

Bulletin Announcement for Settlement by the Catholic Family.

Diocese of Ogdensburg Settlement.

The Diocese of Ogdensburg and the parishes, schools and other Catholic entities within the Diocese (“Catholic Family”) have reached an important milestone in the Diocese’s Reorganization case. The Catholic Family has reached a settlement in principle with the Official Committee of Unsecured Creditors (“Committee”), who represent the interest of the survivors in the Chapter 11 case, under which the Catholic Family will contribute \$45 million to a survivor trust to be formed under the plan of Reorganization (“Plan”) to be developed and proposed jointly by the Diocese and the Committee.

The Diocese filed its Chapter 11 case on July 17, 2023, in the Bankruptcy Court for the Northern District of New York to resolve 125 claims of child sexual abuse filed against the Diocese under the Child’s Victim Act. The settlement in principle between the Diocese and the Committee is an important first step in forming the Plan that will lead to the Diocese emerging from Chapter 11. The Plan will be subject to a vote of all claimants (including survivors of abuse) and must be confirmed by the Court before its terms will become effective. The Diocese anticipates that the Trust for survivors will also be funded by amounts paid by insurers who provided coverage applicable to the abuse claims asserted against the Parish Family. Any insurance recoveries would be paid to the Trust in addition to the \$45 million to be paid by the Catholic Family. Negotiations with the insurance carriers are ongoing.

The Catholic Family will work together to assemble the \$45 million settlement amount. This will include parish savings, diocesan and parish real estate sales, and borrowing. The Diocese will work with parishes and others to determine the sources of funds that will be contributed to the settlement Trust.

Agreement on the monetary settlement marks a significant achievement in this case, but important issues remain. The Diocese and the Committee will continue discussions on non-monetary issues, including details of child protection policies and protocols that will enhance the measures already taken to protect young parishioners, students, and everyone entrusted to the care of the Church in the North Country. Bishop LaValley stated that, “the Diocese of Ogdensburg is committed to ensuring the safety of all persons entrusted to its care. The great harm caused by this sinful behavior must never be allowed to happen again.” Bishop LaValley added, “My hope and prayer is that this process will bring peace and healing to all survivors and to all the faithful whose hearts were broken by the sinful conduct of Church leaders.”