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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. THE ROMAN CATHOLIC BISHOP OF OAKLAND, Plaintiff, v. AMERICAN HOME ASSURANCE CO., a New York corporation; LEXINGTON INSURANCE CO., a Delaware corporation Defendants.	CHAPTER 11 Case No. 23-40523 WJL Adversary Case No. 23-04037 **JOINT RULE 26(F) CASE MANAGEMENT STATEMENT**

The Roman Catholic Bishop of Oakland ("RCBO"), plaintiff in the above-captioned adversary proceeding (the "Adversary Proceeding") and the debtor and debtor in possession in the underlying chapter 11 case (the "Debtor"), and American Home Assurance Company ("American Home"), the defendant in the above-captioned Adversary Proceeding submits this Case Management Statement under Federal Rule of Civil Procedure 26, the Standing Order for all Judges for the Northern District of California, and Local Civil Rule 16-9.

A. Jurisdiction

The Court has subject matter jurisdiction over the claims of the Debtor under Sections 157 and 1334 of title 28 of the United States Code.

B. Facts

The Debtor's / RCBO's Statement of Facts

RCBO is the debtor and debtor in possession in the Chapter 11 case underlying this adversary proceeding. On May 8, 2023, RCBO caused its attorneys to file a voluntary petition for chapter 11 bankruptcy relief under the Bankruptcy Code. RCBO continues to operate its ministry and manage its properties as a debtor in possession under section 1107(a) and 1108 of the Bankruptcy Code. The Defendants in this Adversary Proceeding are two insurance companies and related entities (the "Insurers") with which RCBO maintained primary, excess layer, and umbrella policies over various periods from the early 1960s continuously through the present.

RCBO has been named in more than 300 complaints primarily filed in the Superior Court of Alameda County, California, seeking recovery for alleged negligent supervision and hiring of certain clerical and ministerial personnel over a period of decades (the "Underlying Lawsuits"). These suits have been filed as a result of California's passing of AB 218, which extended the statute of limitations for the filing of similar civil suits. RCBO is also informed, and believes, that additional suits may be filed and/or served during the pendency of this Adversary Proceeding. RCBO has tendered through its broker both RCBO's defense and indemnity of these suits under all applicable insurance policies, where the insurance company that issued those policies was not insolvent. RCBO contends that the Insurers have denied or failed to confirm coverage and/or

provide defense and/or indemnity to RCBO with respect to the above-described lawsuits RCBO faces. Insurers deny these allegations.

American Home's Statement of Facts

This action is one of two adversary proceedings RCBO, as Debtor, filed against its insurers, asserting claims for breach of contract and declaratory relief with respect to insurance policies under which RCBO asserts a right to defense and indemnity in connection with more than 400 Underlying Lawsuits brought against it pursuant to AB 218 of the California Child Victims Act. The Underlying Lawsuits generally allege that RCBO knew of, ratified, and/or concealed pervasive sexual abuse by clergy and other personnel associated with RCBO. The adversary proceeding, *The Roman Catholic Bishop of Oakland v. Pacific Indemnity et al.,* Case No. 23-04028 ("Case No. 23-04028"), involves primary, umbrella and excess policies issued to RCBO between 1962 and 1987, as identified in the Third Amended Complaint ("TAC") filed that action. In the instant case, Debtor identifies excess liability policy no. CE 35-60094, issued by American Home for the policy period October 26, 1971 to October 26, 1974 ("AHAC Excess Policy"), as being among the excess insurance policies under which Debtor asserts a right to defense and indemnity in connection with the Underlying Lawsuits. Although Debtor asserts the same factual allegations and maintains the same causes of action against American Home as it asserts against the excess insurers in Case No. 23-04028, American Home is named in a separate proceeding because general bankruptcy counsel, Foley & Lardner LLP, is unable to represent Debtor in matters adverse to American Home's parent company, AIG, necessitating separate counsel relative to claims against American Home. Lexington Insurance Company was also initially named as a defendant in this action, but has been voluntarily dismissed.

C. Motions

American Home has moved to dismiss the First Amended Complaint ("FAC") on the grounds that it does not assert any factual allegations giving rise to the inference that invasion of the AHAC Excess Policy is likely, and contains no factual allegations that American Home, an excess insurer, breached any current duty to Debtor. American Home's Motion to Dismiss is on file and scheduled to be heard before this Court on March 27, 2024 along with a motion to dismiss

filed by the excess insurers in Case No. 23-04028. The Debtor plans to oppose the Motion to Dismiss. American Home also contemplates and reserves the right to file a Motion to Withdraw the Reference.

D. Relation to Adversary Proceeding No. 23-04028

The instant case and Adversary Case No. 23-04028 involve the same or substantially similar facts and legal issues. Both adversary proceedings are insurance coverage actions in which RCBO asserts a right to defense and indemnity in connection with the Underlying Lawsuits; in both actions, RCBO asserts claims for breach of contract and seeks declaratory relief under excess insurance policies allegedly providing coverage for the Underlying Lawsuits. On January 31, 2024, the Debtor filed a Notice of Related Adversary Proceeding [ECF 19]; American Home agrees that this case satisfies the criteria set out in Local Rule 7042-1.

D. Amendment of Pleadings

Depending on the outcome of the pending Motion to Dismiss, future amendments to the pleadings are possible.

E. Disclosures

The parties agree that any exchange of disclosures is premature pending the outcome of the Motion to Dismiss.

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F. Discovery and Future Case Management Plan

Depending on the outcome of the Motion to Dismiss, the parties propose to file an amended Case Management Statement.

Dated: February 5, 2024

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Dated: February 5, 2024

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