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

Plaintiff,

v.

THE ROMAN CATHOLIC BISHOP OF OAKLAND, ADVENTUS, THE ROMAN CATHOLIC WELFARE CORPORATION OF OAKLAND, AND THE ROMAN CATHOLIC CEMETERIES OF THE DIOCESE OF OAKLAND,

Defendants.

Case No. 23-40523 WJL

Chapter 11

Adv. Pro. No. 24-04053 WJL

OBJECTION OF THE ROMAN CATHOLIC WELFARE CORPORATION OF OAKLAND, THE ROMAN CATHOLIC CEMETERIES OF THE DIOCESE OF OAKLAND, AND ADVENTUS TO THE MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR RECONSIDERATION OF THE ORDER DISMISSING FIRST AMENDED ADVERSARY COMPLAINT

Date: September 9, 2025
Time: 10:00 a.m. (Pacific Time)
Place: United States Bankruptcy Court
Courtroom 220
1300 Clay Street
Oakland, CA 94612

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The Roman Catholic Welfare Corporation of Oakland ("RCWC"), The Roman Catholic Cemeteries of the Diocese of Oakland ("RCC"), and Adventus (collectively, the "Non-Debtor Defendants"), defendants in the above-captioned adversary proceeding, hereby file this objection (the "Objection") to the motion (the "Motion") filed by the Official Committee of Unsecured Creditors of the Roman Catholic Bishop of Oakland (the "Committee") seeking reconsideration of the *Order Dismissing First Amended Adversary Complaint* (the "Dismissal Order") [Adv. Docket No. 57].

I. PRELIMINARY STATEMENT

Reconsideration is an extraordinary remedy, reserved for rare and compelling circumstances. The Motion fails to meet this high bar. The Committee offers no clear error, no intervening change in controlling law, and no genuinely new evidence that would warrant revisiting the Court's well-reasoned dismissal of the Amended Complaint[1] with prejudice. Much of what the Committee characterizes as "new facts" were either demonstrably known to it long before filing the Amended Complaint (in fact, at the time of the Original Complaint) or mischaracterizations of the deposition testimony on which the Committee claims to rely. For example, although the Committee now claims that Adventus being "a real estate holding company that has no other purpose than to hold real estate for the Debtor" is something it learned for the first time in June 2025, the Debtor disclosed that it used Adventus for real estate holdings and transactions in its original Disclosure Statement and that Adventus' financial statements were consolidated into the Debtor's financial statements. Documents relied on by the Committee to draft the Original Complaint described Adventus similarly as an entity that holds title to real estate for Diocesan entities. The Committee's attempt to repackage this old information as new does not justify reconsideration.

More importantly, even if the facts presented were truly "new," they do not cure the pleading deficiencies the Court determined were fatal to the Committee's substantive consolidation claims against the Non-Debtor Defendants. The Committee appears to recognize as much: it asks

[1] Capitalized terms used but not defined in the preliminary statement shall have the meanings ascribed below.

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the Court for the open-ended opportunity to "replead its counts to include such critical facts if and when the Committee learns them."[2] Nevertheless, the Committee still fails to identify facts sufficient to establish alter ego liability under California law—both (i) the unity of interest and ownership and (ii) resulting fraud or injustice elements. The Court previously found that shared officers, directors, or employees, and the financial overlap alleged in the Amended Complaint, fell short of the pervasive day-to-day control necessary to pierce the corporate veil under an alter ego theory of liability. The same infirmities plague the Committee's latest allegations of, for example, shared board membership and a lack of employees. In addition, the Committee's "new facts" are not enough to show that respecting the Debtor's and Non-Debtor Defendants' corporate separateness would sanction fraud or injustice.

At its core, this Motion is yet another attempt by the Committee to relitigate issues already decided, and a waste of valuable estate resources. The Court should deny the Motion.

II. FACTUAL BACKGROUND

A. The Chapter 11 Case.

On May 8, 2023 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtor continues to operate its ministry and manage its properties as a debtor in possession under sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this chapter 11 case.

On November 8, 2024, the Debtor filed the *Debtor's Plan of Reorganization* [Docket No. 1444] (the "Plan") and *Disclosure Statement for Debtor's Plan of Reorganization* [Docket No. 1445] (the "Disclosure Statement"). Under the Plan, the "Debtor, through its affiliate Adventus," had proposed to contribute the Livermore Property[3] to the Survivors' Trust on the Effective Date and in exchange, Adventus was to receive certain Releases.[4] As the Debtor explained in the Disclosure Statement, the Debtor, Adventus, RCWC, RCC, and other Non-Debtor Catholic Entities, share the common religious, educational, and/or charitable missions of the Roman

[2] Motion at p. 6.
[3] Capitalized terms used but not defined in this section shall have the meanings ascribed in the Plan.
[4] *See* Plan at § 9.3; Disclosure Statement at p. 3.

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Catholic Church within the Diocese of Oakland. In addition, the Debtor described Adventus as "a California nonprofit public benefit corporation, [that] is used by the Debtor to hold title in some limited real estate" and whose "financials are consolidated into the audited financials of the Debtor."[5]

The Debtor's proposed contribution of the Livermore Property to the Survivors' Trust and description of Adventus remained unchanged in the *Debtor's Amended Plan of Reorganization* [Docket No. 1594][6] and *Amended Disclosure Statement for Debtor's Amended Plan of Reorganization* [Docket No. 1595][7] each filed on January 3, 2025, and the *Debtor's Second Amended Plan of Reorganization* [Docket No. 1757][8] and *Second Amended Disclosure Statement for Debtor's Second Amended Plan of Reorganization* [Docket No. 1763],[9] that were filed on February 18 and 19, 2025, respectively.

For the reasons described in the *Debtor's Third Amended Plan of Reorganization* [Docket No. 1830] and *Third Amended Disclosure Statement for Debtor's Third Amended Plan of Reorganization* [Docket No. 1831], the Debtor removed the Livermore Property from the package of assets to be contributed to the Survivors' Trust.[10]

On June 5, 2025, the Committee conducted the Rule 30(b)(6) deposition of Atilla Bardos, the designated corporate representative for Adventus, in connection with confirmation of the Third Amended Plan.[11]

B. The Committee's Lawsuit Against the Debtor and Non-Debtor Defendants.

On December 11, 2024, the Committee filed its *Adversary Complaint for Declaratory Relief* (the "Original Complaint") [Adv. Docket No. 1] against the Debtor and Non-Debtor Defendants asserting claims for substantive consolidation and other declaratory relief. Relevant to the Motion,

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[5] *See* Disclosure Statement at p. 20.
[6] *See* Amended Plan at § 9.3; Amended Disclosure Statement at p. 2.
[7] Amended Disclosure Statement at p. 29.
[8] *See* Second Amended Plan at § 9.3; Second Amended Disclosure Statement at pp. 1-2.
[9] Second Amended Disclosure Statement at p. 29.
[10] Third Amended Disclosure Statement at p. 4.
[11] Excerpts of the transcript of the Rule 30(b)(6) deposition of Mr. Bardos are attached as Exhibit B (hereinafter, "Bardos Dep. Tr.") to the *Declaration of Michael A. Kaplan* filed in support of the Motion [Adv. Docket No. 58]. The Non-Debtor Defendants have attached to the declaration of Jason I. Blanchard filed contemporaneously herewith additional excerpts of the transcript cited in this Objection.

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the Committee alleged "Adventus is a California corporation used by the Diocese to hold title in limited real estate—specifically, single-family residences in Byron and Hayward and undeveloped land in Livermore."[12] According to the Original Complaint, the Debtor and Adventus historically shared at least two common officers and directors, Paul Bongiovanni and Michael Canizzaro.[13] The Committee further alleged that Adventus' Bylaws provide that, "[Adventus] shall perform certain function[s] of the [Debtor], and its affiliated entities, related to real estate and such other functions as may be agreed upon from time to time," and "[a]ll directors shall be appointed by the [Debtor]."[14]

On January 24, 2025, the Debtor and Non-Debtor Defendants filed motions to dismiss the Original Complaint pursuant to Rule 12(b)(6),[15] together with several documents referred to by the Committee extensively throughout the Original Complaint, including Adventus' Bylaws, the Offering Memorandum for the Roman Catholic Bishop of Oakland Taxable Bonds, Series 2007, and its related Appendix A.[16] Appendix A to the Offering Memorandum describes Adventus as "the Diocesan entity that administered real estate holdings and transactions" that is "used by the Diocese to hold title in its real estate transactions."[17] An organizational chart for the Diocese of Oakland in Appendix A identifies Adventus as "Adventus/Properties."[18] In addition, Adventus' Bylaws provide that all of its "activities, business, and affairs" were to be "managed, and all corporate powers shall be exercised, by or under the direction of the Board."[19]

In responding to the Debtor's and Non-Debtor Defendants' motions to dismiss, the Committee argued that the organizational chart and contents of Appendix A demonstrates Adventus and the other Non-Debtor Defendants are "divisions" of the Debtor under the exclusive control of the Bishop.[20] The Committee further argued that Adventus' Bylaws and those of the other Non-

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[12] Original Complaint at ¶ 27.
[13] *Id*. at ¶¶ 51-53.
[14] *Id*. at ¶ 44.
[15] *See Motion of the Roman Catholic Welfare Corporation Of Oakland, the Roman Catholic Cemeteries of the Diocese of Oakland and Adventus to Dismiss Complaint* [Adv. Docket No. 9], and *Debtor's Motion to Dismiss Adversary Complaint for Declaratory Relief* [Adv. Docket No. 14].
[16] *See* Ex. 6, 7, 8 to the *Declaration of Ryan E. Manns in Support of Motion to Dismiss* [Adv. Docket No. 10].
[17] Manns Decl., Ex. 8 at p. A-12.
[18] *Id*. at p. A-4.
[19] Manns Decl., Ex. 6 at § 4.1.
[20] *See Omnibus Response of the Official Committee of Unsecured Creditors to (I) Debtor's Motion to Dismiss Adversary Complaint for Declaratory Relief and (II) Motion of the Roman Catholic Welfare Corporation of Oakland,*

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Debtor Defendants, as well as the overlap of common directors and officers, demonstrated the "Bishop's unbridled power over them…and the ability of these board members to comply with their duty of loyalty is, at best, questionable."[21]

On April 22, 2025, the Court entered the *Order After Hearing on Motions to Dismiss* [Adv. Docket No. 30] granting the Debtor's and Non-Debtor Defendants' motions to dismiss the Original Complaint and granting the Committee leave to amend.

On May 6, 2025, the Committee subsequently filed the *First Amended Adversary Complaint* (the "Amended Complaint") [Adv. Docket No. 32] against the Debtor and Non-Debtor Defendants asserting claims for substantive consolidation and other declaratory relief. Although the Amended Complaint largely re-packaged the allegations in the Original Complaint, the Committee re-framed many of its allegations under an alter ego theory of liability. As relevant here, the Committee re-alleged that the Debtor and Adventus historically shared officers and directors, among other connections previously set forth in the Original Complaint, and added allegations that Adventus and the Debtor shared employees and the Bishop appointed Adventus' principal staff members.[22]

On May 23, 2025, the Debtor and Non-Debtor Defendants filed motions to dismiss the Amended Complaint pursuant to Rule 12(b)(6).[23] The Committee filed a response in opposition to the motions on May 28, 2025[24] to which the Debtor and Non-Debtor Defendants filed replies on June 2, 2025.[25]

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the Roman Catholic Cemeteries of the Diocese of Oakland and Adventus to Dismiss Complaint [Adv. Docket No. 19] at pp. 20-21.

[21] *See id.* at pp. 4-5.

[22] Amended Complaint at ¶ 141.

[23] *See Motion of the Roman Catholic Welfare Corporation Of Oakland, the Roman Catholic Cemeteries of the Diocese of Oakland and Adventus to Dismiss the Official Committee of Unsecured Creditors' First Amended Complaint* [Adv. Docket No. 35], *Declaration of Ryan E. Manns in Support of the Motion of the Roman Catholic Welfare Corporation Of Oakland, the Roman Catholic Cemeteries of the Diocese of Oakland and Adventus to Dismiss the Official Committee of Unsecured Creditors' First Amended Complaint* [Adv. Docket No. 36], and *Debtor's Motion to Dismiss First Amended Adversary Complaint* [Adv. Docket No. 41].

[24] *See Omnibus Response of the Official Committee of Unsecured Creditors to (I) Debtor's Motion to Dismiss Frist Amended Adversary Complaint and (II) Motion of the Roman Catholic Welfare Corporation of Oakland, the Roman Catholic Cemeteries of the Diocese of Oakland and Adventus to Dismiss the Official Committee of Unsecured Creditors' First Amended Adversary Complaint* [Adv. Docket No. 45].

[25] *Reply in Support of Debtor's Motion to Dismiss Adversary First Amended Adversary Complaint* [Adv. Docket No. 47] and *Reply Memorandum in Support of the Motion of the Roman Catholic Welfare Corporation Of Oakland, the Roman Catholic Cemeteries of the Diocese of Oakland and Adventus to Dismiss the Official Committee of Unsecured Creditors' First Amended Complaint* [Adv. Docket No. 48].

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C. The Court's Dismissal of the Amended Complaint with Prejudice.

Following oral argument on the Debtor's and the Non-Debtor Defendants' motions to dismiss, the Court issued an oral ruling stating detailed reasons for dismissing all the counts in the Amended Complaint with prejudice.[26] As relevant here, the Court held the Committee's claims for substantive consolidation against the Debtor and each of the Non-Debtor Defendants failed on several grounds. First, the Court reiterated that based on the Supreme Court's decision in *Law v. Siegel*, the Committee's claim for substantive consolidation against the Non-Debtor Defendants (non-profit non-debtor entities) could not stand unless applicable state law, here an alter ego theory of liability, rather than section 105(a) of the Bankruptcy Code, provided the basis for liability.[27] Next, the Court determined the Committee had failed to adequately plead facts to satisfy the elements of alter ego liability under California law – *i.e.,* (i) a unity of interest between the target entities such that their separate personalities do not truly exist and (ii) a resulting fraud or injustice from the failure to disregard the entities' separate identities.[28]

With respect to the unity of interest prong, the Court found the Committee's allegations did not rise to the level of pervasive day-to-day control and domination required to show that the Non-Debtor Defendants functioned as mere instrumentalities of the Debtor, even accepting as true the Committee's allegations of shared officers, directors, and employees between the Debtor and Non-Debtor Defendants.[29] In addition, the Court ruled that the allegations of the Bishop's general authority to approve certain expenditures and appoint staff of the Non-Debtor Defendants, were not supported by factual allegations that he actually and regularly exercised such authority that would justify piercing the corporate veil.[30] Further, the Court determined that allegations of financial overlap between the Debtor and Non-Debtor Defendants – service as guarantors in loan and bond obligations and shared financial responsibilities – fell short of the degree of pervasive control or

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[26] A true and correct copy of the transcript of the Court's oral ruling is attached as Exhibit A (hereinafter, "Ruling Tr.") to the *Declaration of Michael A. Kaplan* filed in support of the Motion [Adv. Docket No. 58].
[27] Ruling Tr. 136:15-22.
[28] *Id*. at 137:9-21.
[29] *Id*. at 140:24-141:10.
[30] *Id*. at 141:10-14.

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commingling necessary to support alter ego.[31]

The Court likewise determined that the Committee had not adequately pleaded sufficient facts to satisfy the fraud or injustice element of alter ego.[32] The Committee's allegations did not show that the Debtor had structured its financial relationship with the Non-Debtor Defendants to aid in perpetrating a fraud, to deceive creditors, or abuse its corporate form.[33] Rather, at most, the Committee alleged "an unfortunate consequence of preexisting lawful business arrangements."[34]

The Court stated that the Committee's allegations in the Amended Complaint "are essentially identical" to those set forth in the Original Complaint and emphasized that "the alter ego standard is frankly more demanding" than "substantive consolidation through section 105(a)" as it requires "a more systemic and pervasive melding of interest[s] the Court doesn't believe are found here."[35] For these reasons, the Court concluded the Committee had not alleged sufficient facts to meet the requirements for piercing the corporate veil of the Non-Debtor Defendants under an alter ego theory and therefore failed to satisfy the entanglement test of substantive consolidation.[36]

III. ARGUMENT

Reconsideration is an extraordinary remedy that courts are cautioned to use sparingly. *Kona Enters. v. Estate of Bishop*, 229 F.3d 877, 890 (9th Cir. 2000). Indeed, "a motion for reconsideration should not be granted, absent highly unusual circumstances, unless the district court is presented with newly discovered evidence, committed clear error, or if there is an intervening change in the controlling law." *Id*. (quoting *389 Orange St. Partners v. Arnold*, 179 F.3d 656, 665 (9th Cir. 1999)). Courts should deny motions for reconsideration that "raise arguments or present evidence for the first time when they could reasonably have been raised earlier in the litigation." *Id*.; *see also Wolkowitz v. Hai Ou Yang (In re Interworks Unlimited Inc.)*, 2022 Bankr. LEXIS 2319, at *20 (B.A.P. 9th Cir. Aug. 19, 2022) (The reconsideration "motion raises the same issue that was the

[31] *Id*. at 141:15-142:11.
[32] *Id.* at 142:12.
[33] *Id.* at 143:8-11.
[34] *Id*. at 143:12-13.
[35] *Id*. at 144:12-16.
[36] *Id*. at 144:17-21.

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focus of the motion to dismiss. Moreover, the same information was clearly within his counsel's knowledge and control. In short, this was not new evidence."). In addition, when presented with facts that upon reconsideration would not alter the outcome of the Court's prior decision, reconsideration should be denied. *See, e.g., Medina v. Two Jinn, Inc.*, 2024 WL 4485592, at *3 (N.D. Cal. Mar. 28, 2024) (holding that reconsideration should be denied because the statements the plaintiffs sought to introduce in a further amended complaint would be futile to further amendment); *Gonda v. Permanente Med. Grp., Inc.*, 2015 WL 628185, at *1 (N.D. Cal. Feb. 12, 2015) (same); *Samet v. Procter & Gamble Co.*, 2014 WL 1782821, at *3 (N.D. Cal. May 5, 2014) (same); *see also Beverly v. Network Solutions, Inc.,* 1998 WL 917526, at *4 (N.D. Cal. Dec. 30, 1998) (for evidence to be considered "new" for the purpose of reconsideration it "must be of such a character that it would change the outcome of the court's prior decision.").

A movant's burden on reconsideration is a heavy one: "To prevail upon a motion to reconsider, a party must set forth facts or law of a strongly convincing nature to induce the Court to reverse its prior decision." *Permanente Med. Grp., Inc.*, 2015 WL 628185, at *1 (quoting *Walker v. Carnival Cruise Lines*, 107 F. Supp. 2d 1135, 1138 (N.D. Cal. 2000)).

The Committee does not point to a clear error by the Court in dismissing the Amended Complaint or an intervening change in the controlling law. Rather, the Committee requests reconsideration based on five "new facts"[37] the Committee claims it only recently discovered: (i) Adventus is a real estate holding company that has no purpose other than to hold real estate for the Debtor; (ii) Adventus has no employees; (iii) Adventus has no directors or executive officers; (iv) Mr. Bardos believed there was only one other board member, the vicar general of the Debtor; and (v) Adventus's previous decision to contribute the Livermore Property would benefit Adventus by helping the Debtor reach a settlement.[38]

Few of these supposedly "new facts" are actually new, and most are not supported by the testimony on which the Committee claims to rely. Most importantly, none warrant reconsideration

[37] Motion at p. 6.

[38] Although broadly framed, the Motion appears limited to seeking reconsideration of the portion of the Court's decision denying substantive consolidation under the entanglement test. The Non-Debtor Defendants reserve all rights to contest reconsideration on any other ground.

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because the addition of such facts to a further amended complaint would not cure the Committee's numerous pleading deficiencies the Court identified in dismissing the Amended Complaint.

Annexed as **Exhibit A** to this Objection is a chart comparing the Committee's allegations of "new" facts to (a) the actual deposition testimony of Mr. Bardos (which is often more benign than the Committee's characterization), and (b) information the Non-Debtor Defendants contend was previously in the Committee's possession, including allegations in their own Amended Complaint. In addition to this detailed Exhibit, the Non-Debtor Defendants provide the following summary.

"New Fact" No. 1: Holding Company and Purpose. Mr. Bardos testified that Adventus is a real estate holding company for "entities within the Diocese," not that it "has no other purpose than to hold real estate for the Debtor" as the Committee incorrectly claims.[39] Nevertheless, more than a month before the Committee filed its Original Complaint, the Debtor disclosed in the Plan and Disclosure Statement that Adventus is an entity affiliated with the Debtor and used by the Debtor to hold real estate.[40] In addition, the Committee relied on Appendix A to the Offering Memorandum to draft the allegations in the Original Complaint. That document too described Adventus's purpose as a real estate holding company under the Diocesan umbrella,[41] and so the Original Complaint described Adventus as "a California corporation used by the Diocese to hold title in limited real estate."[42] Therefore, Adventus's role as a real estate holding company for the Debtor is not "new evidence" that warrants reconsideration.

"New Facts" Nos. 2–4: Employees, Officers, and Directors. Mr. Bardos testified he would have to examine Adventus's corporate documents to determine its board membership but that Father Lawrence was the only other board member that came to mind at that time.[43] Though he testified Adventus currently does not have a CEO or president, he did not recall who may have held those titles or held officer or director roles at Adventus as of May 2023.[44] Contrary to the

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[39] Compare Bardos Dep. Tr. 91:2-12 and 106:17-22 with Motion at p. 5 (91:2-12)
[40] *See* Disclosure Statement at p. 20.
[41] Manns Decl., Ex. 8 at pp. A-4, A-12.
[42] Original Complaint at ¶ 26.
[43] Bardos Dep. Tr. 92:14-23.
[44] *Id*. at 92:24-93:19.

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Committee's contention, he did not testify that Adventus "has no directors or executive officers."[45] Regardless, the Committee fails to explain why (i) Mr. Bardos' and Father Lawrence's *current* overlapping roles for the Debtor and Adventus (as opposed to the Committee's prior allegations that Paul Bongiovanni and Michael Canizzaro had previously held overlapping roles for the Debtor and Adventus) or (ii) the *current* number of overlapping directors, officers, or board members for Adventus should alter the Court's conclusion that the Amended Complaint should be dismissed. Nor does the Committee elaborate on why Adventus' lack of employees (as opposed to the Committee's prior allegation that Adventus and the Debtor shared employees) should change the outcome.

The Court previously held the unity of interest and ownership prong of the alter ego test requires a showing that "the parent controls a subsidiary with such consistency and severity that the latter is rendered a mere instrumentality of the former." Ruling Tr. 140:15-19 (citing *Ranza v. Nike, Inc.*, 793 F.3d 1059, 1073 (9th Cir. 2015)). The plaintiff must demonstrate "a total domination of finances, policy, and business practices," such that the subsidiary has "no separate mind, will, or existence of its own." *Id*. at 140:19-23 (quoting *Doe v. Unocal Corp.*, 248 F.3d 915 (9th Cir. 2001)). In fact, total ownership and shared management personnel are alone insufficient to establish the requisite level of control to support an alter ego finding. *See Harris Rutsky & Co. Ins. Servs. v. Bell & Clements Ltd.*, 328 F.3d 1122, 1135 (9th Cir. 2003); *see also Ranza*, 793 F.3d at 1074 ("Some employees and management personnel move between the entities, but that does not undermine the entities' formal separation."). The Committee does not show how the "new facts" it claims to have recently discovered would overcome its prior failure to satisfy this standard. The facts presented are more of the same kind the Committee relied on to invoke alter ego in the Amended Complaint that the Court determined were deficient.[46]

Moreover, the Committee fails to provide any context on why Adventus's *current* board membership, directors, officers, or lack of employees is relevant to the alleged *past* entanglement

[45] Motion (citing Bardos Dep. Tr. 92:24-93:12). Even if that were the case, as the Committee is aware, Adventus' Bylaws expressly authorize the corporation to be managed by members of its board. *See* Manns Decl., Ex. 6.
[46] *See* Ruling Tr. 139:14-142:11.

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of its affairs with the Debtor pre-bankruptcy. (The Committee's questions about employees, officers, and directors were phrased to Mr. Bardos in the present tense, other than a question concerning the May 2023 time period for which Mr. Bardos did not know the answer.[47]) The thrust of the Original Complaint and Amended Complaint are the Committee's allegations that the Bishop, acting through the Debtor, used Adventus and the Non-Debtor Defendants to shelter hundreds of millions of dollars from creditors *pre-bankruptcy*. Whether Adventus *currently* (more than two years after the Debtor filed for bankruptcy) shares board members, directors, or officers with the Debtor, or has no employees, is, therefore, of no moment.

"New Fact" No. 5: Reasons for Contribution of Livermore Property. Mr. Bardos testified that Adventus would benefit from contributing the Livermore Property to the Survivors' Trust by helping the Debtor achieve a settlement in the bankruptcy case.[48] Omitted from the Motion's characterization of this "new fact," however, is Mr. Bardos' additional testimony that the contribution "helps everybody," not just the Debtor, and was intended "for the greater good."[49] When viewed in the context of Adventus' status as a nonprofit organization that shares its charitable and religious mission with the Debtor, this testimony is neither surprising nor controversial. But more importantly, the alter ego test is not satisfied simply because affiliated entities "share many of the same objectives and seem to coordinate their operations to a large extent." *See Reliant Energy Servs. v. Ariz. Elec. Power Coop.*, 2002 U.S. Dist. LEXIS 28109, at *26 (S.D. Cal. Dec. 13, 2002).

Finally, the Committee makes no attempt to tie any of (let alone all of) the "new facts" presented to the fraud or injustice element of alter ego. The Court previously ruled the Committee had failed to allege the Debtor structured its financial relationship with the Adventus and the other Non-Debtor Defendants to perpetrate a fraud, deceive creditors, or abuse the corporate form.[50] Thus, the Committee's substantive consolidation claim cannot be salvaged even if the "new facts" could satisfy the unity of interest and ownership prong of alter ego. Because it would be futile for the Committee to further amend its complaint, reconsideration should be denied.

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[47] *See* Bardos Dep. Tr. 92:11-93:19.
[48] Bardos Dep. Tr. 114:23-25.
[49] Bardos Dep. Tr. 115:1-10.
[50] *See* Ruling Tr. 142:12-143:18.

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IV. CONCLUSION

For the foregoing reasons, the Non-Debtor Defendants respectfully request that the Court enter an order denying the Motion in its entirety.

Dated: August 27, 2025

REBECCA J. WINTHROP
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EXHIBIT A

"New Fact" No. 1

"Adventus is a real estate holding company that has no other purpose than to hold real estate for the Debtor."

Motion at p. 6 (citing Bardos Dep. Tr. at 91:2–12).

Bardos Testimony	Previously Available Information
"Q: What is Adventus, sir? A. Essentially, it's a real estate holding company. Q. Who does it hold real estate for? A. For entities within the Diocese of Oakland. It was designed for that. Q. Does it do anything else? A. No" Bardos Depo. Tr. 91:2-12. "Q. Let me turn back to one -- I think I may have asked this, but I want to make sure I did. Adventus has only ever held property that belonged to RCBO; correct? A. I wouldn't say that." Bardos Depo. Tr. 106:17-22.	"Defendant Adventus is a California corporation used by the Diocese to hold title in limited real estate—specifically, single-family residences in Byron and Hayward and undeveloped land in Livermore." Original Complaint at ¶ 26. According to Adventus' Bylaws, "[Adventus] shall perform certain function[s] of the [Debtor], and its affiliated entities, related to real estate and such other functions as may be agreed upon from time to time," and "[a]ll directors shall be appointed by the [Debtor]." Original Complaint at ¶ 44. Chart of the "Organization of The Diocese of Oakland" that identifies Adventus as "Adventus/Properties." Appendix A of the Bond Offering Memorandum, at A-4. "The Diocese consists of the following components:…Adventus, the Diocesan entity that administers real estate holdings and transactions." Appendix A of the Bond Offering Memorandum, at A-12. "Adventus, is a corporation used by the Diocese to hold title in its real estate transactions." Appendix A of the Bond Offering Memorandum, at A-20. Adventus is "a California nonprofit public benefit corporation, [that] is used by the Debtor to hold title in some limited real estate" and whose "financials are consolidated into the audited financials of the Debtor." Disclosure Statement at p. 20

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"New Fact" No. 2

"Adventus has no employees." Motion at p. 6 (citing Bardos Dep. Tr. at 92:11–12).

Bardos Testimony	Previously Available Information
"Q. Okay. And I think I asked you this: It doesn't have any employees? A. No employees. It's a real estate holding company." Bardos Depo. Tr. 93:2-5.	"Using shared employees: The Chancery and its employees handle administrative functions for both the Debtor and Adventus. Except for certain transactions that require approval of the Pope, the Bishop has authority to exercise control over all assets within his Diocese, including the Property purportedly owned by Adventus" Amended Complaint, at ¶ 141(iv).

"New Fact" No. 3
"Adventus has no directors or executive officers."
Motion at p. 6 (citing Bardos Dep. Tr. at 92:24–93:12).

Bardos Testimony	Previously Available Information
"Q. I understand. I think at the beginning you told me that you are an ex officio board member of Adventus? A. I am indeed. Q. Who other -- who else holds a title at Adventus? A. I would say that I believe – I believe that Father Lawrence is also a board member. I'd have to look at the documents, but that's the only one that comes to mind. Q. Does Adventus have a president or chief executive officer? A. Not that I'm aware of." Bardos Depo. Tr. 92:13-93:1. "Q. Okay. And are you aware -- can you think of anyone else besides you and Father D'Anjou who have a title at Adventus? A. I'm sure -- well before my time when it was first incorporated, I'm sure there were more people named and involved and the board was more active then. It's been dormant lately. Q. I guess my question is, as of May 2023, which is where we get into the real relevant time period here, was it at that time just Paul Bongiovanni and Father D'Anjou? A. There could have been some other members still around that were part of it. I don't know." Bardos Depo. Tr. 93:6-93:19.	"(a) General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation or Bylaws relating to action (requiring approval by the members, the activities, business, and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board." Adventus's Bylaws at 4.1(a). "(c) Delegation of Management. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company, or committees however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate power shall be exercised under the ultimate direction of the Board." Adventus's Bylaws at 4.1(c). "Shared officers and/or directors: (i) Paul Bongiovanni served as CFO of the Debtor from at least 2017 through and until his retirement on March 31, 2024; and he also served as president and CEO of Adventus from 2019 through 2021, and CFO of Adventus is 2019, as well as agent for service of process for Adventus in 2019 and 2021; and (ii) Michael Canizzaro served as attorney-in-fact for the Debtor in 2007, and vice president of Adventus in 2007." Amended Complaint, at ¶ 141(ii).

"New Fact" No. 4

"Mr. Bardos believes the only other board member of Adventus (although he could not definitively recall whether Adventus has any other board members or their identities) is Father Lawrence D'Anjou, the vicar general of the Debtor."
Motion at p. 6 (citing Bardos Dep. Tr. at 92:18–23).

Bardos Testimony	Previously Available Information
"Q. Okay. And are you aware -- can you think of anyone else besides you and Father D'Anjou who have a title at Adventus? A. I'm sure -- well before my time when it was first incorporated, I'm sure there were more people named and involved and the board was more active then. It's been dormant lately. Q. I guess my question is, as of May 2023, which is where we get into the real relevant time period here, was it at that time just Paul Bongiovanni and Father D'Anjou? A. There could have been some other members still around that were part of it. I don't know." Bardos Depo. Tr. 93:6-93:19.	"Shared officers and/or directors: (i) Paul Bongiovanni served as CFO of the Debtor from at least 2017 through and until his retirement on March 31, 2024; and he also served as president and CEO of Adventus from 2019 through 2021, and CFO of Adventus is 2019, as well as agent for service of process for Adventus in 2019 and 2021; and (ii) Michael Canizzaro served as attorney-in-fact for the Debtor in 2007, and vice president of Adventus in 2007." Amended Complaint, at ¶ 141(ii).

"New Fact" No. 5

"Adventus's proposed contribution of its Livermore property to compensate Survivors in the Debtor's previously proposed plan of reorganization—which was necessarily negotiated between the Debtor and either Mr. Bardos or Father D'Anjou (as the only possible representatives of Adventus and who are also the CFO and vicar general of the Debtor, respectively)—would benefit *Adventus* by helping *the Debtor* get to a settlement faster." Motion at p. 6 (citing Bardos Dep. Tr. at 114:23–115:10) (emphasis in original).

Bardos Testimony	Previously Available Information
"Q. As your counsel just indicated, there was a prior version of the plan in which Adventus was going to contribute the Livermore property to the survivors' trust; correct? A. That is correct. Q. What benefit would Adventus have received for that transfer? A. Helping to get a settlement faster. It helps everybody. Q. Okay. When you say "helping to get a settlement faster," that is the settlement for RCBO? A. Yes. Q. Okay. Was Adventus -- was there any direct benefit to Adventus? A. Doing a good deed. Yes. Q. Okay. A. For the greater good." Bardos Depo. Tr. at 114:23–115:10.	"The purposes of this corporation are charitable. This corporation shall perform certain functions of The Roman Catholic Diocese of Oakland, and its affiliated entities, relating to real estate and such other functions as may be agreed upon from time to time." Adventus's Bylaws at 2.