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Chapter 11 Debtor and Debtor-in-Possession*

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY**

<p>In re:</p> <p>THE DIOCESE OF CAMDEN, NEW JERSEY,</p> <p style="text-align: center;">Debtor.</p>	<p>Chapter 11</p> <p>Case No. 20-21257 (JNP)</p> <p>Hearing Date and Time: January 27, 2021 at 10:00 a.m.</p>
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**REPLY OF THE DIOCESE OF CAMDEN, NEW JERSEY,  
CHAPTER 11 DEBTOR AND DEBTOR-IN-POSSESSION,  
TO OBJECTIONS FILED TO MOTION (i) ESTABLISHING  
MEDIATION PROCESS RELATING TO SURVIVOR AND  
TORT CLAIMS; (ii) ESTIMATING REMAINING  
SURVIVOR AND TORT CLAIMS PURSUANT TO 11 U.S.C.  
§ 502(c)(1) AND FED R. BANKR. P. 3018(a) FOR PURPOSE  
OF VOTING ON PLAN OF REORGANIZATION AND  
CONFIRMATION PROCESS; AND (iii) GRANTING  
RELATED RELIEF**

The Diocese of Camden, New Jersey, Chapter 11 debtor and debtor-in-possession (the “Diocese”), by and through its undersigned counsel, in connection with its motion for entry of an Order: (i) establishing mediation process relating to certain survivor and tort claims; (ii) estimating remaining survivor and tort claims pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for purpose of voting on the Diocese’s Plan of Reorganization and the confirmation process, and (iii) granting related relief (“Motion”), hereby files this response to the

pleadings filed by way of Limited Opposition by London Market Insurers (“LMI”) [ECF 255], Objection of Official Committee of Tort Claimant Creditors (“Tort Claimants Committee”) [ECF 326], the Limited Objection by Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America (“Century”) [ECF 334], and the Joinder by Interstate Fire and Casualty Company (“Interstate”) [ECF 338] (collectively, the “Objections”), and respectfully represents as follows:

### **PROCEDURAL HISTORY**

1. On October 1, 2020, the Diocese commenced this voluntary Chapter 11 proceeding. [ECF 1].
2. On October 1, 2020, the Diocese sought to designate this Chapter 11 proceeding as a complex Chapter 11 Case [ECF 5], which was granted by Order entered October 8, 2020. [ECF 52].
3. On October 21, 2020, the Diocese filed the within Motion. [Docket No. 99].
4. On October 23, 2020, the Tort Claimants Committee was formed. [Docket No. 111].
5. On December 2, 2020, LMI filed its Limited Opposition. [ECF 255].
6. On December 31, 2020, the Diocese filed its Disclosure Statement [ECF 305] and Plan of Reorganization (“Plan”) [ECF 306]. The hearing to consider the adequacy of the Diocese’s Disclosure Statement is currently scheduled for February 10, 2021.
7. On January 12, 2021, the Tort Claimants Committee filed its Objection. [ECF 326].
8. On January 12, 2021, Century filed its Limited Objection [ECF 334] and Interstate filed its Joinder to LMI’s Limited Opposition. [ECF 338].

9. The Motion had an original return date of November 12, 2020, was subsequently adjourned until December 23, 2020, and is currently returnable on January 27, 2021.

**LEGAL ARGUMENT**

10. The Diocese has clearly and unwaveringly articulated its goal in the commencement of and emergence from this Chapter 11 proceeding: to continue its mission to serve its congregants and the greater community. The Diocese has also made it clear that it seeks to address and fairly compensate the survivor (“Survivors”) abuse claims. These efforts should not be thwarted by delay tactics which will cause the estate to incur unnecessary administrative fees, which will ultimately undermine the mission and diminish the funds available for the Survivors and other creditors in this proceeding.

11. The Diocese seeks to address the claims of the Survivors through the proposed alternative dispute resolution process set forth in the Motion, and address any contingent and/or unliquidated claims of Survivors who are not willing to voluntarily mediate their claims by way of estimation for voting purposes only in connection with the Diocese’s Plan.

**Objection by Tort Claimants Committee**

12. The Objection filed by the Tort Claimants Committee contains contradictory and inaccurate information which unfortunately appears to be nothing more than a delay tactic.

13. Any argument that the dates contained in the Motion are stale is also disingenuous, as the Motion was filed prior to the appointment of the Tort Claimants Committee, and adjourned on several occasions, at the request of the Tort Claimants Committee. Unfortunately, efforts to mediate these issues have been met with resistance each step of the way by the Tort Claimants Committee, and no resolution was reached.

**A. Mediation is Not Mooted by Filing of Plan of Reorganization**

14. First, the Tort Claimants Committee argues that the mediation is mooted by the filing of the Plan. Mediation, however, is intended to be a mechanism to assist with identifying and fixing claims under the Plan and as a supplement to any processes proposed in the Plan.

15. The Tort Claimants Committee also argues that by somehow engaging in a *voluntary* process for *voluntary* participants, the bankruptcy estate will accrue costs. To the contrary, the Motion seeks to approve the mediation process so as to assist the Survivors willing to voluntarily liquidate their claims in a cost efficient and expeditious manner.

16. To be clear, no Survivor is being forced to mediate. While it is hoped that mediation will result in the settlement of claims, even if a Survivor engages in mediation, he or she cannot be compelled to settle. It is a transparent and voluntary process.

17. The only alternative to mediation is to litigate these claims, which will take years, at a much greater cost to all parties involved. In order to minimize litigation and expedite the administration of a bankruptcy estate, courts favor compromises in bankruptcy. *In re Myers v. Martin (In re Martin)*, 91 F.3d 389, 393 (3d Cir. 1996).

**B. Mediation is Not Futile or Premature**

18. After first taking the position that mediation is moot, the Tort Claimants Committee next advances an alternative argument that mediation would be futile and premature.

19. Despite the Tort Claimants Committee's position, the process sought is for the benefit of the Survivors, and not intended in any way to deprive any parties of their claims.

20. Paragraph 11 of the Tort Claimants Committee's Objection makes it clear what its motives are in this case – to delay and interfere with any process intended to move this case towards confirmation – until each and every demand it has made of the Diocese is complied with or conceded to by the Diocese, regardless of how relevant or burdensome it is. If the Tort

Claimants Committee truly had the best interests of the Survivors at hand, it too would seek to streamline the claim process and propose a process - should individual Survivors agree to participate - which will liquidate claims, while minimizing administrative costs.

21. The Diocese has cooperated with the requests of the Tort Claimants Committee and has shared thousands of pages of documents and information. The members of the Tort Claimants Committee are actively serving. Any issues in regard to “discovering assets” should not be intermingled or confused with - or contingent on - agreeing to the Diocese’s request for mediation to resolve and fix claims, and it should not be any basis for delay.<sup>1</sup> Survivor claims are sought to be fixed on a variety of factors, including the merits of the claims and severity of the alleged abuse. The Diocese has been cooperative, transparent and forthcoming with the Committee and all parties in this proceeding.

**C. The Diocese Does Not Seek to Have Mediation Mandatory**

22. In this District, there is a process available for mediation of contested matters and adversary proceedings.<sup>2</sup> This process should be welcomed and encouraged. This Court may take judicial notice that mediation is implemented in all vicinages and by all Judges in this District, for a wide variety of issues, including confirmation issues.

23. The Tort Claimants Committee sets forth that the Survivors should not be forced to participate at this “early stage.” This case has now been pending for nearly four (4) months, and the Tort Claimants Committee has been involved for over three (3) full months. The Diocese has filed its Plan and the hearing to consider the adequacy of its Disclosure Statement is

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<sup>1</sup> This strong arm approach was recognized by Century in its Limited Objection.

<sup>2</sup>Pursuant to the General Order Adopting Mediation Program Pending Adoption and Amendment of Local Rules dated November 20, 2013, the Board of Judges of the United States Bankruptcy Court for the District of New Jersey approved a “comprehensive, Court-supervised mediation program to facilitate resolution of contested matters and adversary proceedings for debtors, creditors and parties in interest.” See D.N.J. LBR 9019-2.

scheduled for February 10, 2021. Mediation is an established expeditious process and economic means to resolve disputes. The Tort Claimants Committee should not be using the Objection as a way to stonewall those good faith efforts.

**D. Estimation of Claims is Not Improper and Does Not Deprive Claimants of Due Process**

24. The Tort Claimants Committee next argues that if Survivors do not want to participate in mediation, the estimation of those claims for Plan voting purposes is improper and would somehow deprive claimants of their due process rights.

25. The absurdity of this argument demonstrates that the Tort Claimants Committee is misrepresenting the process proposed by the Diocese. The Motion states that the estimation process is for voting purposes *only*, and not distribution (unless a claim is successfully mediated) (*see, e.g.*, Motion, ¶¶31 and 34).

26. Given the number and amount of Survivor claims that are unliquidated and contingent, the next logical step is that the claims need to be estimated for purposes of the Plan. This process does not deprive claimants of any due process rights, and is authorized by the plain language of the Bankruptcy Code (*see* 11 U.S.C. § 502(c)(1)) and Federal Rules of Bankruptcy Procedure (*see* Fed. R. Bankr. P. 3018).

27. The Diocese recognizes the rights of the Survivors to a trial by jury and does not seek to circumvent that process; no due process rights are being waived or compromised. Should a party not mediate and continue with a trial by jury, those matters will have to proceed before the United States District Court, while jury trials are currently on hold during the COVID-19 pandemic. Given the backlog, the process will likely take years. Estimation, for voting purposes only, is the only logical process for the Diocese to emerge from this proceeding. The alternative would be to keep this case pending for years, with administrative costs accruing astronomically.

**E. Mediation is Necessary and the Survivors Should Be Able to Voluntarily Participate in the Mediation Process**

28. The Tort Claimants Committee has made it evident that it will obstruct any attempt to mediate. This is highlighted in its glaring omission from the Objection as to any recommendation or suggestion as to the choice of mediator(s) or how the mediation process should work.

29. It is beyond the pale of any semblance of fairness that an independent committee would oppose a voluntary process whereby claimants could seek to resolve their claims in an economical and expeditious manner without the further trauma of discovery and trial. The proof is self-evident: prior to the Chapter 11, the New Jersey Independent Victim Compensation Program (“IVCP”) successfully resolved 71 claims during the year before the filing. The only reason the IVCP ceased resolving claims was because the Diocese no longer had sufficient funds to pay the IVCP fixed claims within thirty (30) days of acceptance which was a part of the IVCP protocols.

30. The Diocese has selected an experienced and respected retired judge, Honorable George L. Seltzer, who agreed to provide services at a fixed rate, which costs will be borne by the Diocese. His *curriculum vitae* was submitted with and attached as *Exhibit “A”* to the Motion. He has mediated thousands of cases and has no relationship whatsoever with the Diocese.

31. The Committee attacks the choice of proposed mediator, but fails to articulate why Judge Seltzer is not an acceptable mediator. The Committee refuses to propose any other mediators for the Court’s consideration.

**Limited Opposition by LMI**<sup>3</sup>

32. In early-December, 2020, LMI filed its Limited Objection prior to the Motion being adjourned for several cycles. As such, any arguments regarding the dates and deadlines proposed are addressed in the revised form of Order submitted herewith.

33. LMI argues that the Motion is premature before the statute of limitations and/or claim deadline have passed. The Diocese's proposed Motion to fix the bar date ("Bar Date Motion") [ECF 74] in this case is returnable on the same date and time as the within Motion. Even if the Bar Date Motion is not decided on January 27, 2021 or a bar date is established by this Court beyond the requested bar date by the Diocese, the Diocese submits that mediation is still not premature. At this point in the bankruptcy case, allowing a party to voluntarily participate in mediation, in an attempt to liquidate and fix claims is not a premature pursuit, since it may resolve known claims and assist with identifying outstanding claims. The Diocese is amenable to a continued mediation process through the bar date to address the claims that are known and capable of being voluntarily resolved.

34. As for the balance of the allegations, the Diocese has been cooperating with the requests of LMI. As such, there is and should be no impediment to a mediation process.

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<sup>3</sup> To the extent Century and Interstate have filed a Limited Objection and/or Joinder to LMI's Limited Opposition, the Diocese incorporates its response to LMI's Limited Opposition by reference.



UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY Caption in Compliance with D.N.J. LBR 9004-1(b)	
<b>McMANIMON, SCOTLAND &amp; BAUMANN, LLC</b> 75 Livingston Avenue, Second Floor Roseland, NJ 07068 (973) 622-1800 Richard D. Trenk ( <a href="mailto:rtrenk@msbnj.com">rtrenk@msbnj.com</a> ) Anthony Sodono, III ( <a href="mailto:asodono@msbnj.com">asodono@msbnj.com</a> ) Michele M. Dudas ( <a href="mailto:mdudas@msbnj.com">mdudas@msbnj.com</a> ) Robert S. Roglieri ( <a href="mailto:rroglieri@msbnj.com">rroglieri@msbnj.com</a> )  <i>Counsel for The Diocese of Camden, New Jersey, Chapter 11 Debtor and Debtor-in-Possession</i>	
In re:	Chapter 11
THE DIOCESE OF CAMDEN, NEW JERSEY,	Case No. 20-21257 (JNP)
Debtor.	Hearing Date and Time: January 27, 2021 at 10:00 a.m.

**ORDER (i) ESTABLISHING MEDIATION PROCESS  
RELATING TO SURVIVOR AND TORT CLAIMS; (ii)  
ESTIMATING REMAINING SURVIVOR AND TORT  
CLAIMS PURSUANT TO 11 U.S.C. § 502(c)(1) AND FED R.  
BANKR. P. 3018(a) FOR PURPOSE OF VOTING ON PLAN  
OF REORGANIZATION AND CONFIRMATION  
PROCESS; AND (iii) GRANTING RELATED RELIEF**

**(Revised as of January 20, 2020)**

The relief set forth on the following pages, numbered two (2) through five (5), be and  
hereby is **ORDERED**.

(Page 2)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

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**THIS MATTER**, having been presented to the Court upon the filing of the motion (the “Motion”) by The Diocese of Camden, New Jersey, Chapter 11 debtor and debtor-in-possession (the “Diocese”) for entry of an Order: (i) establishing mediation process relating to certain survivor and tort claims; (ii) estimating remaining survivor and tort claims pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for purpose of voting on the Diocese’s Plan of Reorganization and the confirmation process, and (iii) granting related relief; and notice of the Motion being sufficient under the circumstances; and it appearing that no other or further notice need be provided; and the Court having considered the pleadings filed to the Motion by way of Limited Opposition by London Market Insurers (“LMI”) (ECF 255), Objection of Official Committee of Tort Claimant Creditors (“Tort Claimants Committee”) (ECF 326), the Limited Objection by Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America (“Century”) (ECF 334), and the Joinder by Interstate Fire and Casualty Company (“Interstate”) (ECF 338) (collectively, the “Objections”); determined that the relief sought in the Motion is in the best interests of the Diocese, its estates and creditors; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Objections are **OVERRULED** and the Motion is **GRANTED** as set forth herein.
2. The Diocese is authorized to engage in mediation relating to Survivor Claims (as defined in the Motion) on the following terms and conditions:

(Page 3)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

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- a. The following mediator is designated by the Court for all claim disputes at a rate of \$500/hour: **Honorable George L. Seltzer, J.A.D. (Ret.)** (the "Designated Mediator")<sup>1</sup>. All costs associated with the mediation will be paid for by the Diocese.
- b. Any Claimant may choose the Designated Mediator by serving the Diocese's counsel with notice of their selection by February 28, 2021. The Designated Mediator will schedule the mediation to commence immediately at a location convenient for the Claimant as to the date and time and with the option of appearing virtually, if desired.
- c. The Claimant and Diocese will submit a mediator-eyes-only position paper by March 15, 2021, with a five (5) page double spaced limit.
- d. Mediations will be conducted by April 9, 2021.
- e. On a weekly basis after mediation(s) have commenced and subject to any Confidentiality Orders or requirements in existence, if the Diocese and Claimant are able to settle, resolve and/or compromise Survivor Claim(s), the Diocese will provide the Court with a status and amount of such settled, resolved and/or compromised claim.
- f. The Diocese will provide a final report by April 16, 2021 concerning all settlements achieved and claims resolved. The Court will conduct a scheduling conference on April \_\_, 2021, at \_\_\_\_\_ .m. to fix the schedule for estimating any outstanding claims for voting purposes.
- g. Parishes, the Diocese's insurance carriers, and other parties which may contribute to any settlement are strongly urged to participate in the mediation, in order to attempt to achieve the most efficient settlement of the issues remaining in this case. A copy of this Order shall be served on all insurance carriers identified and named in the pending adversary proceeding captioned *The Diocese of Camden, New Jersey v. Insurance Company of North America, now known as Chubb Limited, et al.*, Adv. No. 20-1573 (JNP).

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<sup>1</sup> The Diocese reserves the right to request additional mediators be designated to assist in this process.

(Page 4)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

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- h. No communication of any type, whether oral or written, related in any way to the mediation, shall be used by any party for any purpose, including impeachment, in any arbitration, judicial, administrative or other proceeding and may not be disclosed to any non-party to the mediation.

3. If any Claimant asserting a Survivor Claim elects to not participate in the mediation process set forth above or the mediation is unsuccessful, then the Claimant's claim shall be estimated for voting purposes pursuant to 11 U.S.C. §502(c) on the following terms and conditions:

- a. By March 15, 2021, the Diocese shall submit to the Court a proposed schedule of estimated claims for unresolved or unsettled Survivor Claims.
- b. Any Claimant asserting a Survivor Claim shall have ten (10) days from receipt of the proposed estimated claim to advise the Court and the Diocese whether it approves or disputes the estimated amount. If the Claimant does not respond, dispute or otherwise object to the estimated amount, the estimated claim will be fixed in the amount proposed by the Diocese for voting purposes only. If the Claimant disputes the amount and the Claimant and Diocese cannot come to an agreement, then it will be fixed by the Court.
- c. Nothing contained herein or in the Motion is intended or should be construed as an admission or determination as to the validity of any claim, including estimated claims, against the Diocese and/or a waiver of the Diocese's rights to dispute any claim, including any estimated claims, nor does the Diocese waive its rights under the Code of Canon law, or any applicable State or Federal law.

4. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise. Any subsequent modification or vacatur of this Order shall not invalidate any action taken pursuant to this Order prior to the modification or vacatur of the Order.

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Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

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5. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Order.

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY Caption in Compliance with D.N.J. LBR 9004-1(b)	
<b>McMANIMON, SCOTLAND &amp; BAUMANN, LLC</b> 75 Livingston Avenue, Second Floor Roseland, NJ 07068 (973) 622-1800 Richard D. Trenk ( <a href="mailto:rtrenk@msbnj.com">rtrenk@msbnj.com</a> ) Anthony Sodono, III ( <a href="mailto:asodono@msbnj.com">asodono@msbnj.com</a> ) Michele M. Dudas ( <a href="mailto:mdudas@msbnj.com">mdudas@msbnj.com</a> ) Robert S. Roglieri ( <a href="mailto:rroglieri@msbnj.com">rroglieri@msbnj.com</a> )  <i>Counsel for The Diocese of Camden, New Jersey, Chapter 11 Debtor and Debtor-in-Possession</i>	
In re:	Chapter 11
THE DIOCESE OF CAMDEN, NEW JERSEY,	Case No. 20-21257 (JNP)
Debtor.	Hearing Date and Time: <del>November 12, 2020</del> <u>January 27, 2021</u> at 10:00 a.m.

**ORDER (i) ESTABLISHING MEDIATION PROCESS RELATING TO SURVIVOR AND TORT CLAIMS; (ii) ESTIMATING REMAINING SURVIVOR AND TORT CLAIMS PURSUANT TO 11 U.S.C. § 502(c)(1) AND FED R. BANKR. P. 3018(a) FOR PURPOSE OF VOTING ON PLAN OF REORGANIZATION AND CONFIRMATION PROCESS; AND (iii) GRANTING RELATED RELIEF**

**(Revised as of January 20, 2020)**

The relief set forth on the following pages, numbered two (2) through ~~four~~ five (45), be and hereby is **ORDERED**.

(Page 2)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

---

**THIS MATTER**, having been presented to the Court upon the filing of the motion (the “Motion”) by The Diocese of Camden, New Jersey, Chapter 11 debtor and debtor-in-possession (the “Diocese”) for entry of an Order: (i) establishing mediation process relating to certain survivor and tort claims; (ii) estimating remaining survivor and tort claims pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for purpose of voting on the Diocese’s Plan of Reorganization and the confirmation process, and (iii) granting related relief; and notice of the Motion being sufficient under the circumstances; and it appearing that no other or further notice need be provided; and the Court having considered the pleadings filed to the Motion by way of Limited Opposition by London Market Insurers (“LMI”) (ECF 255), Objection of Official Committee of Tort Claimant Creditors (“Tort Claimants Committee”) (ECF 326), the Limited Objection by Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America (“Century”) (ECF 334), and the Joinder by Interstate Fire and Casualty Company (“Interstate”) (ECF 338) (collectively, the “Objections”); determined that the relief sought in the Motion is in the best interests of the Diocese, its estates and creditors; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The Objections are OVERRULED and the Motion is **GRANTED** as set forth herein.
2. The Diocese is authorized to engage in mediation relating to Survivor Claims (as defined in the Motion) on the following terms and conditions:

(Page 3)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

- a. The following mediator is designated by the Court for all claim disputes at a rate of \$500/hour: **Honorable George L. Seltzer, J.A.D. (Ret.)** (the "Designated Mediator")<sup>1</sup>. All costs associated with the mediation will be paid for by the Diocese.
- b. Any Claimant may choose the Designated Mediator by serving the Diocese's counsel with notice of their selection by ~~November 23, 2020~~February 28, 2021. The ~~Diocese-Designated Mediator~~ will schedule the mediation to commence immediately at a location convenient for the Claimant as to the date and time and with the option of appearing virtually, if desired.
- c. The Claimant and Diocese will submit a mediator-eyes-only position paper by ~~November 30, 2020~~March 15, 2021, with a five (5) page double spaced limit.
- d. Mediations will be conducted by ~~December 18~~April 9, 20202021.
- e. On a weekly basis after mediation(s) have commenced and subject to any Confidentiality Orders or requirements in existence, if the Diocese and Claimant are able to settle, resolve and/or compromise Survivor Claim(s), the Diocese will provide the Court with a status and amount of such settled, resolved and/or compromised claim.
- f. The Diocese will provide a final report by ~~December 19, 2020~~April 16, 2021 concerning all settlements achieved and claims resolved. The Court will conduct a scheduling conference on ~~December 21, 2020~~April, 2021, at \_\_\_\_\_ .m. to fix the schedule for estimating any outstanding claims for voting purposes.
- g. Parishes, the Diocese's insurance carriers, and other parties which may contribute to any settlement are strongly urged to participate in the mediation, in order to attempt to achieve the most efficient settlement of the issues remaining in this case. A copy of this Order shall be served on all insurance carriers identified and named in the pending adversary proceeding captioned *The Diocese of Camden, New Jersey v. Insurance*

<sup>1</sup> The Diocese reserves the right to request additional mediators be designated to assist in this process.

(Page 4)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

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*Company of North America, now known as Chubb Limited, et al., Adv. No. 20-1573 (JNP).*

- h. No communication of any type, whether oral or written, related in any way to the mediation, shall be used by any party for any purpose, including impeachment, in any arbitration, judicial, administrative or other proceeding and may not be disclosed to any non-party to the mediation.

3. If any Claimant asserting a Survivor Claim ~~has elected~~ elects to not participate in the mediation process set forth above or the mediation is unsuccessful, then the Claimant's claim shall be estimated for voting purposes pursuant to 11 U.S.C. §502(c) on the following terms and conditions:

- a. By ~~November 30, 2020~~ March 15, 2021, the Diocese shall submit to the Court a proposed schedule of estimated claims for unresolved or unsettled Survivor Claims.
- b. Any Claimant asserting a Survivor Claim shall have ten (10) days from receipt of the proposed estimated claim to advise the Court and the Diocese whether it approves or disputes the estimated amount. If the Claimant does not respond, dispute or otherwise object to the estimated amount, the estimated claim will be fixed in the amount proposed by the Diocese for voting purposes only. If the Claimant disputes the amount and the Claimant and Diocese cannot come to an agreement, then it will be fixed by the Court.
- c. Nothing contained herein or in the Motion is intended or should be construed as an admission or determination as to the validity of any claim, including estimated claims, against the Diocese and/or a waiver of the Diocese's rights to dispute any claim, including any estimated claims, nor does the Diocese waive its rights under the Code of Canon law, or any applicable State or Federal law.

4. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise. Any subsequent modification or vacatur

(Page 5)

Debtor: The Diocese of Camden, New Jersey

Case No.: 20-21257 (JNP)

Caption of Order: Order: (i) Establishing Mediation Process Relating to Survivor and Tort Claims; (ii) Estimating Remaining Survivor and Tort Claims Pursuant to 11 U.S.C. § 502(c)(1) and Fed. R. Bankr. P. 3018(a) for Purpose of Voting on Plan of Reorganization and Confirmation Process; and (iii) Granting Related Relief

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of this Order shall not invalidate any action taken pursuant to this Order prior to the modification or vacatur of the Order.

5. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Order.