

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

The Diocese of New Ulm,

Debtor.

BKY 17-30601
Chapter 11 Case

**ORDER APPROVING SETTLEMENT AGREEMENT WITH CATHOLIC MUTUAL
RELIEF SOCIETY OF AMERICA**

This case is before the court on the debtor's motion for an order approving the settlement agreements, releases, indemnifications, policy buybacks and coverage amendments by and between the debtor, the Parishes (as identified in the Catholic Mutual settlement agreement), Catholic Mutual Relief Society of America, Continental Casualty Company, American Casualty Company of Reading, Pennsylvania, Lamorak Insurance Company, and Zurich American Insurance Company, as successor by merger to Maryland Casualty Company.

Based on the motion and the file, with respect to the Settlement Agreement and Release dated as of February 1, 2020, between the Debtor, the Parishes and Catholic Mutual Relief Society of America, which is attached as Exhibit A-1 to the motion.

THE COURT FINDS AND DETERMINES THAT:

A. The court has jurisdiction over the motion pursuant to 11 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Adequate and sufficient notice of the relief sought in the motion was provided and no other or further notice need be provided.

C. The relief granted in this order is in the best interest of the bankruptcy estate, the debtor's creditors, and other interested parties.

D. The debtor has good and sufficient business justifications supporting its entry into the Catholic Mutual settlement agreement. It is a reasonable exercise of the debtor's business judgment to enter into and consummate the Catholic Mutual settlement agreement, including the amendment of the retroactive date for abuse claims in the July 1, 2019 Catholic Mutual Certificate issued to the debtor as and to the extent provided for therein.

E. The Catholic Mutual settlement agreement was negotiated and proposed without collusion and in good faith, from arms' length bargaining positions by the debtor, the Parishes, and Catholic Mutual.

F. The consideration exchanged, including the settlement amount to be paid by Catholic Mutual, constitutes a fair and reasonable settlement of the parties' disputes and of their respective rights and obligations relating to the Catholic Mutual Certificates.

IT IS ORDERED:

1. The motion is granted and the terms and the conditions of the Catholic Mutual settlement agreement are approved. The omission in this order of specific reference to any provision of the Catholic Mutual settlement agreement shall not impair or diminish the efficacy, propriety, or approval of the provision.

2. The debtor is authorized to enter into, and perform pursuant to the terms and conditions of, the Catholic Mutual settlement agreement.

3. The releases and indemnifications set forth in the Catholic Mutual settlement agreement comply with the Bankruptcy Code and applicable nonbankruptcy law and are approved.

4. The amendment of the retroactive date for abuse claims in the July 1, 2019 Catholic Mutual Certificate as set forth in the Catholic Mutual settlement agreement complies with the Bankruptcy Code and applicable nonbankruptcy law and is approved.

5. This order shall not limit or preclude the entry or effectiveness of any injunctions that may be granted to protect Catholic Mutual in connection with, or as a part of, any order confirming a chapter 11 plan for the debtor.

6. To the extent a trustee is appointed in this case pursuant to 11 U.S.C. § 1104, any such trustee shall be bound to the terms of the Settlement Agreement and this order.

Dated: March 10, 2020

/e/ Robert J. Kressel
United States Bankruptcy Judge