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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ALASKA

CATHOLIC BISHOP OF NORTHERN ) Case No. 08-00110-DMD  
ALASKA, an Alaska religious corporation )  
sole, ) (Chapter 11)  
)  
Debtor. )  
)  
)  
)  
)

**DEBTOR'S AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS'  
THIRD AMENDED AND RESTATED JOINT PLAN OF REORGANIZATION FOR  
THE CATHOLIC BISHOP OF NORTHERN ALASKA**

December 16, 2009  
Fairbanks, Alaska

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## ARTICLE 1

### INTRODUCTION

The Catholic Bishop of Northern Alaska, an Alaska religious corporation sole, the Debtor and debtor-in-possession in the above-captioned Chapter 11 reorganization case, and the Official Committee of Unsecured Creditors, propose the following Third Amended and Restated Joint Plan of Reorganization pursuant to the provisions of Chapter 11 of the Bankruptcy Code. For purposes hereof, any term used in an initially capitalized form in the Plan will have the defined meaning ascribed to it in either Bankruptcy Code § 101 or Article 2 hereof unless the context otherwise requires.

ALL CREDITORS ARE ENCOURAGED TO CONSULT THE DISCLOSURE STATEMENT BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. AMONG OTHER INFORMATION, THE DISCLOSURE STATEMENT CONTAINS DISCUSSIONS OF THE DEBTOR, THE HISTORICAL BACKGROUND OF THE REORGANIZATION CASE AND THE PREPETITION PERIOD, THE PROJECTIONS GERMANE TO THE PLAN AND THE POST-CONFIRMATION OPERATIONS OF THE DEBTOR AND THE REORGANIZED DEBTOR, AND A SUMMARY AND ANALYSIS OF THE PLAN. NO SOLICITATION MATERIALS, OTHER THAN THE DISCLOSURE STATEMENT AND RELATED MATERIALS TRANSMITTED THEREWITH, HAVE BEEN AUTHORIZED BY THE BANKRUPTCY COURT OR BY THE BANKRUPTCY CODE FOR USE IN SOLICITING ACCEPTANCES OR REJECTIONS OF THE PLAN.

The Court has scheduled the Confirmation Hearing on January 25 and 26, 2010.

## ARTICLE 2

### DEFINITIONS

2.1 Scope Of Definitions. For purposes of the Plan, and except as expressly provided otherwise herein or unless the context otherwise requires, all of the defined terms stated in Article 2 will have the meanings hereinafter stated. For purposes of the Plan and such defined terms, the singular and plural uses of such defined terms and the conjunctive and disjunctive uses

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thereof will be fungible and interchangeable (unless the context otherwise requires); and the defined terms will include masculine, feminine, and neuter genders. The words "hereof," "hereto," "herein," and "hereunder" and words of similar import, when used in the Plan, will refer to the Plan as a whole. The defined terms stated in Article 2 also are substantive terms of the Plan, and Article 2 will be deemed incorporated throughout the rest of the Plan to convey the substantive provisions included in the defined terms. Any term used in the Plan that is not defined herein but that is used in the Bankruptcy Code or the Bankruptcy Rules will have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules. Unless otherwise specified, all section, article, and exhibit references in the Plan are to the respective section in, article of, or exhibit to the Plan, as the same may be amended, waived, or modified from time to time. The headings and captions of the Plan (including the headings of the defined terms), are for convenience of reference only and will not limit or otherwise affect the provisions hereof. Accordingly, the defined terms are as follows:

2.2 Administrative Claim means (a) every cost or expense of administration of the Reorganization Case which is allowable pursuant to Bankruptcy Code § 503, including any actual and necessary postpetition expenses of preserving the Estate; (b) any actual and necessary postpetition expenses of operating CBNA; (c) all Professional Charges approved by the Bankruptcy Court pursuant to interim and final allowances in accordance with Bankruptcy Code §§ 330, 331, and 503(b); (d) every Property Tax Administrative Claim; and (e) all fees and charges assessed against the Estate under Chapter 123 of Title 28, United States Code.

2.3 Administrative Claims Bar Date means the deadline for holders of Administrative Claims to file motions to allow administrative claims and the deadline for the Debtor's Professionals, the Committee's Professionals, the Future Claims Representative and the Future Claims Representative Professionals to file final fee applications and will occur forty-five (45) days after the Confirmation Date, unless any such requirement for filing final fee applications is waived pursuant to Court order.

2.4 Allowed means with respect to any Claim or Administrative Claim allowance for purposes of distribution pursuant to Bankruptcy Code §§ 502 or 503. A Claim or Administrative Claim may become an Allowed Claim by operation of law if it was scheduled in a liquidated amount and not disputed, or if a Proof of Claim was timely filed and was not objected to prior to the Claim Objection Deadline. A Claim or Administrative Claim may also become an Allowed Claim pursuant to the terms of the Plan or by a Final Order entered on an objection to a Proof of Claim or on an application for administrative expense; estimated Claims that are Allowed solely for the purpose of voting to accept or reject the Plan pursuant to an order of the Bankruptcy Court, will not be considered Allowed Claims hereunder. No Disputed Claim will become an Allowed Claim unless and until all such matters are resolved or adjudicated fully and finally and a Final Order has been entered.

2.5 Annuities means the gifts made to CBNA by various donors for charitable gift annuities, in exchange for which such donors are receiving certain fixed payments during their lives or the life of another person, the payments for which were fixed at the date of the gift based on actuarial tables of the donor's life expectancy and uniform gift annuity rates.

2.6 Annuity Secured Claims means the right of the holders of the Annuities to receive the monthly payments provided for in the agreement between CBNA and such annuitant.

2.7 Arbitration Award means the decision of the Special Arbitrator in the binding arbitration procedure described in Article 18 below, setting forth the amount of each Allowed Settling Tort Claim.

2.8 Assets means each and every item of property and interest of the Debtor therein, as of the Effective Date, for which CBNA owns the legal and equitable title, which is part of the temporal goods of the Diocese as a juridic person, and which is property of the Estate under Bankruptcy Code § 541, whether tangible or intangible, legal or equitable, liquidated or unliquidated, and includes without limitation: (a) all Cash; (b) all Retained Claims; (c) any and all amounts owed to the Debtor, including accounts receivable and contract rights, whether due prior or subsequent to the Petition Date; (d) any other right, claim, cause of action, or defense,

whether arising by statute or common law, and whether arising under the laws of the United States, other countries, or applicable state or local law, including, but not limited to, all Insurance Actions; (e) all of the Debtor's books, records, and privileges; (f) all contracts, agreements, licenses, and leases; and (g) any other property of the Debtor.

2.9 Avoidance Actions means all actions pursuant to Bankruptcy Code §§ 544, 547, 548, 549 and 550 and any other actions provided for under applicable law, that allow a debtor, a trustee or a debtor in possession to, among other things, avoid certain transfers.

2.10 Ballot means the ballot accompanying the Plan and Disclosure Statement which will be sent to all Creditors entitled to vote on the Plan, on which such Creditors will indicate their vote to accept or reject the Plan, and pursuant to which any Tort Claimant will make the election to opt out of treatment of his or her Tort Claim as a Settling Tort Claim and into treatment as a Litigation Tort Claim or a Convenience Tort Claim. There will be separate ballots for Tort Claimants and for other Creditors. The Ballots, to the extent necessary, will be approved by the Bankruptcy Court.

2.11 Bankruptcy Code means Title 11 of the United States Code, 11 U.S.C. §§ 101, et seq., including any amendments thereto, which is in effect during the Reorganization Case.

2.12 Bankruptcy Court or Court. These terms are completely synonymous and interchangeable and will refer to and mean the United States Bankruptcy Court for the District of Alaska, or such other court which exercises jurisdiction over part or all of the Reorganization Case, to the extent that the reference of part or all of the Reorganization Case is withdrawn.

2.13 Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure promulgated under Title 28, United States Code, § 2075, including any amendments thereto, as they may be amended from time to time during the Reorganization Case.

2.14 Bar Date means December 2, 2008, the date established by the Court in the Bar Date Order as the date by which a Claim must be evidenced by the filing of a Proof of Claim with the Bankruptcy Court, but excludes the Administrative Claims Bar Date.

2.15 Bar Date Order means the "Order Granting Debtor's Motion for an Order Fixing Time For Filing Proofs Of Claim; Approving Claim Forms; and Approving Manner and Form of Notice", entered May 30, 2008 [Docket #180] which, among other things, set the Bar Date and approved the Proof of Claim form to be used by Tort Claimants.

2.16 Binding Arbitration Process means the process through which the Claims of Settling Tort Claimants will be liquidated as described in Section 18.1 of the Plan.

2.17 Bishop means the Reverend Donald J. Kettler, or such other individual who may in the future become the acting Diocesan Bishop of CBNA during the term of the Plan.

2.18 Business Day means every day except Saturdays, Sundays, federal holidays, Catholic holidays recognized and observed by CBNA, and Alaska holidays observed by the Bankruptcy Court.

2.19 Canon Law means the Code of Canon Law applicable to the Roman Catholic Church.

2.20 Cash means cash, cash equivalents, bank deposits, and negotiable instruments payable on demand.

2.21 CBNA Real Property means the real property owned by CBNA, which is identified in the attached Exhibit "A".

2.22 Channeled Claims means the Tort Claims of Tort Claimants and Future Tort Claimants against the Settling Parties or the Released Parties which are channeled to and satisfied pursuant to the Plan out of the Settlement Trust.

2.23 Chapter 11 Professionals means the Debtor's Professionals, the Committee's Professionals and the Future Claims Representative Professionals wherever they are referred to collectively in the Plan.

2.24 Claim Allowance Agreement means an agreement between CBNA and a Tort Claimant, which is entered into prior to the Effective Date and approved by the Bankruptcy Court as reasonable under Bankruptcy Rule 9019, whereby CBNA and such Tort Claimant agree to Allow a Tort Claim at a certain amount.

2.25 Claim Objection Deadline means the date by which any objections to Claims other than Tort Claim or Future Tort Claims, if not previously Allowed, must be filed which, unless any earlier time is fixed by order of the Bankruptcy Court, and, as to which, subject to amendment rights and the relation back of amendments under applicable federal or state procedural rules, any objection to the allowance of any Claim and the assertion of any defense, setoff, counterclaim, recoupment, or other adverse claim of any kind of the Debtor or the Reorganized Debtor, must be filed on or before the first Business Day which is one hundred eighty (180) days after the Effective Date.

2.26 Claim Payment Date means the date which is ten (10) Business Days after a Claim becomes an Allowed Claim by a Final Order if such Claim is not an Allowed Claim on the Effective Date.

2.27 Class means each of the classifications of Claims described in Article 4 of the Plan.

2.28 Co-Defendants means the entities and individuals who are co-defendants with CBNA in the various state court actions or against whom Tort Claims might be asserted by a Tort Claimant.

2.29 Committee means the Official Committee of Unsecured Creditors appointed by the United States Trustee on March 31, 2008.

2.30 Committee's Professionals means:

The law firm of Pachulski, Stang, Ziehl & Jones, LLP;

The law firm of Manly & Stewart;

The law firm of David Bundy, P.C.;

The financial consulting firm of J. H. Cohn, LLP;

The consulting firm of Morrow & Hensel; and

Any and all other similar professionals which the Committee retains to assist in the conduct of the Reorganization Case or to provide professional services for a specified purpose, all in accordance with Bankruptcy Code §§ 327(a) and 327(e).

2.31 Confirmation Date means the date on which the Bankruptcy Court enters the Confirmation Order on the Court's docket.

2.32 Confirmation Hearing means the hearing held by the Bankruptcy Court regarding confirmation of the Plan, as such may be continued from time to time.

2.33 Confirmation Order means the order of the Bankruptcy Court confirming the Plan pursuant to Bankruptcy Code §1129 and which will, among other things:

(a) provide that the settlement provisions and other provisions in the Plan and the Settlement Trust are binding on all Settling Tort Claimants;

(b) provide that all Future Tort Claimants, whether or not they file a Proof of Claim or a Future Tort Claim Proof of Claim, are bound by the provisions of the Plan;

(c) approve and provide for the implementation of the Plan Documents;

(d) approve and incorporate the Settlement Trust Agreement as part of the Plan;

(e) approve, pursuant to the Plan, CBNA's settlement with the Parish Churches, Monroe Foundation and the CTNA as set forth in the Parish Settlement Agreement and the Monroe Foundation Settlement Agreement;

(f) provide that from and after the Effective Date, no action may be commenced or continued against CBNA;

(g) approve the Asset sale to the Endowment upon the terms and conditions set forth in the agreement between the Endowment and CBNA and as set forth in the Plan and the Disclosure Statement;

(h) approve the sale of the Pilgrim Springs Property to the high bidder at the Pilgrim Springs Auction pursuant to the order approving the Pilgrim Springs sale procedures;



(i) provide that any and all actions against Parish Churches' property, including but not limited to *Official Committee of Unsecured Creditors v. Catholic Trust of Northern Alaska, et. al.*, Adversary No. 09-90025-DMD and *Official Committee of Unsecured Creditors v. Catholic Bishop of Northern Alaska, et. al.*, Adversary No. 09-90026-DMD, are dismissed with prejudice;

(j) effect the release and discharge of certain Claims and the injunction against prosecution of the released Claims or Channeled Claims by any Creditors or parties in interest against Released Parties, Settling Parties, CBNA and any others described in Article 21 of the Plan, and provide for the channeling injunction with respect to Claims against Released Parties, Claims against Settling Parties and Claims against others as set forth in Sections 21.3 and 21.5 of the Plan;

(k) approve the amendments to the Endowment provided for in Article 25 of the Plan; and

(l) contain such other terms and provisions as are acceptable to CBNA and the Committee in their sole discretion.

2.34 Continental means that certain corporation organized and existing under the laws of South Carolina, with its principal place of business in Chicago, Illinois, known as Continental Insurance Company and any and all of its affiliates including CNA Financial Corporation, which is an authorized insurer in the State of Alaska, and which CBNA alleges issued primary liability insurance policies in the period between 1974 and 1979, which was the subject of Adversary No. 08-90033 before the Bankruptcy Court.

2.35 Continental Claims means any and all Claims held by Continental against the Debtor, including, but not limited to, any and all Claims for reimbursement of defense costs, damages, attorneys' fees or costs, directly or indirectly relating to the Bankruptcy Court's order granting summary judgment to Continental in Adversary No. 08-90033 and Claim No. 25 filed by Continental.

2.36 Contingent means, with reference to a Claim, a Claim that has not accrued or is not otherwise payable and the accrual of which or the obligation to make payment on which, is dependent upon a future event that may or may not occur.

2.37 Contribution Actions means any actions commenced or which may be commenced against any Person against whom CBNA asserts a Contribution Claim.

2.38 Contribution Claims means any rights or claims of CBNA for indemnification, contribution or fault allocation against any Person who is or may be liable to CBNA or any Person on account of any Claims which are or may be asserted against CBNA.

2.39 Convenience Tort Claim means a Tort Claim that will be Allowed and paid \$2,500 Cash as full and final compensation and satisfaction of the Tort Claim of the Settling Tort Claimant and will be subject to each and every release and injunctive provision of the Plan.

2.40 Convenience Tort Claimant means a holder of a Tort Claim who has elected to have his or her Tort Claim treated as a Convenience Tort Claim as full and final compensation for his or her Tort Claim, which will be discharged and subject to each and every release and injunctive provision of the Plan. A Tort Claimant may elect treatment as a Convenience Tort Claimant either by affirmative election on his or her Ballot or be deemed to elect treatment as a Convenience Tort Claimant by failing to timely take certain actions under the Litigation Protocol or the Binding Arbitration Process.

2.41 CTNA means the Catholic Trust of Northern Alaska.

2.42 Custom Questionnaire means the questionnaire for use by the Special Arbitrator in the Binding Arbitration Process that may be requested by a Great Divide Candidate Insurer no later than thirty (30) days after service of a completed Uniform Questionnaire.

2.43 Debtor or CBNA means the Catholic Bishop of Northern Alaska, an Alaska religious corporation sole, in all of its civil law capacities, including, but not limited to: (a) the Estate of CBNA and (b) CBNA as the representative of the Estate. The terms Debtor and CBNA which are completely synonymous and interchangeable.

2.44 Debtor's Professionals means:

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QB\9385065.5



The law firm of Quarles & Brady, LLP;

The law firm of Dorsey & Whitney, LLP;

The law firm of Cook, Schuhmann & Groseclose, Inc.;

The accounting and financial consulting firm of Keegan, Linscott & Kenon, P.C.;

The aircraft brokerage Northern Aircraft, Inc.;

The real estate firm of Robert Fox Realty, L.L.C.;

The geothermal consultant Gerald W. Hutterer of the firm of Geothermal Management Company, Inc.; and

any and all other similar professionals which the Debtor or the Reorganized Debtor retains to assist in the conduct of the Reorganization Case or to provide professional services for a specified purpose, all in accordance with Bankruptcy Code §§ 327(a) and 327(e).

2.45 Diocese means the canonical entity encompassing the territory of the Diocese of Fairbanks subject to the jurisdiction of the Bishop and through which the Bishop carries out his canonical duties in accordance with Canon Law.

2.46 Diocesan Bishop means, as provided in the Endowment Documents and pursuant to Canon Law, a title of the person within the Roman Catholic Church who is appointed by the Vatican See and designated as the Bishop who is to govern the Diocese and care for its people, with the cooperation and assistance of other Catholics, clerics and laity. The term "Diocesan Bishop" does not mean or include the Bishop acting in his civil capacity as the sole director of CBNA.

2.47 Disallowed means, when referring to a Claim, a Claim or any portion of a Claim which has been disallowed or expunged by a Final Order.

2.48 Disclosure Statement means the Third Amended and Restated Disclosure Statement presented by CBNA with respect to the Plan, including, but not limited to, any restatements, amendments, modifications, and additional disclosures (if any) provided by CBNA to comply with Bankruptcy Code § 1127 or orders of the Bankruptcy Court, and which was conditionally approved by the Bankruptcy Court on December \_\_, 2009.

2.49 Disputed Claim means every Claim, or portion thereof, which is subject to any defense, setoff, counterclaim, recoupment, or other adverse claim of any kind of the Debtor or the Reorganized Debtor, or to which an objection (formal or informal) has been made and which has not yet been Disallowed or which has not become an Allowed Claim, in either case, pursuant to a Final Order.

2.50 Disputed Claims Reserve means the reserve to be established on the Effective Date (and, thereafter, to be maintained as necessary) to hold in one or more segregated accounts, Cash or other Assets equal to the aggregate amounts thereof, that would have been distributed on an applicable Claim Payment Date on account of a Disputed Claim. In establishing the Disputed Claims Reserve on the Effective Date, all Disputed Claims may be estimated by the Reorganized Debtor at an amount equal to (a) such lesser amount that is agreed to by the holder of such Claim, (b) the amount claimed if the Court has not made an estimation of such Claim or the holder of such Claim has not agreed to a lesser amount, or (c) the amount, if any, determined by the Court by Final Order pursuant to Bankruptcy Code § 502(c), as an estimate for distribution purposes. In any event, the Estimated Amount will be the maximum amount of the Claim for distribution purposes under the Plan. The Disputed Claims Reserve may be adjusted from time to time after the Effective Date by the Reorganized Debtor, after taking into account the anticipated recovery fraction which has been or is anticipated to be paid to the holders of Allowed Claims, after giving effect to the amount of the Disputed Claims as determined pursuant to this provision. The Disputed Claims Reserve will not apply to the Settlement Trust and/or the Litigation Trust (or the Litigation Reserve), each of which will be governed by the terms of the Settlement Trust Agreement, the Litigation Trust Agreement or the terms of the Litigation Reserve.

2.51 District Court means the United States District Court, District of Alaska.

2.52 Effective Date means the first Business Day which is twenty (20) days after entry of a final Confirmation Order in form and substance satisfactory to the Committee and the

Debtor in their sole discretion, unless the Confirmation Order is stayed or enjoined by the Bankruptcy Court, the District Court or another appellate court.

2.53 Endowment means the collection of endowment funds held in charitable trusts by CBNA and called The DONATE Fund that was established in 1980 to enable individuals, families, and others to support the future needs of the Diocese, the Parishes, schools, Monroe Foundation, agencies and programs within the Diocese, the investment return from which is used to support the specific programs for which the applicable Endowment was created.

2.54 Endowment Documents means all documents creating, governing or pertaining to the Endowment.

2.55 Estate means the bankruptcy estate of CBNA created under Bankruptcy Code § 541.

2.56 Estimated Amount means the maximum amount at which the Court or the District Court, pursuant to Bankruptcy Code § 502(c), at the request of CBNA or any other party with standing, estimates any Claim or Class of Claims against the Debtor that is contingent, unliquidated or disputed, but excluding any Tort Claim, or any Future Tort Claim for the purpose of: (a) allowance (for estimation purposes only); (b) distribution; (c) confirming the Plan pursuant to Bankruptcy Code § 1129; (d) voting to accept or reject the Plan pursuant to Bankruptcy Code § 1126 and Bankruptcy Rule 3018(a); or (e) any other proper purpose. The Debtor and the Committee will seek an order of the Bankruptcy Court providing that Tort Claims will be estimated at \$1.00 per Claim *solely* for purposes of voting on the Plan. Such estimation of a Claim, including a Tort Claim, for purposes of voting on the Plan will not establish the valuation of the Claim, including a Tort Claim, or Class of Claims for distribution purposes.

2.57 Excluded Property means any real and personal property that is excluded from the Plan because:

- (a) it is not property of the Estate pursuant to Bankruptcy Code § 541;
- (b) it is critical to the continued ministry and mission of the Diocese

and CBNA; or

(c) it is excluded under the Religious Freedom Restoration Act.

Notwithstanding the foregoing, and except for property which is not property of the Estate, CBNA, in its sole discretion, may, but will not be required to, elect to utilize some of the property which is either critical to the ministry and mission of the Diocese and CBNA or excluded under the Religious Freedom Restoration Act, in order to implement the Plan.

2.58 Executory Contract means every unexpired lease and other contract which is subject to being assumed or rejected by the Debtor under Bankruptcy Code § 365, pursuant to the Plan or pursuant to separate motion.

2.59 Final Order means any judgment or order of the Bankruptcy Court or any other court of competent jurisdiction as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired, and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing will then be pending, or as to which any right to appeal, petition for certiorari, reargue or rehear will have been waived in writing, in form and substance satisfactory to the Debtor or, in the case of the Confirmation Order, satisfactory to the Debtor and the Committee, or, on and after the Effective Date, in form and substance satisfactory to the Reorganized Debtor and as to the Litigation Trust, if any, and as to the Settlement Trust, the Settlement Trustee, or in the event that an appeal, writ of certiorari, reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court or other court of competent jurisdiction will have been determined by the highest court to which such order was appealed, or certiorari, reargument or rehearing will have been denied, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing will have expired provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure or any analogous rule under the Bankruptcy Rules or applicable state court rules of civil procedure, may be filed with respect to such order or judgment, will not cause such order or judgment not to be a Final Order.

2.60 Fund means the fund to be established by CBNA which will be used to fund: (i) Allowed Administrative Claims; (ii) the Insurance Actions; (iii) the Settlement Trust; and (iv) if

necessary, the Litigation Trust or the Litigation Reserve. The Fund will consist of all of the following:

(a) On the Effective Date or on the date provided for in the Plan, the net proceeds from the sale of the CBNA Real Property, including the proceeds from the sale of Assets to the Endowment, but not less than \$9.8 million Cash as of the Effective Date;

(b) The net proceeds of the Pilgrim Springs Auction, including any amounts in excess of the Endowments opening bid of \$1.850 million;

(c) Payments from the Participating Third Parties;

(d) Proceeds from the Special Appeal;

(e) Proceeds from the Parish Settlement and Monroe Foundation Settlement;

(f) Payments from the Settling Insurers;

(g) Any net recoveries from Contributions Claims.

2.61 Future Claims Representative means Michael Murphy, the person appointed by the Bankruptcy Court to act as the Future Claims Representative pursuant to "Order Approving Joint Nomination of Future Claims Representative" entered January 15, 2009 [Docket No. 341] and "Order Approving Future Claims Representative's Application For Order Authorizing And Approving The Employment of Alix Partners, LLC" entered March 27, 2009 [Docket No. 416]. The Future Claims Representative represents the interests of the Future Tort Claimants and has employed his affiliate, Alix Partners, LLC, as his advisor.

2.62 Future Claims Representative's Professionals means the financial consulting and advisory firm of Alix Partners, LLC; and any and all other professionals which the Future Claims Representative retains or employs to assist or advise in the conduct of the Reorganization Case or to provide professional services for a specified purpose, including attorneys or law firms, if retained by the Future Claims Representative, all in accordance with Bankruptcy Code §§ 327(a) and 327(e).

2.63 Future Claims Reserve means the reserve to be established on the Effective Date or such later date when funds from the Fund become available pursuant to Section 13.2 of the Plan (and, thereafter, to be maintained as necessary) by the Settlement Trustee to hold, in one or more segregated accounts, Cash or other Assets in an amount to be approved by the Court in the Confirmation Order. The Future Claims Reserve will not be funded from the first \$9.8 Million transferred from the Fund to the Settlement Trustee. The Future Claims Reserve will be funded from the first monies received by the Settlement Trustee (borne by the Settlement Trust and the Litigation Trust, if any, on a pro rata basis) and will not exceed ten percent (10%) of the total amounts transferred to the Settlement Trustee. Any Future Tort Claims that are Allowed will be paid out of the Future Claims Reserve regardless of whether the Future Tort Claimant elects the Future Tort Claim Settlement Process or the Future Tort Claim Litigation Process.

2.64 Future Tort Claim Litigation Process means the procedure for liquidating and Allowing or Disallowing a Future Tort Claim of a Future Tort Claimant who has opted to litigate his or her Future Tort Claim in accordance with the procedures described in Section 13.6(d) of the Plan.

2.65 Future Tort Claim Proof of Claim means the proof of claim in the form to be developed and furnished by the Special Arbitrator to a Future Tort Claimant pursuant to Section 13.6 of the Plan and which includes a release of any and all claims against the Debtor, the Reorganized Debtor, the Settlement Trustee and any Participating Third Party or Settling Party in the form developed by the Special Arbitrator.

2.66 Future Tort Claim Settlement Process means the procedure for liquidating and Allowing or Disallowing a Future Tort Claim of a Future Tort Claimant whose Future Tort Claim is liquidated and Allowed or Disallowed pursuant to Section 13.6(c) of the Plan.

2.67 Future Tort Claimant means an individual who has, or contends he or she has, a Future Tort Claim.

2.68 Future Tort Claims means all Tort Claims that:



(a) are neither timely filed nor deemed to be timely filed (e.g., due to excusable neglect); and

(b) held by a claimant who turns 18 on or after November 2, 2008 (the date which is thirty (30) days prior to the generally applicable Claims Bar Date in the Reorganization Case of December 2, 2008); or

(c) held by a claimant for whom the applicable Alaska tort claim statute of limitations, for any reason, has not expired or has been tolled as of November 2, 2008, as determined under applicable Alaska or federal law, but without regard to federal bankruptcy law; and

(d) for which a Proof of Claim is submitted in accordance with the procedures set forth in the Plan.

A Future Tort Claimant will have his or her Future Tort Claim determined by the Special Arbitrator in accordance with procedures set forth in Section. 13 of the Plan, unless the Future Tort Claimant timely elects to have his or her Future Tort Claim liquidated in accordance with the procedures set forth in Section 13 of the Plan. Notwithstanding the foregoing, the Future Tort Claim will be paid only from the Future Claims Reserve.

2.69 General Unsecured Convenience Claim means a General Unsecured Claim in an amount of \$500 or less, inclusive of interest accrued thereon, after the Petition Date through the latter to occur on the Effective Date or the Claim Payment Date; provided, that, if the holder of an Unsecured Claim in an amount greater than \$500 makes an election to reduce such Claim to \$500, such Claim will be treated as a General Unsecured Convenience Claim for all purposes. Such election will be made on the Ballot, completed and returned within the time fixed by order of the Court. Making this election will be deemed to be a waiver by such electing holder of any right to participate in Class 8, as to any and all Claims held by such holder.

2.70 General Unsecured Claim means every Unsecured Claim against CBNA (including, but not limited to, every such Claim arising from the rejection of an Executory Contract and every Claim which is the undersecured portion of any Secured Claim), which is not

an Administrative Claim, a Priority Unsecured Claim, a Priority Tax Claim, a General Unsecured Convenience Claim, a Jesuit Unsecured Claim, an Other Tort and Employee Claim, an Insurance and Benefit Claim, a Pilgrim Springs Claim, a Tort Claim, a Future Tort Claim or a Penalty Claim, and which is classified and treated as the Plan provides for Class 8 Claims.

2.71 Great Divide Candidate Insurers means The Catholic Mutual Relief Society of America, and Travelers Casualty and Surety Company, formerly known as Aetna Casualty and Surety Company, and any other Insurance Company that breaches its obligation to defend and/or indemnify the Debtor under its Insurance Policies with the Debtor and/or that fails to unconditionally confirm liability coverage to CBNA under the liability insurance coverage issued by that insurer to CBNA, but rather reserves rights to deny liability coverage to CBNA.

2.72 Great Falls means the Roman Catholic Bishop of Great Falls, Montana, the lender of the Great Falls DIP Loan.

2.73 Great Falls DIP Loan means the secured debtor-in-possession loan in the original principal amount of \$1,000,000 approved on an interim basis pursuant to "Amended Order Granting Emergency Motion for Interim DIP Financing" entered November 26, 2008 [Docket No. 299] and on a final basis pursuant to "Final Order Approving Debtor-In-Possession Financing Pursuant to Stipulation" entered December 12, 2008 [Docket No. 317] and which is evidenced by, among other things, the Great Falls Promissory Note.

2.74 Great Falls Promissory Note means that certain Promissory Note dated December 17, 2008 in the original principal sum of \$1,000,000 evidencing, in part, the Great Falls DIP Loan.

2.75 Great Falls Secured Claim means the Secured Claim of Great Falls with respect to the Great Falls DIP Loan.

2.76 Insurance Actions means all Claims, causes of action and enforceable rights of the Debtor against any Insurance Company, including, but not limited to, those arising from or related to:

- (a) the Insurance Adversary;



(b) any such Insurance Company's failure to provide Insurance Coverage under any Insurance Policy; or

(c) the refusal of any Insurance Company to compromise and settle any Claim pursuant to any such Insurance Policy.

2.77 Insurance Adversary means the adversary proceeding commenced in the Bankruptcy Court by CBNA, Adversary Proceeding No. 08-90019, the reference of which was withdrawn to the District Court as Case No. 4:08-cv-00038 but referred to the Bankruptcy Court for certain pretrial proceedings and wherein Continental Insurance Company, The Catholic Mutual Relief Society of America, The Catholic Relief Insurance Company of America, Alaska National Insurance Company, and Travelers Casualty and Surety Company, formerly known as Aetna Casualty and Surety Company, are the defendants which, among other things, is to determine the scope of Insurance Coverage.

2.78 Insurance and Benefit Claims means any Unsecured Claim arising from or related to obligations, contributions or benefits which are the obligation of CBNA pursuant to any pension or other benefit plan sponsored by CBNA or for which CBNA is otherwise obligated, in effect as of the Petition Date.

2.79 Insurance Company means any insurance company and/or any other entity providing Insurance Coverage to the Debtor for liability arising from or related to Tort Claims or Future Tort Claims, including but not limited to, The Catholic Mutual Relief Society of America, The Catholic Relief Insurance Company of America, Alaska National Insurance Company, and Travelers Casualty and Surety Company, formerly known as Aetna Casualty and Surety Company.

2.80 Insurance Coverage means the defense, indemnity and other insurance coverages, not reduced to settlement proceeds, available to the Debtor or any Participating Third Party with respect to Tort Claims, Future Tort Claims, or any Other Tort and Employee Claims or any other Claims under any Insurance Policy and which includes the Jesuit Safeco Insurance Policy Claims.

2.81 Insurance Policy means any liability insurance or sexual misconduct policy naming the Debtor or any Participating Third Party as an insured, in effect on or before the Confirmation Date upon which any Claim has been or may be made, with respect to any Tort Claim or Future Tort Claim.

2.82 Jesuits means the Society of Jesus, Oregon Province, which is a religious order of men within the Roman Catholic Church and which is a debtor in a Chapter 11 case pending in the United States Bankruptcy Court for the District of Oregon, Case No. 09-30938.

2.83 Jesuit Fault Allocation Claims means every Claim the Debtor has against the Jesuits, including, but not limited to, all Contribution Claims.

2.84 Jesuit Safeco Insurance Policies Claims means any and all Claims of CBNA or any other Settling Party against Safeco Insurance Company for any defense, indemnity and other insurance coverages, available to the Debtor or any Participating Third Party with respect to any Tort Claims or Future Tort Claims, as a result of any insurance policies issued to the Jesuits.

2.85 Jesuit Unsecured Claims means the General Unsecured Claims asserted by the Jesuits against CBNA and designated as Claim Nos. 16, 17 and 20 in the Claims Docket of the Reorganization Case.

2.86 Litigation Protocol means the litigation procedures described in Section 13.5 of the Plan and in the Litigation Trust Agreement.

2.87 Litigation Reserve means the reserve that may be established pursuant to agreement between the Debtor and the Committee prior to the Confirmation Hearing, if any Tort Claimant opts out of treatment as a Settling Tort Claimant pursuant to the Plan and the Ballot. The Litigation Reserve will take the place of the Litigation Trust and will be held and administered by the Settlement Trustee as part of the Settlement Trust. In the event a Litigation Reserve is established, the Litigation Reserve will function and be administered in the same manner as the Litigation Trust. The allocation of the funding between the Litigation Trust (or the Litigation Reserve) and the Settlement Trust will be approved as part of the confirmation process. Either the Debtor and the Committee will agree on the allocation and such agreement

will be approved by the Bankruptcy Court and incorporated into the Confirmation Order or, if the Committee and the Debtor cannot agree on the allocation, the Bankruptcy Court will decide the allocation as part of the confirmation process and such allocation as determined by the Bankruptcy Court.

2.88 Litigation Tort Claim means the Tort Claims of Tort Claimants who opt out of the Settlement Trust and elect to litigate their Tort Claims pursuant to Section 13.5 of the Plan.

2.89 Litigation Tort Claimant means a Tort Claimant who has expressly elected on his or her Ballot to have his or her Tort Claim determined and liquidated under the Litigation Protocol and, if Allowed, to accept pro rata payment from the Litigation Trust as the sole source of payment, compensation and satisfaction for his or her Tort Claim.

2.90 Litigation Trust means the trust which may be established pursuant to the Litigation Trust Agreement if no Litigation Reserve is established, and which will:

- (a) receive, hold and invest funds from the Fund allocated to the Litigation Trust pursuant to the terms of the Plan;
- (b) issue payments and disburse funds as provided in the Litigation Trust Agreement and the Plan;
- (c) participate in the litigation as the defendant (through the Settlement Trustee) with respect to any Litigation Tort Claimants;
- (d) participate in the litigation as the defendant (through the Settlement Trustee) with respect to any Future Tort Claims if the Future Claimant elects to opt out of the Settlement Trust in accordance with the Plan and the Plan Documents;
- (e) establishes the Trust Administrative Expense Reserve; and
- (f) pay the costs of such litigation from the Trust Administrative Expense Reserve.

The Litigation Trust will qualify to be a "Qualified Settlement Fund" pursuant to applicable provisions of the Internal Revenue Code.

2.91 Litigation Trust Agreement means the agreement creating the Litigation Trust if one is established in accordance with Article 13 of the Plan, which, if established will be funded by that portion of the Fund allocated to the Litigation Trust, and from which the Claims of Litigation Tort Claimants (or the Claims of any Future Tort Claimants, if applicable) will be paid and satisfied and which will be administered by the Settlement Trustee. If a Litigation Trust is established because one or more Tort Claimants opts out of the Settlement Trust as provided in the Plan, the Ballot and any order of the Bankruptcy Court, then the Litigation Trust Agreement will be filed with the Court no later than five (5) calendar days prior to the Confirmation Hearing and become a part of the Plan; provided, however, that nothing contained in the Plan or the Disclosure Statement will preclude the Debtor and the Committee from agreeing that the Litigation Reserve can be established within the Settlement Trust. If the Debtor and the Committee agree that the Litigation Reserve is to be established within the Settlement Trust, the Settlement Trust Agreement will be modified to so provide, and the modifications will be filed with the Court no later than five (5) calendar days prior to the Confirmation Hearing and become a part of the Plan and the Settlement Trust. In all events, the trustee of the Litigation Trust will be the Settlement Trustee.

2.92 Monroe Foundation means that certain Alaska non-profit corporation which raises money to benefit the Catholic Schools of Fairbanks and whose primary offices are located at 615 Monroe St., Fairbanks, Alaska 99701.

2.93 Monroe Foundation Settlement means the settlement between the Debtor and the Monroe Foundation, as more particularly described in the Monroe Foundation Settlement Agreement.

2.94 Monroe Foundation Settlement Agreement means that certain settlement agreement between the Debtor and the Monroe Foundation which is incorporated into and will be made a part of the Plan pursuant to Article 22 of the Plan. The Monroe Foundation Settlement Agreement will be filed with the Court at least twenty (20) days prior to the Confirmation Hearing.

2.95 Other Secured Claims means all Secured Claims against the Debtor which are not Secured Tax Claims or which are not separately classified under the Plan.

2.96 Other Tort and Employee Claims means any and all Claims, demands, suits, causes of action, proceedings or any other rights or asserted right to payment heretofore, now or hereafter asserted against the Debtor, whether or not reduced to judgment, for property damage, liability or workers compensation for which CBNA is or may be liable (directly or indirectly), whether arising from tort, contract or workers compensation for which there is Insurance Coverage, including but not limited to, any Claim for which CBNA has a self-insured retention, but excluding Tort Claims, Future Tort Claims and any Claims of employees entitled to priority pursuant to Bankruptcy Code § 507. Other Tort and Employee Claims are Unsecured Claims.

2.97 Parish means any one of the forty-six (46) Roman Catholic ecclesiastical entities designated by the Diocesan Bishop as established stable communities of the Christian faithful that have been entrusted to a proper pastor.

2.98 Parish Church means each of those forty-six (46) civil law unincorporated associations located within the territory of the Diocese that function as the civil law embodiment of the canonical juridic persons known as a Parish including, but not limited to, and without limitation, all missions, churches, schools and other institutions within a Parish Church or which form a part of the operations of any of the Parish Churches. Notwithstanding the Committee's joinder in the Plan as a co-proponent, the Committee's joinder in the Plan does not constitute an admission by the Committee that the Parish Churches are unincorporated associations.

2.99 Parish Real Property means all real property owned by a Parish:

(a) for which CBNA holds bare legal title in trust for the benefit of the Parish;

(b) in which CBNA has no beneficial, equitable or other proprietary interest;

(c) in which the Parish, for whose benefit such real property is held, has all equitable, proprietary and beneficial interest; and

(d) which is part of the temporal goods of the Parish as a juridic person under Canon Law and any applicable equivalent civil law entity.

2.100 Parish Settlement means the settlement among the Debtor on the one hand, and the Parish Churches and affiliated entities on the other hand, as set forth in the Parish Settlement Agreement.

2.101 Parish Settlement Agreement means that certain settlement agreement among the Debtor on the one hand, and the Parish Churches and affiliated entities on the other hand, which will be incorporated into and made a part of the Plan pursuant in Article 22. The Parish Settlement Agreement will be filed with the Court at least twenty (20) days prior to the Confirmation Hearing.

2.102 Participating Third Parties means any Co-Defendant or any other Person, including, but not limited to the Parish Churches, the Monroe Foundation, the CTNA and Continental, who contribute funds to the Estate (or the Fund) to be used to pay Allowed Tort Claims or Allowed Future Tort Claims, in exchange for and in consideration of, among other things, the channeling injunction to be provided for in Section 21.5 of the Plan. Any agreement whereby a Person or Co-Defendant becomes a Participating Third Party, will be subject to approval by the Bankruptcy Court; provided, however, that the Society of Jesus and its related parties, the Jesuits and its related parties, and the individuals identified in Exhibit "B" or any priests or others against whom CBNA or the Settlement Trustee has determined or may, in the future, determine, that there are credible allegations of sexual abuse asserted against such Person(s) will not be eligible to be Participating Third Parties under the Plan.

2.103 Parties means any Released Parties, any Settling Parties, CBNA, the Diocese, the Reorganized Debtor, the Settlement Trustee, the Settlement Trust, the Litigation Trust (if any), the Special Arbitrator and their respective civil law and Canon Law predecessors, successors, officials, shareholders, subsidiaries, officers, directors, divisions, affiliates, representatives, agents, employees, attorneys, merged or acquired companies or operations or assigns, but **EXCLUDING** the Society of Jesus and any of its affiliates or related parties, the Jesuits and any



of its affiliates or related parties; further **EXCLUDING** any individuals identified in Exhibit "B" to the Plan or any priests or others against whom CBNA or the Settlement Trustee has determined or may, in the future, determine, that there are credible allegations of sexual abuse asserted against such Person(s); and further **EXCLUDING** any affiliates of CBNA or the Diocese who are not organized and functioning within the territory of the Diocese. By way of clarification, the term affiliates as used in this definition is not limited to the definition of "affiliate" as defined in the Bankruptcy Code nor would the term "affiliates" as used in this definition include any other diocese or archdioceses unless such diocese or archdiocese is the subject of an agreement whereby such diocese or archdiocese becomes a Participating Third Party.

2.104 Penalty Claims means any Claims for any fine, penalty, forfeiture, multiple damages, punitive damages, or exemplary damages, including, but not limited to, any such Claims not meant to compensate the claimant for actual pecuniary loss.

2.105 Petition Date means March 1, 2008, which is the filing date of the voluntary Chapter 11 petition commencing the Reorganization Case.

2.106 Pilgrim Springs Auction means the auction sale of the Pilgrim Springs Property to be conducted pursuant to the Plan, but after the Confirmation Hearing, whereby the Pilgrim Springs Property will be sold free and clear of all liens, claims, interests and encumbrances, including the Pilgrim Springs Claims, but subject to the UAF License, to the bidder submitting the highest and best bid.

2.107 Pilgrim Springs Claims means: (i) all Claims of whatever nature asserted by Pilgrim Springs, Ltd. in Proof of Claim No. 21, filed in the Reorganization Case, including any amendments or modifications thereto and any other Claims or causes of action that Pilgrim Springs, Ltd. might or could assert against CBNA; and (ii) all Claims of whatever nature asserted by Louis H. and Nancy E. Green in the Proof of Claim No. 23 filed in the Reorganization Case, including any amendments or modifications thereto and any other Claims or causes of action that Louis H. and Nancy E. Green might or could assert against CBNA.

2.108 Pilgrim Springs Property means the three hundred twenty (320) acre enclave of real property and improvements owned in fee simple by CBNA and located in western Alaska, about 75 km (~46 miles) north of Nome and where CBNA is currently investigating the exploration, characterization, and development of the geothermal resources underlying the Pilgrim Springs Property or such other use as may be appropriate for the Pilgrim Springs Property.

2.109 Pilgrim Springs Setoff Claims means all Claims, demands, damages, causes of action, cross-claims, counterclaims, rights of setoff and rights of recoupment against Pilgrim Springs, Ltd. and Louis H. and Nancy E. Green, arising out of, related to or pertaining to the Pilgrim Springs Property.

2.110 Plan means the "Third Amended and Restated Joint Plan of Reorganization For Catholic Bishop Of Northern Alaska" dated December 16, 2009 and every restatement, amendment, or modification thereof, if any, filed by the Debtor and the Committee.

2.111 Plan Documents means the Settlement Trust Agreement, the Litigation Trust Agreement if one is proposed, and all other documents and exhibits as the same may be amended, modified, supplemented, or restated from time to time, that aid in effectuating the Plan, which documents and exhibits will be filed by the Debtor with the Court on or before a date that is ten (10) days prior to the Confirmation Hearing or such other date as determined by the Court, the Plan or agreed to by the Debtor and the Committee.

2.112 Post-Effective Date Secured Tax Claims means every whole or prorated portion of a Secured Tax Claim which arises on or after the Effective Date, and which will be paid in the ordinary course of business of the Reorganized Debtor.

2.113 Preliminary Distribution means the Pro Rata distribution to be made by the Settlement Trustee of the Cash in the Settlement Trust less the Administrative Trust Reserve and any other reserves allowed pursuant to the Plan or the Settlement Trust Agreement. The date for determination of the amount of the Preliminary Distribution will be the date that the Special Arbitrator has finally determined every Settling Tort Claimant's share of the Settlement Trust.



The Pro Rata share of each Settling Tort Claimant's share of the Preliminary Distribution will be based upon the formula set forth in Section 13.4 of the Plan.

2.114 Prepetition Date Secured Tax Claims means every whole or prorated portion of a Secured Tax Claim which arises before and up to the Petition Date, and which will be classified and paid under the Plan, as the Plan provides for Class 2 Claims.

2.115 Priority Employee Unsecured Claim means every Unsecured Claim of an employee of CBNA for vacation or sick leave pay, which is otherwise entitled to priority pursuant to Bankruptcy Code § 507(a)(4)(A).

2.116 Priority Tax Claim means every Unsecured Claim or portion thereof, which is entitled to priority pursuant to Bankruptcy Code § 507(a)(8).

2.117 Priority Unsecured Claim means every Unsecured Claim or portion thereof, which is not an Administrative Claim, a Priority Tax Claim or a Priority Employee Unsecured Claim and which is entitled to priority under any applicable provision of Bankruptcy Code § 507.

2.118 Pro Rata means proportionate, and when applied to a Claim, means the ratio of the consideration distributed on account of an Allowed Claim in a Class, to the amount of consideration distributed on account of all Allowed Claims in such Class.

2.119 Professional Charges means the Allowed interim and final professional fees and expenses charged by the Debtor's Professionals, the Committee's Professionals, the Future Claims Representative, and the Future Claims Representative's Professionals.

2.120 Proof of Claim means the form used by a Creditor on which the specifics of a Claim are set forth as required by the Bankruptcy Code and the Bankruptcy Rules, and which is filed in accordance with the procedures contained in the Bar Date Order.

2.121 Property Tax Administrative Claim means every Claim of any state or local governmental unit which is an Administrative Claim for unpaid real property taxes, unpaid personal property taxes, or unpaid sales taxes or leasing taxes, and every prorated portion thereof arising on and after the Petition Date until the Effective Date. Allowed Property Tax Administrative Claims will be classified and paid as Administrative Claims.

2.122 Property Tax Claims means collectively: (a) every Property Tax Administrative Claim; (b) every Prepetition Date Secured Tax Claim; and (c) every Post-Effective Date Secured Tax Claim.

2.123 Property Tax Claims Proration means the proration of Property Tax Claims as of the Effective Date, so that: (a) Post-Effective Date Secured Tax Claims will be paid by the Reorganized Debtor in the ordinary course of its business; (b) Prepetition Date Secured Tax Claims will be paid by the Debtor or the Reorganized Debtor as provided for Class 2 Claims under the Plan; and (c) Property Tax Administrative Claims will be paid by the Debtor or the Reorganized Debtor as provided for Administrative Claims under the Plan.

2.124 Qualified Counsel means an attorney representing a Person asserting an Allowed Settling Tort Claim who has entered into an enforceable written retainer or fee agreement with such holder on or before the Effective Date, and has provided the Settlement Trustee with a copy of the agreement and a declaration under penalty of perjury that no fees or costs are to be repaid to the client or any insider or affiliate of the client; provided that such attorney agrees that the attorney's receipt of Qualified Counsel Fees is credited against the fees owed by the Allowed Settlement Tort Claimant.

2.125 Qualified Counsel Fees means the amount to be subtracted from the Settlement Trust in an amount equal to the actual fees and reimbursable expenses payable to Qualified Counsel pursuant to written retainer or fee agreements between Qualified Counsel and a Tort Claimant. Before any distribution(s) to any Settling Tort Claimant with an Allowed Tort Claim, the Settlement Trustee will subtract all Qualified Counsel Fees.

2.126 Released Parties means the Diocese, the Committee, the Future Claims Representative, and all of their respective present or former civil law and Canon Law members, officials, representatives, managers, officers, directors, employees, consultants, advisors, attorneys, or agents acting in such capacity, and the Debtor's Professionals, Committee's Professionals and Future Claims Representative's Professionals but **EXCLUDING** the Society of Jesus, the Society of Jesus Oregon Province and its affiliates or any related parties to the

Society of Jesus or the Jesuits and further **EXCLUDING** individuals listed in Exhibit "B" or any priests or others against whom CBNA or the Settlement Trustee has determined or may, in the future, determine, that there are credible allegations of sexual abuse asserted against such Person(s).

2.127 Reorganization Case means the case under Chapter 11 of the Bankruptcy Code, which was commenced by the filing of a voluntary Chapter 11 petition by CBNA on the Petition Date.

2.128 Reorganized Debtor means CBNA, from and after the Effective Date. Unless otherwise expressly stated or the context otherwise requires, references to "the Debtor and the Reorganized Debtor" and references to "the Debtor or the Reorganized Debtor" throughout various provisions of the Plan, are an effort to anticipate whether an event may occur before or after the Effective Date. In this regard, and generally for purposes of the Plan, any written agreement made by the Debtor as part of the Plan before the Effective Date (unless provided otherwise), will survive the Confirmation Date and the Effective Date and will bind both the Reorganized Debtor and every other party to such agreement (including, but not limited to, the provisions of the Plan as confirmed).

2.129 Retained Claims means the Claims, demands, causes of action, cross-claims and counterclaims, including, but not limited to, all Avoidance Actions that are not otherwise settled pursuant to the Plan or agreements approved by the Bankruptcy Court on or prior to the Effective Date, all Contribution Actions, the Jesuit Fault Allocation Claims, the Jesuit Safeco Insurance Policies Claims, the Claims against North Mail, the Claims against all Insurance Companies not assigned to the Settlement Trust, including, but not limited to, any Claims against Insurance Companies who issued insurance policies to the Jesuits and pursuant to which the Debtor or the Reorganized Debtor may assert coverage Claims, and the Pilgrim Springs Setoff Claims.

2.130 Secured Claim means every Claim or portion thereof, which is asserted by the Creditor holding such Claim to be secured by a lien, security interest, or assignment, encumbering property in which the Debtor has an interest and including any right to setoff

asserted by a Creditor that is treated as a Secured Claim under the Bankruptcy Code, but only to the extent of the validity, perfection, and enforceability of the claimed lien, security interest, or assignment, and the value of the interest of the Creditor holding such Claim against such property of the Debtor.

2.131 Secured Tax Claim means every Claim of any federal, state, or local governmental unit, which is asserted by such governmental unit holding such Claim, which is secured by property of the Estate by operation of applicable non-bankruptcy laws, including, but not limited to, every such Claim for unpaid real property taxes, unpaid personal property taxes, or unpaid sales taxes or leasing taxes, and further including, but not limited to, both the Prepetition Date Secured Tax Claims and the Post-Effective Date Secured Tax Claims, but only to the extent of the validity, perfection, and enforceability of the claimed lien, security interest, or assignment, and the value of the interest of the governmental unit holding such Claim against the Debtor and only to the extent that such Secured Tax Claim does not relate to Parish Real Property. Any Claims for unpaid real property taxes, unpaid personal property taxes, or unpaid sales taxes or leasing taxes pertaining to a Parish or Parish Real Property, will be paid by the Parish owning such Parish Real Property or other property pertaining to such tax.

2.132 Settlement Amount means the amount of an Allowed Settlement Tort Claim, to be determined through either a Claim Allowance Agreement or the Settlement Amount Determination Process and memorialized in an Arbitration Award.

2.133 Settlement Trust means the trust established pursuant to the Settlement Trust Agreement, from which the Allowed Claims of Settling Tort Claimants will be paid and satisfied, and which will be used for:

- (a) receiving, holding and investing funds from the Fund allocated to the Settlement Trust pursuant to the terms of the Plan;
- (b) receiving and holding Allowed Settling Tort Claims;
- (c) receiving and holding the Debtor's claims against Great Divide

Candidate Insurers;

(d) issuing payments and disbursing funds as provided in the Settlement Trust Agreement and the Plan;

(e) establishing the Future Claims Reserve (unless the Future Tort Claimant opts out of the Settlement Trust);

(f) establishing the Trust Administrative Expense Reserve for the Settlement Trust;

(g) issuing payments and disbursing funds as provided in the Settlement Trust Agreement or the Plan, on account of the Claims of Settling Tort Claimants;

(h) paying the administrative costs as provided in the Settlement Trust Agreement including the costs, fees and expenses of the Settlement Trustee and the Special Arbitrator from the Trust Administrative Expense Reserve for the Settlement Trust Reserve; and

(i) holding the assigned Allowed Settling Tort Claims and the deemed assignment of any Settling Tort Claimants' Claims against the Great Divide Candidate Insurers; and

(j) holding the Debtor's Claims against the Great Divide Candidate Insurers.

The Settlement Trust will qualify to be a "Qualified Settlement Fund" pursuant to applicable provisions of the Internal Revenue Code.

2.134 Settlement Trust Agreement means the agreement creating the Settlement Trust to be established in accordance with Section 13.1 of the Plan.

2.135 Settlement Trustee means Robert L. Berger, the trustee under the Settlement Trust Agreement, appointed by the Court in the Confirmation Order. The Settlement Trustee will also be the Litigation Trustee if a Litigation Trust is established pursuant to the Plan or any modifications to the Plan, prior to the Confirmation Date; provided, however, that the Settlement Trustee may also act as for and on behalf of the Litigation Trust if one is established.

2.136 Settling Insurers means those Insurance Companies that have reached settlements with CBNA prior to the Effective Date, and any Insurance Company that may reach a settlement with CBNA (or the Settlement Trustee if the Insurance Actions are assigned) with respect to any Insurance Actions after the Effective Date. Any Settling Insurer, in exchange for the Settling Insurer's contribution to the Fund as agreed upon among the Settling Insurer, CBNA and the Committee and approved by the Bankruptcy Court, will obtain the benefit of an injunction provided for in Section 21.5 of the Plan and will be a Settling Party. The terms of any settlement with a Settling Insurer, if not previously approved by the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or such other provisions of the Bankruptcy Code or Bankruptcy Rules as may be set forth in any such settlement, will be approved at the Confirmation Hearing and pursuant to the Confirmation Order. Any agreement to become a Settling Insurer entered into between the filing of the Plan and the Effective date must be with both the Debtor and the Committee. If an Insurer reaches an agreement with the Settlement Trustee in order to become a Settling Insurer after the Effective Date, it will be approved by the Bankruptcy Court pursuant to its retained jurisdiction. A Settling Insurer will obtain the benefit of the injunction to be issued pursuant to Section 21.5 of the Plan regardless of whether an Insurer becomes a Settling Insurer before or after the Effective Date. As of the date of the Plan, Alaska National Insurance Company is the only Settling Insurer.

2.137 Settling Parties means Participating Third Parties and Settling Insurers and their civil law and Canon Law respective predecessors, successors, officials, employees, officers, custodians, shareholders, subsidiaries, divisions, affiliates, representatives, attorneys, merged or acquired companies or operations or assigns of the Settling Insurers and the Participating Third Parties.

2.138 Settling Tort Claimant means any holder of a Settling Tort Claim.

2.139 Settling Tort Claim means any and all Tort Claims that are subclassified as Settling Tort Claims under Section 13.1 of the Plan.



2.140 Special Appeal means the special appeal to the Alaskan Shepherd donors for restricted donations solicited annually for two (2) years with the first such appeal occurring on the first (1<sup>st</sup>) anniversary of the Effective Date and the second such appeal occurring on the second (2<sup>nd</sup>) anniversary of the Effective Date. The first \$150,000 of net contributions received from donors and restricted to the special appeal, after deducting the cost of solicitation and processing, will be used to fund counseling for Tort Claimants. Any net contributions after the first \$150,000, will be paid to the Settlement Trust to be held and distributed pursuant to the terms of the Settlement Trust and the Plan.

2.141 Special Arbitrator means the Honorable William L. Bettinelli (retired) to be appointed by the Court in the Confirmation Order to conduct the Binding Arbitration Process that will liquidate Allowed Settlement Tort Claims and will determine each Settling Tort Claimant's proportionate share of the Settlement Trust and, if applicable, each Future Tort Claimant's proportionate share of the Future Claims Reserve.

2.142 Tort Claim means any and all Claims for damages, including punitive damages, for attorneys' fees and other expenses, fees or costs and for any equitable remedy asserted against the Debtor, any Released Parties, any Settling Parties, the Settlement Trustee, the Settlement Trust, or the Litigation Trust related to bodily injuries or personal injuries, including emotional distress, mental distress, mental anguish, shock or humiliation caused by or related to: (a) acts of sexual abuse committed by any cleric, employee, volunteer or other person associated with the Debtor, the Diocese, any Parish or any affiliated entity within the territory of the Diocese; (b) the failure of the Debtor or the Diocese to properly hire, install and/or supervise any cleric, any volunteer, or any other employee of or person associated with the Debtor, the Diocese, a Parish or any affiliated entity within the territory of the Diocese; (c) the processing, adjustment, defense, settlement, payment, negotiation or handling of any Claims, demands, suits, proceedings or causes of action based upon or relating in any way to the Claims made as a result of any abuse or other Tort Claim asserted by a Tort Claimant; or (d) the failure to warn, disclose or provide information concerning the sexual abuse or other misconduct of clergy, other

employees or volunteers or persons associated with the Debtor, the Diocese, the Parishes or any affiliated entities within the territory of the Diocese. Subject to the limitations contained in the Plan and except for purposes of treatment and payment under the Plan, Tort Claims include Future Tort Claims when they are asserted by Future Tort Claimants.

2.143 Tort Claimant means a Person who asserts a Tort Claim.

2.144 Trust Administrative Expense Reserve means the reserve to be established on the Effective Date and maintained thereafter by the Settlement Trustee (as to the Settlement Trust and Litigation Trust, respectively), to pay the costs of administering the Settlement Trust and the Litigation Trust including, but not limited to, the applicable Settlement Trustee's fees, and legal and accounting fees, the fees, costs and expenses of the Special Arbitrator, the fees, costs and expenses of CBNA in the Insurance Actions after November 1, 2009; provided, however, that the fees, costs and expenses of CBNA in the Insurance Actions will not exceed \$60,000 between November 1, 2009 and November 19, 2009, and further, provided, however that the fees, costs and expenses of CBNA in the Insurance Actions will only be paid from the Trust Administrative Expense Reserve if summary judgment is granted on either of the two motions at Docket Nos. 99 and 103 in the Adversary Proceeding No.08-90019, or if CBNA and the Committee, or the Settlement Trustee (after the Effective Date) settles with one or more of the Great Divide Candidate Insurers.

2.145 UAF License means that certain two year License granted to the University of Alaska Fairbanks to enter upon the Pilgrim Springs Property to conduct geothermal research pursuant to that certain \$4.6 million Department of Energy grant.

2.146 Uniform Questionnaire means the questionnaire to be drafted by the Special Arbitrator, containing a fixed set of questions that will be distributed to each and every Settling Tort Claimant on or before the Effective Date. The content of the questionnaire will be in his or her sole discretion. In determining the questions, the Special Arbitrator may, but is not required to, consider the suggestions of the Debtor, the Reorganized Debtor, the Great Divide Candidate



Insurers, the Tort Claimants and the Committee. The Special Arbitrator will utilize the responses to the Uniform Questionnaires to assist him or her in evaluating the Settling Tort Claims.

2.147 Unsecured Claim means every Claim, or portion thereof, which is not a Secured Claim, regardless of the priority of such Claim.

### ARTICLE 3

#### UNCLASSIFIED CLAIMS

3.1 Administrative Claims. The holder of an Allowed Administrative Claim will receive, in full satisfaction of such Claim: (a) a single Cash payment in the Allowed amount of the Claim on the Effective Date (or the applicable Claim Payment Date); or (b) as otherwise agreed in writing by the holder of the Allowed Claim or ordered by the Bankruptcy Court. Every Allowed Administrative Claim for an expense of operation of the Debtor incurred in the ordinary course of such operations will be paid fully and in Cash in the ordinary course of business (including any payment terms applicable to any such expense).

3.2 Priority Unsecured Claims. The holder of every Allowed Priority Unsecured Claim will be paid, in full satisfaction of such Claim: (a) a single Cash payment in the Allowed amount of the Claim on the Effective Date (or the applicable Claim Payment Date); or (b) as otherwise agreed in writing by the holder of the Allowed Claim or ordered by the Bankruptcy Court.

3.3 Priority Tax Claims. The holder of every Allowed Priority Tax Claim, will be paid, in full satisfaction of such Claim pursuant to the provisions of Bankruptcy Code § 1129(a)(9)(C): (a) in deferred Cash payments over a period of five (5) years from the Petition Date, to be paid in equal quarterly installments of principal and interest; (b) the first payment to be made on the first Business Day after the day which is ninety (90) days after the later of the Effective Date or the Claim Payment Date; and (c) each payment thereafter to be paid on the first Business Day of each succeeding quarter until paid in full; provided, however, that the entire unpaid amount of the Allowed Priority Tax Claim, together with any interest accrued thereon,

will be paid in full on the date which is five (5) years after the Petition Date; or (d) as otherwise agreed in writing by the holder of the Allowed Claim or ordered by the Bankruptcy Court.

3.4 Elimination of Claim. To the extent there are no amounts owing on the Effective Date for any Priority Unsecured Claims and/or any Priority Tax Claims, such treatment as set forth above will be deemed automatically eliminated from the Plan.

#### ARTICLE 4

##### CLASSIFICATION OF CLAIMS

4.1 Classification. All Claims are classified under the Plan as hereafter stated in this Article 4; provided, however, that, a Claim will be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remainder of the Claim qualifies within the description of such different Class. As of the Confirmation Hearing, any Class of Claims which does not contain any Creditor's Claims will be deemed deleted automatically from the Plan, and any Class of Claims which does not contain an Allowed Claim (or a Claim temporarily or provisionally Allowed by the Bankruptcy Court for voting purposes) will be deemed automatically deleted from the Plan with respect to voting on confirmation of the Plan.

4.2 Classes. For purposes of the Plan, Claims against the Debtor are hereby classified in the following Classes in accordance with Bankruptcy Code § 1122(a) as follows:

Class 1 – Priority Employee Unsecured Claims

Class 2 – Prepetition Date Secured Tax Claims

Class 3 – Other Secured Claims

Class 4 – Great Falls Secured Claim

Class 5 – Annuity Secured Claims

Class 6 – General Unsecured Convenience Claims

Class 7 – Jesuit Unsecured Claims

Class 8 – General Unsecured Claims

Class 9 – Other Tort and Employee Claims

Class 10 – Tort Claims and Future Tort Claims

Class 11 – Insurance and Benefit Claims

Class 12 – Continental Claims

Class 13 – Pilgrim Springs Claims

Class 14 – Penalty Claims

## ARTICLE 5

### **TREATMENT OF CLASSES OF CLAIMS WHICH ARE NOT IMPAIRED UNDER THE PLAN**

5.1 Priority Employee Unsecured Claims – Class 1. No holder of an Allowed Priority Employee Unsecured Claim will receive any Cash on account of such Claim. All Allowed Priority Employee Unsecured Claims will be satisfied, in full, in accordance with the policies and procedures regarding vacation and sick leave pay in effect at CBNA at the time such Priority Employee Unsecured Claim becomes matured and liquidated; provided, however, that CBNA reserves the right to review the policies and procedures regarding vacation and sick leave pay and to propose modifications to those policies and procedures to become a part of the Plan or after the Effective Date. To the extent CBNA proposes any changes to such policies and procedures that become part of the Plan and would be retroactive, CBNA will modify the Plan to include such changes and give notice to the holders of any Priority Employee Unsecured Claims at least ten (10) days before the Confirmation Hearing. In that event, the holders of the Priority Employee Unsecured Claims will be impaired and the Plan will be modified to so state.

5.2 Annuity Secured Claims – Class 5. The legal, equitable and contractual rights of holders of Allowed Annuity Secured Claims in Class 5 will either: (a) not be altered by the Plan; or (b) at the option of the Debtor, be treated in any other manner that will result in such Allowed Annuity Secured Claims being deemed unimpaired under Bankruptcy Code § 1124, including, but not limited to, the retention by the holder of an Allowed Other Secured Claim of the lien on his/her/its collateral to the extent of his/her/its Allowed Annuity Secured Claim.

5.3 Insurance and Benefit Claims – Class 11. The holders of Allowed Insurance and Benefit Claims will retain their Claims, if any, against the Reorganized Debtor and the Plan will either: (a) leave unaltered the legal, equitable and contractual rights to which such Claims entitle the holders thereof; or (b) at the option of the Debtor, treat such Allowed Insurance and Benefit Claims in any other manner that will result in such Allowed Insurance and Benefit Claims being deemed unimpaired under Bankruptcy Code § 1124. All such Insurance and Benefit Claims will be determined in accordance with the provisions of any benefit plans, policies and procedures of CBNA and the documents evidencing the plans pursuant to which such Insurance and Benefit Claims arise and applicable law.

## ARTICLE 6

### **TREATMENT OF CLASS 2 CLAIMS (PREPETITION DATE SECURED TAX CLAIMS)**

6.1 Distribution. All Class 2 Claims, as and when they are Allowed Claims, will be treated as fully Secured Claims and will be paid fully and in Cash as follows:

(a) In order to compute the Prepetition Date Secured Tax Claims, which are the Class 2 Claims, the Property Tax Claims Proration will be conducted as of the Effective Date, if necessary. The Prepetition Date Secured Tax Claims, which are Allowed Claims, will bear interest from and after the Effective Date until they are paid in full, at the rate of two percent (2%) per annum or such other rate as ordered by the Bankruptcy Court.

(b) The Allowed Class 2 Claims, including interest thereon from and after the Effective Date, will be paid in two equal installments. The first installment will be paid on the first Business Day which is thirty (30) days after the Effective Date or the Claim Payment Date. The second installment will be paid on the first Business Day of the sixth (6th) month after the Effective Date or the applicable Claim Payment Date.

(c) No penalties will be paid on any of the Allowed Class 2 Claims.

6.2 Disputed Claims. Notwithstanding the pendency of any appeal to any state or local taxing authorities of a determination of property taxes or assessments on the Petition Date, nothing contained herein will prohibit the Debtor from exercising its rights pursuant to Bankruptcy Code § 505 and having the Class 2 Claim(s) determined by the Bankruptcy Court to the extent that any Class 2 Claims are Disputed Claims.

6.3 Retention of Liens. Each Creditor holding a Class 2 Allowed Claim will retain its lien(s) on its collateral to the extent of its Class 2 Allowed Secured Claim.

6.4 Other Claims. The Reorganized Debtor will pay the Post-Effective Date Secured Tax Claims in the ordinary course of its business operations after the Effective Date. All Property Tax Administrative Claims will be paid as Administrative Claims pursuant to the Plan.

## ARTICLE 7

### TREATMENT OF CLASS 3 CLAIMS (OTHER SECURED CLAIMS)

7.1 Distribution. All Class 3 Claims, as and when they are Allowed Claims, will be treated as fully Secured Claims and will be paid fully and in Cash as follows:

(a) The Other Secured Claims which are Allowed Claims will bear interest from and after the Effective Date until they are paid in full at the rate of two percent (2%) per annum or such other rate as ordered by the Bankruptcy Court.

(b) The Allowed Class 3 Claims, including interest thereon from and after the Effective Date, will be paid in two equal installments. The first installment will be paid on the first Business Day which is thirty (30) days after the Effective Date or the Claim Payment Date. The second installment will be paid on the first Business Day of the sixth (6th) month after the Effective Date or the applicable Claim Payment Date.

(c) No penalties will be paid on any of the Allowed Class 3 Claims.

7.2 Retention of Liens. Each Creditor holding a Class 3 Allowed Claim will retain its lien(s) on its collateral to the extent of its Class 3 Allowed Secured Claim.

## ARTICLE 8

### **TREATMENT OF CLASS 4 CLAIMS (GREAT FALLS SECURED CLAIM)**

8.1 Distribution. The Great Falls Secured Claim will be paid fully and in Cash in accordance with the provisions of the agreements between Great Falls and CBNA with respect to the Great Falls DIP Loan, provided, however, that CBNA will have the option to extend the term of the Great Falls DIP Loan for an additional five (5) years as follows:

(a) No later than May 31, 2019, CBNA will give written notice to Great Falls of its intent to exercise the option provided for under the Plan to extend the term of the Great Falls Promissory Note for an additional five (5) years, for a new remaining term of fifteen (15) years and a total term of twenty-five (25) years (as opposed to the current term of twenty (20) years) accompanied by an extension fee of \$7,500.00.

(b) If CBNA exercises the option to extend the term of the Great Falls DIP Loan as provided herein, the monthly payments due pursuant to the Great Falls Promissory Note will be reamortized beginning with the payment due in the second (2nd) month succeeding the month in which the notice to extend was given and receipt of the extension fee by Great Falls.

(c) All other terms and conditions of the Great Falls DIP Loan, except as specifically modified by the Plan, will remain the same and in full force and effect, including, but not limited to, the interest rate provided for under the Great Falls Promissory Note.

8.2 Impairment. The Class 4 Great Falls Secured Claims are impaired under the Plan.

## ARTICLE 9

**TREATMENT OF CLASS 6 CLAIMS  
(GENERAL UNSECURED CONVENIENCE CLAIMS)**

9.1 Distribution. Every Creditor holding an Allowed Class 6 Claim will be paid in two equal installments. The first installment will be paid on the first Business Day which is thirty (30) days after the Effective Date or the Claim Payment Date. The second installment will be paid on the first Business Day of the sixth (6th) month after the Effective Date or the applicable Claim Payment Date.

9.2 Interest. There will be no interest payable on the General Unsecured Convenience Claims.

9.3 Impairment. The Class 6 Claims are impaired pursuant to the Plan.

**ARTICLE 10**

**TREATMENT OF CLASS 7 CLAIMS  
(JESUIT UNSECURED CLAIMS)**

10.1 Distribution. If and when Allowed, the Debtor or the Reorganized Debtor will setoff against the Jesuit Unsecured Claims against any recoveries in favor of the Debtor or the Reorganized Debtor for Claims against the Jesuits, on account of the Jesuit Fault Allocation Claims. The Jesuits will not receive or retain anything on account of the Plan except and only to the extent that the amount of the Jesuit Fault Allocation Claims do not exceed any Allowed Jesuit Unsecured Claims. If there are any remaining unsatisfied Allowed Jesuit Unsecured Claims after such setoff, the Allowed Jesuit Unsecured Claims will be paid the lesser of the amount owed after setoff or ten thousand dollars (\$10,000) within (60) days after a Final Order is entered allowing any Jesuit Unsecured Claims and determining the amount of any setoff.

10.2 Setoff Prior to Assignment or Distribution. The setoff of any Allowed Jesuit Unsecured Claims will occur prior to the distribution of any recoveries to the Fund on account of the Jesuit Fault Allocation Claims, in accordance with the terms of the Plan. The Committee and CBNA will agree on whether the Settlement Trustee or CBNA will pursue the Jesuit Fault



Allocation Claims and provide notice of such agreement prior to the commencement of the Confirmation Hearing.

10.3 Interest. There will be no interest payable on the Allowed Jesuit Unsecured Claims.

10.4 Impairment. The Class 7 Jesuit Unsecured Claims are impaired under the Plan.

## ARTICLE 11

### **TREATMENT OF CLASS 8 CLAIMS (GENERAL UNSECURED CLAIMS)**

11.1 Distribution. Each holder of a Class 8 General Unsecured Claim, as and when such General Unsecured Claim is or becomes an Allowed Claim, will be paid fully and in Cash in three (3) annual installments, including interest, with the first (1st) installment to be paid on the first Business Day that is six (6) months after the Effective Date (or the Claim Payment Date), the second (2<sup>nd</sup>) annual installment to be paid on the first Business Day that is twelve (12) months after the first payment and the third (3<sup>rd</sup>) annual installment to be paid on the first Business Day that is twelve (12) months after the second payment.

11.2 Interest. Each Allowed General Unsecured Claim will bear interest from and after the Effective Date at the rate of two percent (2%) per annum or such other rate as set by the Bankruptcy Court in the Confirmation Order.

11.3 Impairment. The Class 8 General Unsecured Claims are impaired under the Plan.

## ARTICLE 12

### **TREATMENT OF CLASS 9 CLAIMS (OTHER TORT AND EMPLOYEE CLAIMS)**

12.1 Distribution. Each holder of a Class 9 Other Tort and Employee Claim, as and when such Claim becomes an Allowed Claim, will be paid solely from any Insurance Coverage applicable to such Other Tort and Employee Claim. To the extent that such Claims may not be satisfied in full by the foregoing, then such Other Tort and Employee Claims, to the extent not so satisfied, will be Disallowed.

12.2 Impairment. The Class 9 Other Tort and Employee Claims are impaired under the Plan.

### ARTICLE 13

#### **TREATMENT OF CLASS 10 CLAIMS (TORT CLAIMS AND FUTURE TORT CLAIMS)**

13.1 Subclasses of Tort Claims. Tort Claims will be divided into three subclasses for purposes of allowance, liquidation, and payment: (1) Convenience Tort Claims, (2) Settling Tort Claims, or (3) Litigation Tort Claims. The Plan provides alternative mechanisms for allowing, liquidating and paying Tort Claims depending on their sub-classification. Tort Claims will be presumed to be treated as Settling Tort Claims unless a Tort Claimant: (a) holds a Tort Claim that the Debtor Objected to prior to the December 4, 2009 hearing on the Disclosure Statement; or (b) affirmatively elects or is deemed to have elected treatment of his or her Tort Claim as either a Litigation Tort Claim or a Convenience Tort Claim.

13.2 Settlement Trust, Litigation Trust, and Future Claims Reserve Sole Source of Recovery for Tort Claims; Allocation of Funding. The Settlement Trust will be the sole source of recovery for Settling Tort Claimants on account of their Tort Claims. The Litigation Trust or the Litigation Reserve will be the sole source of recovery for Litigation Tort Claimants on account of their Tort Claims. The Future Claims Reserve will be the sole source of recovery for Future Tort Claimants on account of their Tort Claims. Upon confirmation of the Plan and the occurrence of the Effective Date, all Tort Claims against the Debtor and the Reorganized Debtor will be discharged and no Tort Claimant will have any further Claim against the Debtor or the Reorganized Debtor. Pursuant to the Channeling Injunction in Article 21 of the Plan and which will be a part of the Confirmation Order, all Tort Claims held by Tort Claimants and Future Tort Claimants against the Debtor, the Reorganized Debtor, Released Parties, Settling Insurers, Settling Parties, and Participating Third Parties will be permanently enjoined and channeled into the Settlement Trust, the Litigation Trust, the Litigation Reserve or to the Future Claims Reserve as the sole source of recovery. The Bankruptcy Court will determine the allocation of the

funding between the Litigation Trust (or the Litigation Reserve) and the Settlement Trust as part of the confirmation process and such allocation will be incorporated into the Confirmation Order; provided, however, that the Debtor and the Committee may agree on the allocation and submit such agreement to the Bankruptcy Court for approval and, if approved, the allocation agreed upon will be incorporated into the Confirmation Order.

13.3 Treatment of Convenience Tort Claims.

(a) Allowance and Liquidation. Each Convenience Tort Claim will be deemed Allowed in an amount of \$2,500.

(b) Payment. In full release and satisfaction of his or her Tort Claim, each Convenience Tort Claimant will be paid \$2,500 Cash within thirty (30) days of the occurrence of the Effective Date or the Claim Allowance Date.

13.4 Treatment of Settling Tort Claims.

(a) Allowance and Assignment to Settlement Trustee. Settling Tort Claims will be deemed Allowed, and each Settling Tort Claimant will be deemed to have assigned his or her Allowed Settling Tort Claim to the Settlement Trustee regardless of whether such Tort Claimant votes on the Plan or votes to reject the Plan. As a result of such assignment, the Settlement Trustee will succeed to all rights of the Settling Tort Claimants against the Debtor and any Great Divide Candidate Insurer. The Allowed Settling Tort Claim will have the same effect as a judgment against CBNA; provided, however, that any recoveries to the Settlement Trustee or any Settling Tort Claimant with an Allowed Settling Tort Claim against the Debtor or the Reorganized Debtor will be limited to and by the Fund, the terms of the Plan and the discharge received by the Debtor pursuant to the Plan and applicable provisions of the Bankruptcy Code. By way of clarification, notwithstanding the foregoing, neither the Settlement Trustee nor the Settling Tort Claimant will have any right to seek recoveries directly against CBNA and are limited to recoveries provided for in the Plan. In addition, on the

Effective Date, the Debtor will assign all of its rights against any Great Divide Candidate Insurer. The Settlement Trustee will then succeed to all of the rights of the Debtor and the Settling Tort Claimant for purposes of pursuing the claims against the Great Divide Candidate Insurers.

(b) Liquidation. Unless the amount of the Settling Tort Claim is determined prior to the Effective Date pursuant to a Claim Allowance Agreement, the amount of each Settling Tort Claim will be liquidated by the Special Arbitrator pursuant to the Binding Arbitration Process. In liquidating a Settling Tort Claim, the Special Arbitrator will consider and base allowance of a Settling Tort Claim on the risks to CBNA and the Settling Tort Claimant in light of the facts bearing on the liability and damage aspects of the Settling Tort Claim. In addition, in determining the amount of the Arbitration Award, the Special Arbitrator must consider all of the circumstances affecting the Debtor's potential liability and available defenses regarding the Tort Claim of a Settling Tort Claimant, including but not limited to:

- (i) the substance and credibility of the Tort Claim,
- (ii) the Debtor's legal responsibility for the actions of the perpetrator under Alaska law,
- (iii) the severity of the abuse suffered,
- (iv) the impact of the abuse on the Tort Claimant including any bodily injury, shock, fright, mental injury, disability, mental anguish, humiliation, sickness or disease sustained by the Tort Claimant, and
- (v) the risks to CBNA and the Settling Tort Claimant had the Settling Tort Claim otherwise been the subject of a trial, including the existence of affirmative defenses such as the statute of limitations; provided, however, that the statute of limitation defense may be waived by the Settlement Trustee as part of the process subject to the Settlement

Trustee's right to seek a determination from the Court at the Confirmation Hearing or after as to whether such a waiver of the statute of limitations defense and/or any other provision of the Plan objected to by the Insurance Company violates the provision of any Insurance Policy and/or any duty of an insured under an Insurance Policy issued by the objecting Insurance Company. If the Settlement Trustee seeks a determination by the Bankruptcy Court as to the merits of any such waiver(s) and no objection regarding the statute of limitations and/or any other provision of the Plan or otherwise is filed with regard to any Insurance Company's obligation to provide a defense to CBNA or its assignee and/or to provide liability insurance to CBNA or its assignee, then the waiver and all other provisions of the Plan will be automatically and conclusively deemed not to violate any Insurance Policy provision and/or any duty owed by CBNA or its assignee under any and all Insurance Policies. As to all other Claims, including the Claims of Litigation Tort Claimants, CBNA reserves all rights with respect thereto.

(vi) The Special Arbitrator may also consider any other factors the Bankruptcy Court may determine as part of the confirmation process or in connection with approval of any Claim Allowance Agreements.

As a result of the Binding Arbitration Process, the Special Arbitrator will issue an Arbitration Award setting forth the liquidated amount of each Allowed Settling Tort Claim.

(c) Payment. Each Settling Tort Claimant will be paid a share of the Settlement Trust as determined by the Special Arbitrator.

(i) Determination of Share of Settlement Trust. Each of the Settling Tort Claims will be individually evaluated by the Special Arbitrator on the evaluation factors attached hereto as Exhibit "B". Points

will be allocated to each Settling Tort Claimant in relation to each evaluation category. Each Settling Tort Claimant will be paid a pro rata share of the Settlement Trust based upon the ratio of the points received by that Settling Tort Claimant to the total points awarded to all Settling Tort Claimants. Thus, by way of example, if Claimant A is awarded 20 points and the total points awarded all Claimants is 4,000 points, Claimant A will be awarded  $20/4000$  of the Settlement Trust. The Special Arbitrator will determine each Settling Tort Claimant's share of the Settlement Trust within thirty (30) days of the Effective Date based solely upon the Proofs of Claim, the Uniform Questionnaire and the terms of the Plan.. Each Settling Tort Claimant will return a completed Uniform Questionnaire to the Special Arbitrator within thirty (30) days of service. If a Settling Tort Claimant fails to timely return his or her completed Uniform Questionnaire, then his or her Tort Claim will be treated and paid as a Convenience Tort Claim.

(ii) Distributions. Before any distribution(s) to any Allowed Settling Tort Claimants, the Settlement Trustee will subtract the Qualified Counsel Fees from the Settlement Trust. The Settlement Trustee will disburse the Qualified Counsel Fees to Qualified Counsel as fees in accordance with the retainer agreements between the Qualified Counsel and the holder of the Allowed Tort Claim, provided that no Qualified Counsel will receive a distribution in excess of the amounts owed under such retainer or fee agreements. Each holder of an Allowed Settlement Tort Claim will be paid in Cash by the Settlement Trust after deduction of Qualified Counsel Fees, if any. The Settlement Trustee will make a Preliminary Distribution to Settling Tort Claimants within sixty (60) days

after every Settling Tort Claimant's share of the Settlement Trust has been finally determined..

13.5 Treatment of Litigation Tort Claimants.

(a) Allowance and Liquidation; Litigation Protocol. The following will be the protocol for Allowance and liquidation of Litigation Tort Claims: Unless a complaint alleging a Litigation Tort Claim was filed before the Petition Date and is presently pending in the Alaska Superior Court—which will be Disallowed or Allowed and liquidated pursuant to a final judgment by the Alaska Superior Court—each Litigation Tort Claim will be Disallowed or Allowed and liquidated pursuant to a final judgment of the District Court. Within sixty (60) days of the Effective Date each Litigation Tort Claimant must: file a complaint in the District Court against the Settlement Trustee asserting his or her Tort Claim against the Debtor and serve such complaint upon the Settlement Trustee; or, if a complaint was pending on the Petition Date in the Alaska Superior Court, file a motion in the Alaska Superior Court to put the case back onto its active trial docket, and serve such motion on the Settlement Trustee. If a Litigation Tort Claimant does not timely file such a complaint or motion, then his or her Tort Claim will be treated as a Convenience Tort Claim, which treatment will be irrevocable and in complete satisfaction, payment and release of the Litigation Tort Claim. The Settlement Trustee will succeed to all of the Debtor's rights, defenses, affirmative defenses including statute of limitations, counterclaims, setoffs and recoupments with respect to Litigation Tort Claims and will substitute in any litigation in the Alaska Superior Court as the Defendant in place of the Debtor and any Participating Third Parties who are defendants in such actions pending in the Alaska Superior Court. The Settlement Trustee will have complete control of litigation and settlements of Litigation Tort Claims and Future Tort



Claims, the holders of which elect to proceed with allowance under the Future Tort Claim Litigation Process.

(b) Payment. Each holder of an Allowed Litigation Tort Claim will be paid in Cash by the Litigation Trust such holder's pro rata share of the Litigation Trust net of the Settlement Trustee's fees, costs, and attorneys fees and costs defending all Litigation Tort Claims, within thirty (30) days after of the later of the date on which all Litigation Tort Claims have been Allowed or Disallowed by Final Order.

13.6 Treatment of Future Tort Claims.

(a) Future Tort Claims Representative's Tort Claim. The Future Tort Claims Representative's Tort Claim will be deemed satisfied when the Settlement Trust is funded.

(b) Allowance and Distribution of Future Tort Claims.

(i) Distribution. Each holder of an Allowed Future Tort Claim which is filed on or before the seventh (7th) anniversary of the Effective Date will be paid in full in Cash by the Settlement Trustee from the Future Claims Reserve within thirty (30) days after the later of the date on which such Future Tort Claim is Allowed or the date on which the Future Claims Reserve is initially funded as provided for in the Plan; provided however that, any Future Tort Claimant that elects the Future Tort Claim Litigation Process will receive no more than eight percent (8%) of the Future Claims Reserve at the time the Future Tort Claim is filed, net of the costs of the Settlement Trustee to defend the Future Tort Claim as and when such Future Tort Claim becomes an Allowed Future Tort Claim pursuant to the Future Tort Claim Litigation Process.

(ii) Allowance. The holder of a Future Tort Claim may elect to proceed with allowance under the Future Tort Claim Settlement Process or

the Future Tort Claim Litigation Process by (i) filing with the Special Arbitrator a Future Tort Claim Proof of Claim to be requested from and furnished by the Special Arbitrator upon request of a Future Tort Claimant who elects the Future Tort Claim Settlement Process, or (ii) filing a complaint in the District Court naming the Settlement Trustee as Defendant, which filing of such a complaint constitutes an election by a Future Tort Claimant of the Future Tort Claim Litigation Process. Each Future Tort Proof of Claim by a holder of a Future Tort Claimant electing the Future Tort Claim Settlement Process must include the release of claims in the form provided in the Future Tort Claim Proof of Claim. A Future Tort Claim Allowed under this Section is referred to as an Allowed Future Tort Claim.

(c) Future Tort Claim Settlement Process.

(i) Allowance. If a holder of an Future Tort Claim elects to proceed with allowance under the Future Tort Claims Settlement Process, such Future Tort Claim will be Allowed (a) if the Special Arbitrator determines that the holder of such Future Tort Claim has proved by a preponderance of the evidence (i) that such holder was abused, and (ii) that the applicable statute of limitations under applicable non-bankruptcy law had not begun to run on or before March 1, 2008; and (b) if the Special Arbitrator does not find that there is clear, cogent and convincing evidence that the applicable statute of limitations under applicable non-bankruptcy law had run (i) after March 1, 2008, and (ii) before the date the holder of such Future Tort Claim filed the Future Tort Claim Proof of Claim. The Special Arbitrator will determine the amount of such Future Tort Claim by assigning such Future Tort Claim a dollar value pursuant to the matrix for distributions for Settling Tort Claimants. The Special

Arbitrator may consider the credibility of the Future Tort Claimant and the facts alleged in support of the Future Tort Claim and, in the Special Arbitrator's sole discretion, reduce or deny the Future Tort Claim. The dollar value assigned to a Future Tort Claimant electing the Settlement Process will be confidential.

(ii) Amendment. At any time prior to final allowance or disallowance of a Future Tort Claim under the Future Tort Claim Settlement Process, the holder of such Future Tort Claim may settle the Future Tort Claim with the Special Arbitrator.

(d) Future Tort Claim Litigation Process.

(i) Allowance. If a holder of a Future Tort Claim elects to proceed with allowance under the Future Tort Claim Litigation Process, such Future Tort Claim will be determined either by a trial of such Future Tort Claim conducted by the District Court, or a settlement between the holder of such Future Tort Claim and the Settlement Trustee. Such Future Tort Claim is subject to all defenses available under applicable law, including but not limited to, the applicable statute of limitations and the defenses enumerated in the Plan with respect to any Tort Claims and which are available to Debtor.

(ii) Amendment of Election. At any time prior to the earliest of the date on which the Settlement Trustee has filed a dispositive motion with respect to, or trial has commenced on, a Future Tort Claim that is being determined under the Future Tort Claim Litigation Process, the holder of such Future Tort Claim may amend his or her election to instead elect treatment under the Future Tort Claim Settlement Process, by delivering a written notice of such election to the Special Arbitrator and the Settlement Trustee. Any such amended election will be irrevocable.

Any such amended election will be deemed to be a consent to a reduction of the amount of any distribution with respect to such holder's Allowed Future Tort Claim, by the amount of all pre litigation and litigation Professional Fees and expenses incurred with respect to such Future Tort Claims, and all other Settlement Trust costs and expenses attributable to such Future Tort Claim, which accrued through the date of such amended election.

(e) Future Tort Claims Filed after Seventh (7th) Plan Anniversary Barred. All Future Tort Claims filed after the seventh (7th) anniversary of the Effective Date will have no right to payment or any other right under the Plan, and all such Claims will be discharged under Article 21 of the Plan.

(f) Effect of Disallowance. If a Future Tort Claim is Disallowed, the holder of such Claim will have no further rights against the Debtor, the Reorganized Debtor, Settling Parties, Participating Third Parties or a Settling Insurer, the Settlement Trust or the Litigation Trust.

13.7 General. All distributions to the holders of Allowed Tort Claims and Allowed Future Tort Claims will be in full release, discharge and satisfaction of such Allowed Tort Claims and Future Tort Claims. A Tort Claimant or a Future Tort Claimant whose Tort Claim is Disallowed pursuant to the claim determination procedures set forth in the Plan, or a Litigation Tort Claimant or a Future Tort Claimant who has elected the Future Claim Litigation Process and whose Tort Claim or Future Tort Claim is denied and Disallowed, will receive no distribution under the Plan and will have no further Claims against CBNA, the Reorganized Debtor, the Settlement Trustee, any Settling Party or any Released Party.

13.8 Treatment of Attorneys' Fees of Tort Claimants and Future Tort Claimants.

Subject to Section 13.4(c)(ii) the fees and expenses of attorneys representing any of the Settling Tort Claimants, Litigation Tort Claimants or Future Tort Claimants who receive payment from the Settlement Trust, the Litigation Trust or the Future Claims Reserve, will be borne by such

claimants based on applicable state law and individual arrangements made between such claimants and their respective attorneys. In no event will CBNA, the Reorganized Debtor, the Settlement Trustee, the Settlement Trust, the Settlement Trustee, the Litigation Trust (if applicable) or the Litigation Reserve (if applicable) have any liability for any fees and expenses of attorneys representing any of the Settling Tort Claimants, any of the Litigation Tort Claimants or any of the Future Tort Claimants and any such Claims for any such fees and expenses, if any, will be Disallowed.

13.9 Treatment of Punitive Damages. Claims for punitive or exemplary damages in connection with Tort Claims or Future Tort Claims or asserted by any other claimants, will be treated as Penalty Claims and be Disallowed.

13.10 Impairment. The Class 10 Claims are impaired under the Plan.

#### ARTICLE 14

##### TREATMENT OF CLASS 12 CLAIMS (CONTINENTAL CLAIMS)

14.1 Distribution. In full satisfaction of the Continental Claims, as and when Allowed, the Reorganized Debtor will pay holders of the Continental Claims \$75,000 Cash, on the Effective Date.

14.2 Discharge. Any and all other amounts owed on the Continental Claims in addition to the \$75,000 paid pursuant to Section 14.1 of the Plan, will be discharged pursuant to Bankruptcy Code §§ 1141 and 524, and the Reorganized Debtor will not be required to pay any such amounts.

14.3 Impairment. The Class 12 Continental Claims are impaired under the Plan.

#### ARTICLE 15

##### TREATMENT OF CLASS 13 CLAIMS (PILGRIM SPRINGS CLAIMS)

15.1 Distribution. The Pilgrim Springs Claims are subject to the Pilgrim Springs Setoff Claims which exceed the Pilgrim Springs Claims. The Pilgrim Springs Claims will be

Disallowed and the holders of the Pilgrim Springs Claims will receive no distribution on account of any Pilgrim Springs Claims and such holders will not receive anything under the Plan.

15.2 Impairment. The Class 13 Pilgrim Springs Claims are impaired under the Plan.

**ARTICLE 16**

**TREATMENT OF CLASS 14 CLAIMS  
(PENALTY CLAIMS)**

16.1 Distribution. No Penalty Claims will be Allowed and there will be no distribution to the holders of any Penalty Claims.

16.2 Impairment. The Class 14 Penalty Claims are impaired under the Plan.

**ARTICLE 17**

**MEANS OF IMPLEMENTATION OF THE PLAN**

17.1 Funding the Fund. On or before the Effective Date, CBNA will transfer to the Fund, Cash in an amount of not less than \$9,800,000.

17.2 Asset Sale to the Endowment. CBNA will sell the following CBNA Real Property to the Endowment in exchange for \$7.907 million in Cash:

Catholic Schools of Fairbanks	\$3,500,000.00
Chancery property	\$1,200,000.00
Kobuk Center/ priest residence	\$1,120,000.00
Warehouse maintenance center	\$225,000.00
KNOM property , Nome , AK	\$430,000.00
FCA Barnett St Building	\$600,000.00
Betty Street Residence	\$205,000.00
Hanger	\$346,000.00
Kateri Center, Galena	\$175,000.00
Cessna 207	\$75,000.00
Lot next to warehouse	\$31,000.00
Total	\$7,907,000.00

The sale to the Endowment will be pursuant to the Plan, and will not be a Bankruptcy Code § 363 sale. Certain CBNA Real Property is Excluded Property. Certain CBNA Real Property has been marketed during the pendency of the Reorganization Case but no acceptable

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offers have been obtained. The sale to the Endowment will close on or before the Effective Date. The proceeds of the asset sale to the Endowment will be used to fund CBNA's funding obligations on the Effective Date.

17.3 Pilgrim Springs Auction. The Pilgrim Springs Auction will occur at a hearing conducted within forty-five (45) days of the Confirmation Hearing. The opening bid at the Pilgrim Springs Auction will be made by the Endowment for \$1,850,000, which bid will also serve as a back up bid to any and all higher and better bids. The sale of the Pilgrim Springs Property to the bidder with the highest and best bid at the Pilgrim Springs Auction must close within forty-five (45) days of the Pilgrim Springs Auction, and will be free and clear of all claims, liens or encumbrances except for the UAF License under Bankruptcy Code §§ 363 and 1123. Up to \$1,850,000 of the proceeds of the Pilgrim Springs Auction will be used to fund CBNA's funding obligations on the Effective Date, including payment of Administrative Expenses, but, in all events, all proceeds above \$1,850,000 will be paid to the Settlement Trust.

17.4 Harding Lake Sale. On or before the Effective Date, CBNA will sell the Chapel at Harding Lake to the Harding Lake community for fifteen thousand dollars (\$15,000) and such sale will be pursuant to the Plan and not a public sale pursuant to Bankruptcy Code §363.

17.5 Assignment of Certain Claims to Settlement Trustee. On the Effective Date, CBNA will assign to the Settlement Trustee its Claims against the Sisters of Saint Ann and the Jesuit Safeco Insurance Policies Claims.

17.6 Formation of Settlement Trust and Litigation Trust. On or before the Effective Date (but after entry of the Confirmation Order and after the Confirmation Order becomes a Final Order), the Reorganized Debtor will cause the following to occur: (a) the execution and delivery of the Settlement Trust Agreement and the Litigation Trust Agreement (if necessary), which will establish the Settlement Trust and the Litigation Trust; (b) delivery to the Settlement Trustee and the Settlement Trustee of any amounts in the Fund allocated as ordered by the Bankruptcy Court as part of the Confirmation Order; (c) delivery of such commitments and assignments from the Reorganized Debtor to give effect to the right of the Special Arbitrator and



the Settlement Trustee to receive any portion of the Fund to be funded after the Effective Date; and (d) delivery of such commitments, documents, agreements and assignments that are necessary to convey the Debtor's insurance coverage claims against Great Divide Candidate Insurers to the Settlement Trustee under *Great Divide Insurance Co. v. Carpenter*, 79 P.3d 599 (Alaska 2003) and other legal authority.

17.7 Special Arbitrator and Settlement Trustee Assume Responsibility. On the Effective Date, the Special Arbitrator will assume full responsibility for resolving the Tort Claims of all Settling Tort Claimants and the Settlement Trustee will assume full responsibility for resolving all Tort Claims of Litigation Tort Claimants. Further, on the Effective Date, the Settlement Trustee will be substituted into any Insurance Actions against Great Divide Candidate Insurers as the Real Party in Interest. The Special Arbitrator and the Settlement Trustee will assume full responsibility for: (i) establishing the respective Trust Administrative Expense Reserve with respect to the Settlement Trust and the Litigation Trust (if applicable) or the Litigation Reserve (if applicable); (ii) making payments to the holders of Allowed Tort Claims and Allowed Future Tort Claims that become Allowed under the conditions set forth in the Settlement Trust Agreement, the Litigation Trust Agreement (or the Litigation Reserve), the Future Claims Reserve and the Plan; (iii) collecting, investing and distributing funds for the benefit of the holders of Allowed Tort Claims and Allowed Future Tort Claims; and (iv) fulfilling all other obligations under the Settlement Trust Agreement and the Litigation Trust Agreement.

17.8 Funding on the Effective Date. All payments under the Plan which are due on the Effective Date from CBNA, will be funded from the Fund with respect to payment of Allowed Tort Claims; provided, however, that, prior to transfer of the Assets designated for the Fund, CBNA will pay or reserve all Professional Charges that remain unpaid as of the Effective Date and reserve the estimated amount for Professional Charges incurred through the date that final applications are required to be filed pursuant to Section 17.19 of the Plan or pursuant to final bills received by CBNA from the Chapter 11 Professionals if the requirement of final

applications is waived by the Court, but in no event will the Fund be paid less than \$9,800,000 Cash on the Effective Date. The Settlement Trustee will create the Future Claims Reserve and the Litigation Claims Reserve pursuant to the allocation to be approved by the Bankruptcy Court, in the Confirmation Order.

17.9 Assignment of Claims Against Great Divide Candidate Insurers. On the Effective Date, CBNA will assign its claims against Great Divide Candidate Insurers to the Settlement Trustee including, but not limited to, any and all Insurance Actions. If CBNA is requested by the Settlement Trustee to assist in prosecution of the Insurance Actions in any manner, then any attorneys' fees, costs and expenses incurred by CBNA in assisting in prosecution of the Insurance Actions will be paid from the Settlement Trust.

17.10 Funding After the Effective Date. The funds necessary to ensure continuing performance under the Plan after the Effective Date will be (or may be) obtained from:

- (a) any and all remaining Assets retained by the Reorganized Debtor after the Effective Date;
- (b) the net proceeds of the Pilgrim Springs Auction greater than \$1,850,000 to be paid to the Settlement Trustee;
- (c) the proceeds from the Special Appeal subject to the conditions set forth in Section 2.139 of the Plan;
- (d) Cash generated from the post-Effective Date operations of the Reorganized Debtor; and,
- (e) any reserves established by the Debtor or the Reorganized Debtor;

provided, however, that no part of the Fund may be used to pay Creditors other than Tort Claimants and Future Tort Claimants under the Plan, and only those Assets to be paid or contributed to the Fund, pursuant to the Plan, will be used to pay the Allowed Claims of Tort Claimants and Future Tort Claimants. In no event will the amount paid to the Fund be less than \$9,800,000 Cash.

17.11 Payments to the Fund After the Effective Date. After the Effective Date, payments will be made to the Fund by the Reorganized Debtor from net proceeds in excess of \$150,000 from each Special Appeal.

17.12 Non-Monetary Commitment to Healing and Reconciliation. In order to further promote healing and reconciliation, and in order to continue its efforts to prevent sexual abuse from occurring in the Diocese in the future, CBNA agrees that beginning within thirty (30) days after the Effective Date (unless a different date is provided below):

(a) CBNA will file with the Bankruptcy Court the names of the individuals attached on Exhibit "C" identifying them as the priests, religious, lay employees and volunteers accused of sexual abuse in filed proofs of claim. The Debtor will not seek to seal such filing and will oppose any effort by any third party to seal such filing.

(b) For a period of ten (10) years after the Effective Date, the Reorganized Debtor will post on the home page of its website and the Website of the Diocese, a prominent link on the home page to the names listed on Exhibit "C" and any other known perpetrators (admitted, proven or credibly accused), including deceased perpetrators and those previously listed.

(c) Within eighteen (18) months after the Effective Date, Bishop Kettler will personally go to every Parish in which any individuals were abused and where those persons identified in Paragraph (a) above served. The Bishop will read a statement of apology from the pulpit and encourage parishioners to support victims. He will also identify all perpetrators that have served in the Diocese and urge all abuse survivors to report abuse to law enforcement, the diocesan Victim's Assistance Coordinator, health care professionals and/or any survivor group or organization that the person wishing to make a report of abuse determines is appropriate to receive the report of abuse. He will assure survivors and parishioners that no one will go to hell as a result of coming forward

regarding the abuse they suffered and that survivors did not commit any sin in coming forward. The Bishop's visits to the rural Parishes will, to the extent feasible, be publicized by the following means: (i) posted on the Parish Church bulletin board; (ii) posted by the Parish administrator or the Parish contact in the post office, the washeteria, the community center and the store of each village to the extent allowed by each of such place; (iii) announced by VHF radio by the Parish contact person as requested by the Bishop; and (iv) announced on KNOM two weeks in advance. At least thirty (30) days in advance of the Bishop's visit to a Parish, the Bishop will send a written invitation to all known abuse survivors in that Parish inviting them to attend his visit. Consistent with the Bishop's current practice, the Bishop will continue his "listening" sessions and healing ceremonies during the Parish visits.

(d) A general letter of apology will be displayed on the Diocese's website for a period of ten (10) years from the Effective Date. In addition, this letter of apology will be published in Parish bulletins (where Parish bulletins are used) once a month for three (3) months after the Effective Date. The letter of apology will be read by the Bishop onto a public service announcement to be played on KNOM at least once a month for three (3) months after the Effective Date.

(e) The statement of apology described above in paragraph (c) and the letter of apology described in paragraph (d) above will, among other things:

(i) assure the faithful that all the sacraments conducted by perpetrators are not invalid by virtue of the fact that they were conducted by a perpetrator of abuse;

(ii) include an acknowledgement and apology for the abuses which occurred at Holy Cross Boarding School, the Nulato Catholic Mission School (a/k/a Our Lady of the Snows), and St. Mary's High

School (a/k/a St. Mary's Catholic Mission), and also for the cultural disregard/disrespect resulting from the forced assimilation of Native people.

(f) No later than sixty (60) days after allowance of any Tort Claim Bishop Kettler will send individual letters of apology to such Tort Claimant and, if requested by such Tort Claimant, to his or her immediate family. The letters of apology will state that the survivor was not at fault for the abuse. Furthermore, the letters will state that no sins were committed by those who have come forward on account of their having coming forward. The letters of apology will be personally signed by the Bishop.

(g) CBNA will continue to comply in all respects with the following: (i) the Charter for the Protection of Children and Young People initially adopted by the United States Conference of Catholic Bishops in 2002 and revised in 2005 and as it may be amended from time to time; (ii) the Diocese of Fairbanks' Faithful Healing, Preventing and Responding To Ministry-Related Child Sexual Abuse policy adopted on August 1, 2003, as revised subsequently and as it may be amended from time to time; and (iii) the Diocese of Fairbanks' Policy on Abuse of Vulnerable Adults adopted November 16, 2005, as it may be amended from time to time. Among other things, the Debtor will continue to require individuals working for the Debtor or ministering within the Diocese to sign sworn statements attesting that they have not sexually abused any minor at any time. Further the Debtor will continue to aggressively assert its policy requiring individuals working for the Debtor or ministering within the Diocese to report any information indicating the existence of sexual abuse to law enforcement.

(h) Four (4) times per year for five (5) years after the Effective Date and one time per year for twenty (20) years after the Effective Date, Reorganized Debtor will publish a prominent statement in media available within the Diocese,

including, where applicable, Parish bulletins, Parish bulletin boards, Diocesan newsletters circulated within the Diocese (including but not limited to Ministering), KNOM, and the homepage of the Reorganized Debtor's website, urging persons sexually abused by priests or religious workers to contact law enforcement, and the diocesan Victim's Assistance Coordinator, doctor or other health care professional or other trusted person and/or any survivor group or organization to make a report of abuse. In addition, the Debtor will provide information of health care professionals for mental health support or counseling.

(i) The Reorganized Debtor will institute a policy requiring that its representatives (including, but not limited to, Bishop Kettler and the Debtor's spokespersons), not refer either verbally or in print to sexual abuse claimants as "alleged" claimants, "alleged" victims or "alleged" survivors, and urging its representative to refer to claimants as survivors of clergy sexual abuse.

(j) The Reorganized Debtor will file status reports regarding its compliance with these non-monetary undertakings with the Bankruptcy Court and serve the Settlement Trustee. Reports will be filed semi-annually for the first two years after the Effective Date and annually for the next three years after the Effective Date. The Settlement Trustee will have standing to enforce these non-monetary undertakings. Nothing about these continuing reporting/enforcement requirements will prevent the issuance of a final decree or closing the Reorganization Case.

17.13 Procedure for Determination of Claims Other Than Tort Claims or Future Tort Claims. The following procedures will be used for purposes of allowance and disallowance of Creditors' Claims that are not Tort Claims or Future Tort Claims:

(a) Objections to Claims. Notwithstanding the occurrence of the Effective Date, and except as to any Claim that has been Allowed prior to the Effective Date, all objections to Claims must be filed by the Claim Objection



Deadline; provided, however, that any Disputed Claims held by Settling Tort Claimants or Future Tort Claimants will be determined by the Special Arbitrator in accordance with the Settlement Trust Agreement and the Plan and any Disputed Claims held by Litigation Tort Claimants (or Future Tort Claimants who opt for the Future Tort Claims Litigation Process) will be determined pursuant to the Litigation Trust Agreement, if any, and the Litigation Protocol; further, provided, however, that nothing contained in the Plan will affect the right of the Debtor to seek estimation of any Claims, including, Tort Claims and Future Tort Claims on any grounds permitted by the Bankruptcy Code at any time.

(b) Disputed Claims. No payments or other distributions will be made to the holders of Claims unless and until such Claims are Allowed Claims pursuant to a Final Order or in accordance with Article 13. If a Claim is not an Allowed Claim by the Effective Date, or when payment is otherwise due under the Plan, payment on the Allowed Claim (plus interest, if any, as provided herein) will commence on the Claim Payment Date.

(c) Treatment of Contingent Claims. Until such time as a Contingent Claim or a Contingent portion of an Allowed Claim becomes fixed or absolute or is Disallowed, such Claim will be treated as a Disputed Claim for all purposes related to distributions under the Plan. The holder of a Contingent Claim will only be entitled to a distribution under the Plan when and if such Contingent Claim becomes an Allowed Claim, subject, however, to the provisions of Bankruptcy Code § 502(e), and, provided that if such Contingent Claim is for reimbursement, indemnification or contribution at the time of allowance or disallowance, it will be Disallowed pursuant to Bankruptcy Code § 502(e)(1)(B).

17.14 Payments Effective Upon Tender. Whenever the Plan requires payment to be made, such payment will be deemed made and effective upon tender thereof by the Debtor or the Reorganized Debtor to the Creditor to whom payment is due. If any Creditor refuses a tender,



the amount tendered and refused will be held by the Debtor or the Reorganized Debtor for the benefit of that Creditor pending final adjudication of the dispute. However, when and if the dispute is finally adjudicated and the Creditor receives the funds previously tendered and refused, the Creditor will be obliged to apply the funds in accordance with the Plan as of the date of the tender; and while the dispute is pending and after adjudication thereof, the Creditor will not have the right to claim interest or other charges or to exercise any other rights which would be enforceable by the Creditor, if the Debtor or the Reorganized Debtor failed to pay the tendered payment.

17.15 Preservation of Debtor's Claims, Demands, and Causes of Action. Except as otherwise provided in the Plan, all Claims, demands, and causes of action of any kind or nature whatsoever held by, through, or on behalf of the Debtor and/or the Estate against any other Person, including but not limited to, the Retained Claims arising before the Effective Date which have not been resolved or disposed of prior to the Effective Date, are hereby preserved in full for the benefit of the Reorganized Debtor, except for such Claims or causes of action, cross-claims, and counterclaims, including Retained Claims, which: (a) have been released hereunder or pursuant to a Final Order prior to the Effective Date; and (b) which have been or are being transferred to the Special Arbitrator or the Settlement Trustee. Those Claims or causes of action, cross-claims and counterclaims which are being transferred to the Special Arbitrator or the Settlement Trustee, are preserved under the Plan for their respective benefits. To the extent necessary, the Reorganized Debtor is hereby designated as the estate representative pursuant to, and in accordance with, Bankruptcy Code § 1123(b)(3)(B). Furthermore, in accordance with Bankruptcy Code § 1123(b)(3), after the Effective Date, the Reorganized Debtor will own and retain, and may prosecute, enforce, compromise, settle, release, or otherwise dispose of, any and all Claims, defenses, counterclaims, setoffs, and recoupments belonging to the Debtor or its Estate, including, but not limited to the Retained Claims, except to the extent any of the Contribution Actions or the Claims in the Insurance Actions have been assigned to the Settlement Trustee or the Settlement Trustee. The Debtor and the Reorganized Debtor will also

be entitled to assign their rights under the Plan. On the Effective Date, the Special Arbitrator and the Settlement Trustee are hereby designated as the estate representatives, pursuant to and in accordance with, Bankruptcy Code § 1123(b)(3) with respect to any and all Claims, defenses, counterclaims, setoffs, and recoupments belonging to the Debtor or its Estate with respect to the Claims of Settling Tort Claimants, Future Tort Claimants and Litigation Tort Claimants.

17.16 Special Provisions Governing Unimpaired Claims. Except as otherwise provided in the Plan, nothing will affect the Debtor's or the Reorganized Debtor's rights and defenses with respect to any Unimpaired Claims, including, but not limited to, all rights with respect to legal and equitable defenses to, or setoffs or recoupments against, such unimpaired Claims.

17.17 Operative Documents. The Debtor will prepare any documents which the Debtor and the Reorganized Debtor deem are necessary or appropriate to execute the Plan or are provided for under the Plan, including, but not limited to, the Plan Documents. If there is any dispute regarding the reasonableness or propriety of any such documents after reasonable and good faith efforts by the Debtor to negotiate and obtain approval of the documents by the other affected Person(s), any such dispute will be presented to the Bankruptcy Court for determination, at or in conjunction with the Confirmation Hearing.

17.18 Return of Deposits. To the extent that the Debtor was required to and did pay deposits to any Creditors after the Petition Date, as a condition of or as security for continued service after the Petition Date, including, but not limited to, deposits paid to utility companies for adequate assurance pursuant to Bankruptcy Code § 366, then, upon satisfaction of the Claims of such Creditor(s) pursuant to the Plan or if such Creditor(s) did not have any Claims against the Debtor, any such deposits, together with any interest or other income earned thereon, if any, will be refunded to the Reorganized Debtor within fifteen (15) days of demand by the Reorganized Debtor for return of such deposit(s).

17.19 Administrative Claims Bar Date. All requests for payment of administrative costs and expenses incurred prior to the Effective Date pursuant to Bankruptcy Code §§ 507(a)(1) and 503(b) will be served and filed with the Bankruptcy Court no later than forty-five (45) days after

the Confirmation Date. Any such Claim which is not served and filed within this time period will be forever barred. After approval by the Bankruptcy Court of the final fee applications of the Chapter 11 Professionals and the Future Claims Representative and the Future Claims Representative's Professionals for Professional Charges incurred prior to the Confirmation Date, the Chapter 11 Professionals and the Future Claims Representative and the Future Claims Representative's Professionals will not be required to submit any further fee applications to the Bankruptcy Court in accordance with Bankruptcy Code § 330. Any charges for fees, costs and expenses incurred by the Future Claims Representative after the Effective Date will be paid out of the Future Claims Reserve.

17.20 Delivery of Distributions. Distributions will be made by the Debtor, the Reorganized Debtor, the Special Arbitrator or the Settlement Trustee as follows:

(a) At the addresses set forth in the Proofs of Claim (and if both a Claimant's address and a Claimant's counsel are listed on the Proof of Claim then to counsel's address) filed by holders of Claims or the last known addresses of such holders if no Proof of Claim is filed or if the Debtor, the Reorganized Debtor, the Settlement Trustee has not been notified of a change of address;

(b) At the addresses set forth in written notices of address change delivered to the Debtor, the Settlement Trustee or the Reorganized Debtor after the date of any related Proof of Claim; or

(c) At the addresses reflected in the Schedules of Assets and Liabilities filed in the Reorganization Case if no Proof of Claim has been filed, and the Debtor, the Settlement Trustee or the Reorganized Debtor has not received a written notice of change of address.

(d) If any distribution to a holder of an Allowed Claim (including an Allowed Tort Claim and an Allowed Future Tort Claim) is returned as undeliverable, no further distributions to such holder will be made unless and until the Debtor, the Settlement Trustee or the Reorganized Debtor is notified of

such holder's then-current address, at which time all missed distributions will be made to the holder without interest. All claims for undeliverable or uncashed distributions must be made on or before the first (1st) anniversary of the date applicable to such distribution, or with respect to the final distribution to a Creditor holding an Allowed Claim (including an Allowed Tort Claim and an Allowed Future Tort Claim), within ninety (90) days thereof. After such date, all such unclaimed property will revert to the Reorganized Debtor or the Settlement Trustee for further distribution in accordance with the Plan, and the Claim of any holder or successor to such holder with respect to such property, will be discharged and forever barred, notwithstanding any federal or state escheat law to the contrary.

## ARTICLE 18

### **ADMINISTRATION OF THE SETTLEMENT TRUST, SETTLING TORT CLAIMS AND FUTURE TORT CLAIMS**

18.1 Binding Arbitration Process. All Settling Tort Claimants whose claims have not been liquidated prior to the Effective Date pursuant to a Claim Allowance Agreement, will be liquidated pursuant to the following procedure; provided however that, holders of Settling Tort Claims which are being defended pursuant to a reservation of rights by a Great Divide Candidate Insurer must have his or her Tort Claim liquidated pursuant to a formal arbitration and the Special Arbitrator will conduct the formal arbitration for such Settling Tort Claimants utilizing the J.A.M.S. rules and procedures. The Reorganized Debtor will only be obligated to participate in such formal arbitration pursuant to the J.A.M.S. rules and procedures, if its defense costs will be paid by a Great Divide Candidate Insurer. Otherwise, the Debtor or the Reorganized Debtor will have no obligation to participate in the process or defend against any such Tort Claims of a Settling Tort Claimant who is subject to the foregoing procedure. The following procedure will apply to the Allowance of all Settling Tort Claims with the exception of the Tort Claims of

Settling Tort Claimants subject to the formal arbitration procedure pursuant to the terms of the Plan and this Article 18:

(a) Within sixty (60) days of the Effective Date, the Reorganized Debtor will provide the Special Arbitrator a memorandum on the Claims of each Settling Tort Claimant describing any evidence readily available in its possession regarding the Debtor's potential liability, available defenses and insurance coverage regarding the Settling Tort Claim including information known about the alleged perpetrator(s) (if any). Upon request by the Special Arbitrator, the Reorganized Debtor will provide copies of readily available documents supporting or opposing Claims or defenses.

(b) No later than thirty (30) days after service of a completed Uniform Questionnaire, a Great Divide Candidate Insurer may request, in writing, that up to fifteen (15) questions be included in a Custom Questionnaire issued by the Special Arbitrator. If so requested pursuant to this subparagraph, the Special Arbitrator will serve a Custom Questionnaire on the Settling Tort Claimant that includes the requested questions, provided that the questions are not harassing, duplicative or needlessly cumulative in nature. If no Custom Questionnaire is timely requested by a Great Divide Candidate Insurer, then the Special Arbitrator may rely on the Uniform Questionnaire previously provided by a Settling Tort Claimant for purposes of liquidating his or her Tort Claim.

(c) Within thirty (30) days after written request therefor from the Special Arbitrator, each holder of a Tort Claim whose Settlement Amount will be determined by the Special Arbitrator will: (i) complete under oath a Custom Questionnaire, if applicable; (ii) produce all records and documents requested by the Special Arbitrator; (iii) consent to and cooperate in any examinations requested by the Special Arbitrator and performed by health care professionals selected by the Special Arbitrator; and (iv) consent to and cooperate in a written

and/or oral examination under oath by the Special Arbitrator. The Special Arbitrator also may, but will not be required to, obtain evidence from the Debtor, the Reorganized Debtor or any other party, and will have all of the rights and powers to take discovery under Part VII of the Bankruptcy Rules. The Special Arbitrator's determination will be made expeditiously.

(d) The Special Arbitrator may, but will not be required to, interview any Settling Tort Claimant regarding his or her Settling Tort Claim under oath. Further, each Settling Tort Claimant may request an interview. Interviews may be conducted by telephone, but the Settling Tort Claimant can request that the interview be conducted in person. The Special Arbitrator will establish the time, place and duration of such in person interview and will exercise reasonable efforts to accommodate the availability of the Settling Tort Claimant. If an interview is to be conducted, the Special Arbitrator will give the Reorganized Debtor and the Great Divide Candidate Insurers at least thirty (30) days notice of the date and time of the interview. The Reorganized Debtor and the Great Divide Candidate Insurers may submit up to ten (10) questions for the Special Arbitrator to ask at the interview. The requested interview questions must be submitted to the Special Arbitrator no later than ten (10) days prior to the interview. The interview may be, but is not required to be, recorded by video, audio or stenographic means.

(e) In connection with his or her interview, the Settling Tort Claimant may provide the Special Arbitrator with additional evidence supporting his or her Settling Tort Claim.

(f) The Settling Tort Claimant, the Settlement Trustee, or any Great Divide Candidate Insurer each may submit a simultaneous confidential memorandum to the Special Arbitrator advocating their respective legal and factual positions affecting the Debtor's potential liability, available defenses, and the Settling Tort Claimant's damages. The memorandum which may be



submitted in accordance with the preceding sentence may recommend an amount for Allowance of the Settling Tort Claim. The Special Arbitrator will set a schedule for submission of the memoranda permitted by this subparagraph as to each Settling Tort Claim. Upon timely written request in connection with preparation of the memoranda, the Special Arbitrator will provide the Settling Tort Claimant, the Reorganized Debtor (if the Reorganized Debtor is participating in the process), the Settlement Trustee or Great Divide Candidate Insurer, a copy of a Settling Tort Claimant's completed Custom Questionnaire or recording or transcript of the interview.

(g) The Special Arbitrator will have the power to issue subpoenas, under Rule 9016 of the Bankruptcy Rules and Rule 45 of the Federal Rules of Civil Procedure in order to obtain information or compel witnesses to attend depositions or other arbitration proceedings. The Special Arbitrator may request that independent medical examinations be performed by healthcare professionals retained or appointed by the Special Arbitrator, in order to obtain information on any matters related to the Settling Tort Claimants, including the nature and extent of damages allegedly suffered as a result of the alleged acts and/or omissions giving rise to the Tort Claim. The Special Arbitrator may also request from the Settling Tort Claimant or the Reorganized Debtor any additional materials or names of possible witnesses that will aid the Special Arbitrator in evaluating a Settling Tort Claim. Nothing contained in the Plan will preclude a Settling Tort Claimant or the Reorganized Debtor from presenting any other evidence to the Special Arbitrator to allow the Special Arbitrator to evaluate the Settling Tort Claim.

(h) The Special Arbitrator will issue an Arbitration Award setting forth his determination of the amount of the Allowed Settling Tort Claim. The Arbitration Award may, but is not required to, include a memorandum describing



the reasons for the Arbitration Award. The Arbitration Award must be served on the Settlement Trustee, the Settling Tort Claimant and the Great Divide Candidate Insurers, and also such counsel as designated by these parties. Service may be accomplished by electronic mail.

(i) The Arbitration Award and allocation is final and may not be appealed under any circumstances. Notwithstanding the foregoing, a Settling Tort Claimant, or the Settlement Trustee may request that the Special Arbitrator reconsider his Arbitration Award and allocation. Such a request must be submitted to the Special Arbitrator in writing not less than twenty (20) days after service of the Arbitration Award. The party seeking reconsideration must serve notice of the reconsideration request on the Settling Tort Claimant, the Settlement Trustee and such counsel as designated by these parties. The Special Arbitrator will set a schedule for any additional interview, argument, or briefing as he deems appropriate under the circumstances. Notwithstanding any reconsideration by the Special Arbitrator, the decision of the Special Arbitrator will be final on or after any reconsideration and not subject to any appeal or judicial determination or review of any kind.

(j) The Special Arbitrator must comply with requests by the Settling Tort Claimant to keep information regarding the Settling Tort Claim confidential, in accordance with any confidentiality protocols established by the Bankruptcy Court during the course of the Reorganization Case, or as part of the confirmation process.

18.2 Procedure for Filing and Determination of Future Tort Claims. The following procedures will govern the filing of Future Tort Claims:

(a) Regardless of when a Future Tort Claim is asserted but in all events subject to the time periods set forth in Section 13.6 above, all Future Tort

Claimants will be required to file any Future Tort Claim on the Proof of Claim form for Tort Claims approved by the Bankruptcy Court in the Bar Date Order.

(b) If a Future Tort Claim is asserted after the Confirmation Date but before the Effective Date, such Future Tort Claim is to be filed with the Clerk of the Bankruptcy Court in accordance with the procedures set forth in the Bar Date Order.

(c) The Special Arbitrator may, in addition to the procedures set forth in Section 13.6 above, employ any of the procedures set forth in Section 18.1 above for purposes of liquidating and Allowing or Disallowing any Future Tort Claim.

18.3 Special Provisions Governing the Administrative Costs for the Binding Arbitration. The following provisions govern the costs of administering the binding arbitration procedure for determining the Arbitration Award for Settling Tort Claims and Future Tort Claims (unless a Future Tort Claimant elects the Future Tort Claim Litigation Process:

(a) The Special Arbitrator is entitled to compensation for his services and reimbursement of costs. The Special Arbitrator will issue his invoices to the Settlement Trustee. The Settlement Trustee, and only the Settlement Trustee, may review and question the Special Arbitrator's invoices. The Settlement Trustee will timely pay the Special Arbitrator's invoices.

(b) The Reorganized Debtor's only source of compensation for participating in the Binding Arbitration Process, including the payment of attorneys' fees, costs and expenses will be payment by a Great Divide Candidate Insurer, or, if requested to participate by the Special Arbitrator and the fees and costs, and expenses are not being paid by a Great Divide Candidate Insurer, the Reorganized Debtor may be paid from the Settlement Trust if the Settlement Trustee determines that it is in the best interests of the Settling Tort Claimant to have the Reorganized Debtor's participation. In the event that the attorneys' fees,

costs and expenses of the Reorganized Debtor are not going to be paid by a Great Divide Candidate Insurer or the Settlement Trust, then the Reorganized Debtor will have no obligation to participate in the liquidation, Allowance or Disallowance of any Tort Claims.

18.4 Wind Down of the Future Claims Reserve. No sooner than seven (7) years after the Effective Date, the Settlement Trustee, the Special Arbitrator or the Future Claims Representative may request that the Future Claims Reserve be wound down by filing a motion with the Bankruptcy Court. The proponent of the motion to wind down the Future Claims Reserve will provide no less than thirty (30) days notice and opportunity to be heard to the Settlement Trustee, the Special Arbitrator and the Future Claims Representative, or their successors. Any funds remaining in the Future Claims Reserve, after payment of all Allowed Future Tort Claims and costs and expenses of the Settlement Trust with respect to administration of Future Tort Claims, will be distributed as determined by the Settlement Trustee.

## ARTICLE 19

### TREATMENT OF EXECUTORY CONTRACTS

19.1 Assumption and Rejection of Executory Contracts. On the Confirmation Date, except as otherwise provided herein, all Executory Contracts of the Debtor, that have not been previously rejected or terminated, will be assumed in accordance with the provisions and requirements of Bankruptcy Code §§ 365 and 1123, other than those Executory Contracts that: (a) have already been assumed by order of the Bankruptcy Court; (b) are subject to a motion to reject Executory Contracts that is pending on the Confirmation Date; or (c) are subject to a motion to reject an Executory Contract pursuant to which the requested effective date of such rejection is after the Confirmation Date. Approval of any motions to assume Executory Contracts pending on the Confirmation Date will be approved by the Bankruptcy Court on or after the Confirmation Date by a Final Order. Each Executory Contract assumed pursuant to this Article 19 will revest in and be fully enforceable by the Reorganized Debtor in accordance with

its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption or applicable law.

19.2 Claims Based on Rejection of Executory Contracts. Every Claim asserted by a Creditor arising from the rejection of an Executory Contract pursuant to the Plan must be filed with the Bankruptcy Court no later than the first Business Day which is thirty (30) days after the Confirmation Date or the first Business Day that is thirty (30) days after entry of the Final Order of the Bankruptcy Court approving rejection, if such Final Order is entered after the Confirmation Date. Every such Claim which is timely filed, as and when it becomes an Allowed Claim, will be treated under Class 8 of the Plan. Every such Claim which is not timely filed by the deadline stated above will be forever barred, unenforceable, and discharged, and the Creditor holding the Claim will not receive or be entitled to any distribution under the Plan on account of such Claim.

19.3 Indemnification of Members, Managers, Officers, and Employees. The obligation of the Debtor to indemnify any Person serving at any time on or prior to the Effective Date as one of its officers, employees, council members or volunteers by reason of such Person's service in such capacity, to the extent provided in any of the Debtor's constituent documents or by a written agreement with the Debtor or under the laws of the State of Alaska pertaining to the Debtor, will be deemed and treated as Executory Contracts that are assumed by the Reorganized Debtor, pursuant to the Plan and Bankruptcy Code § 365 as of the Effective Date. Indemnification obligations of the Debtor to indemnify any Person that are assumed will survive unimpaired and unaffected by entry of the Confirmation Order, irrespective of whether such indemnification is owed for an act or event occurring before or after the Petition Date unless such Person is a Participating Third Party or a Released Party. Notwithstanding the foregoing, under no circumstances will the Debtor or the Reorganized Debtor assume or be responsible for any alleged indemnification obligations of the Jesuits or any priests or others against whom CBNA has determined or may, in the future, determine, that there are credible allegations of sexual abuse asserted against such Person(s) or such Person has or may have engaged in some

other conduct that would excuse the Reorganized Debtor from providing any indemnification to such Person.

## ARTICLE 20

### CONDITIONS TO EFFECTIVE DATE

20.1 Conditions To Occurrence Of Effective Date. Each of the following are conditions to the Effective Date, which conditions must be satisfied or, in the alternative, waived by both the Debtor and the Committee in their sole discretion:

- (a) The Confirmation Order has been entered by the Bankruptcy Court, and is not subject to any stay or injunction.
- (b) The Confirmation Order is in form and substance satisfactory to the Debtor and the Committee in their sole discretion.
- (c) The sale of Assets to the Endowment has closed.
- (d) \$9,800,000 Cash has been deposited in the Fund and transferred to the Settlement Trust.
- (e) Debtor's claims against the Great Divide Candidate Insurers have been assigned to the Settlement Trustee.
- (f) All actions, documents, and agreements necessary to implement the Plan will have been effected or executed, including, but not limited to, the Plan Documents.

20.2 Debtor's Obligations to Cause Effective Date to Occur. Upon satisfaction of the conditions to the Effective Date and occurrence of the Effective Date, the Debtor will cause the following to occur:

- (a) Payment, Cure and Reinstatement or Setoff of Allowed Claims Other Than Tort Claims. The Reorganized Debtor will pay or make provision for the prompt payment to holders of Allowed Claims to whom payments, pursuant to the Plan, are to be made on the Effective Date by the Debtor.

(b) Deliveries to Settlement Trust and Litigation Trust. Unless the Settlement Trust and the Litigation Trust (or the Litigation Reserve) have been earlier established, the Reorganized Debtor will cause the Settlement Trust and the Litigation Trust to be established. The Reorganized Debtor will deliver all amounts transferred to the Fund as of the Effective Date and any other assignments or pledges to the Settlement Trustee pursuant to the allocation ordered in the Confirmation Order.

20.3 Waiver of Conditions. The Debtor and the Committee, in their sole discretion, may waive any of the conditions to the occurrence of the Effective Date including waiver of the conditions regarding the effectiveness of the Confirmation Order in Section 20.1 above, any time, from and after the Confirmation Date. In that event, the Debtor will be entitled to render any or all of its performance under the Plan prior to what otherwise would be the Effective Date if the above-referenced conditions were not waived, including, but not limited to, the right to perform under any circumstances which would moot any appeal, review, or other challenge of any kind to the Confirmation Order, if the Confirmation Order is not stayed pending such appeal, review, or other challenge.

20.4 Effect of Non-occurrence of Conditions. If the consummation of the Plan does not occur, the Plan will be null and void in all respects and nothing contained in the Plan or the Disclosure Statement will: (a) constitute a waiver or release of any Claims by or against the Debtor; (b) prejudice in any manner the rights of the Debtor; (c) constitute an admission, acknowledgement, offer, or undertaking by the Debtor in any respect, including, but not limited to, in any proceeding or case against the Debtor; or (d) be admissible in any action, proceeding or case against the Debtor in any court or other forum.

20.5 Merger; Choice of Law. All obligations of the Debtor to all Creditors will be merged into the Plan, the Settlement Trust, the Litigation Trust, the Plan Documents and any other documents executed by the Reorganized Debtor in connection with confirmation of the Plan and the occurrence of the Effective Date and delivered to the respective affected Creditors.



All such obligations of the Reorganized Debtor will be evidenced by the Plan and such executed and delivered Plan Documents, the Settlement Trust and the Litigation Trust. Unless otherwise provided therein, such documents will be governed by and construed in accordance with Alaska law.

20.6 Other Obligations of the Reorganized Debtor. The Reorganized Debtor will:

(a) review all Claims filed against the Estate other than Tort Claims and Future Tort Claims and, if warranted, object to Claims within the time period provided in Section 16.8(a) of the Plan;

(b) determine whether and under what circumstances to pursue the Retained Claims and any other actions preserved for the benefit of the Reorganized Debtor and not otherwise assigned to the Fund; and

(c) perform all of its obligations under the Plan Documents, including, without limitation, those obligations provided in the Settlement Trust Agreement and the Litigation Trust Agreement.

## ARTICLE 21

### EFFECTS OF CONFIRMATION

21.1 Discharge. Except as otherwise expressly provided in the Plan or in the Confirmation Order, on the Effective Date, the Debtor and the Diocese will be discharged from and their liability will be extinguished completely in respect of any Claim and debt, whether reduced to judgment or not, liquidated or unliquidated, Contingent or noncontingent, asserted or unasserted, fixed or not, matured or unmatured, disputed or undisputed, legal or equitable, known or future, that arose from any agreement of the Debtor or the Diocese entered into or obligation of the Debtor or the Diocese incurred before the Confirmation Date, or from any conduct of the Debtor or the Diocese prior to the Confirmation Date, or that otherwise arose before the Confirmation Date, including, without limitation, all interest, if any, on any such Claims and debts, whether such interest accrued before or after the Petition Date; all Claims and debts based upon or arising out of Tort Claims, Future Tort Claims and from any liability of the



kind specified in Bankruptcy Code §§ 502(g), 502(h), and 502(i), whether or not a Proof of Claim is filed or is deemed filed under Bankruptcy Code § 501, such Claim is Allowed under Bankruptcy Code § 502, or the holder of such Claim has accepted the Plan; provided, however, that, any Tort Claims arising as a result of sexual abuse that is committed after the Petition Date will not be discharged.

21.2 Vesting. Except as otherwise expressly provided in the Plan or in the Confirmation Order, on the Effective Date, the Reorganized Debtor will be vested with all of the property of the Estate free and clear of all Claims, liens, encumbrances, charges and other interests of Creditors, and the Reorganized Debtor will, thereafter, hold, use, dispose or otherwise deal with such property, operate its business and conduct its ministry and mission free of any restrictions imposed by the Bankruptcy Code or by the Court. All Retained Claims are hereby preserved for the benefit of the Reorganized Debtor. Any Claims, causes of action or demands transferred to the Fund are preserved for the benefit of the Settlement Trustee under the Settlement Trust or under the Litigation Trust.

21.3 Channeled Claims. Except as otherwise expressly provided in the Plan and in this Article 21, in consideration of the promises and obligations of the Settling Parties under the Plan, including the establishment and funding of the Future Claims Reserve, the Settlement Trust and the Litigation Trust (or the Litigation Reserve, if applicable), all Persons who have held, hold, or may hold Tort Claims or Future Tort Claims, whether known or unknown, asserted or unasserted, will be forever barred from pursuing such Claims, whether such Claims are based upon tort or contract or otherwise, that they heretofore, now or hereafter possess or may possess against the Settling Parties, in each case based upon or in any manner whatsoever arising from or related to any acts or omissions of CBNA or the Diocese or any of the other Settling Parties related to any sexual misconduct or other acts and/or omissions by any clergy, employees, volunteers or other Persons associated with CBNA or the Diocese and, further, including, without limitation: (a) Tort Claims or Future Tort Claims; (b) Claims for bodily injuries and/or personal injuries, including emotional distress, mental distress, mental anguish and humiliation;

(c) those of any Person against whom any Claim, demand, proceeding, suit or cause of action based upon or in any manner arising from or relating to any of the matters enumerated or described herein that has been or may be asserted (including, without limitation, rights of indemnity, whether contractual or otherwise, Contribution Claims, Jesuit Fault Allocation Claims and subrogation Claims); (d) those for damages, including punitive damages; (e) those for attorneys' fees and other expenses, fees or costs; (f) those for any possible economic loss or loss of consortium; (g) those for damages to reputation; and (h) those for any equitable remedy. Except as otherwise expressly provided in the Plan and the Plan Documents, including the Settlement Trust and the Litigation Trust, the provisions of this Section 21.3 will further operate, as between all Settling Parties, as a mutual release of all Claims which any Settling Party may have against another Settling Party. The foregoing channeling provisions are an integral part of the Plan and are essential to its implementation.

21.4 Exculpation and Limitation of Liability. None of the Released Parties will have or incur any liability to, or be subject to any right of action by, any holder of a Claim or any other party in interest or any of their respective agents, employees, officers, directors, representatives, financial advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Reorganization Case, the pursuit of confirmation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for their willful misconduct; and in all respects such parties will be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the Plan or in the context of the Reorganization Case.

21.5 Permanent Injunction Against Prosecution of Released and Channeled Claims. Except as otherwise expressly provided in the Plan, for the consideration described herein, or described in any agreement by which a Person becomes a Settling Party, or if such Person is a Released Party on the Effective Date, all Persons who have held, hold, or may hold Channeled Claims or Claims against CBNA, the Diocese, any Settling Party or any Released Party, whether known or unknown, and their respective civil law and Canon Law officers, directors, officials,

representatives, council members, employees, agents, attorneys, and all others acting for or on their behalf, will be permanently enjoined on and after the Effective Date from: (a) commencing or continuing in any manner, any action or any other proceeding of any kind with respect to any Claim, including, but not limited to, any Tort Claim or any Future Tort Claim against the Parties or the property of the Parties; (b) seeking the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree, or order against the Parties or the property of the Parties, with respect to any discharged Claim or Channeled Claim; (c) creating, perfecting, or enforcing any encumbrance of any kind against the Parties or the property of the Parties with respect to any discharged Claim or Channeled Claim; (d) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due to the Parties with respect to any discharged Claim or Channeled Claim; and (e) taking any act, in any manner and in any place whatsoever, that does not conform to or comply with provisions of the Plan or the Plan Documents, including, the Settlement Trust Agreement or the Litigation Trust Agreement. Notwithstanding this Section 21.5, each Litigation Tort Claimant (including any Future Tort Claimant who opts for the Future Tort Claim Litigation Process will be entitled to continue or commence an action against the Settlement Trustee (in his capacity as trustee only and not in his individual capacity) for the sole purpose of obtaining a judgment as permitted by the Litigation Trust Agreement, the Litigation Protocol, the Future Tort Claim Litigation Process and the Plan, thereby liquidating such Litigation Tort Claimant's (including such Future Tort Claimant's, if applicable) Claim so that he or she may be paid with other Allowed Tort Claimants in the ordinary course of the operations of the Litigation Trust or the Future Claims Reserve, consistent with the provisions of the Litigation Trust Agreement, the Litigation Protocol, the Future Claims Reserve, the Future Tort Claim Litigation Process and the Plan. The holder of any such judgment will be enjoined from executing against the Litigation Trust, the Litigation Reserve (if applicable) or the Future Claims Reserve, their assets or the assets of any of the Parties or the Settlement Trust. In the event any Person takes any action that is prohibited by, or is otherwise inconsistent with the provisions of Article 21 of the Plan, then, upon notice to the Court by an

affected Party, the action or proceeding in which the Claim of such Person is asserted will automatically be transferred to the Court (or, as applicable, the District Court) for enforcement of the provisions of Article 21 of the Plan. The foregoing injunctive provisions are an integral part of the Plan and are essential to its implementation.

## ARTICLE 22

### **SETTLEMENT WITH THE PARISH CHURCHES, THE MONROE FOUNDATION AND THE CATHOLIC TRUST OF NORTHERN ALASKA**

In order to facilitate implementation of the Plan, CBNA is entering into a settlement agreement with the Parish Churches, the Monroe Foundation, and the CTNA. Under the Parish Settlement Agreement, the Parishes will contribute \$650,000 Cash from their unrestricted deposits with the CTNA to the Fund. Under the Monroe Foundation Settlement Agreement, the Monroe Foundation will contribute \$150,000 Cash to the Fund. The monies from the Parish Settlement and the Monroe Foundation Settlement will be used to settle the various disputes as to Parish Church Real Property, Monroe Foundation assets, and the avoidance actions claim against the CTNA. Under the settlements, the Parish Churches, the Monroe Foundation and the CTNA will become Participating Third Parties and Settling Parties pursuant to Article 21 of the Plan.

## ARTICLE 23

### **MODIFICATION OF PLAN**

The Plan may be modified by the Debtor and the Committee or the Reorganized Debtor (as applicable) from time to time in accordance with, and pursuant to, Bankruptcy Code § 1127. The Plan may be modified by the Debtor and the Committee at any time before the Confirmation Date, provided that the Plan, as modified, meets the requirements of Bankruptcy Code §§ 1122 and 1123, and the Debtor and the Committee have complied with Bankruptcy Code § 1125. Each holder of a Claim that has accepted the Plan will be deemed to have accepted such Plan as modified if the proposed alteration, amendment or modification does not adversely change the treatment of the Claim of such holder. Each holder of a Claim that votes in favor of the Plan authorizes the Debtor to modify, at any time prior to the Effective Date and without the

requirement of further solicitation, the treatment provided to the Class of Claims such Claims are classified in, provided that the Bankruptcy Court determines that such modification is not material. To the extent that it is determined that the Litigation Reserve will be established within the Settlement Trust and no Litigation Trust will be utilized, the Plan will be deemed modified without any further action on behalf of the Debtor or the Committee.

## ARTICLE 24

### RETENTION OF JURISDICTION

Notwithstanding confirmation of the Plan and the occurrence of the Effective Date, the Bankruptcy Court will retain jurisdiction for the following purposes:

24.1 In General. The Bankruptcy Court will retain jurisdiction to determine the allowance and payment of any Claims upon any objections thereto (or other appropriate proceedings) by the Debtor, by the Reorganized Debtor, or by any other party in interest entitled to proceed in that manner. As part of such retained jurisdiction, the Bankruptcy Court will continue to determine the allowance of Administrative Claims and any request for payment thereof, including Administrative Claims for Professional Charges. The Bankruptcy Court will not retain or obtain jurisdiction to determine any internal disputes between or among the Debtor (or the Diocese), a Parish or any other related Person that, under applicable Canon Law, would be determined in a specialized religious court.

24.2 Tort Claims and Future Claims. Subject to the limitations set forth in Section 24.1 above, the Bankruptcy Court will retain jurisdiction to hear and determine and take such actions as are necessary or appropriate with respect to the allowance or disallowance of Tort Claims or Future Tort Claims so long as such retained jurisdiction is consistent with the terms of the Plan, the Settlement Trust or the Litigation Trust.

24.3 Plan Disputes and Enforcement. Subject to the limitations set forth in Section 24.1 above, the Bankruptcy Court will retain jurisdiction to determine any dispute which may arise regarding the interpretation of any provision of the Plan. The Bankruptcy Court will also retain jurisdiction to enforce any provisions of the Plan and any and all Plan Documents,

including, but not limited to, any actions to enforce the discharge, releases and injunctions provided for in Article 21 of the Plan. The Bankruptcy Court will also retain jurisdiction over any matter relating to the implementation, effectuation, and/or consummation of the Plan as expressly provided in any provision of the Plan.

24.4 Further Orders. Subject to the limitations set forth in Section 24.1 above, the Bankruptcy Court will retain jurisdiction to facilitate the performance of the Plan by entering, consistent with the provisions of the Plan, any further necessary or appropriate order regarding enforcement of the Plan, the Plan Documents and any provisions thereof, and to protect the Debtor, the Reorganized Debtor, the Settling Parties and the Released Parties from actions prohibited under the Plan. The Bankruptcy Court will retain jurisdiction to hear and determine any requests to modify the Future Claims Reserve as provided in Section 13.5(b) above. In addition, the Bankruptcy Court will retain jurisdiction to facilitate or implement the allowance, disallowance, treatment, or satisfaction of any Claim, or any portion thereof, pursuant to the Plan (other than Tort Claims or Future Tort Claims, except to the extent that any retained jurisdiction is consistent with the Plan, the Settlement Trust and the Litigation Trust) to which an objection has not been filed prior to the Effective Date.

24.5 Retained Claims. Subject to the limitations set forth in Section 24.1 above, the Bankruptcy Court will retain jurisdiction with respect to any Retained Claims.

24.6 Issuance of Process. Subject to the limitations set forth in Section 24.1 above, the Bankruptcy Court will retain jurisdiction to issue any process necessary or appropriate to facilitate the actions and powers of the Special Arbitrator, including, but not limited to, issuance of subpoenas to compel attendance of witnesses, Settling Tort Claimants and Future Tort Claimants who participate in the Future Tort Claim Settlement Process at depositions, hearings and mediation as determined by the Special Arbitrator, in accordance with the terms of the Plan.

24.7 Governmental Units or Regulatory Agencies. The Bankruptcy Court will retain jurisdiction to adjudicate any dispute or to hear and determine any action taken, proposed, or threatened by any state, federal, or local governmental regulatory agency or unit having or



asserting jurisdiction or power over the conduct of the business of the Debtor and/or the Reorganized Debtor.

24.8 Final Decree. The Bankruptcy Court will retain jurisdiction to enter an appropriate final decree in the Reorganization Case.

24.9 Appeals. In the event of an appeal of the Confirmation Order or any other kind of review or challenge to the Confirmation Order, and provided that no stay of the effectiveness of the Confirmation Order has been entered, the Bankruptcy Court will retain jurisdiction to implement and enforce the Confirmation Order and the Plan according to their terms, including, but not limited to, jurisdiction to enter such orders regarding the Plan or the performance thereof as may be necessary to effectuate the reorganization of the Debtor.

24.10 Executory Contracts. The Bankruptcy Court will retain jurisdiction to determine any and all motions regarding assumption or rejection of Executory Contracts and any and all Claims arising therefrom.

24.11 Claims. Subject to the limitations set forth in Section 24.1 above, the Bankruptcy Court will retain jurisdiction: (a) to hear and determine any Claim or cause of action by or against the Debtor, the Debtor's officers, officials, employees or representatives, the Chapter 11 Professionals, and the Reorganized Debtor (except with respect to any internal disputes between and among CBNA, the Diocese, a Parish or any other related Person that, under applicable Canon Law, would be determined in a specialized religious court); (b) to adjudicate any causes of action or other proceeding currently pending or otherwise referenced here or elsewhere in the Plan, including, but not limited to, the adjudication of the Retained Claims and any and all "core proceedings" under 28 U.S.C. §157(b) which may be pertinent to the Reorganization Case and which the Debtor or the Reorganized Debtor may deem appropriate to initiate and prosecute before the Bankruptcy Court in aid of the implementation of the Plan; (c) to approve any settlements between or among CBNA, the Committee, the Settlement Trustee and the party against whom CBNA, the Committee and/or the Settlement Trustee asserts a Retained Claim, and (d) to hear objections to Tort Claims prior to the Effective Date.



24.12 Modification of the Plan. The Bankruptcy Court will retain jurisdiction to modify the Plan pursuant to the provisions of the Plan.

24.13 Failure of Court to Exercise Jurisdiction. If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction or is otherwise without jurisdiction over any matter arising out of the Reorganization Case, including matters set forth in this Article 24, such lack of jurisdiction will not diminish, control, prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

## ARTICLE 25

### AMENDMENT TO ENDOWMENT

25.1 Amendment. Prior to the Effective Date but after the Confirmation Order becomes a Final Order, the Endowment Documents will be amended as follows:

(a) The UPMIFA Amendment. The Endowment Documents will be amended to provide that at least twice annually, on or about March 31 and October 31, the Diocesan Bishop, in consultation with the Diocesan Finance Office and after consulting with the Diocesan Finance Council, may determine such spending distributions from one or more of the Endowments as is prudent for the uses, benefits, purposes and perpetual duration for which an Endowment was established. In determining the spending distributions, the Diocesan Bishop is to act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. The relevant factors to be considered by the Diocesan Bishop in setting the spending distributions for a particular period will be determined by the Diocesan Bishop in consultation with the Diocesan Finance Office and the Diocesan Finance Council.

(b) The Investment Policy Amendment. The Endowment Documents will be amended to add the following provision to the Investment Guidelines as that term is defined in the Endowment Documents:

(i) Real estate: real estate includes developed or undeveloped land and buildings that are suitable for use as investment, mission, or school property.

(ii) Investment property will have appropriate income, capital appreciation, marketability and administrative costs characteristics.

(iii) Mission and School Property must have stable value and the property's use must be necessary for the long term mission of the Catholic Church in Northern Alaska.

(c) The asset allocations will be amended as follows:

	<u>Maximum</u>	<u>Minimum</u>	<u>Target</u>
Total Return Based Pooled Fund:			
Real Estate	70%	0%	40%
Equities	70%	25%	45%
Fixed Income	50%	5%	10%
Cash	20%	0%	5%

25.2 Limitation on Authority. Notwithstanding any modifications to the Endowment Documents pursuant to the Plan, the authority of the Diocesan Bishop to determine the spending distributions will be limited to an amount equal to no more than six and .25 percent (6.25%) of the fair market value of the applicable Endowment fund, calculated on the basis of market values determined at least quarterly and averaged over a period of the preceding three (3) years.

25.3 Incorporation into Confirmation Order. The Confirmation Order will set forth the modifications to be made to the Endowment Documents as provided for in this Article 25.

25.4 Implementation of Amendment. Prior to the Effective Date but after entry of the Confirmation Order and after the Confirmation Order becomes a Final Order, the Diocesan Bishop may amend the Endowment Documents to the extent necessary or appropriate to implement the modifications to the Endowment Documents provided for in the Plan.

## ARTICLE 26

### REORGANIZATION OF CBNA

26.1 Continued Corporate Existence and Operation of the Reorganized Debtor. The Debtor will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all powers of a religious corporation sole under the laws of the State of Alaska and without prejudice to any right to alter or terminate such existence under applicable state law but subject to applicable Canon Law. On and after the Effective Date, the Reorganized Debtor and the Diocese may operate their respective businesses and carry on the ministry and the mission of the Roman Catholic Church and may use, acquire, or dispose of property, and compromise or settle any Claims without supervision or approval of the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order.

26.2 Management of Reorganized Debtor. From and after the Effective Date, the Reorganized Debtor will continue to be managed in accordance with the principles of Canon Law and applicable state law, and the Bishop will be the sole director of the Reorganized Debtor.

26.3 Reorganization of Parishes. Prior to the Effective Date, but after the Confirmation Date and after consultation with the Parishes, the civil structure of the Parishes may be reorganized. The form of such parish reorganization, if any, will be disclosed prior to the Confirmation Hearing and, thereafter, incorporated into the Plan but only to the extent it involves any property in which CBNA has a legal interest. Notwithstanding the structure of such reorganization, if any, such reorganization will comply, in all respects, with Canon Law. Any disputes regarding the interpretation and governance of the legal structure and operation of a Parish will be referred for determination to the appropriate agency or tribunal provided for under Canon Law.

## ARTICLE 27

### GENERAL PROVISIONS

27.1 Extension Of Payment Dates. If any payment date falls due on any day which is not a Business Day, then such due date will be extended to the next Business Day.

27.2 Notices. Any notice required or permitted to be provided under the Plan will be in writing and served by regular first class mail, electronic mail, overnight delivery, or hand-delivery.

27.3 Closing of the Case. At such time as the Plan has been fully administered and/or the Plan has been substantially consummated, the Reorganized Debtor will file an application for Final Order showing that the Plan has been fully administered or substantially consummated upon notice to only those Creditors and parties that, after the Effective Date, have specifically requested, after which an order approving the Reorganized Debtor's final report and closing the Reorganization Case may be entered.

27.4 Interest. Whenever interest is to be computed under the Plan, interest will be simple interest and not compounded.

27.5 Additional Assurances. The Debtor, the Reorganized Debtor, the Settlement Trustee and the Creditors holding Claims herein, including Tort Claims and Future Tort Claims will execute such other further documents as are necessary to implement any of the provisions of the Plan.

27.6 Confirmation By Nonacceptance Method. The Debtor and the Committee hereby request, if necessary, confirmation of the Plan pursuant to Bankruptcy Code § 1129(b) with respect to any impaired Class of Claims which does not vote to accept the Plan.

27.7 Withdrawal Of Plan. The Plan may be withdrawn or revoked prior to entry of the Confirmation Order in which event the provisions of Sections 20.4 and 27.12 will apply.

27.8 Severability And Reformation. It is the Debtor's and the Committee's intention to comply fully with the Bankruptcy Code and applicable nonbankruptcy law in proposing the Plan.

Therefore, if any provision of the Plan is determined by the Bankruptcy Court to be contrary to

the Bankruptcy Code or applicable nonbankruptcy law, that provision will be deemed severed and automatically deleted from the Plan, if it cannot be reformed or the provision or its interpretation will be deemed reformed to ensure compliance; provided, however, that nothing contained in this Section will prevent the Debtor and the Committee from modifying the Plan in any manner whatsoever in accordance with and as set forth in the Plan. Pursuant to any ruling by the Bankruptcy Court regarding the subject matter of this Section, any such severance or reformation will be stated specifically in the Confirmation Order, which then will control notwithstanding any contrary or inconsistent provisions of the Plan.

27.9 Prohibition Against Prepayment Penalties. If the Debtor or the Reorganized Debtor chooses, in its sole and absolute discretion, to prepay any obligation on which deferred payments are provided for under the Plan, the Debtor or the Reorganized Debtor will not be liable or subject to the assessment of any prepayment penalty thereon unless otherwise ordered by the Bankruptcy Court.

27.10 Fractional Dollars. Notwithstanding any other provision of the Plan, no payments or distributions under the Plan of or on account of fractions of dollars will be made. When any payment or distribution of or on account of a fraction of a dollar to any holder of an Allowed Claim would otherwise be required, the actual payment or distribution made will reflect a rounding of such fraction to the nearest whole number (up or down).

27.11 Payment Of Statutory Fees And Filing of Quarterly Reports. All fees payable pursuant to Section 1980 of Title 28 of the United States Code, 28 U.S.C. § 1980, as determined by the Bankruptcy Court at or in conjunction with the Confirmation Hearing, will be paid on or before the Effective Date and, thereafter, in accordance with applicable bankruptcy law. All quarterly reports of disbursements required to be filed by applicable bankruptcy law will be filed in accordance with applicable bankruptcy law.

27.12 Reservation of Rights. Except as expressly provided herein, the Plan will have no force or effect unless the Confirmation Order is entered by the Bankruptcy Court and the Effective Date has occurred. None of the filing of the Plan, any statement or provision contained

herein, or the taking of any action by the Debtor or the Committee with respect to the Plan will be or will not be deemed to be an admission or waiver of any rights of the Debtor or the Committee with respect to the holders of Claims prior to the Effective Date or with respect to any matter which is pending before or may come before the Bankruptcy Court for determination in the Bankruptcy Case.

27.13 No Professional Fees or Expenses. No professional fees or expenses will be paid by the Debtor or the Reorganized Debtor with respect to any Claim except as specified in the Plan or as Allowed by Final Order of the Court.

27.14 Dissolution of Committee. Upon the occurrence of the Effective Date, the Committee will be dissolved.

27.15 Headings. The headings of the articles, paragraphs, and sections of the Plan are inserted for convenience only and will not affect the interpretation hereof.

27.16 Section 1146 Exemption. Pursuant to Bankruptcy Code § 1146(c), any transfers of property pursuant hereto will not be subject to any document, recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment in the United States, and the Confirmation Order will direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

27.17 Successors and Assigns. The rights, benefits and obligations of any Person named or referred to in the Plan will be binding upon, and will inure to the benefit of, the heir, executor, administrator, successor or assign of such Person.

DATED: December 16, 2009.

CATHOLIC BISHOP OF NORTHERN ALASKA,  
an Alaska religious corporation sole

By Donald J. Kettler  
Bishop Donald J. Kettler

Responsible Person for the Catholic Bishop of  
Northern Alaska

THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS

By: PACHULSKI STANG ZIEHL & JONES LLP

By \_\_\_\_\_  
Its Attorneys for the Official Committee of  
Unsecured Creditors

Prepared and Submitted By:

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By \_\_\_\_\_  
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Hamid Rafatjoo

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1621

In re *Catholic Bishop of Northern Alaska*, Case No. 08-00110-DMD



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# EXHIBIT A

**EXHIBIT "A"**

**CBNA REAL PROPERTY**

<b>Property</b>	<b>Description</b>
<p>Chancery 1316-1318 Peger Rd. Fairbanks, AK 99709</p>	<p>The Chancery Office is located just off of Airport Road in Fairbanks and serves as the main offices of CBNA and the Fairbanks Diocese. It was appraised in late 2007 at a value of \$1.1 million. The Chancery will be sold to the Endowment on or before the Effective Date.</p>
<p>Diocesan Residence and Conference Center (Kobuk Center) 2890 N. Kobuk Ave., Fairbanks AK 99709</p>	<p>The Kobuk Center is located just off of Airport Road in Fairbanks and serves as a conference center used for retreats and other CBNA and Diocesan business; it also serves as a residence for priests including the bishop of the Fairbanks Diocese and guest quarters for ministers visiting Fairbanks from the bush. It was appraised in late 2007 at a value of \$1.1 million. The Kobuk Center will be sold to the Endowment on or before the Effective Date.</p>
<p>Warehouses 1316 Peger Rd. Fairbanks, AK 99709</p>	<p>The Diocesan Warehouses are on the same campus as the Chancery and Kobuk Center. CBNA uses the Warehouses for staging supplies and materials for shipping to bush Parish Churches. CBNA considers the Warehouses essential to its ability to subsidize and assist the bush Parish Churches. CBNA intends to retain the Warehouses for ministry purpose. The Warehouses will be sold to the Endowment on or before the Effective Date.</p>
<p>Fairbanks Counseling &amp; Adoption 912 Barnette St., Fairbanks, AK</p>	<p>The Fairbanks Counseling and Adoption Center is an office building in central Fairbanks which CBNA leases to its sister charity, Fairbanks Counseling and Adoption ("FCA"), at below market rent. FCA provides essential charitable services to the people of Fairbanks and northern Alaska in general, including providing counseling to victims of sexual abuse. In addition to providing FCA discounted rent, CBNA provides FCA a small operating subsidy. The Fairbanks Counseling and Adoption Center will be sold to the Endowment on or before the Effective Date.</p>
<p>Kateri Tekakwitha Center/Convent; Galena, AK</p>	<p>Named after the first Blessed, the Kateri Tekakwitha Center, located in Galena, Alaska on the Yukon River, serves eight (8) Athabaskan Indian villages in the interior and houses three religious women. The primary work of the Center is to educate and support Catholics in the villages of Galena, Huslia, Kaltag, Koyukuk, McGrath, Nulato, Ruby and Tanana to become proficient in administering their local parishes in the absence of priests, brothers and sisters. The Kateri Tekakwitha Center strives to enable and empower Athabaskan villagers lay ministry as Prayer Leaders, Eucharistic Ministers, Lectors, Sacristans and Parish Administrators in their home</p>

Property	Description
	<p>parishes. The work of the Center is essential to the Fairbanks Diocese's ministry and CBNA's ability to support the Parish Churches in the interior region. CBNA does not believe that there is any significant market in Galena for the Kateri Tekakwitha Center. The Kateri Tekakwitha Center will be sold to the Endowment on or before the Effective Date.</p>
<p>Aircraft Hangar 3548 University Ave., Fairbanks, AK 99709</p>	<p>CBNA constructed an airplane hangar sufficient to hold two aircraft on land that is the subject of a long term ground lease from the Fairbanks Airport Authority. In the past, CBNA housed aircraft used for mission travel at the Hangar. In December 2008, CBNA successfully sold the primary aircraft housed at the location. The Hangar will be sold to the Endowment on or before the Effective Date.</p>
<p>Jesuit Residence 1318 Peger Rd., Fairbanks, AK 99709</p>	<p>The Jesuit Residence is a 4 bedroom, 2 bath residence featuring a chapel and 4-car garage located in central Fairbanks and has been estimated to have a market value of \$255,000. It is part of the collateral pool securing the \$1 million of Debtor-in-Possession financing provided by the Great Falls Billings Diocese. CBNA will retain the property under the Plan subject to the lien in favor of Great Falls Billings.</p>
<p>CBNA 14.5 Acres raw land next to Chancery - House of Prayer</p>	<p>There is a parcel of approximately 14.5 acres of raw land near the Chancery Offices and Kobuk Center. This land is also part of the Collateral pool securing the \$1 million of Debtor-in-Possession financing provided by the Great Falls Billings Diocese. CBNA will retain the property under the Plan subject to the lien in favor of Great Falls Billings.</p>
<p>Catholic Schools – Vacant Lot</p>	<p>This is a vacant lot adjacent to the CSF campus. CBNA intends to sell this lot.</p>
<p>CSF Convent, 615 Betty Street, Fairbanks, AK 99701</p>	<p>This is a small residential building/convent adjacent to the CSF campus. The CSF Convent will be sold to the Endowment on or before the Effective Date.</p>
<p>Harding Lake Chapel and Lot, 11239 Salcha Dr., Harding Lake, AK</p>	<p>This is a small chapel located near some vacation cabins on Harding Lake that are used by certain families in summer. Visiting priests say mass at this location occasionally to a handful of Catholic families who vacation at Harding Lake during the summer. CBNA intends to sell the Chapel to a group of the families who own vacation cabins.</p>
<p>KNOM Radio Station, 107 West Third Street, Nome, AK 99762</p>	<p>There are five properties associated with KNOM in Nome: (1) Station, Garage, Generator, Cold Storage + Lot; (2) Volunteer house + Lot; (3) South Steadman Lot; (4) West 3rd Ave Lot; and (5) North Steadman (@ 3rd Ave) Lot. CBNA scheduled the KNOM real property at a value of \$780,000. However, that was based on an estimate by a banker and not a formal appraisal. CBNA believes that there is no market value to the lot with the Station,</p>

Property	Description
	<p>Garage, Generator and Cold Storage because the building on the lot was built as a radio station studio, with significant wiring in the walls, no kitchen, and only public style restrooms. Any other user would need to either completely gut the building or raze it and construct a new building. Such a cost would make the building worth almost nothing in Nome's marketplace. Further, there is no market whatsoever for a radio station in Nome. Indeed, KNOM's competitor in Nome, KICY, which is a commercial radio station, has to supplement its budget by doing salmon barbecue fundraisers at Covenant Churches throughout the lower 48 states. The reason for this is that there simply are not enough retailers in the listening area to purchase sufficient advertising. The KNOM real property will be sold to the Endowment on or before the Effective Date.</p>
Harding Lake Second Tier Vacant Lot	<p>This is a second tier lot located at Harding Lake that is suitable for constructing a vacation cabin. CBNA has been attempting to sell this lot for a number of years, but has so far been unsuccessful. CBNA will either sell or retain this parcel.</p>
Oknagamut raw land remote 23.15 acres	<p>This is a very remote parcel of raw land that has primarily been used by area Native people for subsistence since time immemorial. CBNA presently is in negotiations with a nearby Alaska Native village corporation which is interested in purchasing this parcel to ensure that subsistence uses continue into the future.</p>
Akulurak raw land remote 66.06 acres	<p>This is a very remote parcel of raw land that has primarily been used by area Native people for subsistence since time immemorial. CBNA recently obtained Court approval to sell this property to Alakanuk Native Corporation an Alaska Native village corporation, for \$25,000. The sale has closed and the proceeds of the sale will be used to fund CBNA's payment obligations on the Effective Date.</p>
Two Rivers Vacant Lot	<p>The Two Rivers Vacant Lot was donated to CBNA. Unfortunately the donor placed significant restrictions on CBNA's ability to sell this property whereby the donors must not only approve the purchaser, but also must approve the purchaser's plans for the property. CBNA has brought what it believed to be three viable offers for the property that have all been rejected by the donors. In light of the unwieldy restrictions on this gift, CBNA intends to return the property to the donors.</p>

<b>Property</b>	<b>Description</b>
<p>Pilgrim Springs 320 acres Historic Hot Springs 70 miles northeast of Nome AK,</p>	<p>Pilgrim Hot Springs (“Pilgrim Springs”) is a verdant 320 acre enclave of fee land owned by CBNA located in western Alaska, about 46 miles (75 km) north of Nome. This property is surrounded by lands controlled by an ANCSA Native Village Corporation, the Mary’s Igloo Native Corporation (MINC). The MINC lands, in turn, lie within a very large land swath, some of which is controlled by an ANCSA Native Regional Corporation known as Bering Straits Native Corporation (BSNC). It should be noted that the old village site of Mary’s Igloo is approximately seven (7) miles northwest of Pilgrim Springs. The Pilgrim Springs access road crosses some lands owned by the MINC, the BSNC and state-selected lands for the State of Alaska. CBNA believes that the Pilgrim Springs property has substantial development potential as a source of geothermal power in the region, or more limited tourist or agricultural uses. CBNA will auction this property to the highest bidder in connection with the Confirmation Hearing.</p>

# EXHIBIT B



**EVALUATION FACTORS TO BE USED BY SPECIAL  
ARBITRATOR IN ALLOCATING DISTRIBUTIONS FROM THE  
SETTLEMENT TRUST**

1. Type, nature and severity of the abuse
  - Exposure, touching, rape, etc.
  - Duration of abuse
  - Number of incidents
  - Circumstances of the incidents
  
2. Vulnerability of the victim
  - Relationship of the child to the perpetrator (position of trust vs. passing acquaintance, etc.)
  - Nature and extent of damages suffered
  
3. Age of the victim at the onset of abuse
  
4. Overall conduct of the perpetrator
  - Serial abuser with many victims vs. one time or limited involvement
  
5. Mitigating or aggravating factors
  - Statute of limitations issues
  - Incarceration or criminal conduct of victim
  - Present physical or emotional condition of victim

# EXHIBIT C

**Individuals against whom a complaint of abuse has been asserted by  
more than one person:**

Priests

Rev. Rene Astruc, SJ  
Rev. Norman Donohue, SJ  
Rev. Jules Convert, SJ  
Rev. George Endal, SJ  
Rev. Francis Fallert, SJ  
Rev. Harold Greif, SJ  
Rev. Henry Hargreaves, SJ  
Rev. James Jacobson, SJ  
Rev. Segundo Llorente, SJ  
Rev. Angus McDonald  
Rev. Richard McCaffrey, SJ  
Rev. William McIntyre, SJ  
Rev. Francis Nawn, SJ  
Rev. James Poole, SJ  
Rev. Brad Reynolds, SJ

Deacons

Deacon Pat Beans, Sr.

Brothers

Br. Robert Benish, SJ  
Br. Ignatius Jakes, SJ

Sisters

Sr. Mary Asia  
Sr. Pascal

Lay persons

Joseph Lundowski  
Anton Smario