

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

---

In re:

BKY 15-50792

Diocese of Duluth,

Chapter 11

Debtor-in-Possession.

---

**ORDER GRANTING MOTION FOR EXPEDITED RELIEF; ESTABLISHING DEADLINES FOR FILING PROOFS OF CLAIM; APPROVING SEXUAL ABUSE PROOF OF CLAIM FORM; APPROVING FORM AND MANNER OF NOTICE; AND APPROVING CONFIDENTIALITY PROCEDURE**

---

This case is before the court on the motion of the debtor for an order establishing deadlines for filing proofs of claim, approving proof of claim forms, approving the form and manner of notice, and approving confidentiality procedures in connection with the filing of proofs of claim.

Based on the motion and the file,

IT IS ORDERED:

1. The debtor's motion for expedited relief is granted.
2. The debtor's motion for an order establishing deadlines for filing proofs of claim, approving proof of claim forms, approving the form and manner of notice, and approving confidentiality procedures in connection with the filing of proofs of claim is granted as set forth in this order.

**FORM**

3. The Sexual Abuse Proof of Claim Form, the Sexual Abuse Claims Filing Deadline Notice and the Publication Notice, in the forms attached as Exhibits A, B, and C are approved.

Creditors with claims other than sexual abuse claims may use the official proof of claim form

410.

**NOTICE**

4. The form and manner of notice as approved in this order fulfill the notice requirements of the Federal Rules of Bankruptcy Procedure and the local rules of this court. Notice of the filing deadlines in the form and manner attached is fair and reasonable and will provide sufficient notice to all creditors of their rights and obligations in connection with claims they may assert in this case. Accordingly, the debtor is authorized and directed to serve and publish the notices in the manner described in this order.

**DEADLINE FOR TIMELY FILING CLAIMS**

5. The last day to timely file a proof of claim in this case is set as **May 25, 2016**. This deadline applies to all persons, including sexual abuse claimants, and entities, other than governmental units.

6. The last day for any governmental unit to file a timely proof of claim is **June 6, 2016**.

**REQUIREMENTS FOR SEXUAL ABUSE PROOF OF CLAIM FORMS**

7. Persons asserting claims arising from sexual abuse as that term is defined in Minnesota Statutes § 541.073(1), as well as from molestation, rape, undue familiarity, sexually-related physical, psychological or emotional harm, or contacts or interactions of a sexual nature between a child and an adult, or a non-consenting adult and another adult for which such persons believe that the debtor may be responsible shall file a Sexual Abuse Proof of Claim Form (Exhibit A).

8. The Clerk of Court shall maintain a copy of each Sexual Abuse Proof of Claim Form in electronic form in accordance with the confidentiality procedures outlined below. The Clerk of Court will assign each Sexual Abuse Proof of Claim Form a number and shall list that number on the public docket without a link to the Sexual Abuse Proof of Claim Form and without the name

of the claimant. All original Sexual Abuse Proof of Claim Forms shall be turned over to the attorneys for the debtor at regular intervals.

### **CONFIDENTIALITY PROCEDURES**

9. Sexual Abuse Proof of Claim Forms shall be submitted pursuant to the following confidentiality procedures:

- i. Sexual Abuse Claimants shall mail or deliver the original of a Sexual Abuse Proof of Claim Form to the Clerk of the United States Bankruptcy Court for the District of Minnesota at the following address: 301 U.S. Courthouse, 300 South Fourth Street, Minneapolis, MN 55415 Attention: Heidi.
- ii. Sexual Abuse Proof of Claim Forms maintained by the Clerk of Court will not be available for viewing or copying unless otherwise ordered by the court. This confidentiality procedure is for the benefit of the Sexual Abuse Claimants. Accordingly, Sexual Abuse Claimants may elect to make any of the information contained in a Sexual Abuse Proof of Claim Form public, even if they elected to file the Sexual Abuse Proof of Claim Form confidentially. If a Sexual Abuse Claimant affirmatively indicates by checking the box in Part 1 of the Sexual Abuse Proof of Claim Form that the claim is to be made public, that claim will be added to the public claims register. If no box is checked or if both boxes are checked on a Sexual Abuse Proof of Claim Form, that form shall not be made public.
- iii. Sexual Abuse Proof of Claim Forms submitted by Sexual Abuse Claimants shall be held and treated as confidential by the debtor and its counsel and upon request to the permitted parties listed below, subject to each permitted party executing and returning to the debtor's counsel a confidentiality agreement, and to such other persons as the court determines; provided, however, that all parties with access to the Sexual Abuse Proof of Claim Forms shall agree to keep the information provided in a Sexual Abuse Proof of Claim Form confidential (unless the Sexual Abuse Claimant elects otherwise in Part 1 of the Sexual Abuse Proof of Claim Form). Permitted parties may obtain copies of Sexual Abuse Proof of Claim Forms in accordance with the terms of an applicable confidentiality agreement only from counsel for the debtor, and shall not seek or obtain such documents from the clerk of court.
- iv. Permitted parties include: (a) counsel for the debtor; (b) officers and employers of the debtor who are necessary to assist the debtor and its counsel address issues with respect to Sexual Abuse Claims; (c) counsel

for the committee of unsecured creditors; (d) insurance companies or their successors, including any authorized claim administrators of such insurance companies, that issued or allegedly issued policies to the debtor and their reinsurers and attorneys; (e) any future claims representative appointed by the court in this case; (f) any mediator, special arbitrator or claims reviewer appointed by the court to review and resolve the Sexual Abuse Claims; (g) any trustee appointed to administer payments to Sexual Abuse Claimants; (h) authorized representatives of a department of corrections with respect to a Sexual Abuse Claim by a Sexual Abuse Claimant who is incarcerated but only to the extent such disclosure is authorized under applicable non-bankruptcy law; (i) members of the committee of unsecured creditors and their personal counsel (after the Sexual Abuse Proof of Claim Form has been redacted to remove the Sexual Abuse Claimant's name, address and any other information identified in Part 2(A) or 3 of the Sexual Abuse Proof of Claim Form and the signature block); (j) law enforcement in the city or county where the Sexual Abuse Claim arose; (k) auditors of the United States Conference of Catholic Bishops charged with preparing annual audits of diocesan compliance with the Charter for the Protection of Children and Young People; (l) each parish identified in a sexual abuse proof of claim, and the following personnel from the identified parish: (i) the pastor; (ii) the trustees serving on the parish finance council; (iii) the chairperson of the parish finance council; (iv) the business administrator of the parish; (v) attorneys serving as counsel to the parish; and (vi) the parish's insurance company; and (m) such other persons as the court determines should have the information in order to evaluate Sexual Abuse Claims only upon a motion by the debtor or the committee of unsecured creditors.

10. In addition to the foregoing, counsel for the debtor and the committee of unsecured creditors are authorized to provide copies of an individual claimant's Sexual Abuse Proof of Claim and any other documents filed in connection with the individual claimant's Sexual Abuse Proof of Claim to counsel representing such individual claimant. Permitted parties and their attorneys shall be authorized to review proofs of claim upon execution of a confidentiality agreement agreed upon by the debtor and the committee of unsecured creditors or pursuant to further order of the court. The court may approve additional permitted parties upon motion.

11. Access to the Sexual Abuse Proof of Claim Forms extends only to the individual who executes the confidentiality agreement. A separate confidential agreement must be signed by each individual who seeks access to the records on behalf of a permitted party.

### **TIMING AND FORM OF NOTICE**

12. As soon as reasonably practicable after the entry of this order, the Clerk of Court shall give notice by United States mail, first-class postage prepaid, or by electronic means, of the non-tort claim filing deadline to (a) the United States Trustee for the District of Minnesota; (b) counsel to the committee of unsecured creditors; (c) all persons and entities that have filed a notice of appearance in this case; (d) all persons and entities that have previously filed proofs of claims in this Chapter 11 case.

13. As soon as reasonably practicable, but in any event no later than five business days after the entry of this order, the debtor shall serve by United States mail, first-class postage prepaid, the Sexual Abuse Claim Filing Deadline Notice (Exhibit B) and the Sexual Abuse Proof of Claim Form (Exhibit A) on the United States Trustee, and on known Sexual Abuse Claimants who have:

- i. Filed pending lawsuits against the debtor alleging that they were sexually abused by employees or agents of the debtor or by clergy previously assigned to the debtor or any others for whom the debtor may be liable;
- ii. Provided to the debtor under Minn. Stat. § 549.09 a written notice of claim of sexual abuse by employees or agents of the debtor or by clergy previously assigned to the debtor or any others for whom the debtor may be liable;
- iii. Contacted the debtor to claim that they were sexually abused as a minor by employees or agents of the debtor or by clergy previously assigned to the debtor or any others for whom the debtor may be liable;
- iv. Are otherwise known to the debtor to be a Sexual Abuse Claimant through reasonably-ascertainable records.

14. The service of the Sexual Abuse Claim Filing Deadline Notice and Sexual Abuse Proof of Claim Form on Sexual Abuse Claimants shall be accomplished through such Sexual Abuse Claimants' attorneys, if previously identified as counsel for such Sexual Abuse Claimant in connection with a Sexual Abuse Claim, and directly on all other known potential Sexual Abuse Claimants that have been identified and located by the debtor through reasonably diligent efforts.

15. The Publication Notice and the Sexual Abuse Claim Filing Deadline Notice shall include a reference to this court's website ([www.mnb.uscourts.gov](http://www.mnb.uscourts.gov)) where all claim forms shall be made available.

16. The service outlined above shall constitute service on all known creditors of the debtor. All other creditors of the debtor shall be deemed to be unknown for the purpose of service of notice of the Claim Filing Deadline.

17. The debtor shall also provide notice of the Claim Filing Deadline established in this order by causing a copy of the Publication Notice (Exhibit C) to be published as follows:

- i. Publication four times in each of the following publications, with the first publication to occur within thirty days of the service of the claim filing deadline packages, the second publication to occur approximately thirty after the first notice, the third publication to occur approximately thirty days after the second notice, and the fourth publication to occur approximately thirty days after the third notice:
  - *National Publication*: USA Today – National Edition
  - *Catholic Publications (and their respective websites)*:
    - National Catholic Reporter (National)
    - The National Catholic Register (National)
    - The Northern Cross (Regional)
  - *Local Publications (and their respective websites)*:

- Minneapolis Star Tribune
- St. Paul Pioneer Press
- The Minnesota Daily
- Duluth News Tribune
- Post-Bulletin (Rochester)
- St. Cloud Times
- Brainerd Dispatch
- Grand Forks Herald
- Winona Daily News
- The Bemidji Pioneer
- Crookston Daily News
- The Free Press (Mankato)
- The Journal (New Ulm)
- Mesabi Daily News (Virginia)
- Hibbing Daily Tribune
- Grand Rapids Herald Review
- International Falls Journal
- The Duluthian

- ii. The debtor, in consultation with the official committee of unsecured creditors, shall identify Native American publications of the Native American populations within the Diocese's geographical area. The debtor shall cause Publication Notice to be published in these publications on the same schedule set forth above.
- iii. The debtor will request that the Publication Notice is published in the above listed publications in a location other than among the standard legal notices.
- iv. In addition to the Publication Notice, the debtor will send copies of the Sexual Abuse Claim Filing Deadline Notice to the publications listed above and to the following:
  - The Associated Press of Minnesota
  - WCCO-AM
  - Minnesota Public Radio
  - KARE-TV
  - KMSP-TV
  - KSPR-TV
  - WCCO-TV
  - Each diocese in Minnesota

18. The debtor shall provide further notice of the Claim Filing Deadline by taking the following measures:

- i. Within five business days of the entry of this order, the debtor will post the component parts of the Sexual Abuse Claim Filing Deadline Package and the Non-Tort Claim Filing Deadline on the following public website: <http://www.dioceseduluth.org>;
- ii. Within five business days of the entry of this order, the debtor will provide a copy of the Publication Notice and component parts of the Sexual Abuse Claim Filing Deadline Package to the Survivors Network of the Abused by Priests and request that it post the same on its website at [www.snapnetwork.org](http://www.snapnetwork.org);
- iii. Within five business days of the entry of this order, the debtor will provide a copy of the Publication Notice and component parts of the Sexual Abuse Claim Filing Deadline Package to Jeff Anderson and Associates P.A. and request that it post the same on its websites at [www.andersonadvocates.com](http://www.andersonadvocates.com);
- iv. The debtor will maintain a telephone number published on their website at <http://www.dioceseduluth.org> which may be used by Sexual Abuse Claimants to ask questions or obtain copies of the Sexual Abuse Claim Filing Deadline Package or parts thereof;
- v. Within two weeks of the service of the Sexual Abuse Claim Filing Deadline Package, the debtor will provide a copy of the Publication Notice and the Sexual Abuse Claim Filing Deadline Notice to the following offices/entities and request that each recipient publicly post such notice until the expiration of the Claim Filing Deadline: (a) The Minnesota Attorney General; (b) the county attorney, the county court administrator, and sheriff's department for each of the counties within the Diocese's geographical area; (c) the Minnesota Department of Health's locations within the Diocese's geographical area; (d) each hospital in the Diocese's geographical area; and (e) each of the 74 parishes.
- vi. The debtor will send a letter to each parish requesting that such parish display the Publication Notice and Sexual Abuse Claim Filing Deadline Notice in a prominent location within the church or school. The letter will also request that the notices be published prominently once a month in the parishes' weekly bulletins until the Claim Filing Deadline. The letter will also request that each pastor, canonical administrator, or parochial vicar remind parishioners of the availability of information concerning the Claim Filing Deadline. The letter will also request that parishes disseminate the Publication Notice and Sexual Abuse Claim Filing Deadline Notice by email to their



respective distribution lists. The letter shall request confirmation as to whether the parish has complied with the publication request and shall request (i) the dates of publication of the notices in the parish's bulletin; and (ii) a copy of the parish bulletin including such notice.

- vii. The debtor will mail a copy of the Sexual Abuse Claim Filing Deadline Notice to all licensed alcohol and addiction treatment centers in the state of Minnesota, as identified by counsel for the committee of unsecured creditors, and to persons identified by counsel for the official committee of unsecured creditors as licensed therapists presently working with sexual abuse claimants.
- viii. The Bishop shall request that each pastor, canonical administrator, or parochial vicar read a letter from the Bishop at least two times before the Claim Filing Deadline. The letter from the Bishop shall state that the Bishop requested that the letter be read; that the Claim Filing Deadline is May 25, 2016; that the Bishop requests that people inform their family members about the Claim Filing Deadline; and that the filing of a claim can be done confidentially.

19. Each request described in paragraph 18(v) and (vi) above shall be on the debtor's letterhead and signed by an officer of the debtor. The request described in 18(vi) above, shall include a space at the bottom for the recipient to indicate whether it will comply with the request and a stamped self-addressed return envelope. The debtor will report on compliance to the committee of unsecured creditors.

20. In addition, the Clerk of Court shall post the Sexual Abuse Proof of Claim Form, the Sexual Abuse Claims Filing Deadline Notice and Publication Notice on the website for the United States Bankruptcy Court for the District of Minnesota by adding a link on the court's home page ([www.mnb.uscourts.gov](http://www.mnb.uscourts.gov)) to easily access filing deadline information.

Dated: January 7, 2016

/e/ Robert J. Kressel

---

Robert J. Kressel  
United States Bankruptcy Judge