RCBO may instead, at its election, fund CCCEB’s obligations for payment under any such  
19 contracts.

20 12.3.3. Funds in deposit accounts in the name of or controlled by CCCEB for  
21 operation of the Cathedral Property shall, at RCBO’s election, be transferred to RCBO, or otherwise  
22 used for operating expenses related to the Cathedral Property or otherwise to pay the debts of  
23 CCCEB.

24 12.3.4. CCCEB shall assign to RCBO, and RCBO shall assume all obligations  
25 under the existing leases and user agreements with tenants and other users of the Cathedral Property,  
26 including (i) that certain License and Services Agreement dated as of January 1, 2020, with RCC  
27 regarding the mausoleum on the Cathedral Property; (ii) that certain Commercial Office Lease  
28 Agreement with RCC dated as of April 3, 2024; (iii) that certain Lease Agreement with the Order

1 of Malta Clinic of Northern California dated January 25, 2008, and amended February 10, 2023;  
2 and (iv) agreements for use of Cathedral Property space with RCWC, and the Cathedral of Christ  
3 the Light parish Church.

4 12.3.5. CCCEB shall have no further obligation or liability of any kind for the debt  
5 evidenced by the CCCEB Note, or in connection with the CCCEB Note.

6 12.3.6. The Debtor and CCCEB shall agree to such other terms, not inconsistent  
7 with the Plan, as are necessary or desired to complete the CCCEB Settlement.

8 12.4. ***Treatment of Actions and Causes of Action.*** On the Effective Date, all Causes of  
9 Action held by the Estate or the Debtor other than those included in the Survivors' Trust Assets  
10 shall be deemed fully vested in the Reorganized Debtor. Pursuant to Section 1123(b)(3) of the  
11 Bankruptcy Code, the Reorganized Debtor shall retain and have the exclusive authority and standing  
12 to prosecute, enforce, pursue, sue on, settle or compromise any and all Causes of Action (including  
13 Avoidance Actions), arising before the Effective Date, including all Causes of Action of a trustee  
14 and debtor-in-possession under the Bankruptcy Code, but not including the Coverage Action,  
15 Assigned Insurance Interests, and any other Causes of Action expressly released or compromised  
16 as part of or pursuant to the Plan or by other order of the Bankruptcy Court entered prior to the  
17 Effective Date. The Reorganized Debtor shall also retain and may prosecute and enforce all  
18 defenses, counterclaims, and rights that have been asserted or could be asserted by the Debtor  
19 against or with respect to all Claims asserted against the Debtor or property of the Estate. Failure  
20 to specifically identify potential Causes of Action in the Plan shall not be deemed a waiver of any  
21 such Cause of Action by the Debtor, Reorganized Debtor, or the Survivors' Trust.

22 12.5. ***Continued Existence.*** From and after the Effective Date, the Debtor shall continue  
23 in existence as the Reorganized Debtor in accordance with applicable law for all purposes,  
24 including, among other things, (a) enforcing and prosecuting claims, interests, rights, and privileges  
25 of the Debtor including, without limitation, prosecuting Causes of Action, (b) resolving Disputed  
26 non-Abuse Claims, (c) administering the Plan, (d) filing appropriate tax returns and refund requests,  
27 and (e) performing all such other acts and conditions required by and consistent with consummation  
28 of the Plan.

1           12.6. *The Survivors' Trust.* On the Effective Date, the Survivors' Trust shall be created,  
2 as provided in Article IX of the Plan.

3           12.7. *Post-Effective Date Prosecution of Non-Abuse Litigation Claims.*

4           12.7.1. *Relief from the Automatic Stay.* Effective upon the Effective Date, Holders  
5 of Class 6 Claims are granted relief from the automatic stay provided for in Section 362 of the  
6 Bankruptcy Code solely for the purpose of continuing to prosecute their Class 6 Claim in a court of  
7 competent jurisdiction (each, a "**Class 6 Action**"), including but not limited to, litigating such action  
8 through entry of a judgment, prosecution of any appeals and/or settlement of such action, subject to  
9 the terms and conditions set forth herein. All Holders of Class 6 Claims shall be permitted, but not  
10 required, to liquidate their Class 6 Action in a court of competent jurisdiction in accordance with 28  
11 U.S.C. § 157(b)(2)(B).

12           12.7.2. *Non-Abuse Litigation Reserve.* No less than sixty (60) days after the  
13 Effective Date, the Reorganized Debtor shall establish the Non-Abuse Litigation Reserve and fund  
14 it with \$750,000.00. For the avoidance of doubt, the Non-Abuse Litigation Reserve shall be in  
15 excess of any contributions made by the Debtor and RCWC (if any) on behalf of Abuse Claims.

16           12.7.3. *Sources of Recovery for Non-Abuse Litigation Claims.* Notwithstanding  
17 any provision to the contrary in the Plan Documents, Holders of Class 6 Claims shall be entitled to  
18 prosecute and/or settle their respective Class 6 Action, provided that each such Holder shall be  
19 limited to recovering from (i) the proceeds of any applicable insurance policy which provides  
20 coverage, or could provide coverage, with respect to such Class 6 Claim and (ii) its *pro rata* portion  
21 of the Non-Abuse Litigation Reserve; *provided, however*, no Holder of a Class 6 Claim may recover  
22 more than \$250,000.00 from the Non-Abuse Litigation Reserve. Effective upon the Effective Date,  
23 Holders of Class 6 Claims shall be otherwise barred and enjoined from seeking recovery on any  
24 judgment or settlement obtained in their respective Class 6 Action from the assets of the Debtor,  
25 Reorganized Debtor, Survivors' Trust, and any other party receiving a release under this Plan.

26           12.7.4. *Insurance Coverage for Non-Abuse Litigation Claims.* All parties,  
27 including, but not limited to, any insurer under any insurance policy alleged to provide coverage of  
28 a Class 6 Claim, reserve and expressly do not waive any of their rights, remedies and/or defenses

1 with respect to any Class 6 Claim. If any insurer denies and/or disclaims coverage of a Class 6  
2 Claim, the Debtor or Reorganized Debtor (as applicable) shall reasonably cooperate at the sole cost  
3 of the Holder of such Class 6 Claim to assign to that Holder the right to pursue and receive the  
4 proceeds of any applicable coverage under such Insurer's Abuse Insurance Policy or Abuse  
5 Insurance Policies. Nothing contained herein shall be deemed a representation or warranty  
6 concerning the availability, scope or interpretation of any insurance coverage(s) which may or may  
7 not exist for Class 6 Claims.

8           12.8. ***Document Access***

9           12.8.1. The Survivors' Trust shall provide Litigation Claimants, upon request, all  
10 non-privileged information previously provided by the Debtor to the Committee bearing on the  
11 Debtor's liability for Abuse Claims.

12           12.9. ***Bankruptcy Procedure and Transition.***

13           12.9.1. *Notice Required Post-Confirmation.* Except as otherwise specifically  
14 provided in this Plan, notice of Filings in the Bankruptcy Court after the Confirmation Date,  
15 including fee applications, shall be required to be given only to Persons or Entities on the Post-  
16 Confirmation Notice List. Consistent with the Local Rules of the Bankruptcy Court, no other form  
17 of service shall be required on parties receiving service through ECF.

18           12.9.2. *Post-Confirmation Matters.* Except as otherwise specified herein, matters  
19 arising after the Confirmation Date and subject to the Court's retained jurisdiction may be initiated  
20 in the same manner and with the same effect as if the Chapter 11 Case was pending before the  
21 Bankruptcy Court and the Plan had not been confirmed. Subject to the provisions of the Plan and  
22 the Bankruptcy Code governing compensation of Professionals, and except as provided in Article  
23 XIII of the Plan, every party to such a matter shall bear its own attorneys' fees and costs in  
24 connection therewith.

25           12.9.3. *Dissolution of the Committee.* On the Effective Date, the Committee shall  
26 be dissolved and the Committee and its members shall be discharged of and from all further  
27 authority, duties, responsibilities, and obligations related to, arising from and in connection with the  
28 Chapter 11 Case.

1                    *12.9.4. Statutory Fees.*

2                    12.9.4.1.        The Reorganized Debtor shall continue to pay all U.S.  
3                    Trustee Fees until the Chapter 11 Case is closed. All U.S. Trustee Fees shall be paid at the  
4                    rate in effect at the time such fees come due.

5                    12.9.4.2.        Solely for purposes of calculating U.S. Trustee Fees on  
6                    account of the amounts to be funded by the Debtor to the Survivors' Trust, such amounts  
7                    shall be considered distributions from the Debtor pursuant to 28 U.S.C. § 1930(a)(6) on the  
8                    date of such distributions.

9                    12.9.4.3.        Contributions by any party to the Survivors' Trust other than  
10                    the Debtor, including without limitation RCWC or a Settling Insurer, shall not be considered  
11                    distributions by or on behalf of the Debtor or Reorganized Debtor for purposes of calculating  
12                    U.S. Trustee Fees.

13                    12.9.4.4.        Distributions from the Survivors' Trust shall not be  
14                    considered distributions by or on behalf of the Debtor or Reorganized Debtor for purposes  
15                    of calculating U.S. Trustee Fees.

16                    12.9.5.    *Post-Confirmation Reporting.* The Reorganized Debtor shall file with the  
17                    Bankruptcy Court post-confirmation quarterly reports in a form consistent with Bankruptcy Code §  
18                    1106(a)(7), Bankruptcy Rule 2015(a)(5), and 28 C.F.R. § 58.8 until the earliest of the Chapter 11  
19                    Case being closed, dismissed, or converted to a case under Chapter 7 of the Bankruptcy Code.

20                    **12.10. *Post-Petition Deposits.***

21                    12.10.1. *Closing of Utility Deposit Account.* As of the Effective Date, the  
22                    Reorganized Debtor shall be authorized to close the Adequate Assurance Account, as defined in the  
23                    *Final Order Establishing Adequate Assurance Procedures With Respect to The Debtor's Utility*  
24                    *Providers* [Dkt. No. 114], and retain all funds held therein.

25                    12.10.2. *Other Deposits.* From and after the Effective Date, the Reorganized Debtor  
26                    may, at its election, demand the refund of any deposit provided to a Person other than a utility after  
27                    the Petition Date or may offset the amount of such deposit, at the Reorganized Debtor's election,  
28                    against either post-Effective Date billings or against distributions to the holder of such deposit on

1 account of its Allowed Claims, or otherwise take any actions permitted by law to obtain recovery of  
2 such deposit; for the avoidance of any doubt, the foregoing supersedes any pre- or post-petition  
3 agreement between the holder of such deposit and the Debtor.

4 12.11. **Other Actions.** On and after the Effective Date, the Reorganized Debtor and the  
5 Survivors' Trustee shall be authorized to take such actions as are reasonably necessary to complete  
6 and effectuate the terms of this Plan, subject only to the specific limitations contained in this Plan,  
7 the Bankruptcy Code or Bankruptcy Rules, and any order of the Court.

8 12.12. **General Settlement.** Pursuant to Sections 105 and 1123 of the Bankruptcy Code and  
9 Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other  
10 benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a  
11 good faith compromise and settlement of all Claims and controversies resolved pursuant to the Plan,  
12 including without limitation the CCCEB Settlement. On or before the Effective Date, the  
13 Bankruptcy Court will have approved, by Final Order, such compromises, and the Bankruptcy  
14 Court's findings will constitute its determination that such compromises and settlements are in the  
15 best interests of the Debtor, the Estate, Abuse Claimants (including Unknown Abuse Claims),  
16 Holders of other Claims, and other parties in interest, and are fair, equitable, and within the range  
17 of reasonableness. To the extent a separate Final Order is not entered on or before the Confirmation  
18 Date, the entry of the Confirmation Order will constitute the Final Order approving the compromises  
19 and settlements hereunder.

20 12.13. **Closing of the Case.** As soon as reasonably practicable, consistent with the  
21 provisions of this Plan, the Bankruptcy Code, including without limitation, Section 350 of the  
22 Bankruptcy Code, the Bankruptcy Rules, including without limitation, Bankruptcy Rule 3022, and  
23 the Local Rules of the Bankruptcy Court, the Reorganized Debtor, with the consent of the Survivors'  
24 Trustee, shall file and serve an application for entry of a Final Decree closing the Chapter 11 Case,  
25 together with a proposed Final Decree. A Final Decree may be entered before the Survivors' Trust  
26 is fully administered, and the expectation that the Survivors' Trust will make further distributions  
27 shall not be a basis for delaying entry of a Final Decree. Entry of a Final Decree closing the Chapter  
28 11 Case shall, whether or not specified therein, be without prejudice to the right of the Reorganized

1 Debtor, the United States Trustee, the Survivors' Trustee, or any other party in interest to reopen  
2 the Chapter 11 Case for any matter over which the Bankruptcy Court or the District Court has  
3 retained jurisdiction under this Plan. Any Final Decree or order closing this Chapter 11 Case will  
4 provide that the Bankruptcy Court or the District Court, as appropriate, will retain (a) jurisdiction  
5 to enforce, by injunctive relief or otherwise, the Confirmation Order, any other orders entered in  
6 this Chapter 11 Case, and the obligations created by this Plan and the Plan Documents; and (b) all  
7 other jurisdiction and authority granted to it under this Plan and the Plan Documents.

### 8 ARTICLE XIII

#### 9 EFFECT OF PLAN CONFIRMATION

10 13.1. **Binding Effect of Confirmation.** As of the Confirmation Date, but subject to  
11 occurrence of the Effective Date, the provisions of this Plan shall be binding on and inure to the  
12 benefit of the Debtor, the Estate, all Holders of Claims against the Debtor, and all other Persons or  
13 Entities whether or not such Persons or Entities have accepted this Plan. The rights, benefits, and  
14 obligations of any Person or Entity named or referred to in the Plan will be binding on, and will  
15 inure to the benefit of, the executors, administrators, successors and assigns of each Person or Entity  
16 (as applicable), whether or not they have accepted the Plan.

17 13.2. **Ratification.** Subject to all the terms of this Plan, the Confirmation Order shall be  
18 deemed to ratify all transactions effectuated by the Debtor during the pendency of the Chapter 11  
19 Case to the extent occurring pursuant to an order of the Court.

20 13.3. **Discharge of Claims.** Under Section 1141(d) of the Bankruptcy Code, and except  
21 as otherwise specifically provided in the Plan or in any agreement or document executed pursuant  
22 to the Plan, the distributions, rights, and treatment of Claims and Causes of Action in the Plan shall  
23 be in complete satisfaction, discharge, and release, as of the Effective Date, of Claims and Causes  
24 of Action based upon conduct occurring before the Effective Date, whether known or unknown,  
25 against the Debtor (including for the avoidance of doubt the Churches) or any of its assets or  
26 properties, including without limitation (i) any demands, liabilities, and Causes of Action based  
27 upon conduct occurring before the Effective Date, (ii) any liability to the extent such Claims relate  
28 to services performed by employees of the Debtor before the Effective Date and that arise from a

1 termination of employment, (iii) any contingent or non-contingent liability on account of  
2 representations or warranties issued on or before the Effective Date, and (iv) all debts of the kind  
3 specified in Sections 502(g), 502(h), or 502(i) of the Bankruptcy Code. Any default by the Debtor  
4 with respect to any Claim existing immediately before or on account of the filing of the Chapter 11  
5 Case shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial  
6 determination of the discharge of all Claims subject to the Effective Date occurring. Nothing in this  
7 Section 13.3 shall prohibit an Abuse Claimant from exercising the Litigation Option to pursue  
8 recovery from any applicable Non-Settling Insurer Abuse Insurance Policy in accordance with this  
9 Plan, and anything herein to the contrary notwithstanding, to the extent the Holder of an Abuse  
10 Claim elects the Litigation Option, such Abuse Claim shall not be discharged or released to the  
11 extent that such Holder may assert claims in a court of competent jurisdiction against the Debtor in  
12 name only and cannot recover any additional amounts from the Debtor other than the Debtor  
13 Contribution to the Survivors' Trust as provided herein. For avoidance of doubt, subject to the  
14 foregoing, the discharge provided under the Plan and Section 1141 will be effective as to each such  
15 Abuse Claim upon occurrence of the applicable Abuse Claim Discharge Date.

16           13.3.1. The Abuse Claim Discharge Date with respect to each Abuse Claim shall  
17 be determined as follows:

18                   13.3.1.1. With respect to any Abuse Claim held by an Unknown Abuse  
19 Claimant, the Abuse Claim Discharge Date shall be the Effective Date.

20                   13.3.1.2. With respect to any Abuse Claim held by an Abuse Claimant  
21 who is authorized, on or before the first anniversary of the Effective Date, to proceed as a  
22 Litigation Claimant, the Abuse Claim Discharge Date shall be the earlier of (a) the date on  
23 which all Litigation Claims asserted by such Litigation Claimant against the Debtor and/or  
24 RCWC have been fully adjudicated, settled or dismissed on a final and non-appealable basis,  
25 (b) the date on which the Abuse Claimant withdraws his or her election to be a Litigation  
26 Claimant in accordance with Section 9.8 of the Plan, or (c) the date on which the Trust enters  
27 into a settlement with respect to all Non-Settling Insurer Policies that are Target Policies of  
28 such Litigation Claim.

1                   13.3.1.3.       With respect to any Abuse Claim held by Abuse Claimants  
2                   who are not authorized by the Trustee to liquidate his or her Litigation Claim on or before  
3                   the first anniversary of the Effective Date, the Abuse Claim Discharge Date shall be the first  
4                   anniversary of the Effective Date.

5                   13.3.2.     For the avoidance of doubt, the Abuse Claim Discharge Date for any Abuse  
6                   Claim against any Non-Settling Insurers who issued Non-Settling Insurer Policies that are Target  
7                   Policies shall be deemed to occur no later than the first day following the date on which the  
8                   Survivors' Trust has fully adjudicated, settled or dismissed on a final and non-appealable basis all  
9                   such Abuse Claims.

10                  13.4.    ***Confirmation Injunction.***

11                  Except as expressly provided in the Plan or the Confirmation Order, as of the Effective Date  
12                  all Holders of Claims of any nature whatsoever against or in the Debtor or any of its assets or  
13                  properties based upon any act, omission, transaction, occurrence, or other activity of any nature that  
14                  occurred before the Effective Date shall be precluded and permanently enjoined from prosecuting  
15                  or asserting any such discharged Claim against the Debtor or the Reorganized Debtor or the property  
16                  of the Debtor or Reorganized Debtor. In accordance with the foregoing, except as expressly  
17                  provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial  
18                  determination of discharge or termination of all Claims, and other debts and liabilities against or in  
19                  the Debtor pursuant to Sections 105, 524 and 1141 of the Bankruptcy Code, and such discharge  
20                  shall void any judgment obtained against the Debtor at any time to the extent such judgment relates  
21                  to a discharged Claim.

22                  13.5.    ***Injunction Against Interference with the Plan.*** Upon the entry of the Confirmation  
23                  Order, all Holders of Claims and other parties in interest, along with their respective present or  
24                  former affiliates, employees, agents, officers, directors, attorneys, or principals, shall be enjoined  
25                  from taking any actions to interfere with the implementation or consummation of this Plan.

26                  13.6.    ***Exculpation.*** **Subject to the occurrence of the Effective Date, to the fullest extent**  
27                  **permissible under applicable law and without affecting or limiting either the releases by the**  
28                  **Debtor, and except as otherwise specifically provided in the Plan or the Confirmation Order,**

1 none of the Exculpated Parties shall have or incur any liability to any Holder of a Claim or  
2 any other Person for any act or omission in connection with, related to, or arising out of, the  
3 Chapter 11 Case, the Plan, the pursuit of Confirmation of the Plan, the negotiation and  
4 consummation of the Plan, or the administration of the Chapter 11 Case and the Plan, the  
5 property to be distributed under the Plan, the administration of the Survivors' Trust Assets  
6 and the Survivors' Trust by the Survivors' Trustee, or any other related agreement, or any  
7 restructuring transaction, contract, instrument, release, or other agreement or document  
8 created or entered into during the Chapter 11 Case in connection with the Chapter 11 Case,  
9 or upon any other act or omission, transaction, agreement, event, or other occurrence related  
10 or relating to the foregoing, and each Exculpated Party hereby is exculpated from any claim  
11 or Cause of Action related to the foregoing; *provided, however*, that the foregoing shall not  
12 operate as an exculpation, waiver or release for (i) any express contractual obligation owing  
13 by any such Person or Entity, (ii) willful misconduct or gross negligence, and (iii) with respect  
14 to Professionals, liability arising from claims of professional negligence which shall be  
15 governed by the standard of care otherwise applicable to professional negligence claims under  
16 applicable non-bankruptcy law, and, in all respects, the Exculpated Parties shall be entitled  
17 to rely upon the advice of counsel with respect to their duties and responsibilities under the  
18 Plan; *provided further* that nothing in the Plan shall, or shall be deemed to, release the  
19 Exculpated Parties, or exculpate the Exculpated Parties with respect to, their respective  
20 obligations or covenants arising pursuant to the Plan.

21 13.7. *Injunction Related to Exculpation.* As of the Effective Date, all Holders of Claims  
22 that are the subject of Section 13.6 are, and shall be, expressly, conclusively, absolutely,  
23 unconditionally, irrevocably, and forever stayed, restrained, prohibited, barred and enjoined from  
24 taking any of the following actions against any Exculpated Party and, solely to the extent provided  
25 by Section 1125(e) of the Bankruptcy Code, any Entity described in Section 1125(e) or its or their  
26 property or successors or assigns on account of or based on the subject matter of such Claims,  
27 whether directly or indirectly, derivatively or otherwise: (a) commencing, conducting or continuing  
28 in any manner, directly or indirectly, any suit, action or other proceeding (including any judicial,

1 arbitral, administrative or other proceeding) in any forum; (b) enforcing, attaching (including any  
2 prejudgment attachment), collecting, or in any way seeking to recover any judgment, award, decree,  
3 or other order; (c) creating, perfecting or in any way enforcing in any matter, directly or indirectly,  
4 any Lien or encumbrance; and/or (d) setting off, seeking reimbursement or contributions from, or  
5 subrogation against, or otherwise recouping in any manner, directly or indirectly, any amount  
6 against any liability or obligation that is discharged under Section 13.3 or exculpated under Section  
7 13.6.

8           **13.8. *Releases by the Debtor.* As of the Effective Date, except for the rights that remain**  
9 **in effect from and after the Effective Date to enforce the Plan and the Confirmation Order,**  
10 **pursuant to Section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the**  
11 **adequacy of which is hereby confirmed, including the service of the Released Parties and**  
12 **Settling Insurers, and each of them, to facilitate and implement the reorganization of the**  
13 **Debtor, as an integral component of the Plan, the Releasing Parties shall, and shall be deemed**  
14 **to, expressly, conclusively, absolutely, unconditionally, irrevocably, and forever release and**  
15 **discharge each and all of the Released Parties and Settling Insurers of and from any and all**  
16 **Causes of Action (including Avoidance Actions), any and all other Claims, obligations, rights,**  
17 **demands, suits, judgments, damages, debts, remedies, losses and liabilities of any nature**  
18 **whatsoever (including any derivative claims or Causes of Action asserted or that may be**  
19 **asserted on behalf of the Debtor, the Reorganized Debtor, or the Estate), whether liquidated**  
20 **or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or**  
21 **unforeseen, existing or hereinafter arising, in law, equity, contract, tort or otherwise, based**  
22 **on or relating to, or in any manner arising from, in whole or in part, any act, omission,**  
23 **transaction, event, or other circumstance taking place or existing on or before the Effective**  
24 **Date (including before the Petition Date) in connection with or related to the Debtor, the**  
25 **Reorganized Debtor, the Estate, their respective assets and properties, the Chapter 11 Case,**  
26 **the Plan Documents, and any related agreements, instruments, and other documents created**  
27 **or entered into before or during the Chapter 11 Case, the pursuit of entry of the Confirmation**  
28 **Order, the administration and implementation of the Plan, including the distribution of**

1 property under the Plan, or any other related agreement, or upon any other act or omission,  
2 transaction, agreement, event, or other occurrence taking place on or before the Effective Date  
3 related or relating to the foregoing. Notwithstanding anything to the contrary in the  
4 foregoing, the releases set forth in this Section 13.8 shall not be construed as releasing any  
5 post-Effective Date obligations of any Person or Entity under the Plan or any document,  
6 instrument, or agreement executed to implement the Plan or reinstated under the Plan.

7 13.9. *Injunction Related to Discharge.* As of the Effective Date, and except as set forth  
8 in Articles VIII and IX hereof for Abuse Claimants who elect the Litigation Option to sue the  
9 Debtor (as a nominal party only), all Creditors treated under the Plan are, and shall be,  
10 expressly, conclusively, absolutely, unconditionally, irrevocably, and forever stayed,  
11 restrained, prohibited, barred and enjoined from taking any of the following actions against  
12 any Released Party or its property or successors or assigns on account of or based on the  
13 subject matter of Claims treated under the Plan, whether directly or indirectly, derivatively  
14 or otherwise: (a) commencing, conducting or continuing in any manner, directly or indirectly,  
15 any suit, action or other proceeding (including any judicial, arbitral, administrative or other  
16 proceeding) in any forum; (b) enforcing, attaching (including, without limitation, any  
17 prejudgment attachment), collecting, or in any way seeking to recover any judgment, award,  
18 decree, or other order; (c) creating, perfecting or in any way enforcing in any matter, directly  
19 or indirectly, any Lien or encumbrance; and/or (d) setting off, seeking reimbursement or  
20 contributions from, or subrogation against, or otherwise recouping in any manner, directly or  
21 indirectly, any amount against any liability or obligation that is discharged under Section 13.3  
22 of the Plan.

23 13.10. *Disallowed Claims.* On and after the Effective Date, the Debtor and the Reorganized  
24 Debtor shall be fully and finally discharged of any and all liability or obligation on any and all  
25 Disallowed Claims, and any order Disallowing a Claim that is not a Final Order as of the Effective  
26 Date solely because of an Entity's right to move for reconsideration of such Order pursuant to  
27 Section 502 of the Bankruptcy Code or Bankruptcy Rule 3008 shall nevertheless become and be  
28 deemed to be a Final Order on and as of the Effective Date. The Confirmation Order, except as

1 otherwise provided herein, shall constitute an order Disallowing all Claims to the extent such Claims  
2 are not allowable under any provision of Section 502 of the Bankruptcy Code, including time-barred  
3 Claims, and Claims for unmatured interest.

4           **13.11. Channeling Injunction.** IN CONSIDERATION OF THE UNDERTAKINGS  
5 UNDER THIS PLAN BY THE RELEASED PARTIES, THEIR CONTRIBUTIONS TO THE  
6 SURVIVORS' TRUST, AND OTHER CONSIDERATION AND TO FURTHER PRESERVE  
7 AND PROMOTE THE AGREEMENTS AMONG THE RELEASED PARTIES AND THE  
8 SETTLING INSURERS AND TO SUPPLEMENT WHERE NECESSARY THE  
9 INJUNCTIVE EFFECT OF THE DISCHARGE AS PROVIDED IN SECTIONS 524 AND  
10 1141 OF THE BANKRUPTCY CODE, AND PURSUANT TO SECTIONS 105 AND 363 OF  
11 THE BANKRUPTCY CODE:

12           **13.11.1.** ANY AND ALL CHANNELED CLAIMS, INCLUDING WITHOUT  
13 LIMITATION UNKNOWN ABUSE CLAIMS, ARE CHANNELED INTO THE  
14 SURVIVORS' TRUST AND SHALL BE TREATED, ADMINISTERED, DETERMINED,  
15 RESOLVED AND PAID IN THE AMOUNTS AS PROVIDED BY THE SURVIVORS'  
16 TRUST DISTRIBUTION PLAN AND PROCEDURES ESTABLISHED UNDER THIS  
17 PLAN AND THE SURVIVORS' TRUST AGREEMENT AS THE SOLE AND EXCLUSIVE  
18 REMEDY FOR ALL HOLDERS OF CHANNELED CLAIMS; AND

19           **13.11.2.** EXCEPT AS SET FORTH IN ARTICLES VIII AND IX HEREOF  
20 FOR ABUSE CLAIMANTS WHO ELECT THE LITIGATION OPTION TO SUE THE  
21 DEBTOR (AS A NOMINAL PARTY ONLY), ALL PERSONS WHO HELD OR ASSERTED,  
22 HOLD OR ASSERT, OR MAY IN THE FUTURE HOLD OR ASSERT ANY CHANNELED  
23 CLAIMS ARE HEREBY PERMANENTLY STAYED, ENJOINED, BARRED AND  
24 RESTRAINED FROM TAKING ANY ACTION, DIRECTLY OR INDIRECTLY, FOR THE  
25 PURPOSES OF ASSERTING, ENFORCING, OR ATTEMPTING TO ASSERT OR  
26 ENFORCE ANY CHANNELED CLAIM AGAINST THE RELEASED PARTIES AND  
27 THE SETTLING INSURERS, INCLUDING: (i) COMMENCING OR CONTINUING IN  
28 ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND WITH

1 RESPECT TO ANY CHanneled CLAIM AGAINST ANY OF THE RELEASED  
2 PARTIES OR SETTling INSURERS OR AGAINST THE PROPERTY OF ANY OF THE  
3 RELEASED PARTIES OR SETTling INSURERS; (ii) ENFORCING, ATTACHING,  
4 COLLECTING OR RECOVERING, BY ANY MANNER OR MEANS, FROM ANY OF  
5 THE RELEASED PARTIES OR THE PROPERTY OF ANY OF THE RELEASED  
6 PARTIES OR SETTling INSURERS, ANY JUDGMENT, AWARD, DECREE, OR  
7 ORDER WITH RESPECT TO ANY CHanneled CLAIM AGAINST ANY OF THE  
8 RELEASED PARTIES OR SETTling INSURERS; (iii) CREATING, PERFECTING OR  
9 ENFORCING ANY LIEN OF ANY KIND RELATING TO ANY CHanneled CLAIM  
10 AGAINST ANY OF THE RELEASED PARTIES OR SETTling INSURERS OR THE  
11 PROPERTY OF THE RELEASED PARTIES OR SETTling INSURERS; (iv)  
12 ASSERTING, IMPLEMENTING OR EFFECTUATING ANY CHanneled CLAIM OF  
13 ANY KIND AGAINST ANY OBLIGATION DUE ANY OF THE RELEASED PARTIES OR  
14 SETTling INSURERS, ANY OF THE RELEASED PARTIES OR SETTling INSURERS,  
15 OR THE PROPERTY OF ANY OF THE RELEASED PARTIES OR SETTling  
16 INSURERS; (v) TAKING ANY ACT, IN ANY MANNER, IN ANY PLACE WHATSOEVER,  
17 THAT DOES NOT CONFORM TO, OR COMPLY WITH, THE PROVISIONS OF THIS  
18 PLAN OR THE SURVIVORS' TRUST DOCUMENTS; AND (vi) ASSERTING OR  
19 ACCOMPLISHING ANY SETOFF, RIGHT OF INDEMNITY, SUBROGATION,  
20 CONTRIBUTION OR RECOUPMENT OF ANY KIND AGAINST ANY OBLIGATION  
21 DUE TO ANY OF THE RELEASED PARTIES OR SETTling INSURERS.

22 13.12. *Provisions Relating to the Channeling Injunction.*

23 13.12.1. *Modifications.* The Channeling Injunction is a permanent injunction. It  
24 shall not be modified, dissolved, or terminated.

25 13.12.2. *Non-Limitation.* Nothing in the Plan or the Survivors' Trust Documents  
26 shall or shall be construed in any way to limit the scope, enforceability, or effectiveness of the  
27 Channeling Injunction or the assumption by the Survivors' Trust of all liability with respect to the  
28 Abuse Claims.

1                   13.12.3. *Bankruptcy Rule 3016 Compliance.* The Debtor's compliance with the  
2 requirements of Bankruptcy Rule 3016 shall not constitute or be deemed to constitute an admission  
3 that the Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy  
4 Code.

5                   13.12.4. *No Duplicative Recovery.* In no event shall any Abuse Claimant be entitled  
6 to receive any payment, reimbursement, or restitution from any Released Party under any theory of  
7 liability for the same loss, damage, or other Abuse Claim that is reimbursed by the Survivors' Trust  
8 or is otherwise based on the same events, facts, matters, or circumstances that gave rise to the  
9 applicable Abuse Claim. This provision does not prohibit a Holder of Abuse Claim from pursuing  
10 recovery from Non-Settling Insurers for coverage of an Abuse Claim, subject to Articles VIII and  
11 IX hereof, or from seeking extracontractual damages under the *Hand* holding.

12                   13.13. *Effect of Channeling Injunction.* The Channeling Injunction is an integral part of  
13 this Plan and is essential to this Plan's consummation and implementation. It is intended that the  
14 channeling of the Channeled Claims as provided in Section 13.11 of the Plan shall inure to the  
15 benefit of the Released Parties and the Settling Insurers. In any action to enforce the injunctive  
16 provisions of Section 13.11 of the Plan against a Holder of a Claim whereby it is held by a Final  
17 Order that such Holder willfully violated the terms of Section 13.11 of the Plan, the moving party  
18 may seek an award of costs including reasonable attorneys' fees against such Holder, and such other  
19 legal or equitable remedies as are just and proper, after notice and a hearing. The Channeling  
20 Injunction does not bar claims against any Non-Settling Insurer except to the extent a Non-Settling  
21 Insurer becomes a Settling Insurer.

22                   13.14. *Exclusion Regarding Non-Settling Insurers.* **NOTWITHSTANDING THE**  
23 **FOREGOING, AND FOR THE AVOIDANCE OF DOUBT, NOTHING IN THIS ARTICLE**  
24 **XIII (INCLUDING THE RELEASES, INJUNCTIONS, AND EXCULPATIONS) LIMITS**  
25 **THE RIGHTS OF A NON-SETTLING INSURER AS SET FORTH IN, OR PRESERVED**  
26 **BY, THE PLAN, INCLUDING (I) ARTICLES VIII AND IX AND (II) THE RIGHTS OF**  
27 **ANY INSURER (INCLUDING NON-SETTLING INSURERS) TO ASSERT ANY CLAIMS**  
28 **FOR REINSURANCE UNDER REINSURANCE CONTRACTS OR CLAIMS UNDER**

1 **RETROCESSIONAL CONTRACTS AGAINST THE SETTLING INSURERS AND OTHER**  
2 **INSURANCE COMPANIES. FURTHERMORE, THE NON-SETTLING INSURERS ARE**  
3 **NOT GRANTING (NOR SHALL THEY BE SUBJECT TO) ANY THIRD- PARTY**  
4 **RELEASE, INJUNCTION, OR EXCULPATION COVERING ANY NON- DEBTOR**  
5 **PERSON OR ENTITY AND THEY SHALL BE DEEMED TO HAVE OPTED OUT OF ANY**  
6 **SUCH RELEASE, INJUNCTION, OR EXCULPATION.**

7 **ARTICLE XIV**  
8 **MODIFICATION**

9 14.1. ***Modification of the Plan.***

10 14.1.1. To the fullest extent permitted under Section 1127 of the Bankruptcy Code,  
11 the Plan may be altered, amended or modified by the Committee at any time prior to its substantial  
12 consummation.

13 14.1.2. In the event of any modification, alteration or amendment on or before  
14 Confirmation, any votes to accept or reject this Plan shall be deemed to be votes to accept or reject  
15 this Plan as modified, unless the Court finds that the modification, alteration or amendment  
16 materially and adversely affects the rights of parties in interest which have cast said votes.

17 14.2. ***Correction of Defects.*** Following the Effective Date, the Committee or the  
18 Survivors' Trust may initiate a proceeding or motion in the Court in order to remedy any defects or  
19 omissions, or to reconcile any inconsistencies, in the Plan or the Confirmation Order, upon notice  
20 of such proceedings or motion served on all parties listed in the Post-Confirmation Notice List and  
21 any other parties who may be materially and adversely affected.

22 14.3. ***Savings Clause.*** Any minor defect or inconsistency in the Plan may be corrected or  
23 amended by the Confirmation Order.

24 14.4. ***Remedy of Defects.*** After the Effective Date, the Committee or the Survivors' Trust  
25 may, with approval of the Court, and so long as it does not materially and adversely affect the  
26 interests of Holders of Claims, remedy any defect or omission or reconcile any inconsistencies in  
27 the Plan or in the Confirmation Order in such manner as may be necessary to carry out the purposes  
28 and effect of the Plan and in form and substance satisfactory to the Reorganized Debtor.

1 **ARTICLE XV**

2 **RETENTION OF JURISDICTION**

3 15.1. *Scope of the Bankruptcy Court's Retained Jurisdiction.* The Bankruptcy Court  
4 shall retain and have jurisdiction over the Chapter 11 Case for all purposes provided by the  
5 Bankruptcy Code, including for the following purposes:

6 15.1.1. To hear and determine motions for the assumption or rejection of  
7 Executory Contracts or Unexpired Leases, if any are pending on the Effective Date and not  
8 otherwise determined by Confirmation, and the allowance of Claims resulting therefrom.

9 15.1.2. To grant full and complete relief upon the request of the Reorganized  
10 Debtor.

11 15.1.3. To determine any and all objections to the allowance of Claims and to  
12 allow, disallow, estimate, liquidate, or determine any Claim, except with respect to Abuse Claims  
13 whose Holders select the Litigation Option pursuant to Section 9.8.4 hereof.

14 15.1.4. To determine any and all applications for compensation and reimbursement  
15 of expenses and any other fees and expenses authorized to be paid or reimbursed under the  
16 Bankruptcy Code or the Plan which accrued on or prior to the Confirmation Date.

17 15.1.5. To determine any and all applications, adversary proceedings and  
18 contested or litigated matters (a) that may be pending on the Effective Date, except as provided in  
19 the Confirmation Order; or (b) which shall be commenced on or after the Effective Date and be  
20 properly before the Bankruptcy Court.

21 15.1.6. To consider any modifications of the Plan, any defect or omission, or  
22 reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order,  
23 to the extent authorized by the Bankruptcy Code.

24 15.1.7. To implement the provisions of the Plan and to issue orders in aid of  
25 execution of the Plan to the extent authorized by Section 1142 of the Bankruptcy Code.

26 15.1.8. To resolve any disputes and otherwise hear such additional matters brought  
27 by the Survivors' Trustee or otherwise related to the Survivors' Trust Assets or to the fulfillment of  
28 the Survivors' Trustee's duties pursuant to the Plan and the Survivors' Trust Documents.



1           16.2. **Exemption from Certain Transfer Taxes and Recording Fees.** Pursuant to Section  
2 1146(c) of the Bankruptcy Code, the issuance, transfer, or exchange of a security, or the making or  
3 delivery of an instrument of transfer under the Plan may not be taxed under any law imposing a  
4 stamp tax or similar tax. The taxes from which such transfers are exempt include stamp taxes,  
5 recording taxes, sales and use taxes, transfer taxes, and other similar taxes.

6           16.3. **Effectuating Documents.** The Committee, the Debtor or the Reorganized Debtor,  
7 as the case may be, are each authorized to execute, deliver, file, or record such contracts,  
8 instruments, releases, and other agreements or documents and take such actions as may be necessary  
9 or appropriate to implement, effectuate, and further evidence the terms and conditions of the Plan  
10 and any notes or interests issued pursuant to the Plan.

11           16.4. **Governing Law.** Unless a rule of law or procedure is supplied by federal law,  
12 including the Bankruptcy Code and the Bankruptcy Rules, the laws of the State of California  
13 (without reference to its conflict of law rules) will govern the construction and implementation of  
14 the Plan and any agreement, documents, and instruments executed in connection with the Plan  
15 unless otherwise specifically provided in such agreements, documents, or instruments.

16           16.5. **Integration.** The provisions of this Plan and the Confirmation Order shall supersede  
17 any and all prior agreements, documents, understandings, written or otherwise, in respect of any  
18 Claim, and the treatment or satisfaction thereof, except as provided in any order of the Court. All  
19 such prior agreements, documents or understandings are merged herein, and no Person may  
20 thereafter pursue or prosecute any Claim or demand arising out of or pertaining to such superseded  
21 agreements, documents or understandings as against the Debtor, Reorganized Debtor or the  
22 Committee.

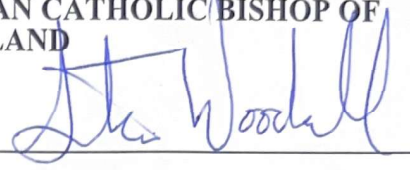
23           16.6. **Inconsistency.** In the event of any inconsistency between the Plan and any Exhibit  
24 to the Plan or any other instrument or document created or executed pursuant to the Plan, including  
25 the Survivors' Trust Documents, the Plan shall govern. In the event of any inconsistency between  
26 the Plan or any other document and the Confirmation Order, the Confirmation Order shall govern.

27           16.7. **Section Headings.** Headings are used in the Plan for convenience and reference only  
28 and shall not affect in any way the meaning or interpretation of the Plan or constitute a part of the



1 DATED: March 27, 2026

**THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS OF THE  
ROMAN CATHOLIC BISHOP OF  
OAKLAND**

By: 

Chairman of the Official Committee  
of Unsecured Creditors

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*Special Insurance Counsel to the Official Committee of Unsecured Creditors*

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**Schedule 1.1.26**

**Legal Description of Cathedral Property Parcel**

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LEGAL DESCRIPTION OF LAND - CATHEDRAL

Real property in the City of Oakland, County of Alameda, State of California, described as follows:

Parcel 2, Parcel Map 6031, filed March 4, 1991 in Book 196, Pages 41 and 42 of Maps, Alameda County Records.

APN: 008 -0653-024

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**Schedule 1.1.34**  
**Child Protection Protocols**

**CHILD PROTECTION PROTOCOLS FOR THE ROMAN  
CATHOLIC BISHOP OF OAKLAND, CALIFORNIA**

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## I.

### GUIDING PRINCIPLES

In June 2002 the Charter for the Protection of Children and Young People was adopted by the United States Conference of Catholic Bishops to address allegations of sexual abuse of minors by Catholic clergy. The USCCB Charter includes guidelines for reconciliation, healing, accountability and prevention of future acts of childhood sexual abuse. Through the USCCB Charter, United States Catholic bishops (i) held themselves accountable for the hurt and pain caused by the abuse of children, (ii) sought to establish and implement policies and procedures to protect minors from abuse and (iii) tried to atone for their failure to believe and honor survivors by publicly offering statements of sorrow and responsibility for allowing such horror to happen.

Since the adoption of the USCCB Charter, reports of previously unpublicized sexual abuse continue to be uncovered and receive media coverage. The wide-ranging ramifications of physical, sexual and emotional abuse of children that occurred within the Catholic Church are still being uncovered to this day: Post Traumatic Stress Disorder and/or anxiety, depression and thoughts of suicide, sexual anxiety and related disorders and alcohol abuse, drug abuse, self-mutilation, or bingeing and purging, are all too common. Even still, many believe the Catholic Church has resisted transparency, further harming survivors by depriving them of an apology, of closure and most importantly, mere recognition of what was wrought upon them.

Compounding the problem is survivors' belief that the brutality and pervasive sexual abuse inflicted upon children is only discussed in sanitized terms, which fails to honor the reality of trauma now since grown children, and their families, live with every day. Making matters even worse, many reports of childhood sexual abuse did not lead to criminal prosecutions: many of the accused have died, or statutes of limitations have expired.

These Child Protection Protocols build on and reinforce the USCCB Charter to address allegations of sexual abuse of minors by Catholic clergy. As revised in 2018, the USCCB Charter contains four primary pledges:

- (i) We pledge most solemnly to one another and to you, God's people, that we will work to our utmost for the protection of children and youth.
- (ii) We pledge that we will devote to this goal the resources and personnel necessary to accomplish it.
- (iii) We pledge that we will do our best to ordain to the diaconate and priesthood and put into positions of trust only those who share this commitment to protecting children and youth.
- (iv) We pledge that we will work toward healing and reconciliation for those sexually abused by clerics.

These Child Protection Protocols are designed to effectuate and honor these pledges within the Diocese of Oakland. To that end, the Child Protection Protocols aim to achieve four main objectives: (i) foster support, promote healing and reconciliation, and empower survivors in our

community; (ii) educate the Church community, including clergy, church staff, and volunteers, on the prevalence and impact of sexual abuse; (iii) protect the faithful, including the most vulnerable—children—through the establishment and preservation of a safe environment for all; and (iv) educate, and direct the Bishop and the Diocese of Oakland on changes needing to be made to try to prevent the horrors of childhood sexual abuse from happening again. While we cannot change the sinful and heinous acts of the past, through rigorous adherence to these Child Protection Protocols from all individuals and entities within the jurisdiction of the Diocese of Oakland, we can try to make certain the tragedies of the past are not repeated. The Diocese of Oakland expects nothing less from all individuals and entities within its jurisdiction.

All children have the right to be safe and protected from harm in all environments, particularly religious institutions, without exception. The Bishop, on behalf of the Diocese of Oakland, is committed to the protection of children and vulnerable adults, the public acknowledgement of sinful actions that have occurred in its past and the pursuit of healing and hope. The Bishop will do everything in his power to create and enforce a safe environment in support of the healing ministry.

As part of any plan of reorganization, the Committee insists that (i) the Bishop disclose the full, unadulterated truth about the tragedies suffered by children in the care of the Diocese in accordance with these Child Protection Protocols, (ii) the Bishop, on behalf of the Diocesan Entities, apologize for his failings and acknowledge that his prior promises to ensure a safe environment for all of their members have not been administered as pledged and (iii) the Bishop agree to promptly, adequately and compassionately make meaningful and impactful changes to make certain the tragedies of the past never happen again.

The Bishop shares the conviction of His Holiness Pope Leo XIV, expressed on June 21, 2025, that “It is urgent to root in the whole church a culture of prevention that does not tolerate any form of abuse - neither of power or authority, nor abuse of conscience, spiritual or sexual abuse. ... This culture will only be authentic if it is born of active vigilance, of transparent processes and sincere listening to those who have been hurt.” Pope Leo XIV, June 21, 2025. As such the Bishop, on behalf of himself and the Diocesan Entities now pledges and agrees:

1. To strictly abide by the USCCB Charter and these Child Protection Protocols at all times and under all circumstances, by undertaking a comprehensive practice of screening clergy and Diocesan Personnel whose scope of duties includes Direct Contact with Minors, among other efforts.

2. To recognize forthrightly the tragedy of sexual abuse of minors in society and specifically, in the Catholic Church.

3. To maintain focus on the healing, reconciliation, and spiritual well-being of persons who were sexually abused as minors. The Bishop pledges to reach out to survivors of abuse to offer whatever pastoral and professional care he can, and to address their spiritual and emotional needs. The Bishop also pledges to assist these survivors of sexual abuse in locating resources and providers to address their emotional and mental health needs that arise from the tragic experience of sexual abuse.

4. To help accusers know their respective rights under the law.
5. To immediately notify appropriate civil authorities, even when not required by civil law, of every report of suspected abuse within the Diocesan Entities.
6. To receive every accusation of suspected abuse within the Diocesan Entities with compassion and to treat every accusation with seriousness and diligent attention.
7. To make the Child Protection Policies regarding the sexual abuse of minors known and available in openness and transparency and to strictly follow these policies, practices and procedures in each case.
8. To educate the Church community in matters related to the sexual abuse of minors, especially its identification, prevention, and reporting.
9. To ensure that all clergy and Diocesan Personnel have undergone fulsome background checks and evaluations, including adequate screening and evaluative techniques regarding the fitness of candidates for ordination.
10. To make known to all clergy and Diocesan Personnel the provisions of these Child Protection Protocols and the Child Protection Policies implementing them, along with a “Code of Conduct” to guide interactions with minors, and to take all steps to ensure compliance with these Child Protection Protocols and the Child Protection Policies.

## II.

### DEFINITIONS

The terms below have the meaning stated:

“**Accusation**” means a report of suspected Sexual Abuse of a Minor received from any source involving a Cleric or Diocesan Personnel affiliated in any way with any Diocesan Entity. Under these Child Protection Protocols, a self-report will be treated as an Accusation and will initiate all applicable provisions of these protocols.

“**Accused**” means a person against whom an Accusation has been made. Using this term does not suggest a judgment of guilt or innocence.

“**Accuser**” means a person making a report or Accusation. Using this term does not suggest a judgment on the veracity or falsehood of the Accusation.

“**Arbitrator**” means [●], who shall arbitrate the disputes identified herein that may arise concerning these Child Protection Protocols and the Child Protection Procedures. Any subsequent Arbitrator shall be agreed to by the Bishop and the Compliance Monitor, or, if the Compliance Monitor’s term has ended, agreed to by the Bishop and the Compliance Advisory Board.

“**Bishop**” means the sitting Bishop of the Diocese at all relevant points in time.

“**Chapter 11 Case**” means the chapter 11 case filed on May 8, 2023 by the Diocese in the United States Bankruptcy Court for the Northern District of California and assigned Case No. 23-40523.

“**Child Protection Policies**” means the policies implementing these Child Protection Protocols, which shall govern the Diocesan Entities. The following policies shall be modified to comply with these Child Protection Protocols and collectively, along with any other policies adopted to implement these Child Protection Protocols, be called the “Child Protection Policies”: any policies adopted related to the use of Virtus; policies related to *Background Screening and Training, Sexual Misconduct, and Minors Volunteering or Working with Younger Children; Code of Conduct Involving Interactions with Minors and Vulnerable Adults, Live Scan Requests, Approved Safe Environment Curriculum for Children and Youth*, the forms for both schools and churches regarding their *Safe Environment Reporting* and the *On Site Safe Environment Training Schedule*.

“**Clergy**” or “**Cleric**” means a bishop, priest or deacon in the Catholic Church, whether incardinated in a diocese or a member of an institute of consecrated life.

“**Code of Conduct**” means the *Code of Conduct Involving Interactions with Minors and Vulnerable Adults* required by the USCCB Charter or any future guidelines promulgated by the Bishop governing the conduct for Clergy and Diocesan Personnel.

“**Committee**” means the Official Committee of Unsecured Creditors appointed to represent the interests of Survivors in the Chapter 11 Case.

**“Communications Coordinator”** means the person designated by the Bishop who will be charged with developing, maintaining, and implementing the communications protocols set forth in section 5 of these Child Protection Protocols.

**“Compliance Advisory Board”** means the volunteer board, to be established within 30 days of the Effective Date of the Plan of Reorganization, which will consist of 5 members, all of whom shall be first selected by the Committee. The Compliance Advisory Board shall establish bylaws which will, among other things, set forth how the Compliance Advisory Board will function, including how subsequent members will be appointed and how it will operate. The Bishop will have no authority over the Compliance Advisory Board.

**“Compliance Monitor”** means the person to be chosen by the Committee, in consultation with the Bishop, whose identity will be disclosed prior to confirmation of the Plan of Reorganization, and who will have the duties and powers set forth herein. The Compliance Monitor will assume the position on the Effective Date of the Plan of Reorganization. Any successor to the initially appointed “Compliance Monitor” shall be chosen by the Compliance Advisory Board, in consultation with the Bishop.

**“Criminal Record”** means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, release or conviction, including, but not limited to, any sentence arising from a verdict or plea of guilty or nolo contendere, including a sentence of incarceration, a suspended sentence, a sentence of probation, or a sentence of conditional discharge.

**“Diocesan Affiliated Entities”** means any parishes, churches, missions, schools, institutions, corporations, and agencies that are affiliated with or related to the Diocese or otherwise operate under the control or permission of the Bishop or the Diocese, including, but not limited to, Adventus, Catholic Charities of the Diocese of Oakland, Catholic Church Support Services, Catholic Foundation for the Diocese of Oakland, Christ the Light Cathedral Corporation, Furrer Properties, Inc., The Catholic Cathedral Corporation of the East Bay, The Lumen Christi Academies of the Roman Catholic Bishop of Oakland, The Oakland Parochial Fund, The Oakland Society for the Propagation of the Faith, The Roman Catholic Cemeteries of the Diocese of Oakland and The Roman Catholic Welfare Corporation of Oakland.

**“Diocesan Entities”** means the Diocese and the Diocesan Affiliated Entities.

**“Diocesan Personnel”** means all Employees and Volunteers (other than Clergy) in the service of the Diocesan Entities expected to have Direct Contact with Minors, including, but not limited to, (i) Religious Brothers, (ii) Seminarians, (iii) permanent deacons, (iv) candidates for the diaconate, (v) Religious Sisters, (vi) consecrated individuals, (vii) individuals who are involved in any assignment or apostolate, full or part-time, employed or volunteer, in any ministries within the Diocesan Entities, (viii) candidates for Holy Orders and (ix) school and church personnel.

**“Diocesan Territory”** means the counties of Alameda and Contra Costa in the State of California.

**“Diocese”** means The Roman Catholic Bishop of Oakland, a corporation sole.

**“Direct Contact with Minors”** means the care, supervision, interaction, guidance or control of Minors, or any access to Minors.

**“Effective Date”** has the meaning ascribed to it in the Plan of Reorganization.

**“Employee”** means persons on the payroll (full or part time) of any of the Diocesan Entities, including any individual working for a Diocesan Entity who might normally receive compensation for their services and any agents of the Diocesan Entities.

**“Employer”** means the Diocesan Entity that immediately employs or oversees the work or ministry of an Employee or Volunteer. The relationship pertains only during the time in which a person is directly acting within the scope of their employment or volunteer service.

**“Essential Norms”** means the *Essential Norms for Diocesan/ Eparchial Policies Dealing with Allegations of Sexual Abuse of Minors by Priests or Deacons* currently found at [www.usccb.org/resources/Charter-for-the-Protection-of-Children-and-Young-People-2018-final%281%29.pdf](http://www.usccb.org/resources/Charter-for-the-Protection-of-Children-and-Young-People-2018-final%281%29.pdf) or any future guidelines issued by the USCCB that provide norms ensuring that each diocese/eparchy in the United States has procedures in place to respond promptly to all allegations of Sexual Abuse of a Minor by Clergy.

**“Independent Professional Investigator(s)”** means an investigative firm retained by the Compliance Monitor, on behalf of a Diocesan Entity, to investigate claims of Sexual Abuse of a Minor. The firm must have personnel with experience in investigating claims of Sexual Abuse of a Minor. At least one member of the firm must be either a former prosecutor or have meaningful experience working in a nationally recognized agency responsible for enforcing laws, maintaining public order, and managing public safety. After the Compliance Monitor’s term ends, the Independent Professional Investigator shall be selected by the Compliance Advisory Board.

**“Mandated Reporting”** means a report of reasonable suspicion of child abuse, including sexual misconduct, that an individual must make under the current laws of the United States of America and the State of California, as they may be amended from time to time.

**“Minor Diocesan Review Board”** means the consultative body appointed by the Bishop to advise him in complying with the USCCB Charter. The Minor Diocesan Review Board shall advise the Bishop in strictly complying with the USCCB Charter, the Essential Norms, the Child Protection Protocols and the Child Protection Policies.

**“Minor”** means a person under the age of 18. For ease of reference, these Child Protection Protocols and the Child Protection Policies shall include in the definition of “Minor” any individual who would be considered legally incompetent under the laws of the State of California.

**“Perpetrator”** means anyone who has been determined to have engaged in any form of Sexual Abuse of a Minor as set forth these Child Protection Protocols.

**“Plan of Reorganization”** means the confirmed chapter 11 plan of reorganization in the Chapter 11 Case (as it may be amended, supplemented, or otherwise modified).

**“Religious Brothers”** means a Catholic man who, as part of a religious order, commits himself to following Christ in consecrated life of the Catholic Church, usually by the vows of poverty, chastity, and obedience. He works in a ministry appropriate to his capabilities and is accountable to the community through the superior.

**“Religious Sisters”** means a Catholic woman who has taken simple vows of poverty, chastity and obedience, lives a common life and is engaged in ministering to the needs of society as part of a religious community. She is accountable to the community through the superior.

**“Responsible Supervisor”** means the Employer, superior or highest-ranking supervisor of Clergy and Diocesan Personnel.

**“Safe Environment Badge”** means the personal identification badge issued by the Safe Environment Director to persons, including Clerics and Diocesan Personnel, who have passed the background certification, received the clearances and completed the safe environment training to be provided for in the Child Protection Policies. All Clerics and Diocesan Personnel must have a Safe Environment Badge before working for or serving the Diocesan Entities. All persons must carry the Safe Environment Badge on their persons whenever Minors are present, including, but not limited to, during mass or other religious services.

**“Safe Environment Director”** means the person to be appointed by the Bishop, with the approval of the Compliance Monitor, within 30 days of the Effective Date of the Plan of Reorganization, to develop, coordinate, and implement the Safe Environment Program strictly in accordance with these Child Protection Protocols. The Safe Environment Director must have a degree in social work, education, child development, or a related field. Any subsequent Safe Environment Director shall be agreed upon by the Bishop and the Compliance Monitor, or, if the Compliance Monitor’s term has ended, agreed to by the Bishop and the Compliance Advisory Board.

**“Safe Environment Program”** means the educational programs and training to be required by the Bishop as set forth in these Child Protection Protocols and the USCCB Charter and as to be described further in the Child Protection Policies. Before its implementation, the Safe Environment Program shall be subject to the review, and approval, of the Compliance Monitor.

**“Seminarians”** means men accepted by a diocese, including any of the Diocesan Entities (or an institute of consecrated life) as seminary students who seek ordination to the priesthood, individuals who are accepted by a diocese, including any of the Diocesan Entities, or men in formation toward Holy Orders.

**“Sexual Abuse of a Minor”** means any sexual offense committed against a Minor, as defined by the laws of the penal code of the State of California or the United States of America, as they may be amended or modified.

**“Substantiated Claim”** means an Accusation for which either (i) the Accused has pled guilty or been found guilty of Sexual Abuse of a Minor in a court of law, or (ii) sufficient evidence exists to establish reasonable grounds for an objective person to believe that the alleged conduct is more likely to have occurred than to not have occurred.

**“Support Counselor”** means a professional counselor who works with the Survivor.

**“Survivor Support Coordinator”** means a person, formerly referred to by the Diocesan Entities as the “Victim Assistance Coordinator,” to be named by the Bishop with the approval of the Compliance Monitor within 30 days of the Effective Date of the Plan of Reorganization, responsible for all aspects of the outreach and assistance to Survivors and their immediate family members. The Survivor Support Coordinator shall be a licensed (i) social worker, (ii) psychologist or (iii) psychiatrist and shall not be a prior Employee of, or Volunteer at, any of the Diocesan Entities. Any subsequent Survivor Support Coordinator shall be agreed upon by the Bishop and the Compliance Monitor, or, if the Compliance Monitor’s term has ended, agreed to by the Bishop and the Compliance Advisory Board.

**“Survivor”** means a person who is, or is alleged to be or have been, the injured party or direct subject of Sexual Abuse of a Minor.

**“USCCB Charter”** means the most recent and revised *Charter for the Protection of Children and Young People* issued by the USCCB.

**“USCCB”** means the United States Conference of Catholic Bishops.

**“Volunteer”** means any volunteer for the Diocesan Entities, or agent of such volunteer, who has Direct Contact with Minors.

### III.

#### **CHILD PROTECTION PROTOCOLS**

##### **1. Responsible Individuals and Summary of Their Duties**

1.1 **The Bishop.** The Bishop shall be (i) responsible for the implementation, operation and assessed effectiveness of these Child Protection Protocols and (ii) knowledgeable about the content of these Child Protection Protocols by, among other things, completing specialized training related to trauma and secondary trauma and recognition and reporting of Sexual Abuse of a Minor.

1.1.1 The Bishop will ensure the Diocesan Entities actively employ a consistent, ongoing and comprehensive approach to creating a safe environment for young people by, among other things, making certain these Child Protection Protocols are implemented through the Child Protection Policies.

1.1.2 The Bishop shall meet with the Compliance Monitor no less than quarterly and as otherwise requested by the Compliance Monitor, to assess and evaluate the effectiveness of these Child Protection Protocols and the Child Protection Policies. Before such meeting(s), the Compliance Monitor shall meet with the: (i) Compliance Advisory Board to review the Child Protection Policies so that it may make recommendations to the Compliance Monitor to ensure that the Bishop is taking all actions necessary to comply with these Child Protection Protocols and the Child Protection Policies and (ii) Minor Diocesan Review Board to review the Child Protection Policies so that it may make recommendations to the Bishop to ensure that the Bishop is taking all

actions necessary to comply with these Child Protection Protocols and the Child Protection Policies.

1.2 **Minor Diocesan Review Board.** The Minor Diocesan Review Board shall serve as a consultative and confidential body to the Bishop to advise the Bishop in his implementation and operation of these Child Protection Protocols and the Child Protection Policies. As set forth in the USCCB Charter, the Minor Diocesan Review Board is regularly to review the Child Protection Policies and procedures for dealing with Sexual Abuse of a Minor implemented by the Diocesan Entities. The names of each member of the Minor Diocesan Review Board shall not be confidential as to the Compliance Monitor or the Compliance Advisory Board.

1.2.1 Within 30 days of the Effective Date, the Bishop shall reconstitute the current Minor Diocesan Review Board by appointing nine members to five-year concurrent terms. The Minor Diocesan Review Board shall act in full conformity with these Child Protection Protocols, the USCCB Charter, the Essential Norms, the Safe Environment Program, and all other applicable provisions of canon and civil law.

1.2.1.1 The Minor Diocesan Review Board shall consist of nine lay persons not in the employ of the Diocesan Entities plus an experienced and respected pastor of the Diocese. The Minor Diocesan Review Board shall at all times include: (i) a licensed social worker or a licensed psychologist with particular expertise in the treatment of the sexual abuse of Minors; (ii) a lay minister; (iii) an educator; (iv) a parent of a student attending any school operated by a Diocesan Entity; (v) a member of law enforcement who is non-Catholic; (vi) three Survivors, and (vii) a pastor currently serving in ministry in the Diocese. At least two members of the Minor Diocesan Review Board shall be a non-Catholic.

1.2.1.2 Within 30 days of the date the Plan of Reorganization is confirmed by the Bankruptcy Court, the Committee shall list seven Survivors for consideration by the Bishop for membership on the Minor Diocesan Review Board. The Bishop shall select three of the proposed Survivors to be appointed to the nine-member Minor Diocesan Review Board.

1.2.1.3 At such future time as the Minor Diocesan Review Board seeks to appoint a Survivor to the Minor Diocesan Review Board to assure three Survivors are a member thereof, the Compliance Monitor shall provide the Bishop with a list of no less than three but no more than five Survivors, and the Bishop shall select from the list of the proposed Survivors to be appointed to the Minor Diocesan Review Board, *provided, however*, that if the Compliance Monitor does not provide such list to the Bishop within 30 days of the date of the Bishop's written request, the Bishop shall select such Survivor in his sole discretion. In assembling the list of Survivors for consideration, the Compliance Monitor shall first consult with the Compliance Advisory Board.

1.2.1.4 After the Compliance Monitor's term ends, the Bishop shall be permitted to appointment a Survivor(s) to replace any Survivor(s) who will no longer sit on the Minor Diocesan Review Board.

1.2.2 The Minor Diocesan Review Board shall meet and agree on the protocols and procedures it will adopt to make decisions, including the appointment of a chairperson, and post those protocols and procedures on the Diocesan Entities' websites.

1.2.3 The Minor Diocesan Review Board shall be knowledgeable about the Child Protection Protocols and the Child Protection Policies.

1.2.4 The Minor Diocesan Review Board shall complete bi-annual specialized training related to trauma and secondary trauma and recognition and reporting of Sexual Abuse of a Minor and the proper function and role of the Minor Diocesan Review Board.

1.3 **Safe Environment Director.** The Safe Environment Director shall develop, coordinate, and implement the Safe Environment Program through the Child Protection Policies strictly in accordance with these Child Protection Protocols. The Safe Environment Director shall:

1.3.1 Report directly to the Bishop, and in connection with developing, coordinating, and implementing the Safe Environment Program, shall be responsible for developing, implementing, and revising the Child Protection Policies to comport with these Child Protection Protocols and any other procedures needed for preventing, responding to, and ensuring the reporting of child sexual abuse.

1.3.2 Oversee the development, publication and modification of standards of ministerial conduct for all persons engaged in any ministry within the Diocesan Entities, including the Code of Conduct, which is published separately from these Child Protection Protocols and a copy of which shall be given to all Clergy and Diocesan Personnel, as well as to the Minor Diocesan Review Board (cf. USCCB Charter, art. 6).

1.3.3 Maintain complete and accurate databases to allow the Compliance Monitor to ensure all Diocesan Entities comply with the Child Protection Policies.

1.3.4 Remain up-to-date on laws and best practices in the area of child abuse prevention.

1.3.5 Oversee the "Prevention Requirements" set forth in Section 8 of these Child Protection Protocols, as they are adopted in the Child Protection Policies, and any other screening and training requirements set forth in USCCB Charter, the Essential Norms and the Safe Environment Program.

1.4 **Communications Coordinator.** The Communications Coordinator shall develop, maintain and implement the communications set forth in Section 5 of these Child Protection Protocols.

1.5 **Survivor Support Coordinator.** The Survivor Support Coordinator shall oversee all aspects of the outreach and assistance to Survivors.

1.6 **Compliance Monitor.** The Compliance Monitor shall ensure the compliance of the Diocesan Entities with these Child Protection Protocols, as they are adopted in the Child Protection Policies, the USCCB Charter, and Essential Norms by, among other things: (i) making

certain the Diocesan Entities properly and adequately implement these Child Protection Protocols through the Child Protection Policies; (ii) managing the processes for handling Accusations of Sexual Abuse by Clergy and Diocesan Personnel, including, but not limited to, determining whether an Accusation is a Substantiated Claim under Section 7.1.4 of these Child Protection Protocols (subject to the Arbitration Procedures set forth in Section 11.1 of these Child Protection Protocols) and (iii) auditing the Diocesan Entities to make certain they are strictly abiding by the Child Protection Policies, the USCCB Charter and Essential Norms.

1.6.1 The Child Protection Policies shall set forth detailed procedures for terminating or replacing the Compliance Monitor “for cause,” which decision shall be vested with the Bishop but subject to appeal by the Compliance Advisory Board. If a decision regarding the termination or replacement of the Compliance Monitor “for cause” is appealed by the Compliance Advisory Board, the issue shall be an Arbitration Matter which shall be resolved using the Arbitration Procedures in Section 11.1 of these Child Protection Protocols. If the Arbitration Procedures are used to resolve a dispute arising under this Section, the term “Compliance Advisory Board” shall be substituted for “Compliance Monitor” in Section 11.1.

1.6.2 The Compliance Monitor shall be a paid position. The Compliance Monitor shall be entitled to compensation by the Diocese that would ordinarily be paid for like services by like enterprises under like circumstances. The Child Protection Policies shall set forth detailed procedures for remunerating the Compliance Monitor and for agreeing upon an adequate and reasonable budget for future services which will be provided. If the Bishop and the Compliance Monitor cannot agree on the amount to be paid to the Compliance Monitor, or budgeted for future services, the issue shall be an Arbitration Matter which shall be resolved using the Arbitration Procedures in Section 11.1 of these Child Protection Protocols.

1.6.3 By a date no earlier than the eighth anniversary of the appointment of the Compliance Monitor but no later than the ninth anniversary of the appointment of the Compliance Monitor, the Compliance Monitor shall submit a written report to the Bishop, the Minor Diocesan Review Board and the Compliance Advisory Board setting forth, among other things, the Compliance Monitor’s conclusions on the effectiveness of the Child Protection Policies, any areas of non-compliance and the risks associated with same and whether the continued retention of a compliance monitor by the Bishop is needed and, if so, for how long (the “**Compliance Monitor’s Status Report**”).

1.6.3.1 If the Compliance Monitor concludes that a compliance monitor is no longer needed in order to maintain the safety of Minors in the care of the Diocesan Entities, and the Compliance Advisory Board disagrees on whether a compliance monitor is still needed or the term during which a compliance monitor shall continue to serve, the issue shall be an Arbitration Matter which shall be resolved using the Arbitration Procedures in Section 11.1 of these Child Protection Protocols. If the Arbitration Procedures are used to resolve a dispute arising under this Section, the term “Compliance Advisory Board” shall be substituted for “Compliance Monitor” in Section 11.1.

1.6.4 If the Compliance Monitor concludes that a compliance monitor is needed in order to maintain the safety of Minors in the care of the Diocesan Entities, and the Bishop disagrees on whether a compliance monitor is still needed or the term during which a compliance

monitor shall continue to serve, the issue shall be an Arbitration Matter which shall be resolved using the Arbitration Procedures in Section 11.1 of these Child Protection Protocols.

1.6.5 Along with the Compliance Monitor's Status Report, the Compliance Monitor will draft revisions to the Child Protection Policies which contemplate that a compliance monitor will no longer be employed by the Bishop. To that end, the revised Child Protection Policies shall delegate the duties and powers vested in the Compliance Monitor in these Child Protection Protocols to the Compliance Advisory Board; *provided, however*, all decisions under Section 7 of these Child Protection Protocols, including, but not limited to, managing the processes for handling Accusations of Sexual Abuse by Clergy and Diocesan Personnel and determining whether an Accusation is a Substantiated Claim under Section 7.1.4 of these Child Protection Protocols, shall not become final until the Arbitrator determines that the Independent Professional Investigator completed a fair, fulsome and non-prejudicial investigation and the Bishop's determination regarding whether an Accusation is a Substantiated Claim under Section 7.1.4 of these Child Protection Protocols was not clearly erroneous.

1.6.6 If, for any reason, a new Bishop assumes the role of Bishop of the Diocese during the Compliance Monitor's term such that the time period during which the new Bishop and the Compliance Monitor overlap is less than two years, then, notwithstanding anything herein to the contrary, the Compliance Monitor's term shall be extended so that the new Bishop and the Compliance Monitor work with one another for no less than two years on the same terms and conditions as set forth herein.

1.7 **Compliance Advisory Board.** The Compliance Advisory Board shall serve as a consultative body to the Compliance Monitor to advise the Compliance Monitor in its monitoring of the implementation and operation of these Child Protection Protocols and the Child Protection Policies.

1.8 **The Arbitrator.** The Arbitrator shall resolve any disputes arising in connection with these Child Protection Protocols and the Child Protection Policies that are defined herein as Arbitration Matters.

1.8.1 The Child Protection Policies shall set forth detailed procedures for replacing or terminating the Arbitrator, all of which decisions shall be vested jointly with the Bishop and the Compliance Monitor; *provided, however*, if the Compliance Monitor's term has ended, such decisions shall be vested jointly with the Bishop and the Compliance Advisory Board.

1.8.2 The Arbitrator shall be a paid position. The Arbitrator shall be entitled to compensation by the Diocese that would ordinarily be paid to arbitrators requested to resolve similar disputes.

## 2. **The Child Protection Policies**

2.1 The Bishop, through the Safe Environment Director, and in consultation with the Minor Diocesan Review Board, shall create, or revise, a comprehensive set of documents setting forth in detail the policies and procedures implementing these Child Protection Protocols. This comprehensive set of documents shall first be approved by the Compliance Monitor before being finalized and implemented.

2.2 The Bishop shall institute a reasonable timeline for implementing, and complying with, these Child Protection Protocols, with time being of the essence.

2.3 The Child Protection Policies shall:

2.3.1 Be written and formatted so they are easy to read and understand and readily available on the Diocese's website at [www.oakdiocese.org](http://www.oakdiocese.org) or a separate website linked therefrom that is established specifically for the purpose of hosting the Child Protection Policies and related information. Included on each Diocesan Entities website's homepage, if any, shall be links to: (i) information about how to report suspected Sexual Abuse of a Minor by a Cleric or any Diocesan Personnel, and (ii) the Diocese's website or any separate website linked therefrom as set forth in this section 2.3.1.

2.3.2 Require publication, no less than four times per year, in *The Catholic Voice*, and/or any other similar Diocesan Entities' publication, including any parish bulletins and school newsletters, of a statement by the Bishop urging Survivors to report Sexual Abuse of a Minor and seek assistance and support.

2.3.3 Set forth, in detail, the procedures for screening, selecting, and supervising of Clergy and Diocesan Personnel with respect to Direct Contact with Minors.

2.3.4 Direct the Safe Environment Director to draft and implement the Safe Education Program, which shall include courses required to be taken by all Clergy and Diocesan Personnel regarding, among other things, what is considered "appropriate" versus "inappropriate" physical or non-physical contact.

2.3.5 State that a report to the Diocesan Entities does not relieve an individual from reporting known or suspected abuse as may be required under the laws of the United States of America or the State of California.

2.3.6 Require the Diocesan Entities to provide law enforcement with the residential address of each Cleric incardinated in any Diocesan Entity subject to an Accusation and/ or a Substantiated Claim of Sexual Abuse of a Minor.

2.3.7 Include guidelines for the lawful and acceptable use of technology, including regulations regarding communications with Minors through social media and cellular phones.

2.3.8 Grant the Diocesan Entities and the Compliance Monitor the ability to inspect, review, audit, intercept, or access all matters on systems of the Diocesan Entities related to an Accusation, including, but not limited to, Clergy and Diocesan Personnel email, voicemail, and computer systems at any time, with or without notice, to the extent permitted under applicable federal and state law, and not inconsistent with applicable principles of common law, with all appropriate steps taken in connection with retention or transmission of known or suspected child pornography.

2.3.9 Set forth procedures by which the Safe Environment Director shall make certain Safe Environment Badges are carried on the persons of Clergy and Diocesan Personnel in

compliance with these Child Protection Protocols and the Child Protection Policies and the remedial action which may be taken for failure to do so.

2.3.10 Prohibit Clergy and Diocesan Personnel from being alone (out of sight of at least one other adult) with any unrelated Minor while serving in the Diocesan Entities, including, but not limited to, prohibiting (i) Clergy and Diocesan Personnel from traveling alone or taking overnight trips alone with any unrelated Minor; (ii) Clergy and Diocesan Personnel from sleeping in the same private space (e.g., room, tent, bed, etc.) with any unrelated Minor; and (iii) Minors from having access to Diocesan rectories; *provided, however*, the foregoing shall be subject to common sense exceptions, such as emergency situations, interactions with Minors that are incidental and not extended, interactions with family members, and Diocesan Personnel transporting the children of friends and neighbors subject to the approval of a parent or guardian; *provided, further however*, that nothing in these Child Protection Protocols or the Child Protection Policies shall prevent Minors from receiving the sacrament of confession in confidence and privacy, *provided, further however*, that the Diocesan Entities shall take precautions to ensure that Minors participating in confession are protected by using premises suitable for the age and stage of development of Minors, notwithstanding the confidential nature of confession. Such precautions include having an adult with a Safe Environment Badge present in an area outside of earshot but next to the confessional and, where existing or future improvements to facilities so permit, conducting confession in a manner that allows others to visually observe the confession participants.

2.3.11 Include a whistleblower policy under which the Diocesan Entities shall not discharge from employment any Clergy or Diocesan Personnel, or discriminate against any Clergy or Diocesan Personnel, with respect to compensation, hire, tenure, terms, conditions or privileges of employment, because that person reported suspected Sexual Abuse of a Minor to authorities, provided such Clergy or Diocesan Personnel was acting in good faith in making the report.

2.3.12 Require the delivery of a Code of Conduct to Clergy and Diocesan Personnel. Clergy and Diocesan Personnel must acknowledge receipt of the Code of Conduct, their understanding of the Code of Conduct, and their agreement to comply with the Code of Conduct by executing a Code of Conduct acknowledgment form (the “**Code of Conduct Acknowledgment Form**”). The Code of Conduct Acknowledgment Form shall refer to the reporting requirements required by these Child Protection Protocols as adopted under the Child Protection Policies. The Code of Conduct Acknowledgment Form may be completed electronically.

2.3.12.1 The Safe Environment Director and his or her staff shall collect, and the Compliance Monitor shall maintain, the Code of Conduct Acknowledgment Forms. Such files may be kept electronically. The Safe Environment Director shall collect, and the Compliance Monitor maintain, the Code of Conduct Acknowledgment Form within 30 days of each of these events: (1) assignment of a Cleric to a continuing ministry in the Diocesan Territory; (2) the commencement of any employment or continuing volunteer service; and (3) a Seminarian’s commencement of study.

2.3.12.2 The Compliance Monitor shall request, no less than annually, that each Diocesan Entity furnish the Compliance Monitor with records demonstrating compliance with this requirement. If a Diocesan Entity fails to provide such records as requested, the

Compliance Monitor shall, within a reasonable amount of time, notify the Bishop and any officers, directors, or board of trustees of said Diocesan Entity in writing of such failure, and the Bishop shall direct the Diocesan Entity to comply with this Section.

2.3.13 Require the Diocesan Entities to maintain complete copies of all insurance policies under which they are identified as an insured party for claims of Sexual Abuse of a Minor and undertake all reasonable efforts to maintain related correspondence and other memorializing and evidencing documentation relating to the existence and terms of such policies. The documents required to be maintained pursuant to this section may be kept electronically.

2.3.14 Direct that each Diocesan Entity where Direct Contact with Minors regularly occurs designate a safe environment coordinator to assist the Safe Environment Director in overseeing the screening, selecting, and supervising of Diocesan Personnel. The Safe Environment Director shall provide training to such coordinators upon their assumption of those responsibilities and then no less than annually. For the avoidance of doubt, if a Diocesan Entity does not employ any Diocesan Personnel or does not engage in activities where Direct Contact with Minors occurs on a regular basis, such Diocesan Entity need not designate a safe environment coordinator.

2.3.14.1 Each Diocesan Entity shall confirm, in writing, to the Compliance Monitor that a safe environment coordinator has been designated in each Diocesan Entity. If a Diocesan Entity fails to confirm the designation of a safe environment coordinator, the Compliance Monitor shall notify the Bishop, any officers, directors or board of trustees of said Diocesan Entity in writing that a safe environment coordinator has not been designated and the Bishop shall take the appropriate remedial steps.

2.3.15 Require the Annual Compliance Audit (defined below) to ensure compliance with these Child Protection Protocols, the Child Protection Policies, the USCCB Charter, Essential Norms, and any other applicable policies and procedures published by the Bishop to protect Minors (upon approval of the Compliance Monitor).

2.3.16 Set forth the repercussions of any intentional or negligent failure to implement the necessary background certification and clearances and/or education practices and programs mandated by these Child Protection Protocols, the Child Protection Policies, the USCCB Charter or the Essential Norms.

### **3. Reporting Requirements**

3.1 **Immediate Reporting to Law Enforcement.** Any Clergy or Diocesan Personnel who reasonably suspects, observes, or receives a report of, Sexual Abuse of a Minor, or any Diocesan Entity that receives a report of Sexual Abuse of a Minor, shall, without delay or alteration, *first*, report such abuse to law enforcement and the California Emergency Response Child Abuse Reporting Telephone at (510) 259-1800 in Alameda County and at (877) 881-1116 in Contra Costa County or, for vulnerable adults, Adult Protective Services at (833) 401-0832 and *second*, report such abuse to the Compliance Monitor, who shall then immediately confirm that such abuse has been reported to law enforcement and document the report and the other actions taken. Immediately thereafter the Compliance Monitor shall provide such report to the Bishop,

and if the abuse occurred at a Diocesan Entity, shall, in consultation with the Bishop, provide such report to any officers, directors or board of trustees of said Diocesan Entity. The Child Protection Policies shall not prohibit the Compliance Monitor from reporting any Accusation to any other appropriate law enforcement or governmental agency after the above reporting obligations are adhered to.

3.1.1 When a Diocesan Entity receives an Accusation and the Compliance Monitor makes a report to law enforcement, the Diocesan Entities shall not interfere in any way with law enforcement.

3.1.2 Any Clergy or Diocesan Personnel who provides a report contemplated by this Section to the Compliance Monitor shall document, in writing, among other things, (i) their production of a report to the Compliance Monitor and (ii) information detailing the nature of the report.

3.1.3 After a Diocesan Entity receives a report of child sexual abuse and the Compliance Monitor makes a report to law enforcement, the Diocesan Entities shall not conduct an internal investigation of such incident until law enforcement concludes its investigation, closes its file without an investigation, or authorizes the Diocesan Entities to proceed with their own internal investigation.

3.1.4 If a Diocesan Entity learns of any effort(s) to hide or delay discovery of one or more incidents of Sexual Abuse of a Minor, or to hinder discovery of any related fact(s), the Diocesan Entity shall provide a detailed report of such efforts or activity to law enforcement and the Compliance Monitor, who shall then notify the Bishop.

3.1.5 If an Accusation is made against a bishop, whether serving currently or previously in the Diocese, the Compliance Monitor shall also report the matter to the Vicar General, who shall refer the matter immediately to the Apostolic Nuncio in Washington, D.C. utilizing the Catholic Bishop Abuse Reporting Service (CBAR), and then follow the directions of the Nuncio (cf. Vos Estis Lux Mundi).

3.1.6 If an Accusation is made against any Cleric, Seminarian or consecrated individual who is incardinated in, or in formation for, another diocese, in addition to the reporting requirements set forth in this Section, the Bishop, together with the Compliance Monitor, shall contact the proper bishop of the Accused without delay to forward the Accusation.

3.2 **Sexual Abuse of a Minor by another Minor.** If an Accusation is received alleging that one Minor abused another Minor, the Compliance Monitor shall determine whether such an Accusation is subject to Mandated Reporting. If it is, or if there is any uncertainty about determination, the Accusation shall be forwarded without delay to the appropriate civil authority.

3.2.1 The Child Protection Policies shall ensure that the person reporting suspicion of Sexual Abuse of a Minor is provided with: (1) an adequate explanation of the Diocesan Entities' overall process and procedures for dealing with allegations of Sexual Abuse of a Minor, including its policy on reporting to civil authorities; (2) advice that the Diocesan Entities shall endeavor to conduct, when permitted herein, its investigation with appropriate discretion and, as much as possible, protect the privacy and reputations of both the person reporting and the person

about whom the report was made, and (3) a timely response to inquiries and, as necessary, periodic update(s) as to the status or resolution of the report.

#### **4. Education**

4.1 **Safe Environment Director.** The Safe Environment Director's responsibilities shall include, among other things, implementation, through the Child Protection Policies, and oversight of the educational programs required by these Child Protection Protocols, including:

4.1.1 Making certain each of the Diocesan Entities where Direct Contact with Minors regularly occurs maintain and implement all programs and efforts necessary to prevent Sexual Abuse of a Minor and to train all Clergy and Diocesan Personnel to identify signs of Sexual Abuse of a Minor. For the avoidance of doubt, Direct Contact with Minors regularly occurs at the following Diocesan Entities: All parishes, churches, missions and schools that are affiliated with or related to the Diocese or otherwise operate under the control or permission of the Bishop or the Diocese and The Catholic Cathedral Corporation of the East Bay, The Lumen Christi Academies of the Roman Catholic Bishop of Oakland, and The Roman Catholic Welfare Corporation of Oakland.

4.1.2 Developing and implementing procedures by which each such Diocesan Entity will report annually on its educational programs. This report is to be forwarded to the Bishop, the Minor Diocesan Review Board, and the Compliance Monitor, who may share such report with the Compliance Advisory Board.

4.1.3 Ensuring that each such Diocesan Entity teaching religious education has adopted a program of instruction regarding the recognition, prevention and reporting of Sexual Abuse of a Minor, and promoting healthy relationships between adults and minors.

4.2 **Educational Programs.** All Clergy who may have Direct Contact with Minors and Diocesan Personnel shall complete educational programs on the topics set forth in Section 4.2.2, which shall be designed for both children and adults.

4.2.1 Educational programs must include topics such as education in healthy relationships between adults and Minors; maintaining appropriate professional boundaries; human sexuality and the prevention of Sexual Abuse of a Minor; recognition and reporting of the Sexual Abuse of a Minor; trauma and secondary trauma, and recognition of sexual abuse perpetrator behavior. The educational programs designed for children shall also instruct children that they are not responsible for keeping themselves safe.

4.2.2 All Clergy are to be educated in all relevant criminal and civil laws pertaining to Sexual Abuse of a Minor and in the requirements under these Child Protection Protocols and the Child Protection Policies and USCCB Charter regarding reporting of Sexual Abuse of a Minor. All mandated reporters, as defined in applicable statutes, as well as individuals who may not be mandatory reporters under applicable law but who are required to report abuse under these Child Protection Protocols and the Child Protection Policies, including Clerics and Church Personal, shall receive specific training regarding reporting obligations every two years and within 30 days of their retention if newly hired. The foregoing educational requirements must be completed by all international Clerics prior to them having any Direct Contact with Minors.

4.2.3 The Safe Environment Director shall ensure that materials regarding these Child Protection Protocols and the Child Protection Policies are produced, regularly updated, and made available to all Diocesan Entities.

4.2.4 Minors engaged in volunteer work are not required to obtain clearance certifications.

## 5. **Communications and Disclosures**

5.1 **Communications Coordinator.** In accord with the USCCB Charter, the Bishop shall designate a Communications Coordinator. Any person offering statements or commentary to the media other than the Bishop or the Communications Coordinator must be understood as offering only personal viewpoints and opinions, not necessarily reflecting the position of the Diocesan Entities in any official manner.

5.2 The Communications Coordinator shall work with the Safe Environment Director in developing and maintaining the section on communications to be set forth in the Child Protection Policies. The Diocesan Related Entities' communications policy will reflect a commitment to openness in a manner which respects the right to privacy and the reputation of all persons involved in Accusations, including the Accuser or Survivor as well as the Accused.

5.3 The Diocesan Entities shall be open and transparent and forthcoming in communicating with the public about the Sexual Abuse of a Minor within the confines of respect for the privacy and the reputation of the individuals involved; *provided, however*, the Diocesan Entities shall not disclose the identity, or information that may allow the identification, of the individual who makes an Accusation to any person or entity other than law enforcement without written permission from the individual that made the Accusation.

5.4 **Sharing Information.** The primary means of communicating to the Catholic community within the Diocese Territory and the larger public is through the diocesan website, *The Catholic Voice*, parish bulletins and school newsletters. As appropriate and as determined by the Communications Coordinator, in consultation with the Safe Environment Director, other means of communication, including the secular media, will be used to make known the Child Protection Policies.

5.5 The Communications Coordinator is to recommend to the Safe Environment Director specific policies for keeping the persons below or groups of persons properly informed as needed:

- (i) The secular media, regarding a specific Accusation or determination of whether such Accusation is a Substantiated Claim.
- (ii) The secular or religious media, regarding policies, procedures, and statistics.
- (iii) The Clergy of the Diocesan Entities.
- (iv) The Diocesan Personnel of the Diocesan Entities.

- (v) The people of the Diocesan Entities.
- (vi) The public of California.

5.6 **Disclosure and Confidentiality.** The Communications Coordinator shall ensure that annual announcements on how to report the suspected Sexual Abuse of a Minor by a Cleric or any Diocesan Personnel will be made in all Diocesan Entities (by announcement or printed in bulletins) (cf. USCCB Charter, art. 2).

5.7 Through the annual announcements, Clergy will encourage all Survivors of sexual abuse to report any Accusations to legal authorities and/ or the Diocesan Entities. While the Diocesan Entities' primary focus is the healing and well-being of Survivors, these public announcements should assure Survivors of the eagerness of the Diocesan Entities to assist them and encourage them to come forward to prevent ongoing or future abuse.

5.7.1 Except to the extent law enforcement officials or a government agency having prosecutorial powers request that the Bishop refrain from publicly disclosing the existence of an Accusation so as to avoid interfering with an ongoing investigation, the Bishop shall make a public announcement of the fact that an Accusation has been made, and that it has been reported to law enforcement for investigation. The announcement shall not disclose the identity of the Accuser unless the Accuser explicitly authorizes such disclosure in accordance with Section 5.3 hereof. The announcement shall not disclose the identity of the Accused if, in the discretion of the Bishop, with the consent of the Compliance Monitor, it would be imprudent to do so to protect the Accused's privacy and reputation before an investigation is concluded. The determination of whether to identify the Accused prior to the conclusion of an investigation shall be an Arbitration Matter subject to the Arbitration Procedures set forth in Section 11.1 of these Child Protection Protocols. The Bishop shall provide a final public update as soon as a determination regarding substantiation of the Accusation is made by law enforcement and/or pursuant to Section 7.1.4 hereof. The Diocese will provide this update on its website.

5.8 If the existence of an Accusation related to a particular parish or school is publicly made to the community of that school or parish at large, the Safe Environment Director, together with the Survivor Support Coordinator, shall ensure that mental health professionals will be available on-site at such parish or school to offer support, including crisis counseling, to any who desire it, and to offer additional Survivors the opportunity to report incidents of Sexual Abuse of a Minor.

5.9 Any disclosure hereunder shall be made with the expectation of confidentiality and privacy, under possible penalty in canon or civil law. If an Accusation becomes public by any means, the Safe Environment Director shall direct the Communications Coordinator to inform the appropriate personnel at the Accused's current assignment or employment that an inquiry is being conducted. Media questions are to be directed to the Communications Coordinator.

5.10 If any Diocesan Entity is contacted by a prospective employer of any current or former Cleric or Diocesan Personnel, the Diocesan Entity shall disclose all Substantiated Claims of Sexual Abuse of a Minor involving members of its Clergy or Diocesan Personnel, or former

members of its Clergy or Diocesan Personnel, except to the extent such disclosure is prohibited by, or otherwise inconsistent with, applicable federal or state or common law.

5.11 Within 120 days after the later of (i) the date on which all claims are settled or otherwise resolved with all the insurers to the Diocesan Entities (the “**Litigation Cessation Date**”) and (ii) the Effective Date, or (iii) as otherwise agreed between the Bishop and the Compliance Monitor, the Bishop will make available to the Compliance Monitor copies of the documents maintained by the Diocesan Entities (a) on all Clergy and Diocesan Personnel, who were included as credible perpetrators of sexual abuse in the letter by Bishop Barber dated February 18, 2019 (<https://www.oakdiocese.org/credibly-accused-clergy-diocese-of-oakland>) because allegations of Sexual Abuse of a Minor have been admitted, substantiated or determined or considered to be credible (the “**Credibly Accused List**”) and (b) setting forth all policies and procedures that the Diocesan Entities had in place to protect children and others from Sexual Abuse of a Minor by any agent or representative of the Diocesan Entities. The Bishop may redact and/or remove from such production any privileged information, including attorney-client privileged, work product privileged information, unrelated personal information and communications, and medical information to the extent such information is unrelated to Sexual Abuse of a Minor and any other information subject to privileges under California state or federal law (the “**Removed Documents or Information**”).

5.12 The Bishop will identify for the Compliance Monitor the Removed Documents or Information in a detailed log that identifies with sufficient particularity the nature of the Removed Documents or Information. The Compliance Monitor and the Bishop agree to work cooperatively and in good faith to resolve any dispute regarding whether the Removed Documents or Information should not be provided to the Compliance Monitor. If an agreement cannot be reached between the Bishop and the Compliance Monitor on any dispute regarding any Removed Documents or Information, such dispute shall be an Arbitration Matter subject to the Arbitration Procedures set forth in Section 11.1 of these Child Protection Protocols. Specifically, the Compliance Monitor will have a reasonable period of time to notify the Bishop, in writing, if the Compliance Monitor believes that any of the Removed Documents or Information should be provided or made public. The Bishop will have a reasonable time after receipt of the Compliance Monitor’s written notification under the preceding sentence to notify the Compliance Monitor, in writing, of its objection to providing or making public any Removed Documents or Information. The Bishop shall not be required to provide or make public the Removed Documents and Information until the Arbitrator has determined that good cause exists for the Bishop to do so pursuant to Section 11.1 of these Child Protection Protocols. Nothing contained herein shall relate to or require the production of any files related to non-Diocesan Clergy, employees, or personnel.

5.13 Within one hundred 120 days after the later of (i) the Litigation Cessation Date; (ii) the Effective Date; and/or (iii) as otherwise agreed between the Bishop and the Compliance Monitor, the Bishop will make available to the Compliance Monitor all documents maintained by the Diocesan Entities related to any claim asserted by an individual against any Diocesan Entity not included on the Credibly Accused List that was asserted prior to the Effective Date (the “**Disputed Documents**”). The Compliance Monitor and the Bishop agree to work cooperatively and in good faith to resolve any dispute regarding the Disputed Documents. If an agreement cannot be reached between the Bishop and the Compliance Monitor on any dispute regarding any Removed Documents or Information, such dispute shall be an Arbitration Matter subject to the

Arbitration Procedures set forth in Section 11.1 of these Child Protection Protocols. Specifically, the Compliance Monitor will have a reasonable period of time to notify the Bishop after receipt of the Disputed Documents, in writing, if the Compliance Monitor believes that any of the Disputed Documents should be made public. The Bishop will have a reasonable time after receipt of the Compliance Monitor's written notification under the preceding sentence to notify the Compliance Monitor, in writing, of its objection to public release of any Disputed Documents. The Compliance Monitor will not publicly release any of the Disputed Documents unless the Bishop affirmatively permits the public release in writing or the Arbitrator has determined that good cause exists for the Compliance Monitor to do so pursuant to Section 11.1 of these Child Protection Protocols. Nothing contained herein shall relate to or require the production of any files related to non-Diocesan Clergy, employees, or personnel.

5.14 Within 90 days of the Effective Date, and notwithstanding anything to the contrary contained within these Child Protection Protocols, the Diocesan Entities shall disclose on each of the Diocesan Entities' websites the names of all Perpetrators that are the subject of a Substantiated Claim to the extent they have not already done so; *provided, however*, the Diocesan Entities shall not disclose any information to the extent doing so is prohibited by, or otherwise inconsistent with, applicable federal, state, or common law.

5.15 Inquiries from Third Parties.

5.15.1 Any inquiries from the media concerning Accusations of Sexual Abuse of a Minor by a Cleric or Diocesan Personnel who are in any way affiliated with the Diocesan Related Entities are to be forwarded to the Communications Coordinator. The Child Protection Policies shall provide for the provision of accurate and up-to-date information concerning the number of Accusations received within a given time, the inquiries conducted, and the number of Substantiated Claims. This includes information about the current employment or ministerial status of Clergy or any Diocesan Personnel. The Diocesan Entities will not ordinarily offer commentary regarding an open inquiry or any matter in litigation before secular or ecclesiastical courts.

5.15.2 When an Accusation involves Clergy from another diocese, institute or society of consecrated life, or an employee or volunteer of either, the Communications Coordinator will be kept informed of the Accusation and the progress of the inquiry, but normally all questions about the matter are referred to the person's proper diocese or institute of consecrated life.

## **6. Prevention Requirements**

6.1 The Child Protection Policies shall specify (1) the necessary background checks, screenings, certifications and clearances needed to be employed by, or volunteer within, the Diocesan Entities, (2) who must obtain and/ or receive background checks, screenings, certifications and clearances and who may view them and (3) any required specialized child protection education or training. All of the foregoing determinations shall be made in consultation with, and after the consent of, the Compliance Monitor.

6.2 An Employer or other person responsible for employment decisions that fails to require an applicant to submit the required certification and clearances before the applicant's hiring

shall be subject to discipline, including possible termination, as will be set forth in detail in the Child Protection Policies.

6.3 The Child Protection Policies shall provide for the following clearances and screenings needed to be employed by, or volunteer within, the Diocesan Related Entities.

6.3.1 Clearances.

6.3.1.1 All current Clergy and Diocesan Personnel of the Diocesan Entities shall undergo a criminal background check from a reputable third-party provider within 30 days of the effectiveness of the Children Protection Policies as well as at least every 36 months thereafter.

6.3.1.2 All prospective Clergy and Diocesan Personnel of the Diocesan Entities are (i) required to undergo a criminal background check from a reputable third party provider before serving in any capacity with, or being employed or retained by, or being transferred to, the Diocesan Entities, as well as at least every 36 months thereafter and (ii) in the case of Clergy and Diocesan Personnel, required to obtain a letter from their own bishop or superior attesting to the good standing.

6.3.1.3 All prospective international Clerics of the Diocesan Entities (i) must obtain an Interpol clearance before their employment or retention by any Diocesan Entities and (ii) shall undergo a criminal background check from a reputable third-party provider within 180 days of their employment or retention by any Diocesan Entities as well as at least every 36 months thereafter. The Diocesan Entities shall also obtain a Letter of Suitability from the international Cleric's proper bishop or religious superior before their employment or retention by any Diocesan Entities.

6.3.1.4 Employees and Volunteers who have obtained the necessary background certification and clearances for their employment or volunteer work in one agency or institution, may carry the same certification and clearances for volunteer work in another agency or institution without having to obtain new certification and clearances if those clearances remain current. Nevertheless, certification and clearances obtained for volunteer purposes cannot be used for employment purposes.

6.3.2 Employee or Volunteer Clearance Results.

6.3.2.1 If a background check reveals that a prospective Employee or Volunteer is a Perpetrator who has engaged in any form of Sexual Abuse of a Minor, no Diocesan Entity may employ the prospective Employee or receive services from the Volunteer.

6.3.2.2 If a background check reveals that a prospective Employee or Volunteer has a Criminal Record, other than being adjudged a Perpetrator, no Diocesan Entity may employ the prospective Employee or receive services from a Volunteer unless the Compliance Monitor approves of such action.

6.3.2.3 The Diocesan Entities shall not recommend or otherwise place any layperson, and shall direct Clergy not to recommend or otherwise place any layperson, into

any position or role that provides such layperson with Direct Contact with Minors if such layperson has an unresolved Accusation of Sexual Abuse of a Minor pending against them.

6.3.3 Clergy Screening Requirements. Clergy, Seminarians and consecrated individuals shall be screened by the Compliance Monitor before admission to the seminary or a formation program.

6.3.3.1 Clergy, Seminarians, and consecrated individuals must undergo a psychological assessment, including mandatory psychological evaluations of new members of the Clergy (seminarians, clergy transfers etc.) through the administration of the Child Abuse Protection Inventory (CAPI) and the Minnesota Multiphasic Personality Inventory (MMPI - latest edition) by a clinician independent of any association with the Diocesan Related Entities, as part of the screening process in a manner designated by the Compliance Monitor. At the discretion of those responsible for their formation, the psychological assessment may be repeated before ordination.

6.3.3.2 Clergy from other dioceses seeking to incardinate into any Diocesan Entity or requesting the faculties of any Diocesan Entity shall also first be screened by the Compliance Monitor prior to receiving any ministerial assignment or faculties in any Diocesan Entity, following consultation with, and documentation from, the Cleric's proper bishop. The Compliance Monitor shall require a letter from the Cleric's own bishop attesting to the good standing of the Cleric. This letter, which must state that the Cleric has never been the subject of a Substantiated Claim of Sexual Abuse of a Minor, is necessary before the Cleric is given an assignment within any Diocesan Entity or is granted the faculties of any Diocesan Entity. If the Cleric served previously in the United States, background certification and clearances (criminal record checks) will also be conducted in the State of his last U.S. assignment prior to his grant of faculties in any Diocesan Entity.

6.3.3.3 Priests, deacons, brothers, or students from institutes of consecrated life assigned to any Diocesan Entity are to be screened by documentation from their major superiors, obtained by the Compliance Monitor before any assignment to ministry in any Diocesan Entities. The Compliance Monitor will require a letter from the Cleric's major superior attesting to the good standing of the Cleric. This letter, which must state that the Cleric has never been the subject of a Substantiated Claim of Sexual Abuse of a Minor, is necessary before the Cleric is given an assignment within any Diocesan Entities or is granted the faculties of any Diocesan Entities. All background certification and clearances specified in the Child Protection Policies will also be required.

6.3.4 Disclosure. If a Cleric seeks assignment, transfer, or residence outside the Diocesan Territory, the Bishop will provide to the receiving diocese, religious community, or organization, a complete copy of his Clergy file and any other files materially related to the Cleric. Notwithstanding the foregoing, the Bishop shall not disclose such information to the extent doing so would violate, or be inconsistent with, applicable federal, state, or common law.

6.3.5 The Bishop shall disclose any Accusation or Substantiated Claim of Sexual Abuse of a Minor to any diocese, Catholic entity, or secular employer that inquiries about such an Accusation of Sexual Abuse of a Minor with respect to any past or present Cleric or Diocesan

Personnel. The Bishop shall also disclose the status or resolution of that Accusation as reflected in his records. Notwithstanding the foregoing, the Bishop shall not disclose such information to the extent doing so would violate, or be inconsistent with, applicable federal, state, or common law.

6.3.6 Prohibited Recommendations. The Child Protection Policies shall prohibit a Cleric or Diocesan Personnel from recommending any Cleric or Diocesan Personnel for a position that engages in Direct Contact with Minors to the extent such individual is the subject of a Substantiated Claim or has an Accusation of Sexual Abuse of a Minor pending against him or her.

## 7. **Response to an Accusation of Sexual Abuse and Re-Review of Prior Accusations of Sexual Abuse**

7.1 **Steps to be Taken After Accusation of Sexual Abuse is Received**. The steps set forth in Section 3 of these Child Protection Protocols shall be strictly followed whenever any Diocesan Entity receives a report of Sexual Abuse of a Minor.

7.1.1 Each Diocesan Entity shall restrict the Accused's access to Minors until the later of (i) the civil legal authorities conclude that the Accusation is not a Substantiated Claim and (ii) the Accusation is determined not to be a Substantiated Claim pursuant to Section 7.1.4 hereof.

7.1.2 The Compliance Monitor shall conduct an internal investigation of an Accusation at such time as law enforcement concludes its investigation, closes its file without an investigation, or authorizes the Diocesan Entity to proceed with its own internal investigation.

7.1.3 If an Accusation is made against any Cleric, Seminarian or consecrated individual who is incardinated in, or in formation for, another diocese, the Compliance Monitor shall conduct an internal investigation of an Accusation as set forth in this Section 7.

7.1.4 After the proper civil authorities have been consulted and give approval, the Compliance Monitor shall retain Independent Professional Investigators of his or her choosing to investigate the Accusation. The Independent Professional Investigators shall collect all available evidence (including files of the Diocesan Entities) and, consistent with best practices for evaluating Accusations of Sexual Abuse of a Minor, shall interview such persons as they deem necessary, reasonable, and appropriate to investigate the matter, including, if available, the Accuser, witnesses, and the Accused. Any Accuser or Survivor shall be advised of the right to have counsel or any other person the Accuser or the Survivor wishes present for such interview, including, but not limited to, a professional counselor. The Accused will be informed, before any interview, that civil authorities have been informed of the Accusation and will be encouraged to obtain legal counsel. The Accused shall be given, in writing, a list of rights enjoyed by both the Accused and the Accuser. Upon completion of their investigation, the Independent Professional Investigators shall present a written summary of their findings to the Compliance Monitor and the Bishop. The Compliance Monitor and the Bishop shall then jointly determine whether any Accusation made is a Substantiated Claim. If the Compliance Monitor and the Bishop cannot agree on whether an Accusation constitutes a Substantiated Claim, the issue shall be resolved using the Arbitration Procedures set forth in Section 11.1 of these Child Protection Protocols.

7.1.5 Any person Accused of the Sexual Abuse of a Minor shall be placed on enforced leave from their assignment, office, or employment as soon as reasonably practicable upon notice to the Accused by the Compliance Monitor. This administrative or enforced leave incurs no interruption of salary and accrual of benefits. The faculty to impose temporary administrative or enforced leave in such circumstances and, in cases involving Clerics, to demand withdrawal from a particular rectory or place of residence, is expressly granted by the Bishop as particular law under these Child Protection Protocols to the Compliance Monitor. This action is not penal in nature and is intended only to facilitate the free and unhindered investigation of a serious Accusation of a crime (cf. Essential Norms, n. 9). If a person is placed on leave, such leave shall extend through the earlier of (i) the date the Bishop and the Compliance Monitor agree that the Accusation is not a Substantiated Claim or (ii) the date the Arbitrator determines that the Accusation is not a Substantiated Claim.

7.1.6 The Bishop shall not recommend or otherwise place any member of the Clergy into active ministry if such individual has an unresolved Accusation of Sexual Abuse of a Minor pending against them.

## 7.2 **Outcomes of the Investigation Process.**

7.2.1 When Sexual Abuse of a Minor is Not Substantiated. If an Accusation of Sexual Abuse of a Minor against a Cleric has been conclusively determined to not be a Substantiated Claim, the Bishop, after consultation with, and approval of, the Compliance Monitor, shall make inquiry into, and determination of, the given Cleric's fitness for ministry.

7.2.2 When Sexual Abuse of a Minor is Substantiated. When the Sexual Abuse of a Minor is deemed to be a Substantiated Claim, the Accused shall be removed from all active ministry, if applicable, and the Accused's employment, volunteer status, and Safe Environment Badge will be revoked as further set forth below:

- (a) Employee. A Substantiated Claim of Sexual Abuse of a Minor made against an Employee shall result in permanent dismissal of the Accused from all employment by any Employer. The Accused will not be permitted to be employed by, or volunteer in any position of ministry in, any Diocesan Entity.
- (b) Volunteer. A Substantiated Claim of Sexual Abuse of a Minor made against a Volunteer shall result in permanent removal of the Accused from all his or her volunteer positions in the Diocesan Entities, and the Accused shall not be permitted to volunteer or seek employment within any Diocesan Entities in the future.
- (c) Seminarian. A Substantiated Claim of Sexual Abuse of a Minor made against a Seminarian will result in the dismissal of the Accused from formation and the Accused shall not be permitted to re-enter a seminary within any Diocesan Entity in the future.
- (d) Cleric incardinated in any Diocesan Entity. Any Cleric found to have a Substantiated Claim of Sexual Abuse of a Minor against him

shall be deemed unfit for ministry within any Diocesan Entity and the Bishop shall (i) notify an inquiring organization of his determination regarding fitness for ministry and (ii) not recommend such Cleric to any religious organization. Furthermore, a Substantiated Claim of Sexual Abuse of a Minor made against a Cleric incardinated in any Diocesan Entity will result in the removal of the Accused from his place of assignment (parish, campus, hospital, etc.), from any assignment or participation in ministry, and if a priest, his faculties will be withdrawn, and he will be placed under penal precept. Following all appropriate canonical processes, the Bishop will seek to permanently remove from all ministry any Accused Cleric who is the subject of Substantiated Claim (cf. USCCB Charter, art. 5; Essential Norms, n. 8). In every case where the Accusation of Sexual Abuse of a Minor by a Cleric is a Substantiated Claim, the Bishop will forward the case file to the Dicastery for the Doctrine of the Faith as required by the norms of the Holy See document, *Sacramentorum sanctitatis tutela*. Also, in every case the pertinent processes provided in Canon Law will be strictly observed (cf. Book VI of the Code of Canon Law; the USCCB Charter; the USCCB Essential Norms), and dismissal from the clerical state may be sought, if the case warrants it (cf. USCCB Essential Norms, n.8). A report will also be made to the appropriate civil authorities. Pending permanent removal, the Bishop and each Diocesan Entities shall take all actions within their control to restrict the Cleric's access to Minors.

A Cleric who is the subject of a Substantiated Claim of Sexual Abuse of a Minor may be offered professional assistance to prevent any future Sexual Abuse of a Minor. Such Accused Cleric will be given help from any Diocesan Entities if he wishes to seek voluntary laicization.

To the extent permitted by applicable state, federal, and canon law, and not inconsistent with applicable principles of common law, the Diocesan Entities will take all reasonable actions within their control to discontinue payments of any kind to Clergy incardinated in any Diocesan Entities against whom a Substantiated Claim has been established.

- (e) Cleric Incardinated in Another Diocese or is a Member of an Institute or Society of Consecrated Life. The Compliance Monitor shall promptly notify the proper bishop or superior of a Substantiated Claim of Sexual Abuse of a Minor. The Perpetrator shall be removed from any assignment or participation in ministry, and if the Perpetrator is Clergy, his faculties will be withdrawn, and he will be placed under penal precept. The proper bishop or

religious superior will be responsible for the residence of the Accused apart from any diocesan or parochial facility.

- (f) Consecrated Individuals. The Compliance Monitor will promptly notify the proper superior of the Accused of a Substantiated Claim of Sexual Abuse of a Minor. The Accused will be removed from residence within the Diocesan Entities, from any assignment or participation in ministry (volunteer or paid), and he or she will be placed under penal precept.

7.2.3 Additional Steps in the Case of Substantiated Claims. In addition to the outcomes set forth above, the Employer or Responsible Supervisor of the Accused (for any Diocesan) or the Compliance Monitor (for any Cleric, Seminarian, or consecrated individual) shall undertake reasonable efforts to effect appropriate action in the case of Substantiated Claims, including the following:

- (a) If the Accused is a Cleric incardinated in any Diocesan Entity, to request that he seek a medical or psychological assessment, evaluation, or treatment, which does not preclude other appropriate actions at the same time.
- (b) The Diocesan Entities shall aid the Communications Coordinator so that he or she may appropriately respond to media inquiries and provide media responses designed to reassure the community that Accusations are taken seriously and that the Diocesan Entities cooperates fully with civil authorities.
- (c) The Bishop shall make public disclosures of any Cleric or consecrated individual against whom there is a Substantiated Claim of Sexual Abuse of a Minor. In each case of a Substantiated Claim against a Cleric or consecrated individual, the Bishop will add the name of the individual to the disclosure section of the Diocesan Entities' websites. Such disclosures under this paragraph shall be made as soon as reasonably practicable but, in any event, no later than 30 days after the relevant determination.
- (d) If an Accusation made against Diocesan Personnel results in the filing of criminal charges against such individual, the Bishop will publicly disclose the fact that such charges were filed in the news/current events section of the Diocese's website promptly upon learning of such criminal charges.
- (e) The Diocesan Entities shall remove from public display any photographs and visible honors (such as a plaque or naming of a building) which prominently feature any Cleric or Diocesan Personnel against whom an Accusation of Sexual Abuse of a Minor has been made which is found to be a Substantiated Claim. This

does not prevent the Diocesan Entities from displaying photos of Clerics or Diocesan Personnel with a Substantiated Claim in a group setting where such individual is not prominently featured or if that photo or the words accompanying it explain that the individual had a Substantiated Claim of Sexual Abuse of a Minor asserted against him.

7.2.4 Anonymous Accusations (When Lawfully Permitted). The Diocesan Entities strongly discourage anonymous Accusations of suspected Sexual Abuse of a Minor because anonymous reports can prevent the healing and reconciliation of the Survivor and generally provide insufficient information for a competent and fair inquiry. Anonymous Accusations may inadvertently allow Sexual Abuse of a Minor to continue and are therefore, strongly discouraged. Such Accusations, when permitted by California law, will, however, be investigated consistent with these Child Protection Protocols and will always be reported to appropriate civil authorities.

7.2.5 Role of the Bishop in the Process.

7.2.5.1 At times the Bishop's personal presence, or that of his delegate, may help foster healing and reconciliation. The Bishop or his delegate will offer, through the Survivor Support Coordinator, to meet with Survivors and their families (cf. Charter, art. 1). He will listen with patience and compassion to their experiences and concerns, and he will share with them his own sentiments and that of the Diocesan Entities, as expressed on May 1, 2016 by His Holiness, Pope Francis in his weekly address: "This (the abuse of minors) is a tragedy... We must not tolerate the abuse of minors. We must defend minors. And we must severely punish the abusers."

7.2.5.2 At times, the Bishop's personal presence, or that of his delegate, may also help foster healing and reconciliation for the Accused.

7.2.5.3 If an Accusation is deemed a Substantiated Claim, the Bishop shall send a letter to the Survivor indicating that the Accusation has been deemed a Substantiated Claim.

7.2.6 Legal Considerations.

7.2.6.1 If either the Survivor or the Accused requests the counsel of a canon lawyer, the Survivor Support Coordinator will help the Survivor or the Accused in locating competent outside canonical counsel to assist them.

7.2.6.2 During a penal process, if requested by the Survivor, the Diocesan Entities may agree to assume part or all the costs associated with canonical counsel to the Survivor, if those costs are within acceptable standards suggested by the Canon Law Society of America. Such costs may also be assumed by the Accused, to the extent authorized by Canon Law or agreed to by the Accused.

7.2.6.3 The Diocesan Entities will not assist in providing legal fees for any person who is found to be a Perpetrator by a court of competent jurisdiction.

7.2.6.4 The Diocesan Entities will not require, as a condition to any settlement with a Survivor, that the Survivor enter into a confidentiality agreement with respect to such settlement. The Diocesan Entities will enter into a confidentiality agreement only if specifically requested by the Survivor or the Survivor's legal representative. At no time will the Diocesan Entities initiate such a confidentiality agreement. If such a request for confidentiality is made and agreed upon by the Diocesan Related Entities, such a request of the Survivor will be noted in the text of the agreement (cf. USCCB Charter, art. 3).

7.3 **Re-Review of Prior Accusations of Sexual Abuse.** Following consultation with the Bishop, the Compliance Monitor may recommend, in his or her discretion, or pursuant to a request made by a Survivor, Accuser, the Survivor Support Coordinator or any other individual, that any Accusation previously reported to any Diocesan Entity be re-reviewed. An Independent Professional Investigator shall then re-review such Accusation, and any files maintained with respect thereto, determine such Accusation, and report its determination to the Compliance Monitor, who shall then deliver such report to the Bishop. If a claim is re-reviewed in connection with this provision, the claim inquiry provisions set forth in these Child Protection Protocols shall apply.

## **8. Outreach and Assistance for Survivors**

8.1 **Survivor Support Coordinator.** The Survivor Support Coordinator shall oversee all aspects of the outreach and assistance to Survivors of sexual abuse (cf. USCCB Charter, art. 2). The Survivor Support Coordinator will attend Minor Diocesan Review Board meetings as an ex-officio member.

8.2 The Survivor Support Coordinator will be the Diocesan Entities contact and support person for Survivors. Before any internal investigation into any Accusation, the Survivor Support Coordinator will designate a support counselor to assist the Survivor. The Survivor Support Coordinator is responsible for the ongoing assistance to a Survivor until they mutually determine that such support and assistance is no longer needed. The Survivor Support Coordinator will help the Survivor obtain counseling or therapy from a qualified provider selected by the Survivor in consultation with the Survivor Support Coordinator. The Survivor Support Coordinator will also answer any questions the Survivor may have about the process.

8.3 If requested, the Survivor Support Coordinator will help the Survivor obtain any needed urgent medical assistance as well as pastoral or spiritual care. If requested, the Survivor Support Coordinator will also help the Survivor locate any available financial assistance to satisfy any outstanding financial expenses of mental health therapy.

8.4 **Welfare of the Survivor.** The welfare of the Survivor is of primary concern to the Diocesan Related Entities. All Survivors are to be offered spiritual, pastoral, and mental health assistance, regardless of their ability to pay for these services (cf. USCCB Charter, art. 1).

8.4.1 If the Diocesan Entities do not appear to have legal liability in a case involving a Substantiated Claim of Sexual Abuse of a Minor, the expenses for the Survivor's therapy are the personal responsibility of the Accused, and the Diocesan Entities will assist in obtaining a financial commitment from the Accused as much as possible. If the Accused is

unwilling to pay the therapy expenses, the Bishop may use reasonable efforts to compel the Accused to pay as much as possible under applicable law, including, consistent with the above, through the attachment of wages. Notwithstanding the foregoing, in the event no other party pays for these services, the Diocesan Entities will do so as set forth below.

8.4.2 In cases involving a Substantiated Claim of Sexual Abuse of a Minor against a Cleric from an institute or society of consecrated life or another diocese, the Cleric's proper superior or bishop will be asked to make arrangements to pay for the Survivor's counseling expenses.

8.5 **Financial Assistance to Survivors.** The Diocesan Entities shall offer reasonable financial assistance to offset costs of counseling as part of their pastoral outreach to Survivors. Such action implies no legal liability for the Diocesan Related Entities. Financial assistance will include one-hour sessions of counseling, provided by a mutually agreed upon and properly credentialed therapist, which may be terminated if: (1) all parties agree or (2) it is obvious to the Survivor Support Coordinator, in consultation with the Compliance Monitor, that the therapy is not effective, in which case, and at the request of the Survivor, reasonable efforts will be made by the Survivor Support Coordinator to help the Survivor obtain another mutually agreed upon and credentialed therapist.

8.5.1 In connection with this Section, the Diocesan Entities shall pay the reasonable hourly rate, or any other rate that may be mutually agreed, for a licensed counselor in the Survivor's state of residence providing counseling assistance to a Survivor.

8.5.2 The Diocesan Entities shall not request access to the medical records of Survivors who receive counseling, including any records maintained by a counselor providing services to such individuals, *provided however*, that a Survivor may, in his or her discretion, authorize the release of such records to the Diocesan Entities in connection with any assessment by the Survivor Support Coordinator regarding continued financial assistance from the Diocesan Entities for counseling or for any other reason that the Survivor may determine in his or her discretion. To the extent the Diocesan Entities are in possession of the Survivor medical records that it obtained before the adoption of these Child Protection Protocols, it shall destroy such records within its possession unless the Diocesan Entities have already received the authorization. If a Survivor at any time requests that such records in the possession of the Diocesan Entities be destroyed, the Diocesan Entities will do so.

## **9. Record Keeping**

9.1 The Safe Environment Director shall maintain records relating to Clergy and the Safe Environment Program.

9.2 The Safe Environment Director shall maintain records of the training sessions and educational requirements required under the Child Protection Policies.

9.3 The Diocesan Entities shall maintain files for all Clergy.

9.4 The Diocesan Entities shall ensure that files for any Diocesan Personnel are maintained.

9.5 The Diocesan Entities shall maintain, and not destroy, the files required by sections 9.3 and 9.4 herein and any of these records, all of which files and records may be maintained electronically:

9.5.1 Signed documents under the Child Protection Policies.

9.5.2 Copies of all returned background checks.

9.5.3 Internal memoranda or documentation regarding Cleric or Diocesan Personnel misconduct.

9.5.4 Records of any allegation of Sexual Abuse of a Minor made against the Cleric or Diocesan Personnel.

9.5.5 Records of any Mandated Reporting made to law enforcement about a Cleric or Diocesan Personnel.

9.5.6 Records of any internal investigation into the Cleric or Diocesan Personnel.

9.5.7 Records relating to any reviews of Cleric or Diocesan Personnel.

## **10. Compliance Auditing**

10.1 Not less than annually, the Compliance Monitor shall retain an auditor to certify the Diocesan Entities' compliance with these Child Protection Protocols, the Child Protection Policies, the USCCB Charter, the Essential Norms, and any other policies and procedures published by the Bishop, upon approval of the Compliance Monitor, to protect Minors, including, but not limited to, compliance with background certification and clearances and the mandatory educational programs set forth in these Child Protection Protocols (the "**Annual Compliance Audit**"). The Annual Compliance Audit shall be conducted by a firm with demonstrated competencies to conduct a compliance audit with policies like these Child Protection Protocols. The Compliance Monitor shall provide the Bishop, the Minor Diocesan Review Board and the Compliance Advisory Board with the written Annual Compliance Audit no less than 30 days after it is received; *provided, however*, that the Annual Compliance Audit may be redacted before being provided to the Compliance Advisory Board if the Compliance Monitor determines that such redactions are needed to protect confidential information.

10.1.1 Included in the Annual Compliance Audit shall be a report from the Safe Environment Director on the curricula and Safe Environment Program training in use by the Diocesan Entities.

10.1.2 In connection with the Annual Compliance Audit, the Compliance Monitor shall provide a copy of these Child Protection Protocols and the Child Protection Policies to each Diocesan Entity along with a letter requiring comprehensive and consistent compliance with the Child Protection Protocols and the Child Protection Policies and a specific reminder of the requirement to report abuse consistent with these Child Protection Protocols and the Child Protection Policies. Each Diocesan Entity shall then certify, in writing, that they have received the Child Protection Protocols and the Child Protection Policies, agree to abide by, and have abided

by, them, including by conducting the background certification and clearances set forth in the Child Protection Policies and that all Clergy and Diocesan Personnel have completed the educational programs set forth in the Child Protection Policies.

10.1.3 In addition to the Annual Compliance Audit, the Compliance Monitor may retain auditors to conduct any other audit or compliance assurance reports for any element of these Child Protection Protocols and the Child Protection Policies.

10.1.4 Within 30 days after the retention of the Compliance Monitor, the Compliance Monitor shall obtain from each Clergy member working within the Diocesan Entities, a signed and dated written statement affirming that the Clergy member (1) has not sexually abused any Minor at any time, and (2) is unaware of the Sexual Abuse of a Minor by another Cleric or Diocesan Personnel that has not been reported to law enforcement and the Diocesan Entities.

10.1.5 The Compliance Monitor shall also obtain from any visiting Cleric who is given open-ended faculties to minister in the Diocesan Entities or has an assignment in a parish or related Diocesan entity (this does not include Clergy visiting for a single event) a signed and dated statement under this paragraph no later than 30 days after assignment or open-ended faculties are given.

10.1.6 Copies of all statements obtained under this paragraph shall be provided timely to the Bishop and the Minor Diocesan Review Board.

## **11. Arbitration of Disputes Concerning the Child Protection Protocols**

11.1 The Compliance Monitor and the Bishop agree to work cooperatively and in good faith with one another to resolve any dispute arising under these Child Protection Protocols or the Child Protection Policies. If an agreement cannot be reached between the Bishop and the Compliance Monitor on any dispute regarding specific matters described herein as being subject to the procedures of this Section 11.1 (such procedures being the “**Arbitration Procedures**,” and such matters being the “**Arbitration Matters**”), the Arbitrator shall make the ultimate determination of such dispute pursuant to the following procedures:

(a) Both the Compliance Monitor and the Bishop shall submit their positions concerning the Arbitration Matter at issue to the Arbitrator in writing. Either party may request a hearing before the Arbitrator, which may occur virtually. The decision whether to conduct a hearing on the Arbitration Matter at issue shall be within the discretion of the Arbitrator. Within 30 days following the later of: (i) receipt of the parties’ written submissions or (ii) any hearing regarding such Arbitration Matter (or communication by the Arbitrator of the denial of such hearing), the Arbitrator shall make a determination regarding the Arbitration Matter. The decision of the Arbitrator as to the Arbitration Matter shall be final.

(b) If an Arbitration Matter concerns a specific individual, including an Accused or an individual named on the Credibly Accused List, such individual or their attorney, agent, estate, executor, or otherwise, shall be noticed by the Compliance Monitor of the proceeding before the Arbitrator on no less than 30 days’ written notice and may appear and be heard by the Arbitrator as to the Arbitration Matter, including by written submission.

(c) Nothing herein shall limit the rights of any Accused or individual that is named on the Credibly Accused List from asserting any legal, equitable, or other rights with respect to the Arbitration Matter including, but not limited to, assertions of privilege.

11.2 **Resolution of Conflicts or Inconsistencies.** To the extent of any conflict or inconsistency as between the requirements of the USCCB Charter and these Child Protection Protocols, these Child Protection Protocols shall govern. To the extent of any conflict or inconsistency as between these Child Protection Protocols and applicable federal, state, or common law, such applicable federal, state, or common law shall govern.

#### IV.

#### **A PROMISE TO HEAL**

1. The Diocesan Entities shall support and encourage the reporting of suspected Sexual Abuse of a Minor on their websites and in print documents posted in their office facilities. The websites and documents shall seek to educate Clergy and Diocesan Personnel on the reporting of Sexual Abuse of Minors and the protection afforded to Accusers who make good-faith Accusations.

2. In instances where a claim of Sexual Abuse of a Minor is deemed a Substantiated Claim, if requested by the Survivor (i) Diocesan Entities' leadership, including the Bishop, shall meet with the Survivor or his or her support person(s) as may be reasonably arranged, with due respect for the needs of both the Survivor and Diocesan Entities' personnel and (ii) the Bishop shall, on behalf of the Diocesan Entities, send a personally signed letter of apology to the Survivor.

3. In consultation with Survivors, the Bishop shall lend support that leads to healing. For example, the Bishop shall willingly and pastorally preside over a healing service at least once per calendar year dedicated to supporting Survivors and preventing sexual abuse of children. In connection therewith, the Bishop shall issue a public statement acknowledging that he is grateful that Survivors came forward and encouraging all Clergy in writing to attend the annual healing service. The Diocesan Entities shall cause to be announced in bulletins at least one month in advance the time and location of this annual healing service. The location of this annual healing service shall be the Cathedral of Christ the Light in Oakland, California.

4. At least once a year, the Bishop shall send written statements to each of the Diocesan Entities, stating that Survivors of Sexual Abuse of a Minor are not at fault for their abuse and are not enemies of the church. Suggested language for the Bishop's written statement includes: "God's children are valued members of the flock who need and deserve the Catholic's community's empathy, care, and above all, protection."

5. The Diocesan Entities shall continue (i) posting the names of all known Clergy, including diocesan priests, nuns, teachers and/or other agents, for whom childhood sexual abuse allegations are found to be a Substantiated Claim in accordance with the Child Protection Protocols and the Child Protection Policies on the Diocese's website for not less than 25 years after the Effective Date of the Plan of Reorganization and (ii) providing contact information on their websites for anonymously reporting abuse complaints.

6. The Diocesan Entities shall make an announcement on their websites of (i) the full and complete release of all Survivors from any previous confidentiality requirement and (ii) a commitment and promise not to require any confidentiality provision concerning the sexual perpetrators or factual circumstances surrounding sexual abuse going forward, except upon written request of a settling Survivor. Confidentiality shall be respected only to preserve the identity or privacy of the Survivor.

7. For ten years after the Effective Date, the Diocesan Entities shall allow Survivors to publish their stories of abuse in *The Catholic Voice*.

8. The Diocesan Entities shall display in each diocesan or parish school signage, in form and substance approved by the Compliance Monitor, stating that Sexual Abuse of Minors by any person, including Clergy, in that parish, church or school or anywhere, shall not be tolerated and advising that any report or complaint of child sexual abuse will be fully investigated in a manner that respects and protects the victim of such abuse.

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**Schedule 1.1.35**  
**Schedule of Churches**

## Church Listing

Church Names	City
HOLY SPIRIT/NEWMAN HALL CHURCH	BERKELEY
ST. MARY MAGDALEN CHURCH	BERKELEY
CATHEDRAL OF CHRIST THE LIGHT	OAKLAND
ST. THERESA CHURCH	OAKLAND
ST. PATRICK MISSION	CROCKETT
ST. BARNABAS CHURCH	ALAMEDA
ST. JOSEPH BASILICA	ALAMEDA
ST. AMBROSE CHURCH	BERKELEY
OUR LADY OF GRACE CHURCH	CASTRO VALLEY
TRANSFIGURATION CHURCH	CASTRO VALLEY
ST. RAYMOND PENAFORT CHURCH	DUBLIN
CORPUS CHRISTI CHURCH	FREMONT
HOLY SPIRIT CHURCH	FREMONT
ST. JAMES THE APOSTLE CHURCH	FREMONT
ST. JOSEPH CHURCH	FREMONT
OUR LADY OF GUADALUPE CHURCH	FREMONT
ALL SAINTS CHURCH	HAYWARD
ST. BEDE CHURCH	HAYWARD
ST. CLEMENT CHURCH	HAYWARD
ST. JOACHIM CHURCH	HAYWARD
ST. CHARLES BORROMEO CHURCH	LIVERMORE
ST. MICHAEL CHURCH	LIVERMORE
ST. EDWARD CHURCH	NEWARK
ST. AUGUSTINE CHURCH	OAKLAND
ST. BENEDICT CHURCH	OAKLAND
ST. BERNARD CHURCH	OAKLAND
ST. ELIZABETH CHURCH	OAKLAND
ST. LEO THE GREAT CHURCH	OAKLAND
OUR LADY OF LOURDES CHURCH	OAKLAND
ST. MARGARET MARY CHURCH	OAKLAND
ST. PATRICK CHURCH	OAKLAND
SACRED HEART CHURCH	OAKLAND
CORPUS CHRISTI CHURCH	PIEDMONT
CATHOLIC COMMUNITY of PLEASANTON	PLEASANTON
CHURCH OF THE ASSUMPTION	SAN LEANDRO
OUR LADY OF GOOD COUNSEL	SAN LEANDRO
ST. FELICITAS CHURCH	SAN LEANDRO
ST. LEANDER CHURCH	SAN LEANDRO
ST. JOHN THE BAPTIST CHURCH	SAN LORENZO
OUR LADY OF THE ROSARY CHURCH	UNION CITY
ST. ANNE CHURCH	UNION CITY
ST. IGNATIUS OF ANTIOCH CHURCH	ANTIOCH
IMMACULATE HEART of MARY CHURCH	BRENTWOOD
ST. AGNES CHURCH	CONCORD
ST. BONAVENTURE CHURCH	CONCORD

	<b>Church Names</b>	<b>City</b>
1	ST. FRANCIS OF ASSISI CHURCH	CONCORD
2	QUEEN OF ALL SAINTS CHURCH	CONCORD
3	ST. ROSE OF LIMA CHURCH	CROCKETT
	ST. ISIDORE CHURCH	DANVILLE
4	ST. JEROME CHURCH	EL CERRITO
	ST. JOHN THE BAPTIST CHURCH	EL CERRITO
5	ST. CALLISTUS CHURCH	EL SOBRANTE
	ST. PERPETUA CHURCH	LAFAYETTE
6	ST. CATHERINE OF SIENA CHURCH	MARTINEZ
7	ST. MONICA CHURCH	MORAGA
	ST. ANTHONY CHURCH	OAKLEY
8	SANTA MARIA CHURCH	ORINDA
	ST. JOSEPH CHURCH	PINOLE
9	CHURCH OF THE GOOD SHEPHERD	PITTSBURG
	OUR LADY QUEEN OF THE WORLD	BAY POINT
10	ST. PETER MARTYR CHURCH	PITTSBURG
11	CHRIST THE KING CHURCH/ST. STEPHEN CHURCH	PLEASANT HILL/WALNUT CREEK
12	OUR LADY OF MERCY CHURCH	POINT RICHMOND
	ST. CORNELIUS CHURCH	RICHMOND
13	ST. DAVID OF WALES CHURCH	RICHMOND
	ST. PATRICK CHURCH	RODEO
14	ST. JOAN OF ARC CHURCH	SAN RAMON
15	ST. ANNE CHURCH	WALNUT CREEK
	ST. JOHN VIANNEY CHURCH	WALNUT CREEK
16	ST. MARY CHURCH	WALNUT CREEK
	DIVINE MERCY CHURCH	OAKLAND DIVIMERCC
17	ST. MARK CHURCH	RICHMOND
18	ST. ANTHONY	MARY HELP OF CHRISTIANS
19	ST. COLUMBA CHURCH	OAKLAND
	ST. JARLATH CHURCH	OAKLAND
20	ST. LOUIS BERTRAND	OAKLAND
	MOST HOLY ROSARY CHURCH	ANTIOCH
21	ST. JOSEPH THE WORKER CHURCH	BERKELEY
22	ST. ANNE CHURCH	BYRON
	ST. PAUL CHURCH	SAN PABLO
23	ST. PHILIP NERI	ST. ALBERT THE GREAT CHURCH ALAMEDA
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**Schedule 1.1.104**

**Legal Description of Livermore Property**

The land referred to is situated in the County of Alameda, City of Livermore, State of California, and is described as follows:

Beginning at the Northwest corner of Plot F of the Rancho Las Positas, running thence North 89° 49' East, 24.65 chains; thence South 74° 15' East, 16.10 chains; thence South 68° 55' East 12.90 chains; thence South 38° 14' East, 13.84 chains; thence South 83° 7' West, 21.76 chains; thence South 4° 40' West 8.18 chains; thence North 57° 04' West, 7.68 chains; thence North 65° 44' West, 5.885 chains; thence South 83° 18' West, 25.80 chains; thence North 2° 11' West, 27.02 chains to the point of beginning. Containing 122.66 acres and being a portion of Plot F of the Rancho Las Positas.

EXCEPTING THEREFROM, that portion conveyed to the State of California in the Grant Deed recorded September 30, 1952, Book 6837, Page 111, Official Records.

APN: 902-0008-001

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**Exhibit B**

**ORDER APPROVING DISCLOSURE STATEMENT**

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Exhibit C

**FINANCIAL PROJECTIONS**