

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NEW YORK

In re:

THE DIOCESE OF ROCHESTER,

Case No. 19-20905

Chapter 11 Case

Debtor.

THE DIOCESE OF ROCHESTER,

Plaintiff,

Adv. Proc. No.: 22-02075

v.

AB 100 DOE, *et al.*¹

Defendants.

NOTICE OF MOTIONS

PLEASE TAKE NOTICE, that on April 6, 2022, The Diocese of Rochester (the “Diocese”), by and through its undersigned counsel, filed with the United States Bankruptcy Court for the Western District of New York (the “Court”) the following motions (the “Motions”) in the above-captioned adversary proceeding:

- (i) *Motion for Entry of an Order (I) Authorizing the Diocese to File Under Seal an Unredacted Exhibit A to the Complaint and (II) for Authorization to Serve Process on Counsel for the CVA Claimants; and*
- (ii) *Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105(a) and 362 Enjoining the Continued Prosecution of Certain Lawsuits.*

PLEASE TAKE FURTHER NOTICE, that a hearing to consider the Motions and any objections related thereto will be held on April 27, 2022 at 11:00 a.m. (prevailing Eastern time), or as soon thereafter as counsel may appear and be heard, before the Honorable Paul R. Warren, United States Bankruptcy Judge for the Western District of New York, at the U.S. Courthouse, 100 State Street, Rochester, New York 14614.

¹ A full list of the Defendants in this adversary proceeding is attached as Exhibit A to the *Verified Complaint Seeking Declaratory and Injunctive Relief Pursuant to 11 U.S.C. §§105 and 362 or a Preliminary Injunction Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure* [Adv. Pro. Docket No. 1] (the “Complaint”) which has been redacted to protect the privacy interest of the abuse survivors. The Defendants are referred to herein collectively as the “CVA Claimants” and individually as a “CVA Claimant” unless greater specificity is required.

PLEASE TAKE FURTHER NOTICE that, copies of the Motions and all other documents filed in the Diocese's chapter 11 case or this adversary proceeding may be obtained free of charge via the case management website maintained by the Diocese's notice agent at <https://case.stretto.com/rochesterdiocese> or by contacting the undersigned proposed counsel for the Diocese.

Dated: April 6, 2022

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**MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 362
ENJOINING THE PROSECUTION OF CERTAIN LAWSUITS**

The Diocese of Rochester (the “Diocese”), by and through its undersigned counsel, hereby files this motion (this “Motion”) for entry of an order, in substantially the form attached hereto as *Exhibit A* and pursuant to sections 105(a) and 362 of title 11 of the United States Code (11 U.S.C. § 101 *et seq.*, the “Bankruptcy Code”), enjoining the prosecution of certain lawsuits against the Diocese and/or non-debtor parishes, schools and other Catholic ministry entities and institutions within the geographical territory of the Diocese (the “Additional Stay Parties”)² which assert claims arising from or related to alleged child sexual abuse and which will negatively impact upon

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² The Additional Stay Parties include, without limitation, those non-debtor Catholic entities set forth on the attached *Exhibit B*.

the Diocese's estate and its ability to successfully reorganize (collectively, the "CVA Cases").³ In support of its Motion, the Diocese respectfully represents as follows:

PRELIMINARY STATEMENT

1. The Diocese filed for relief under chapter 11 of the Bankruptcy Code in order to oversee a fair and equitable distribution of its unrestricted assets to all of its creditors, while at the same time allowing the Diocese to continue to support the religious, charitable and humanitarian mission and good works of the Catholic Church in Western New York to the fullest extent possible using resources dedicated for those purposes. The Diocese respectfully submits that the bankruptcy process provides the best forum for a global resolution of abuse claims against both the Diocese and the Additional Stay Defendants. Staying the CVA Cases is necessary to preserve the Diocese's estate and to allow the parties to focus on resolving all abuse claims through the bankruptcy process.

2. A hallmark of bankruptcy proceedings is that the debtor be given some breathing room, through the automatic stay provided by section 362 of the Bankruptcy Code, to marshal its assets, to assess its liabilities, and to implement a successful reorganization. Since March 19, 2020, all litigation in the CVA Cases has been stayed pursuant to the *Agreed Stipulation and Order Pursuant to 11 U.S.C. § 105(a) Staying Continued Prosecution of Certain Lawsuits* [BK Docket No. 452] (the "Stipulation and Order"). The Stipulation and Order was the result of negotiations between the Diocese and the official committee of unsecured creditors (the "Committee") appointed in this case, and was intended to enable the parties to concentrate their efforts on achieving a global resolution of all abuse claims against both the Diocese *and* the Additional Stay

³ The CVA Cases include, without limitation, those actions set forth on *Exhibit A* to the Diocese's complaint in this adversary proceeding.

Parties through the Diocese's chapter 11 plan. The Stipulation and Order has been extended through consent of the Diocese and the Committee eleven times over the course of this Chapter 11 Case while the Diocese engaged in plan negotiations through mediation with its liability insurers (the "Insurers") and the Committee [BK Docket Nos. 544, 638, 773, 880, 915, 971, 1132, 1236, 1344, 1413, and 1421]. Most recently, on February 22, 2022, the Committee agreed to extend the Stipulation and Order through and including March 23, 2022.⁴

3. While mediation has been productive, there remains a significant divergence in the positions of the parties with respect to several issues, including, but not limited to: (i) the legal liability (if any) of the Diocese and the Additional Stay Parties to CVA Claimants, (ii) the valuation of abuse claims, and (iii) the Insurers' responsibility to provide coverage for any liability the Diocese and the Additional Stay Parties may have.

4. In light of the recent expiration of the Stipulation and Order, the Diocese requested that the Committee consent to a further extension to allow mediation to continue. However, apparently dissatisfied with the results of negotiations to date, the Committee informed the Diocese that it will not consent to any further extension of the Stipulation and Order unless the Diocese accedes to certain demands made by the Committee – effectively signaling that the Committee is abandoning the mediation process in favor of this ultimatum that the Diocese must either capitulate to demands the Diocese believes are excessive, unreasonable, unworkable, and not supported by applicable law or facts, or else face a tidal wave of litigation that will serve only to dissipate or otherwise endanger estate assets, to favor a subset of litigants who first secure judgments over

⁴ Paragraph 6 of the Stipulation and Order provides a forty-five (45) day period, following the occurrence of the Termination Date (as such term is used therein), before any answer, motion to dismiss, or other responsive pleading(s) must be filed by Additional Stay Parties in any of the CVA Cases. Based upon the March 23, 2022 Termination Date, that 45 day period will expire on May 7, 2022.

other survivors of abuse, and to harass and embarrass the Diocese and the Catholic Church generally. This is essentially the same misconceived and perfidious tactic the Committee pursued in June 2021 when it unsuccessfully championed nearly two dozen motions filed by CVA Claimants seeking relief from the automatic stay to litigate against the Diocese and certain Additional Stay Parties in state court. Then as now, there is nothing to be gained, and much to be lost, if the hundreds of abuse claims involving the Diocese and related Catholic entities are allowed to devolve into a morass of individualized litigation.

5. The Committee's refusal to extend the stay of litigation places assets of the Diocese's estate in jeopardy and will cause the Diocese and the Additional Stay Parties to expend time, energy, and resources defending hundreds of individual state court actions – time, energy, and resources that are much better devoted to pursuing a global resolution of all abuse claims in this Court. The litigation standstill that has so far been enforced consensually has allowed the Diocese to engage in the mediation in a good faith and earnest attempt to reach a resolution most favorable to the Committee and its constituents by seeking the greatest possible contribution from the Insurers. Litigation against the Additional Stay Parties now will only further complicate and delay mediation (potentially by several years) as the Insurers and Additional Stay Parties will have no incentive to commit to contributing to the Diocese's reorganization if they remain enmeshed in litigation seeking to hold them liable for the same abuse claims in state court. Accordingly, if litigation moves forward, the Diocese may be forced to pursue a non-consensual plan of reorganization in order to achieve a global resolution of all abuse claims and insurance rights before estate assets are dissipated to the point where the prospects for a successful reorganization are significantly diminished.

6. Accordingly, by this Motion, the Diocese seeks entry of one or more orders (i) confirming that the automatic stay provided by Section 362 of the Bankruptcy Code enjoins the prosecution of the CVA Cases to the extent they seek to recover against, collect, or to obtain possession or control of, any property of the Diocese's bankruptcy estate (including, without limitation, any rights to insurance coverage), and further (ii) enjoining the prosecution of CVA Cases against the Additional Stay Parties pursuant to section 105(a) of the Bankruptcy Code, to the extent such prosecution is not already stayed by operation of the automatic stay. Essentially, the Diocese is seeking to continue the relief previously achieved on a consensual basis via the Stipulation and Order to avoid the negative consequences that litigation of the CVA cases in state court would have upon the Diocese's ability to reorganize. This adversary proceeding and this Motion have been filed solely because of the Committee's refusal to agree to extend the Stipulation and Order while negotiations and mediation in this Chapter 11 Case are ongoing.

7. The Diocese seeks to stay or otherwise enjoin the prosecution of the CVA Cases to: (i) avoid the depletion of estate assets; (ii) avoid potential collateral estoppel issues which would force the Diocese's participation in the CVA Cases; (iii) prevent the distraction of key personnel from the critical task of reorganizing the Diocese's estate; and (iv) preserve an environment in which the parties in interest can collectively and productively engage in settlement negotiations regarding a plan of reorganization to address abuse-related liabilities of the Diocese, as well as the Additional Stay Parties. The Diocese believes that pursuit of a global resolution via a chapter 11 plan is the most expedient and effective process to achieve a fair and equitable resolution of all abuse claims against the Diocese and the Additional Stay Parties. Absent an order enjoining the prosecution of the CVA Cases, the Diocese, its estate, and creditors will suffer real and substantial harm.

8. It is the Diocese's goal to treat all creditors equitably and to maximize the distribution of available assets in a fair and orderly manner. Because of the overlapping nature of the abuse claims asserted against both the Diocese and the Additional Stay Parties, and their joint interests in available insurance to pay such claims, the Diocese intends to propose a chapter 11 plan which will also address the liabilities of the Additional Stay Parties with respect to any CVA Cases or other abuse claims through a channeling injunction. This is consistent with the approach that has been successfully implemented in numerous prior Catholic diocesan bankruptcies throughout the country, and will allow for a much more efficient and equitable global resolution of all abuse claims and CVA Cases, while also avoiding the dissipation of assets which would be unavoidable if the CVA Cases were allowed to proceed. It would be to the detriment of all creditors (other than perhaps the first few to secure and collect upon judgments against Additional Stay Parties) to permit the CVA Cases to move forward at this time.

9. As discussed in more detail below, litigation in the CVA Cases (even if only against the Additional Stay Parties) will require the Diocese to expend funds to defend its own legal interests and will also erode collective insurance coverage shared by the Diocese and the Additional Stay Parties. Because of this, the Diocese believes that any attempt by CVA Claimants to pursue the CVA Cases directly implicates property of the Diocese's bankruptcy estate and is therefore a direct violation of the Diocese's automatic stay.

10. Moreover, even if prosecution of the CVA Cases is not already stayed by operation of the automatic stay, cause exists to stay the CVA Cases. If the CVA Cases are allowed to go forward the Diocese and its bankruptcy estate will be irreparably harmed and the purposes and policies of the Bankruptcy Code will be frustrated because, among other reasons: (i) prosecution of the CVA Cases will deplete the estate's assets, causing an irreparable adverse impact on the

estate to the detriment of the Diocese's creditors; (ii) the Diocese could be subject to prejudicial collateral estoppel risks, compelling the Diocese to monitor and participate in the CVA Cases, (iii) the Diocese will be required to engage in extensive discovery and trial preparation, resulting in substantial costs to the Diocese's estate and irreparable harm to its ability to reorganize by distracting key personnel who are needed to participate in the Diocese's reorganization process; (iv) any judgments obtained in CVA Cases against the Additional Stay Parties increase the likelihood of a judgment or other finding of liability against the Diocese (either directly or through claims of contribution/indemnity by the Additional Stay Parties); and (v) many of the claims in the CVA Cases are likely to be covered by insurance policies which the Diocese has an interest in, meaning that (x) insurance proceeds paid to cover Additional Stay Parties for losses incurred in connection with the CVA Cases will directly reduce the coverage available to the Diocese, thus consuming an asset of the estate to the detriment of other creditors, (y) a successful insurance coverage defense in one CVA Case could result in a loss of coverage for claims by other survivors, and (z) Insurers and Additional Stay Parties will have no incentive to engage in meaningful mediation regarding a contribution to the Diocese's plan if such contribution will not also result in a resolution of their potential liability in the CVA Cases. Absent a stay of the CVA Cases with respect to the Additional Stay Parties, the Diocese, its estate, and creditors will suffer real and substantial harm.

BACKGROUND

11. On September 12, 2019 (the "Petition Date"), the Diocese filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Western District of New York (the "Court"), commencing the Diocese's chapter 11 case (the

“Chapter 11 Case”). The Diocese continues to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

12. On September 26, 2019, the Office of the United States Trustee appointed the Committee pursuant to Bankruptcy Code section 1102 [BK Docket No. 68]. No request for a trustee or examiner has been made in the Chapter 11 Case, and as of the date of this filing, no other official committees have been appointed or designated.

13. Information regarding the Diocese’s history, business operations, operational structure, facts supporting this Motion and the events leading up to the Chapter 11 Case can be found in the *Affidavit of Daniel J. Condon in Support of Chapter 11 Petition and First Day Pleadings* (the “Condon Affidavit”) [BK Docket No. 7] and the *Affidavit of Lisa M. Passero in Support of Chapter 11 Petition and First Day Pleadings* [BK Docket No. 6], each of which was filed on the Petition Date and is incorporated herein by reference.

14. On November 14, 2019, the Diocese commenced an adversary proceeding by filing a Complaint against the Insurers for breach of contract and declaratory judgment, seeking a declaration of the rights, duties, and liabilities of the parties pursuant to the terms of their respective Insurance Policies, and damages. *See The Diocese of Rochester v. The Continental Insurance Company, et al.*, Adv. No. 19-ap-02021 [Ins. Adv. Docket No. 1] (Nov. 14, 2019) (the “Insurance Coverage Action”). Contemporaneously herewith, the Diocese has also filed the *Declaration of James Murray Regarding Available Insurance Coverage* (the “Murray Declaration”), which sets forth relevant details regarding the insurance coverage available to both the Diocese and the Additional Stay Parties and is also incorporated herein by reference.

15. There is a significant divergence in positions among the Diocese, the Additional Stay Parties, the Insurers, and the Committee and its constituents with respect to many issues of

legal liability, the valuation of abuse claims, and availability of insurance coverage for such claims. For approximately two years the Diocese and the Additional Stay Parties have worked in good faith to address the Committee's demands and the Insurer's defenses, and to bring the parties toward a reasonable settlement in mediation. While progress has been made, there is still significant work to do. Unfortunately, the Committee, apparently seeking to increase its leverage in negotiations, now seeks to disrupt the mediation process by encouraging and allowing hundreds of CVA Cases to go forward in state court.

16. As of the date of this Motion, approximately 450 CVA Cases are filed and pending against one or more Additional Stay Parties as defendants. As set forth in greater detail below, even though the Diocese is not a party to many CVA Cases filed postpetition against Additional Stay Parties, such CVA Cases will nonetheless impact upon Diocesan insurance coverage and legal interests, and will require the Diocese to expend estate funds for applicable deductibles, self-insured retentions or other defense costs, and to monitor and respond to discovery demands. Accordingly, the Diocese is seeking to stay all of the CVA Cases in order to foster an environment in which all parties in interest can focus on the important task of addressing any abuse-related liabilities of both the Diocese and the Additional Stay Parties through the Diocese's chapter 11 plan of reorganization.

JURISDICTION

17. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.

18. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

19. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (G) and (O). To the extent the Court may determine that this proceeding is not within its core jurisdiction, the Diocese submits that it is clearly within the Court's "related to" jurisdiction pursuant to 28 U.S.C.

§ 157(c). The Diocese confirms its consent to the entry of a final order or judgment by this Court in connection with this Motion if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

20. The statutory and rule-based predicates for the relief requested herein are sections 105(a) and 362 of the Bankruptcy Code and Rule 7065 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

ARGUMENT

POINT I

PROSECUTION OF THE CVA CASES SHOULD BE STAYED PURSUANT TO SECTIONS 362(a) AND 105(a) OF THE BANKRUPTCY CODE

21. This Court has the authority to enjoin the CVA Cases pursuant to two provisions of the Bankruptcy Code: (i) by enforcing the automatic stay provisions of section 362; and (ii) by issuing orders “necessary or appropriate” to carry out the provisions of title 11 pursuant to the authority granted to the Court by section 105(a). Indeed, bankruptcy courts in several other diocesan cases, including in the Western District of New York, have granted injunctions to stay state court litigation against related non-debtor Catholic entities. *See In re The Diocese of Buffalo, N.Y.*, 633 B.R. 185, 188-89 (Bankr. W.D.N.Y. 2021) (observing that state court litigation affecting a debtor’s shared insurance rights is stayed by operation of section 362(a)(3) and that, even in the absence of shared insurance, the threat of contribution and indemnity claims on behalf of parishes and other non-debtor entities justified extension of the stay pursuant to section 105 of the Bankruptcy Code); *In re The Roman Catholic Diocese of Syracuse, New York*, 628 B.R. 571, 578 (Bankr. N.D.N.Y. 2021) (holding that “ongoing state court litigation would continue to diminish the estate’s shared insurance resources and would inevitably hamper Debtor’s reorganization in

violation of the principles elucidated in the Bankruptcy Code”); *In re The Diocese of Camden, New Jersey*, Adv. Proc. No. 20-01544 (JNP) [Docket No. 22] (Bankr. D.N.J. November 13, 2020) (granting preliminary injunction later extended several times by consensual stipulation and order); *In re Roman Catholic Diocese of Harrisburg*, Case No. 20-05599 (HWV) [Docket No. 222] (Bankr. M.D. Pa. April 2, 2020) (“any action taken by a third party, including without limitation Claimants, that could have an effect on property of the Debtor’s estate, including without limitation any action that triggers or would otherwise diminish coverage under the Debtor’s insurance policies, is hereby stayed by the automatic stay pursuant to sections 105(a) and 362(a)(3) of the Bankruptcy Code.”); *In re Catholic Diocese of Wilmington, Inc.* Case No. 09-13560 (CSS) [Docket No. 321] (Bankr. D. Del. Feb. 4, 2010) (extending automatic stay to enjoin claims against non-debtor entities based on “the best interests of the debtor’s estate, its creditors, and other parties in interest.”).

A. The broad protections of the automatic stay

22. Section 362(a) automatically stays, among other things:

(1) the commencement or continuation . . . of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under [title 11], or to recover a claim against the debtor that arose before the commencement of the case under [title 11];

* * *

(3) any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate; [and]

* * *

(6) any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under [title 11]; . . .

11 U.S.C. § 362(a)(1), (3), and (6). The automatic stay imposed by section 362 is among the most fundamental protections provided by the Bankruptcy Code for both debtors and creditors, serving important functions for the bankruptcy process. As Congress explained in enacting the automatic stay:

The automatic stay is one of the fundamental debtor protections provided by the bankruptcy laws. It gives the debtor a breathing spell from his creditors. It stops all collection efforts, all harassment, and all foreclosure actions. It permits the debtor to attempt a repayment or reorganization plan, or simply to be relieved of the financial pressures that drove him into bankruptcy.

H.R. Rep. No. 95-595, at 340-41 (1977), reprinted in 1978 U.S.C.C.A.N. 5963, 6296-97; *see also* *Weber v SEFCU (In re Weber)*, 719 F.3d 72, 76, n. 5 (2d Cir. 2013) (quoting legislative history); *In re AP Indus., Inc.*, 117 BR 789, 798-799 (Bankr. S.D.N.Y. 1990).

23. In addition to providing debtors with breathing room to address their liabilities, the automatic stay also protects creditors. *Deutsche Bank Trust Co. Ams. v Large Private Beneficial Owners (In re Tribune Co. Fraudulent Conveyance Litig.)*, 818 F.3d 98, 108 (2d Cir. 2016); *Ostano Commerzanstalt v. Telewide Sys., Inc.*, 790 F.2d 206, 207 (2d Cir. 1986) (per curiam). The automatic stay protects creditors “by avoiding wasteful, duplicative, individual actions by creditors seeking individual recoveries from the debtor’s estate, and by ensuring an equitable distribution of the debtor’s estate.” *Deutsche Bank Trust Co. Ams.*, 818 F.3d at 108; *see also In re McMullen*, 386 F.3d 320, 324 (1st Cir. 2004) (noting that Section 362(a)(1), among other things, “safeguard[s] the debtor estate from piecemeal dissipation . . . ensur[ing] that the assets remain within the exclusive jurisdiction of the bankruptcy court pending their orderly and equitable distribution among the creditors”); *see also* H.R. Rep. No. 95-595, at 340-41 (1977), reprinted in 1978 U.S.C.C.A.N. 5963, 6296-97 (“The automatic stay also provides creditor protection. Without it, certain creditors

would be able to pursue their own remedies against the debtor's property. Those who acted first would obtain payment of the claims in preference to and to the detriment of other creditors.”).

24. Section 105(a), in turn, provides this Court with authority to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [title 11].” 11 U.S.C. § 105(a). Section 105(a) reflects the well-settled understanding that “bankruptcy courts are courts of equity, empowered to invoke equitable principles to achieve fairness and justice in the reorganization process.” *Momentum Mfg. Corp. v. Emp. Creditors Comm. (In re Momentum Mfg. Corp.)*, 25 F.3d 1132, 1136 (2d Cir. 1994); *see also United States v. Energy Res. Co.*, 495 U.S. 545, 549 (1990) (noting that Section 105(a) is “consistent with the traditional understanding that bankruptcy courts, as courts of equity, have broad authority to modify creditor-debtor relationships”). The substantial equitable powers granted to the Court by section 105(a) do not go so far as to authorize orders which are inconsistent with the explicit statutory provisions of the Bankruptcy Code, however, the Court has broad discretion to order relief in furtherance of the objectives of title 11, including enjoining the continued prosecution of state court litigation against non-debtor parties, to the extent such relief is not in contravention of the dictates of title 11. *Law v. Siegel*, 571 U.S. 415 (2014); *Caesars Entm’t Operating Co. v. BOKF, N.A. (In re Caesars Entm’t Operating Co.)*, 808 F.3d 1186, 1188-89 (7th Cir. 2015) (“Though section 105(a) does not give the bankruptcy court carte blanche – the court cannot, for example, take an action prohibited by another provision of the Bankruptcy Code – it grants the extensive equitable powers that bankruptcy courts need in order to be able to perform their statutory duties.”) (internal citations omitted).

25. As such, Bankruptcy Code section 105(a) permits bankruptcy courts to issue injunctive relief where parties are pursuing actions pending in other courts that threaten the

integrity of a bankrupt's estate. *Manville Corp. v Equity Sec. Holders Comm. (In re Johns-Manville Corp.)*, 801 F.2d 60, 63 (2d Cir. 1986) (“Injunctions are authorized under [section 105 of the Bankruptcy Code], which empowers the bankruptcy court to issue any order necessary or appropriate to carry out the provisions of the Code, including orders restraining actions pending elsewhere.”); *In re Davis*, 730 F.2d 176, 183-84 (5th Cir. 1984) (“[A] bankruptcy court is authorized, once jurisdiction is established, to ‘issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.’ This provision includes the authority to enjoin litigants from pursuing actions pending in other courts that threaten the integrity of a bankrupt's estate.”); *Syracuse*, 628 B.R. at 579 (“a preliminary injunction issued under § 105(a) may be used to prevent diminution of insurance property that is subject to the protection of §362(a)(3).”).

26. Consistent with the broad reach Congress intended for the automatic stay, courts have utilized sections 105 and 362 of the Bankruptcy Code to extend the automatic stay to non-debtors where, as here, the debtor is the real party in interest or the litigation will directly affect the debtor's assets or its ability to pursue a successful plan of reorganization. *Buffalo*, 633 B.R. at 189 (good cause exists to stay third party litigation pursuant to section 105 where “[l]itigation in state court would achieve not a separate resolution of claims, but the duplication of a dispute that the bankruptcy process must still address in the context of claims for contribution and indemnity.”); *see also Queenie, Ltd. v. Nygard International*, 321 F.3d 282, 288 (2d Cir. 2003) (“The automatic stay can apply to non-debtors, but normally does so only when a claim against the non-debtor will have an immediate adverse economic consequence for the debtor's estate. Examples are a claim to establish an obligation of which the debtor is a guarantor, a claim against the debtor's insurer, and actions where there is such identity between the debtor and the

third-party defendant that the debtor may be said to be the real party defendant.”)(internal citations omitted); *Caesars Entm’t Operating Co. v. BOKF, N.A.*, 561 B.R. 441, 453-454 (Bankr. N.D. Ill. 2016) (observing that pausing litigation against non-debtor guarantor would encourage a global settlement because “[c]ases that settle on the courthouse steps settle on the way in to the courthouse, not on the way out” and enjoining further litigation “to give the parties ‘a clear shot at negotiating an overall settlement’”) (quoting *In re Caesars Entm’t Operating Co.*, 808 F.3d at 1189); *Nevada Power Co. v. Calpine Corp. (In re Calpine Corp.)*, 365 B.R. 401, 409, n. 20 (Bankr. S.D.N.Y. 2007) (“Courts consistently have found that section 105 may be used to stay actions against non-debtors even where section 362 otherwise would not provide such relief, recognizing that section 105 grants broader authority than section 362.”); *Hawaii Structural Ironworkers Pension Trust Fund v. Calpine Corp.*, 2006 US Dist LEXIS 92499, at *11-12, 2006 WL 3755175 (S.D.N.Y. Dec. 20, 2006) (“Section 105 may support the issuance of an injunction to parties who do not fall within the scope of section 362(a).”); *In re Baldwin-United Corp. Litig.*, 765 F.2d 343, 348 (2d Cir. 1985) (“Even if it should ultimately be determined that the automatic stay under section 362 does not apply to [plaintiff’s] third-party complaint, the Bankruptcy Court has authority under section 105 broader than the automatic stay provisions of section 362 and may use its equitable powers to assure the orderly conduct of the reorganization proceedings.”); *1031 Tax Grp., LLC v. Alvarez (In re 1031 Tax Grp., LLC)*, 397 B.R. 670, 684 (Bankr. S.D.N.Y. 2008); (“Section 105 authorizes a bankruptcy court to exercise power outside the bounds of the automatic stay.”); *Internal Revenue Serv. v. Kaplan (In re Kaplan)*, 104 F.3d 589, 595 (3d Cir. 1997) (recognizing “[t]hat the bankruptcy court has the power under section 105 to enjoin creditors from proceeding in a state court against third parties where failure to enjoin would affect the bankruptcy estate”); *Paragon Litig. Tr. v. Noble Corp. PLC (In re Paragon Offshore PLC)*, 588 B.R. 735,

760 (Bankr. D. Del. 2018) (noting that the bankruptcy court’s powers under section 105(a) “extend to enjoining proceedings in other fora against non-debtors, at least as it is ‘necessary to carry out the provisions of the Bankruptcy Code’”); *W.R. Grace & Co. v. Chakarian (In re W.R. Grace & Co.)*, 386 B.R. 17, 30 (Bankr. D. Del. 2008) (expanding preliminary injunction to cover non-debtors pursuant to section 105(a)).

27. The reorganization the Diocese has been actively pursuing as part of this Chapter 11 Case would clearly benefit from the continuation of the “breathing spell” contemplated by the automatic stay. Allowing the prosecution of the CVA Cases at this critical juncture would disrupt the reorganization process by depleting estate assets that would otherwise be available for distribution to all creditors on an equitable basis, and potentially divert key personnel from mediation and negotiations intended to facilitate an end to the Chapter 11 Case (and a resolution of the CVA Cases) through a plan of reorganization. Moreover, allowing litigation in the CVA Cases will favor the most aggressive litigants, leading to disparate treatment among abuse claimants. It will also quite possibly jeopardize the availability of insurance and the ability of the Diocese to successfully reorganize and emerge from bankruptcy to continue fulfilling its religious, charitable and humanitarian mission.

28. The interests at stake in this Chapter 11 Case cannot be overstated. If the Diocese is unable to successfully reorganize, not only will the expectations of abuse claimants and other stakeholders be left unsatisfied, but the entire Western New York community as a whole will suffer if a valuable charitable institution which provides innumerable services and benefits to the poor and downtrodden cannot continue with its mission and good works. By enjoining the CVA Cases pursuant to Sections 362 and 105(a), the Court will facilitate the reorganization efforts already

underway through mediation and, in doing so, protect the Diocese's religious, charitable and humanitarian mission and creditors alike.

B. The CVA Cases directly threaten the Diocese's insurance assets and are automatically stayed by section 362(a) of the Bankruptcy Code.

29. Section 362(a) of the Bankruptcy code stays not only actions directly against a debtor, but also “any act to obtain possession of property of the estate . . . to exercise control over property of the estate . . . [or] to collect, assess, or recover a [prepetition] claim against the debtor.” 11 U.S.C. § 362(a)(3) and (6).

30. As discussed in detail in the Murray Declaration, the Diocese and the Additional Stay Parties have a shared interest in insurance assets which will be depleted by defense costs and any judgments entered against Additional Stay Parties if the CVA Cases are allowed to go forward. Accordingly, litigation in the CVA Cases is a direct act to obtain possession of, or exercise control over, property of the Diocese's estate and any effort to pursue such claims violates the automatic stay and should be stayed. *Buffalo*, 618 B.R. 400, 405 (Bankr. W.D.N.Y. 2020) (“Numerous courts have determined that a debtor's insurance policies are property of the estate, subject to the bankruptcy court's jurisdiction.”) (quoting *Macarthur Co. v. Johns-Manville Corp.*, 837 F.2d 89, 92 (2d Cir. 1988)); *In re Quigley Co.*, 676 F.3d 45, 56 (2d Cir. 2012) (“a bankruptcy court . . . has jurisdiction to enjoin third-party non-debtor claims that directly affect the *res* of the bankruptcy estate.”) (quoting *Johns-Manville Corp. v. Chubb Indemn. Ins. Co. (In re Johns Manville)*, 517 F.3d 52, 66 (2d Cir. 2008); *ACandS, Inc. v. Travelers Cas. & Sur. Co.*, 435 F.3d 252, 260 (3d Cir. 2006) (“The possession or control language of Section 362(a)(3) has consistently been interpreted to prevent acts that diminish future recoveries from a debtor's insurance policies.”).

31. Moreover, as explained in detail below, the Diocese is the real party defendant in the CVA Cases, because, among other things, the CVA Claimants' primary allegations focus on

the Diocese's conduct. Any discovery in the CVA Cases will be directed mainly at facts necessary to establish liability against the Diocese. Additionally, the record in the CVA Cases may have preclusive effects against the Diocese. For these reasons, any continued prosecution of the CVA Cases is, for all intents and purposes, an act to collect, assess or recover a prepetition claim against the Diocese in violation of section 362(a)(6) of the Bankruptcy Code. *See In re Ebadi*, 448 B.R. 308, 314-15 (Bankr. E.D.N.Y. 2011) (holding that foreclosure sale of property where debtor was a guarantor of the debt being foreclosed but had no ownership interest in the property violated section 362(a)(6) because it represented "a substantial step in a process that could lead to recovery of a deficiency judgment from [the debtor]" and therefore "falls within the contours of any act to collect, assess, or recover a claim against the debtor.") (internal quotations omitted).

C. The automatic stay should extend to the Additional Stay Parties because of their strong identity of interest with the Diocese and the impact litigation in the CVA Cases would have on the Diocese's estate.

32. The Second Circuit has recognized that "the automatic stay can apply to non-debtors" under certain circumstances, such as "when a claim against the non-debtor will have an immediate adverse economic consequence for the debtor's estate" and where "there is such identity between the debtor and the third party defendant that the debtor may be said to be the real party defendant." *Queenie, Ltd. v Nygard Intl.*, 321 F.3d 282, 287-288 (2d Cir. 2003) (quoting *A.H. Robins Co. v. Piccinin*, 788 F.2d 994, 999 (4th Cir. 1986)).

33. This case involves just such circumstances that warrant staying the CVA Cases. First, the Diocese and the Additional Stay Parties share such a strong identity of interest in the CVA Cases that it is clear that the Diocese is the real party defendant. *Queenie*, 321 F.3d at 288. The Additional Stay Parties, although they are separate civil corporations and are not debtors in bankruptcy, are an integral part of the larger Catholic mission in Western New York which the Diocese is charged with supporting. Moreover, the alleged actions or inactions of the Diocese—

acting, in many cases, in support of the various parishes, schools and other Catholic ministry entities and institutions that make up the Additional Stay Defendants—lie at the core of the dispute in the CVA Cases. Importantly, the claims asserted against the Additional Stay Defendants in the CVA Cases are so closely intertwined with parallel claims asserted against the Diocese that the Diocese may be exposed to collateral estoppel, adverse precedent, vicarious liability, or imputed admissions if litigation goes forward.⁵ In these circumstances, the Diocese will have no choice but to participate in the litigation of the CVA Cases, thus diverting significant resources from the pursuit of a plan of reorganization and vitiating the efficacy of the Bankruptcy Code’s automatic stay.

34. Second, prosecution of the CVA Cases “will have an immediate adverse economic consequence for the debtor’s estate.” *Queenie*, 321 F.3d at 288. Litigation of the CVA Cases threatens to dissipate the property of the Diocese’s estate to the detriment of all creditors. Specifically, with respect to the vast majority, if not all CVA Cases, the Additional Stay Parties and the Diocese are co-insureds under policies of joint insurance that provide either occurrence-based coverage or claims-made coverage. As explained in the Murray Declaration, in the event the Additional Stay Parties are found liable in the CVA Cases, these entities would have a right to recover the losses from insurance, thereby reducing amounts available to the Diocese’s estate—on a dollar-for-dollar basis—to cover Diocesan liabilities for the same occurrences of abuse.⁶ Moreover, many of the relevant policies contain language providing for a self-insured retention and/or deductible, or purport to be indemnity only policies. The Insurers for those policies will

⁵ All or nearly all CVA Claimants have filed proofs of claim in the Diocese’s Chapter 11 Case based upon substantially the same alleged facts and damages asserted in their CVA Cases.

⁶ To the extent Insurers may be obligated to cover defense costs under certain policies implicated in the CVA Cases, some of those policies are “wasting policies” whereby even pre-judgment costs incurred by the Additional Stay Parties in defending against CVA Cases could reduce the amount of coverage available for the Diocese.

likely take the position that their obligation to provide coverage arises only after the applicable self-insured retention or deductible has been paid, or once the insured is ultimately determined to be liable at the end of the case. If litigation goes forward in the CVA Cases and the Additional Stay Parties are required to front such costs of defense, those costs would be paid from pooled insurance funds held by the Diocese pursuant to the Protected Self-Insurance Program (“PSIP”).⁷

35. Extending the stay under these circumstances promotes the policies underlying the automatic stay where (as here) the Diocese is the true target of the litigation, and where litigation of the CVA Cases against the Additional Stay Parties will be functionally indistinguishable from litigating the actions against the Diocese. Under these circumstances, the automatic stay would be effectively nullified by allowing the CVA Cases to proceed against the Additional Stay Parties. *See In re United Health Care Org.*, 210 B.R. 228, 233-35 (S.D.N.Y. 1997) (affirming stay of litigation against non-debtor defendant and noting that “Congressional intent to provide relief to debtors would be frustrated by permitting indirectly what is expressly prohibited in the Code.”) (citing *Variable-Parameter Fixture Development Corp. v. Morpheus Lights, Inc.*, 945 F. Supp. 603, 608 (S.D.N.Y. 1996) (quoting *A.H. Robbins Co.*, 788 F.2d at 999)); *Rossetta Res. Operating LP v. Pogo Producing Co. (In re Calpine Corp.)*, Adv. No. 06-1757 (BRL), 2007 Bankr. LEXIS 2025 (Bankr. S.D.N.Y., April 30, 2007) (same). Additionally, staying the CVA Cases will benefit all parties in interest as it allow the Diocese to continue working toward a plan of reorganization to address the liabilities of both the Diocese and the Additional Stay Parties on a global basis without wasting time and resources in multitudinous litigation and in a manner that provides for an equitable recovery for all abuse claimants.

⁷ By order entered on November 8, 2019 [BK Docket No. 199] the Court authorized the Diocese to maintain and pay claims from the PSIP in accordance with its prepetition practices.

1. The Diocese and the Additional Stay Parties share an identity of interest with respect to the CVA Cases

36. Courts in the Second Circuit and elsewhere have consistently enjoined the prosecution of suits against non-debtor defendants where there is a strong identity of interest between the debtor and the non-debtor defendant. *See W.R. Grace & Co.*, 386 B.R. at 54 (extending automatic stay to co-defendants of debtor in personal injury actions); *see also A.H. Robins*, 788 F.2d at 998-1007 (though complaint named officers and directors of defendants, debtor was the “real party defendant”); *cf. Queenie*, 321 F.3d at 288 (citing *A.H. Robins* with approval). Moreover, the automatic stay has been extended to non-debtor co-defendants when the claims against the non-debtors and the debtor are “inextricably interwoven, presenting common questions of law and fact, which can be resolved in one proceeding.” *In re The 1031 Tax Group, LLC*, 397 B.R. 670, 684 (Bankr. S.D.N.Y. 2008) (quoting *In re Ionosphere Clubs, Inc.*, 111 B.R. 423, 434 (Bankr. S.D.N.Y. 1990)).

a. *The Diocese and the Additional Stay Parties operate in support of a common religious and charitable mission*

37. The Diocese and the separately incorporated non-debtor Additional Stay Parties share a joint canonical devotion to carrying out the Catholic Church’s religious, charitable, and humanitarian mission in Western New York, and their works and operations are necessarily intertwined, establishing an identity of interest justifying enjoining the CVA Cases. *See, e.g., Syracuse*, 628 B.R. at 574 (staying claims against non-debtor entities that, while “technically and legally distinct from Debtor’s entity, . . . share numerous integral characteristics with the Debtor, including among other things, directors, insurance and a joint religious mission.”).

38. As described in greater detail in the Condon Affidavit, the Diocese and each of the Additional Stay Parties are organized as separate not-for-profit corporations under New York state law, however they operate in ecclesiastical harmony and relate to each other in accordance with

the Catholic Church's *Code of Canon Law*⁸ to carry out the larger mission of the Catholic Church. Consistent with Canon Law, the Diocese coordinates and supports the Church's mission and ministries within the counties of Monroe, Wayne, Yates, Ontario, Cayuga, Seneca, Tompkins, Tioga, Chemung, Schuyler, Livingston, and Steuben in New York State. Condon Affidavit, at ¶¶ 7-10. Moreover, as required by section 91 of the New York Religious Corporations Law, the Diocesan Bishop and Vicar-General are, by virtue of their office, members of the board of trustees for many of the Additional Stay Parties. While the Diocese provides administrative support and guidance, it is the Additional Stay Parties who actually directly carry out a substantial portion of the Church's good works and ministries within the territory of the Diocese.

39. In accord with this organizational structure, the Diocese and the Additional Stay Parties collectively carry out the mission of the larger Catholic Church in service of the communities in which they operate. Although no single legal entity embodies every function of the Church, the Diocese and the Additional Stay Parties are co-dependent and reliant on one another to together provide an integrated and comprehensive platform of Catholic services to the faithful in Western New York, as well as many charitable and humanitarian services to the public at large. Indeed, a substantial portion of the Diocese's operating budget is comprised of offerings and other contributions collected and remitted by the Additional Stay Parties.

40. The claims in the CVA Cases, and the proofs of claim filed in this Chapter 11 Case, reflect this shared identity of interest between the Diocese and the Additional Stay Parties. Although in many instances CVA Claimants did not have direct interactions with the Diocese, because the Diocese provides the Additional Stay Parties with administrative and support

⁸ Canon Law comes from several sources of Church law that together establish the internal organizational structure and relationships among the entities and organizations that comprise the Church. Canon Law was originally codified in 1917, and amended by Pope John Paul II on January 25, 1983. *See*, 1983 Code of Canon Law c.1-1752 (1983) ("Canon Law").

functions, including coordinating certain matters with respect to clergy assignments and staffing, many of the CVA Cases assert claims of negligence and other causes of action against the Diocese (either explicitly or by implication) with respect to alleged instances of abuse that occurred in the context of ministries or services conducted by the Additional Stay Parties. This is borne out in key allegations in many of the CVA Cases which directly concern the Diocese's alleged conduct. The core allegations in the CVA Cases for the most part are either (i) focused on the conduct of the Diocese, or (ii) make no distinction between the conduct of the Diocese and the conduct of the Additional Stay Parties. Furthermore, the proofs of claim filed by CVA Claimants in this Chapter 11 Case make the same allegations raised in their respective CVA Cases. Further still, the fraud, conspiracy and aiding and abetting allegations in some of the CVA Cases require proof that the Diocese and the Additional Stay Parties acted in concert and therefore cannot be presented and adjudicated without impacting the Diocese's interests.

41. Courts have routinely found that a debtor is the “real party in interest” with respect to claims against non-debtors under such circumstances. *See Gillman v. Cont'l Airlines, Inc. (In re Cont'l Airlines, Inc.)*, 177 B.R. 475, 479-81 (D. Del. 1993) (finding debtor was real party in interest in action against non-debtors where “the substantive allegations raised in the pleadings by plaintiffs. demonstrate that [the debtor] is the alleged wrongdoer in those actions and that there is an identity of interest between [the debtor] and the parties-defendant therein”); *Williams v. Reliance Acceptance Corp. (In re Reliance Acceptance Grp., Inc.)*, ADV. A-98-310, 2000 WL 33712305, at *5, 2000 Bankr. LEXIS 2220 (Bankr. D. Del. Dec. 6, 2000) (staying action against non-debtor where claims were based on non-debtor's “alleged improper conduct engaged in with [the debtor]”); *Turner v. Frascella Enters. (In re Frascella Enters.)*, 349 B.R. 421, 434 (Bankr. E.D. Pa. 2006) (finding identity of interests between debtor and non-debtors where the “[t]he

claims of unlawful activity by the Debtor [were] the same claims of unlawful activity by the [non-debtors]” and the complaint “often [made] no distinction” between such claims).

b. The Diocese will be required to participate in the defense of the CVA Cases to protect its interests and estate assets

42. Even though the CVA Cases are stayed as against the Diocese, in the event CVA Claimants are allowed to prosecute the CVA Cases against the Additional Stay Parties, the Diocese will nonetheless be required to expend significant time and money responding to the CVA Cases both in its capacity as the insurance coordinator for the Additional Stay Parties and simply to protect the Diocese’s own legal interests which could be jeopardized by continued prosecution of the CVA Cases.

43. The Diocese and the Additional Stay Parties have been co-insureds under joint policies of insurance dating back to at least 1952. Since June 1, 1977, that joint insurance has been organized and operated by the Diocese through the PSIP structure. *See Passero Affidavit*, at ¶ 38. The Diocese funds the PSIP by collecting assessments from Additional Stay Parties. Those funds are then held by the Diocese (separately identified and accounted for) to pay insurance policy premiums, costs of administration, deductibles, self-insured retentions, and other costs of defense and risk management. *Id.* at ¶ 39. The funds the Diocese holds to administer the PSIP, and insurance coverages available to the Diocese and the Additional Stay Parties are finite. Any expenditures or coverage proceeds devoted to defending against the CVA Cases, or in satisfying judgments obtained against the Additional Stay Parties, will exhaust resources which would otherwise be available to defend against and/or satisfy claims against the Diocese.

44. The overlap in allegations made by the CVA Claimants against the Additional Stay Defendants and in their claims asserted against the Diocese (in the CVA Cases and in bankruptcy proofs of claim), together with the direct impact litigation against the Additional Stay Parties

would have upon assets of the Diocese's estate establishes that the Diocese is the "real party defendant" in the CVA Cases. *Queenie*, 321 F.3d at 288; see also *Johns-Manville Corp.*, 26 B.R. 420, 426 (Bankr SDNY 1983) (identity of interest between debtor and its officers and employees justified extending the stay where claims against non-debtor defendants "are in reality derivative of identical claims brought against Manville."). A debtor is the real party defendant in litigation against a non-debtor where an adverse judgment would have serious consequences for the debtor's estate, including, by way of example: (i) where the debtor has an obligation to indemnify the non-debtor defendant against any judgment, (ii) where there is a risk that the debtor may face collateral estoppel or otherwise be disadvantaged in subsequent suits as a result of proceedings against a non-debtor, (iii) where litigation threatens to exhaust insurance limits benefiting the debtor, and (iv) where discovery sought from the non-debtor is essentially directed against the debtor and the debtor would therefore be required to intercede to protect its privileges and other interests. *Johns-Manville Corp.*, 26 B.R. at 428-30 (finding litigation against non-debtor officers and directors was "an effort to circumvent Section 362 . . . when the real party in interest is Manville."). All of the foregoing factors recognized by the *Johns-Manville* court are similarly present here with respect to the claims asserted in the CVA Cases against the Additional Stay Parties and the Diocese.

45. The Diocese is named as a co-defendant in most, if not all, of the CVA Cases filed against the Additional Stay Parties prior to the September 12, 2019 petition date. The CVA Claimants' filing of proofs of claim against the Diocese based on the same nexus of alleged facts asserted in their CVA Cases confirms that, but for the section 362 prohibition on initiating new actions against the Diocese postpetition, those CVA Cases filed subsequently would also have named the Diocese as a co-defendant. Accordingly, the Diocese will have a substantial role in litigating the CVA Cases. Among other things, the Diocese will be required to respond to the

overwhelming majority of discovery requests, provide personnel to testify at trial, and coordinate with the Insurers. In this respect, allowing the CVA Cases to proceed will divert key personnel from their roles in the reorganization process. *See Johns-Manville Corp.*, 26 B.R. at 426; *In re Continental Airlines*, 177 B.R. at 481 (continuation of litigation against the debtor’s officers and directors who are heavily involved in the reorganization efforts would “substantially detract from the directors’ reorganization efforts and would hinder [the debtor’s] ability to emerge successfully from bankruptcy under a confirmed plan of reorganization); *see also Zenith Lab., Inc.*, 104 B.R. 659, 665-66 (D. N.J. 1989) (same).

46. The Diocese’s lead role in the CVA Cases is not a matter of choice. In addition to its obligations with respect to insurance-related payments under the PSIP, and need to protect the availability of shared insurance coverage, the claims asserted against the Additional Stay Parties in the CVA Cases are so closely intertwined with the claims asserted against the Diocese that the Diocese may be exposed to collateral estoppel, adverse precedent, vicarious liability, or imputed admissions if the litigation moves forward. Judgment against an Additional Stay Party could be tantamount to judgment against the Diocese with respect to the CVA Cases because the allegations arise out of the same operative factual allegations: essentially (i) that the CVA Claimants were abused and (ii) that institutional defendants such as the Diocese and the Additional Stay Parties had actual or constructive knowledge of an alleged perpetrator’s propensity for abusive conduct and acted negligently in failing to prevent the abuse. Moreover, if litigation of the CVA Cases proceeds, and one of the Insurers prevails in asserting a defense to coverage for that action, such an adverse determination could also disqualify coverage for the Diocese with respect to multiple other abuse claims that implicate the same policy or similar policy language. *See Syracuse*, 628 B.R. at 581 (“An insurance coverage defense found in any of the actions that proceed will

adversely impact not only the Debtor and the Affiliated Entity named in the action but could also disqualify coverage for other victims whose claims fall under the same insurance policy. Perforce, this would require engagement by the Debtor in the action even though it is not a named party and prove a distraction.”).

47. Even if a claim of collateral estoppel or vicarious liability is ultimately defeated, the looming possibility that these doctrines might affect the Diocese’s rights leaves it with little choice but to actively participate in the CVA Cases to effectively protect its own interests. *See In re Lomas Financial Corp.*, 117 B.R. 64, 66-67 (S.D.N.Y. 1990) (it is not possible for the debtor “to be a bystander to a suit which may have a \$20 million issue preclusion effect against it”); *In re Johns-Manville Corp.*, 26 B.R. at 429 (noting that debtor company could be confronted with deposition or trial testimony of its senior executives without having the benefit of cross examination if it did not intervene). The existence of a bona fide possibility of preclusion on factual issues related to the Diocese’s liability for alleged abuse establishes a basis to extend the stay. *See In re Johns-Manville Corp.*, 40 B.R. at 219 (affirming decision to stay actions against debtor’s insurance carriers partly because of concerns about issue preclusion); *In re American Film Techs. v. Taritero (In re American Film Techs.)*, 175 B.R. 847, 850 (Bankr. D. Del. 1994); *Sudbury, Inc. v. Escott (In re Sudbury)*, 140 B.R. 461, 463 (Bankr. N.D. Ohio 1992) (debtor’s liability “may be determined on collateral estoppel principles in Plaintiffs’ actions” against non-debtors); *SN Liquid., Inc. v. Icon Int’l, Inc. (In re SN Liquid., Inc.)*, 388 B.R. 579, 585 (Bankr. D. Del. 2008)(finding action against non-debtor subject to the automatic stay where the risk of the preclusive effects of such action would otherwise compel the debtors to participate); *Majestic Star Casino, LLC v. City of Gary (In re Majestic Star Casino, LLC)*, Adv. No. 10-50841 (KG), 2010 Bankr. LEXIS 1874, at *5 (Bankr. D. Del. Apr. 28, 2010) (Mem. Order.) (extending automatic

stay to claims against non-debtors where, among other things, “adverse rulings in the [non-debtor litigation] may have a preclusive effect on the Debtors’ case against the City”); *W.R. Grace I*, 386 B.R. at 35 (expanding preliminary injunction and taking into account “risks of collateral estoppel and record taint”); *Am. Film Techs., Inc. v. Taritero (In re Am. Film Techs., Inc.)*, 175 B.R. 847, 849-55 (Bankr. D. Del. 1994) (finding that collateral estoppel applied in bankruptcy cases against debtor and extending automatic stay to claims against debtor’s directors and officers because of likely effect of collateral estoppel).

**2. Prosecution of the CVA Cases against the
Additional Stay Parties will dissipate property
of the Diocese’s estate to the detriment of all creditors**

48. Section 362(a)(3) of the Bankruptcy Code stays any attempt to obtain possession of property of the estate or of property from the bankruptcy estate. *See* 11 U.S.C. § 362(a)(3). Allowing the CVA Cases to proceed at this time threatens to deplete discrete assets of the estate—specifically, funds held by the Diocese to administer the PSIP and Diocese’s rights to coverage under the insurance policies shared by the Diocese and the Additional Stay Parties. Accordingly, any resumption of the CVA Cases against the Additional Stay Parties “will have an immediate adverse economic consequence for the debtor’s estate.” *Queenie*, 321 F.3d at 287-288.

49. Courts have held that proceeds of a shared insurance policy are for the purposes of the automatic stay, property of the debtor’s estate. *See Buffalo* 618 B.R. at 405; *see also A.H. Robins*, 788 F.2d 994, 1001 (“actions . . . against officers or employees of the debtor who may be entitled to indemnification under such [corporate liability insurance] policy or who qualify as additional insureds under the policies are to be stayed under section 362(a)(3)”); *In re Circle K. Corp.*, 121 B.R. 257, 261 (Bankr. D. Ariz. 1990) (staying Securities fraud action against debtors current and former directors and officers because the insurance policy constituted property of the estate in continuation of litigation could leave other potential claimants with “reduced, little or no

coverage”); *Minoco Group of Companies, Ltd. v. First State Underwriters Agency (In re Minoco)*, 799 F.2d 517, 519 (9th Cir. 1986) (same). According to the leading treatise on bankruptcy law:

If, for example the debtor and its officers and its directors are co-insureds under a business insurance policy, the estate will have an interest in a portion of the policy limits, otherwise it will suffer the irreparable injury of the loss of coverage, with concomitant reduction in the likelihood of successful reorganization Allowing such insurance to be depleted on a first-come, first-served basis outside of bankruptcy runs directly contrary to the strong bankruptcy policy of ratable distribution two similar claimants.

Lawrence P. King, *Collier on Bankruptcy* § 105.04[1][b] (16th ed. Rev. 2020).

50. In this case, both the Diocese and the Additional Stay Parties are insureds under the PSIP and pre-1977 jointly-owned policies of insurance. In the event the CVA Cases are not stayed, the Diocese will likely be required to expend funds from the PSIP program to cover self-insured retentions, deductibles and defense costs for the Additional Stay Parties. Moreover, any insurance proceeds paid on behalf of these Additional Stay Parties for losses incurred in connection with the CVA Cases will directly reduce the amount of proceeds available to the Diocese with respect to the same occurrences of abuse, thus consuming an asset of the estate to the detriment of the Diocese’s creditors. *See Quigley Co. v. Law Offices of Peter G. Angelos (In re Quigley Co.)*, 676 F.3d 45, 58 (2d Cir. 2012) (“[W]here litigation of the [action against non-debtor] would almost certainly result in the drawing down of insurance policies that are part of the bankruptcy estate of [debtor], the exercise of bankruptcy jurisdiction to enjoin these suits was appropriate.”). Accordingly, where the successful prosecution of a claim against a non-debtor would draw on the debtor’s insurance policies, the resulting dollar-for-dollar reduction in the estate’s distributable assets necessarily has an adverse impact on the Diocese’s reorganization sufficient to enjoin such action. *See, e.g., In re SN Liquid.*, 388 B.R. at 583-84 (noting that it would not be possible for the debtors to “treat all litigants equitably” if one litigant “proceeds with its lawsuit and as a result the

[shared insurance] is diminished while other litigants honor the stay and finding that “[d]epletion of insurance proceeds which results from indemnification for defense costs would adversely affect the Debtors’ estate.”).

51. As described in greater detail above and in the Murray Declaration, the Additional Stay Parties are co-insureds with respect to all, or virtually all, insurance policies that may provide the Diocese with coverage for abuse claims. The Additional Stay Parties have the same rights as the Diocese to that insurance coverage. Accordingly, to the extent a claim is successfully prosecuted against an Additional Stay Party, CVA Claimants undoubtedly will look directly to this shared insurance to satisfy any judgment, thereby depleting, dollar-for-dollar, insurance proceeds which would otherwise be available to the Diocese’s bankruptcy estate. In the absence of a stay of the CVA Cases against the Additional Stay Parties, the Diocese will be faced with precisely the proverbial “race to the courthouse” that the automatic stay was designed to prevent. *See Fid. Mortg. Inv’rs v. Camelia Builders, Inc.*, 550 F.2d 47, 55 (2d Cir. 1976)(noting that the automatic stay was “designed to prevent a chaotic and uncontrolled scramble for the debtor’s assets in a variety of uncoordinated proceedings in different courts”). For this reason, the section 362 automatic stay should apply to enjoin prosecution of the CVA Cases in order to prevent a depletion of estate assets and to preserve any available insurance coverage for satisfaction of the liabilities of both the Diocese and the Additional Stay Parties as part of a global resolution through the Diocese’s chapter 11 plan.⁹

⁹ Litigation of the CVA Cases will also likely result in increased costs to the Diocese’s estate for coverage litigation with the Insurers, whether that litigation takes place in the context of the existing Insurance Coverage Action or in the context of post-judgment enforcement actions by CVA Claimants who successfully prosecute a CVA Case against one of the Additional Stay Parties. The Diocese would be compelled to participate in such proceedings to prevent adverse coverage determinations relating to claims as well as the interpretation of the insurance policies.

D. Any CVA Cases not already subject to the Bankruptcy Code's automatic stay should be stayed pursuant to section 105(a)

52. To the extent they are not already stayed by operation of section 362 of the Bankruptcy Code, the Court should extend the automatic stay to enjoin prosecution of the CVA Cases under the facts of this case.

53. The Second Circuit has instructed that Bankruptcy Code section 105(a) “is to be ‘construed liberally to enjoin suits that might impede the reorganization process’” and that the equitable powers conferred by that section are “properly used to enjoin creditors’ lawsuits against third parties where ‘the injunction plays an important part in the debtor’s reorganization plan.’” *Lautenberg Found. v. Picard (In re Bernard L. Madoff Inv. Sec., LLC)*, 512 F. App’x 18, 20 (2d Cir. 2013) (quoting *Macarthur Co. v. Johns-Manville Corp.*, 837 F.2d at 93 and *S.E.C. v. Drexel Burnham Lambert Grp., Inc.*, 960 F. 2d 285, 293 (2d Cir. 1992)). Indeed, in *Buffalo* the Court recently held that the ability to issue any order “necessary or appropriate to carry out the provisions of [Title 11]” under section 105(a) includes the power to enjoin third party litigation where doing so would assist the debtor in complying with its obligation under section 1106(a)(6) to file a plan of reorganization as soon as practicable. *Buffalo* 633 B.R. at 189.

54. The Diocese has, from the outset of this Chapter 11 Case, been clear that it intends to propose a plan of reorganization that resolves not just its own liability for abuse claims, but also any liability of the Additional Stay Parties. A key component of funding that plan will be a substantial contribution from the Additional Stay Parties and the Diocese’s Insurers. However, neither the Additional Stay Parties, nor the Insurers, will have any incentive to commit to funding a contribution to the Diocese’s plan, if they cannot at the same time achieve a resolution of any liability they may have with respect to the same claims in the CVA Cases. Accordingly, a section 105 injunction staying the prosecution of the CVA Cases against the Additional Stay Parties will

play an important part in the Diocese's reorganization plan because it will eliminate the distractions and expenses of litigating in state court the same issues the Diocese seeks to resolve through this Chapter 11 Case, it will encourage the Additional Stay Parties and the Insurers to meaningfully participate in mediation, and in doing so will maximize the available assets that the Diocese and the Additional Stay Parties can marshal to compensate abuse claimants.

55. Moreover, courts have utilized section 105 to enjoin actions against third parties where the third party's alleged liability is dependent upon facts and circumstances that are intertwined with the Debtor's potential liability. As an example, in *Purdue*, the Southern District of New York recently affirmed the bankruptcy Court's imposition of an injunction staying litigation against a non-debtor third party alleged to be a co-tortfeasor with the debtor on the basis of "strong interconnections between the third party action and the bankruptcy" where "a finding of liability against Dr. Sackler arising from his work on behalf of Purdue is equivalent to finding that Purdue itself is liable . . ." and where "because the claims against Dr. Sackler and Purdue arise from their interrelated conduct, it is at the very least conceivable that a proceeding against Dr. Sackler could result in his asserting a claim for contribution or indemnification against Purdue – which is to say, against the Debtors' estate." *In re Purdue Pharmaceuticals L.P.*, 619 B.R. 38, 49-50 (S.D.N.Y. 2020). Similarly here, the facts and circumstances necessary to establish liability against the Additional Stay Parties have substantial overlap and connection with the facts and circumstances that claimants would be required to prove in order to establish liability against the Diocese. Accordingly, a stay of the CVA Cases pursuant to section 105 is necessary and appropriate to avoid having the Diocese's liability for abuse claims in this Chapter 11 Case determined vicariously through third party litigation in the CVA Cases where the Diocese is not a party.

POINT II

THE TRADITIONAL ELEMENTS WARRANTING PRELIMINARY INJUNCTIVE RELIEF ARE SATISFIED

56. A preliminary injunction enjoining the prosecution of the CVA Cases against the Additional Stay Parties is also justified under the traditional four-factor test for preliminary injunctive relief. Under the “traditional” test, courts consider (1) the debtor’s reasonable likelihood of success; (2) the risk of irreparable harm to the debtor in the absence of an injunction; (3) the balance of hardships between the debtor and its creditors; and (4) the public interest in an injunction. *Hawaii Structural Ironworkers Pension Trust Fund v Calpine Corp.*, 2006 US Dist. LEXIS 92499, at *12-14, 2006 WL 3755175 (S.D.N.Y. Dec. 20, 2006); *In re United Health Care Org.*, 210 B.R. 228, 233-35 (S.D.N.Y. 1997). Applying these factors to the facts of this case, this Court should enjoin the CVA Cases.

A. The Diocese is likely to successfully reorganize

57. In the bankruptcy context, the “likelihood of success” factor has been understood to require consideration of the debtor’s ability to successfully reorganize. *Lyondell Chem. Co. v. CenterPoint Energy Gas Servs., Inc. (In re Lyondell Chem. Co.)*, 402 B.R. 571, 589 (Bankr. S.D.N.Y. 2009); *Alert Holdings, Inc. v. Interstate Protective Servs., Inc.*, 148 B.R. 194, 200 (Bankr. S.D.N.Y. 1992). This factor does not require the debtor to demonstrate that it will successfully reorganize with absolute certainty, rather, demonstrating that the debtor is “proceeding on track” is sufficient to satisfy the first factor. *See Lyondell*, 402 B.R. at 590; *see also In re Soundview Elite Ltd.*, 543 B.R. 78, 119 (Bankr. S.D.N.Y. 2016) (“Courts do not demand certainty of a successful reorganization; they expect only reasonable prospects of such.”). Here, the Diocese has taken several steps toward reorganization. To date, despite the headwinds presented by an unprecedented pandemic that has fundamentally altered the manner in which legal matters are conducted, the Diocese has,

among other things, (i) secured a claims bar date—which has now passed, and the Diocese and its professionals identified the universe of claims against the Diocese and completed an extensive claims analysis, (ii) initiated an adversary proceeding to confirm its right to insurance coverage, (iii) produced voluminous discovery in response to requests for documents and information from the Committee and the Insurers, and (iv) participated in good faith in many formal and informal mediation sessions, which are still ongoing. Accordingly, despite continuing disputes over the total amount of insurance available to fund abuse claims, and the value to be ascribed to those claims, there is every reason to expect that the Diocese will be able to address its liabilities and propose a confirmable plan to successfully emerge from bankruptcy.

B. Absent immediate injunctive relief, the Diocese will be irreparably harmed

58. Unless the prosecution of the CVA Cases is enjoined, the Diocese will suffer immediate, irreparable harm. In the context of a bankruptcy case, the irreparable harm factor is satisfied where “the action sought to be enjoined would embarrass, burden, delay or otherwise impede the reorganization proceeding, or if a stay is necessary to preserve or protect the Diocese’s estate and reorganization prospects.” *Alert Holdings, Inc. v. Interstate Protective Servs., Inc. (In re Alert Holdings, Inc.)*, 148 B.R. 194, 200 (Bankr. S.D.N.Y. 1992); *see also In re Calpine Corp.*, 365 B.R. at 412 (noting that preliminary injunction is appropriate “where the action to be enjoined is one that threatens the reorganization process”).

59. As discussed more fully above, unless the CVA Cases are enjoined, the Diocese’s reorganization efforts will be adversely affected in several distinct ways: First, litigating the CVA Cases will frustrate the Diocese’s efforts to seek a global resolution of all abuse claims and CVA Cases within the confines of its bankruptcy proceeding – an approach which the Diocese strongly believes is in the best interests of all parties involved and one which, at least until recently, the Committee also supported.

60. Second, the Diocese and the Additional Stay Parties share insurance coverage and any judgment or liability resulting from the continuation of the CVA Cases threatens to deplete assets that are essential to the Diocese's reorganization and the equitable treatment of all abuse victims. Conversely, litigation against the Additional Stay Parties could result in determinations of law or fact in any given CVA Case that could adversely impact coverage for large portions of the abuse claims asserted by other survivors in their respective CVA Cases and in this Chapter 11 Case.

61. Third, as discussed above, the Diocese faces substantial risks of collateral estoppel, record taint, and evidentiary prejudice unless the CVA Cases are stayed. These risks are sufficient to establish the requisite irreparable harm justifying the issuance of a preliminary injunction.

62. Finally, litigating the CVA Cases will divert critical resources away and distract key personnel from the Diocese's reorganization efforts. *See In re Calpine Corp.*, 365 B.R. at 412 (enjoining actions against a non-debtor where the debtor's employee was "key to the restructuring and to the business and that both would suffer irreparable harm if he were distracted from his responsibilities in order to participate in the [ongoing third-party] litigation"); *In re Johns-Manville Corp.* 26 B.R. at 426 ("[t]he massive drain on [key debtor officers' and employees'] time and energy at this crucial hour of mediation and plan formulation in either defending themselves or in responding to discovery requests could frustrate if not doom their vital efforts at formulating a fair and equitable plan of reorganization."). The Diocese will be required to play an active and substantial role in the litigation of each of the CVA Cases. As such, should the CVA Cases be permitted to go forward, the Diocese will be forced to monitor and participate in such litigation, diverting the time, effort, and energy of key personnel that would otherwise be spent on advancing this Chapter 11 Case and working toward an expedient and consensual global resolution of the

abuse claims which form the overwhelming majority of the Diocese's liabilities and which are also the subject of the CVA Cases.

C. The irreparable harm the Diocese would suffer absent an injunction outweighs any harm to creditors

63. The balance of harms strongly favors the issuance of preliminary injunctive relief. As described above, absent an injunction of further prosecution in the CVA Cases, the Diocese faces distinct, imminent, and irreparable harm that would cast serious doubt on its ability to successfully reorganize. The CVA Claimants, on the other hand, would experience comparatively less harm if this Court grants a preliminary injunction, as the CVA Cases have been stayed on a consensual basis through the Stipulation and Order for more than two years. Indeed, an injunction would simply continue the existing *status quo* and would protect all abuse claimants by ensuring a uniform and fair process of resolving their claims through the Diocese's Chapter 11 Case. The CVA Cases have not progressed anywhere near to a point where they are ready for trial. Moreover, in light of current state court caseloads it is unlikely the CVA Cases could be tried any time soon, even if they were ready for trial. Accordingly, there is little, if any, harm to be suffered by the CVA Claimants and continuing the existing stay allows an opportunity for the parties to negotiate a global resolution and promotes fair treatment for all creditors rather than a race to the courthouse.

D. The public interest favors granting the requested injunctive relief

64. The public interest overwhelmingly supports granting the requested injunctive relief. Courts have noted that the "unquestioned public interest in promoting a viable reorganization of the debtor can be said to outweigh any contrary hardship to the plaintiffs." *A.H. Robins*, 788 F.2d at 1008; *see also Rickel Home Ctrs. v. Baffa (In re Rickel Home Ctrs.)*, 199 B.R. 498, 501 (Bankr D. Del. 1996) ("[T]here is a strong public interest in promoting a successful Chapter 11 reorganization."); *In re Am. Film Techs.*, 175 B.R. at 849 ("It is one of the paramount

interests of this court to assist the Debtor in its reorganization efforts.” (quotations omitted)). When one considers the valuable public services performed by eleemosynary institutions such as the Diocese, the public interest in fostering a successful rehabilitation and reorganization becomes even more important. *See Syracuse*, 628 B.R. at 583.

65. For all the reasons described above, an injunction continuing the existing stay of the CVA Cases is warranted and necessary to facilitate the successful reorganization of the Diocese.

RESERVATION OF RIGHTS

66. Nothing in this Motion is intended or should be construed as an admission as to the validity of any claim against the Diocese or any of the Additional Stay Parties or a waiver of any right of the Diocese or any Additional Stay Party to dispute any claim, and the Diocese and each Additional Stay Party expressly reserve their rights with respect thereto.

NOTICE

67. Notice of this Motion will be given to (i) the Office of the United States Trustee for the Western District of New York, (ii) counsel to the Committee, (iii) counsel to each CVA Claimant who has filed a CVA Case; and (iv) all persons who have formally appeared and requested notice in the Diocese’s Chapter 11 Case. In light of the nature of the relief requested herein, the Diocese submits that no other or further notice is required.

NO PRIOR REQUEST

68. The Diocese has not previously sought the relief requested herein from this or any other court.

EXHIBIT A

Proposed Order

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NEW YORK

In re:

THE DIOCESE OF ROCHESTER,

Case No. 19-20905

Chapter 11 Case

Debtor.

THE DIOCESE OF ROCHESTER,

Plaintiff,

Adv. Proc. No.: 22-02075

v.

AB 100 DOE, *et al.*¹

Defendants.

**ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 362
ENJOINING THE PROSECUTION OF CERTAIN LAWSUITS**

Upon the motion [Docket No. ___] (the “Motion”)² of The Diocese of Rochester (the “Diocese”) for entry of an order pursuant to 11 U.S.C. §§ 105(a) and 362 enjoining the prosecution of certain lawsuits against the Diocese and/or non-debtor parishes, schools and other Catholic ministry entities and institutions within the geographical territory of the Diocese (the “Additional Stay Parties”)³ which assert claims arising from or related to alleged child sexual abuse and which could negatively impact upon the Diocese’s ability to successfully reorganize (collectively, the “CVA Cases”);⁴ and the Court having held a hearing on the Motion on _____, 2022

¹ A full list of the Defendants in this adversary proceeding is attached as Exhibit A to the *Verified Complaint Seeking Declaratory and Injunctive Relief Pursuant to 11 U.S.C. §§105 and 362 or a Preliminary Injunction Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure* [Adv. Pro. Docket No. 1] (the “Complaint”) which has been redacted to protect the privacy interest of the abuse survivors. The Defendants are referred to herein collectively as the “CVA Claimants” and individually as a “CVA Claimant” unless greater specificity is required.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

³ The Additional Stay Parties include, without limitation, those non-debtor Catholic entities set forth on the attached *Schedule I*.

⁴ The CVA Cases include, without limitation, those actions set forth on Exhibit A to the Diocese’s Complaint in this adversary proceeding.

(the “Hearing”); and having reviewed the Motion and the record in this adversary proceeding and the Diocese’s Chapter 11 Case and determined that granting the relief requested in the Motion is in the best interests of the Diocese, its estate, creditors and other parties in interest; and after due deliberation thereon, and good and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED THAT:⁵

A. This Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter relates to the administration of the Diocese’s bankruptcy estate, the modification of the automatic stay, and the adjustment of the debtor-creditor relationship, and is accordingly a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (G), and (O). Venue of this adversary proceeding and the Motion is proper in this District and Court pursuant to 28 U.S.C. §§ 1408 and 1409 and the United States District Court for the Western District of New York’s February 29, 2012 *Standing Order of Reference re: Title 11*. The statutory predicates for the relief requested in the Motion are (i) Sections 105(a) and 362 of title 11 of the United States Code (11 U.S.C. § 101 *et seq.*, the “Bankruptcy Code”), and (ii) Rule 7065 of the Federal Rules of Bankruptcy Procedure.

C. The Diocese has provided good and sufficient notice with respect to the Motion and the relief sought therein, and no further notice is required. A reasonable opportunity to object and to be heard regarding the relief provided herein has been afforded to CVA Claimants and other parties-in-interest.

⁵ Findings of fact and conclusions of law set forth herein constitute the Bankruptcy Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. To the extent any of the following findings constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

D. Good and sufficient reasons for approval of the relief provided by this order have been articulated to the Court in the Motion and at the Hearing, and the relief requested in the Motion set forth in this order is in the best interests of the Diocese, its bankruptcy estate, creditors (including, without limitation the CVA Claimants), and other parties in interest.

E. Further prosecution of the CVA Cases against the Diocese is stayed by 11 U.S.C. § 362(a)(1). Moreover, further prosecution of the CVA Cases as against the Additional Stay Parties would violate the provisions of 11 U.S.C. § 362 because, without limitation:

- i. The Diocese and the Additional Stay Parties share joint insurance assets which will be depleted by any judgments entered against them if the CVA Cases are allowed to go forward. In addition, certain policies have limits that are eroded by defense costs. With respect to policies with deductibles or self-insured retentions, the Diocese will have to expend estate funds to pay costs until the applicable deductibles and retentions are satisfied. Accordingly, further litigation of the CVA Cases is a direct act to obtain possession of, or exercise control over, property of the Diocese's estate and a violation of 11 U.S.C. § 362(a)(3).
- ii. The Diocese is the real party defendant in the CVA Cases, because, among other things, the CVA Claimants' primary allegations focus on the Diocese's conduct and any discovery in the CVA Cases will be directed mainly at facts necessary to establish liability against the Diocese. Additionally, the Diocese may be required to participate in the CVA Cases to avoid any potential preclusive effects against the Diocese. For these reasons, any continued prosecution of the CVA Cases is for all intents and

purposes, an act to collect, assess or recover a prepetition claim against the Diocese in violation of 11 U.S.C. § 362(a)(6).

F. To the extent the CVA Cases are not already stayed by operation of section 362 of the Bankruptcy Code, circumstances exist in this case which justify staying the CVA Cases as against the Additional Stay Parties, specifically because, among other things:

- i. The Diocese and the Additional Stay Parties share an identity of interest in the CVA Cases as the CVA Cases threaten to adversely affect the collectively ability of the Diocese and the Additional Stay Parties to carry out the religious, charitable and humanitarian mission and good works of the Catholic Church throughout Western New York.
- ii. The continued prosecution of the CVA Cases will have an immediate adverse economic consequence for the Diocese's estate by dissipating insurance coverage and forcing the Diocese to participate in the CVA Cases and to expend funds and personnel time and attention protecting its interests.
- iii. Enjoining the CVA Cases will facilitate a global resolution of the liability of the Diocese and the Additional Stay Parties with respect to abuse claims, and the injunction granted hereby will therefore play an important part in assisting the Diocese to formulate and implement a plan of reorganization.

G. The traditional requirements for a preliminary injunction under Bankruptcy Rule 7065 are satisfied in this case, and the Court finds that such an injunction is necessary and appropriate.

- i. The Diocese's Chapter 11 Case is proceeding normally and there is good reason to expect that the Diocese will be able to successfully reorganize.
- ii. The Court's failure to grant preliminary injunctive relief would result in irreparable harm to the Diocese. The Diocese has demonstrated that continued prosecution of the CVA Cases would deplete valuable estate assets which would otherwise be available to satisfy creditors, including the CVA Claimants, as a result of substantial shared insurance assets. In addition, continued prosecution of the CVA Cases would require the Diocese to divert the time and attention of key personnel and advisors from essential bankruptcy matters, as well as expend significant funds, participating in or otherwise addressing discovery and other pretrial proceedings and/or trials, all to the substantial detriment of the Diocese and its bankruptcy estate.
- iii. The Diocese has demonstrated that any harm to the CVA Claimants' ability to pursue remedies as a result of a stay is outweighed by the irreparable harm the Diocese would suffer in the absence of the requested injunctive relief. Indeed, the injunctive relief granted hereby is in the best interest of all CVA Claimants and other creditors of both the Diocese and the Additional Stay Parties because it will ensure that any person having an abuse claim against the Diocese is treated fairly and equitably, and will afford all parties an opportunity to focus on achieving a global resolution of their various claims and defenses in a single forum.

- iv. The imposition of the injunctive relief provided by this order is in the public interest because it will promote and facilitate the successful reorganization of the Diocese and the continuation of its religious, charitable, and humanitarian mission.

H. The legal and factual bases set forth in the Complaint, the Motion, and the affidavits and declarations in support thereof, other supporting papers, and at the Hearing and in consideration of the record of the Chapter 11 Case and this adversary proceeding, just cause exists for the relief granted herein.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED as set forth herein.
2. All objections with regard to the relief sought in the Motion that have not been withdrawn, waived, settled, or otherwise dealt with as expressly provided herein, and all reservations of rights, are overruled on the merits with prejudice.
3. Pursuant to section 362(a)(1) of the Bankruptcy Code, all persons and entities are hereby enjoined and prohibited from any commencing or continuing any action or proceeding against the Diocese (including, without limitation, any CVA Case) that was or could have been commenced before the commencement of the Diocese's Chapter 11 Case, or to recover a claim against the Diocese that arose before the commencement of the Diocese's Chapter 11 Case.
4. Pursuant to section 362(a)(3) of the Bankruptcy Code, all persons and entities are hereby enjoined and prohibited from taking any act to obtain possession of property of the Diocese's estate or of property from the Diocese's estate or to exercise control over property of the Diocese's estate, including without limitation, any action (including the prosecution of any CVA Case in any manner)

that triggers or would otherwise diminish coverage under the Diocese's insurance policies, any insurance policy in which the Diocese is named as an additional insured, or the insurance fund held by the Diocese to fund its joint self-insurance program.

5. Pursuant to section 362(a)(6) of the Bankruptcy Code, all persons and entities are hereby enjoined and prohibited from taking any act to collect, assess, or recover a claim against the Diocese that arose before the commencement of the Diocese's Chapter 11 Case, including, without limitation, through further prosecution of any CVA Case in any manner.

6. Pursuant to sections 105(a) and 362 of the Bankruptcy Code, from the date hereof through and including the date (the "Stay Termination Date") which is ninety (90) days following the earlier to occur of (i) the effective date of a confirmed plan of reorganization for the Diocese or (ii) entry of an order dismissing the Diocese's Chapter 11 Case, each of the CVA Claimants, and all other persons or entities, are hereby enjoined and prohibited from continuing or prosecuting any CVA Case, or any other suit or action premised in whole or in part on allegations of child sexual abuse occurring prior to the commencement of the Diocese's Chapter 11 Case, against any of the Additional Stay Parties. The Diocese shall have the right to seek an extension of the Stay Termination Date, or to include additional persons or entities as Additional Stay Parties, upon cause shown.

7. The period beginning on the Effective Date (as defined below) and ending on the Stay Termination Date (the "Standstill Period"), shall not be included in computing the running of any time periods with respect to any (i) deadline to file an answer, motion to dismiss, or other responsive pleading, (ii) deadline to make or respond to dispositive motions or discovery demands, (iii) deadline to seek removal of an action to federal court, or (iv) other time deadlines (whether statutory, rule-based, equitable, contractual, or otherwise) relating to the prosecution or defense of

any CVA Case, such that all claims, defenses, rights and privileges with respect thereto shall be preserved and remain viable to the same extent that they existed as of the Effective Date, *provided, however,* that the foregoing shall not be deemed to extend or waive any applicable statutes of limitations, statutes of repose, laches or estoppel periods or other time deadlines or defenses relating to the initial assertion of a claim or filing of a CVA Case, and *provided further* that, upon the occurrence of the Stay Termination Date, the Diocese and any Additional Stay Defendants shall have not less than forty-five (45) days to file their initial answer, motion to dismiss, or other responsive pleading(s) in any CVA Case or Future Action in which they are named as a defendant. For purposes of this order, the term “Effective Date” shall mean, (i) the Petition Date, with respect to any CVA Case which was pending as of the Petition Date, and (ii) the date of commencement of the CVA Case, with respect to any CVA case which was filed subsequent to the Petition Date.

8. Nothing in the Motion or this order is intended or shall be deemed to constitute any admission or acknowledgement of any fact, conclusion of law, potential liability or liability of the Diocese or any other person or entity, nor does anything in the Motion or this order constitute a waiver by any person or entity of any time-based or other defenses, except to the extent any otherwise applicable deadlines may be tolled during the Standstill Period as provided herein. Except as otherwise provided herein, the Diocese and each Additional Stay Party shall be deemed to reserve all available rights, remedies, claims and defenses without waiver.

9. Notwithstanding anything to the contrary set forth in Bankruptcy Rule 7062 or elsewhere, this order shall be effective and enforceable immediately upon its entry. Any subsequent modification or vacatur of this order shall not invalidate or impair any actions, inactions, or omissions, taken or omitted to be taken in reliance upon this order prior to such

modification or vacatur, and any time periods tolled pursuant to this order shall be deemed tolled for all periods prior to such modification or vacatur.

10. The Diocese is hereby authorized to take all actions it determines are necessary to effectuate the relief granted pursuant to this order, and to file a copy of this order with any court or tribunal in which any CVA Case is pending.

11. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and/or enforcement of this order.

Dated: _____, 2022
Rochester, New York

Honorable Paul Warren
United States Bankruptcy Judge

Schedule 1 to Proposed Order

Additional Stay Parties

Additional Stay Parties¹

Parishes

1. Sacred Heart Cathedral, Rochester
2. **Annunciation, Rochester
3. **St. Ambrose, Rochester
4. **St. Andrew, Rochester
5. **St. Anthony of Padua, Rochester
6. **St. Augustine, Rochester
7. St. Anne, Rochester
8. Blessed Sacrament, Rochester
9. **Corpus Christi, Rochester
10. St. Boniface, Rochester
11. **St. Bridget, Rochester
12. ** St. Cecilia, Rochester
13. St. Charles Borromeo, Rochester
14. **Christ the King, Rochester
15. **Church of the Annunciation, Rochester
16. Emmanuel Church of the Deaf, Rochester
17. **St. Feehan, Rochester
18. **St. Francis of Assisi, Rochester
19. St. Frances Xavier Cabrini, Rochester
20. St. George, Rochester
21. **Guardian Angels, Rochester
22. **St. Helen, Rochester
23. Holy Apostles, Rochester
24. Holy Cross, Rochester
25. **Holy Ghost, Rochester
26. **Holy Family, Rochester
27. **Holy Name of Jesus, Rochester
28. **Holy Redeemer, Rochester
29. St. Francis Xavier, Rochester
30. **Holy Redeemer/St. Francis Xavier, Rochester
31. **Holy Rosary, Rochester
32. **Immaculate Conception, Rochester
33. Immaculate Conception/St. Bridget, Rochester
34. **St. James, Rochester
35. **St. John the Evangelist, Rochester
36. St. John the Evangelist, Rochester
37. **St. Joseph, Rochester
38. Kateri Tekakwitha Roman Catholic, Rochester
39. St. Lawrence, Rochester

¹ The Diocese has used its best efforts to identify the Additional Stay Parties on this schedule by their corporate names as reflected in the books and records of the Diocese. Certain CVA Cases may have identified Additional Stay Parties as defendants using different names. The Diocese reserves the right to update or revise this schedule, as needed, to correct the names of the Additional Stay Parties and/or to include any names under which Additional Stay Parties were improperly sued in the event any CVA Claimants assert that the defendants named in their CVA Cases are not included among the Additional Stay Parties.

40. **St. Lucy, Rochester
41. **Light of Christ Roman Catholic Parish, Rochester
42. **St. Margaret Mary, Rochester
43. St. Mark, Rochester
44. St. Mary, Rochester
45. **St. Michael, Rochester
46. St. Monica, Rochester
47. **Our Lady of the Americas, Rochester
48. **Our Lady of Good Counsel, Rochester
49. Our Lady of Lourdes, Rochester
50. **Our Lady of Mount Carmel, Rochester
51. **Our Lady of Mercy, Rochester
52. **Our Lady of Perpetual Help, Rochester
53. **Our Lady of Sorrows, Rochester
54. Our Lady of Victory-St. Joseph, Rochester
55. Our Lady Queen of Peace, Rochester
56. Our Mother of Sorrows, Rochester
57. The Parish of the Holy Family, Rochester
58. Peace of Christ, Rochester
59. **St. Patrick, Rochester
60. **Sts Peter & Paul, Rochester
61. St. Pius Tenth, Rochester
62. **St. Salome, Rochester
63. St. Stanislaus, Rochester
64. St. Theodore, Rochester
65. **St. Theresa of the Infant Jesus, Rochester
66. St. Thomas More, Rochester
67. **St. Thomas the Apostle, Rochester
68. **St. Catherine of Siena, Addison
69. Saints Isidore and Maria Torribia, Addison
70. **St. Margaret Mary, Appalachin
71. **St. Mathias, Atlanta
72. St. Alphonsus, Auburn
73. **St. Aloysius, Auburn
74. **St. Francis of Assisi, Auburn
75. Holy Family, Auburn
76. **St. Hyacinth, Auburn
77. St. Mary, Auburn
78. Saints Mary and Martha, Auburn
79. Sacred Heart, Auburn
80. Good Shephard Catholic Community, Aurora
81. St. Agnes, Avon
82. St. John Vianney, Bath
83. **St. Mary, Bath
84. **St. Stanislaus, Bradford
85. Nativity of the Blessed Virgin Mary, Brockport
86. **St. Columba, Caledonia
87. The Parish of Saint Martin De Porres, Caledonia
88. **Our Lady of Lebanon, Canandaigua
89. St. Benedict, Canandaigua
90. **St. Mary, Canandaigua
91. **St. Joachim, Canisteo
92. **St. William, Cameron Mills

93. **St. Joseph, Campbell
94. **St. Patrick, Cato
95. **St. Francis of Assisi, Catatonk
96. **St. Joseph, Cayuga
97. **St. Vincent De Paul, Churchville
98. **St. Felix, Clifton Springs
99. **St. Felix/St. Francis Parish Cluster, Clifton Springs
100. St. Peter's Roman Catholic Parish, Clifton Springs
101. **St. John the Evangelist, Clyde
102. St. Joseph the Worker, Clyde
103. **St. Pius V, Cohocton
104. **St. William, Conesus
105. All Saints, Corning
106. **Santa Maria de Merced, Cuyler
107. **St. Mary, Dansville
108. **St. Patrick, Dansville
109. **St. Andrew, Dundee
110. Holy Cross, Dryden
111. **St. Bridget, East Bloomfield
112. St. Jerome, East Rochester
113. **St. Charles Borromeo, Elmira
114. **St. Anthony, Elmira
115. **Blessed Sacrament, Elmira
116. **St. Casimir, Elmira
117. **St. Cecilia, Elmira
118. **Christ the Redeemer, Elmira
119. **St. John the Baptist, Elmira
120. **St. Mary, Elmira
121. **Our Lady of Lourdes, Elmira
122. The Parish of the Most Holy Name of Jesus, Elmira
123. **St. Patrick, Elmira
124. **Sts. Peter and Paul Catholic Parish, Elmira
125. Church of the Assumption, Fairport
126. Church of the Resurrection, Fairport
127. St. John of Rochester, Fairport
128. St. Luke the Evangelist, Geneseo
129. **St. Mary, Geneseo
130. **St. Francis De Sales, Geneva
131. Our Lady of Peace, Geneva
132. **St. Stephen, Geneva
133. **St. Hillary, Genoa
134. **St. Mary, Greenwood
135. St. Anthony, Groton
136. **Holy Name of Jesus, Groveland
137. St. Elizabeth Ann Seton, Hamlin
138. **St. Gabriel, Hammondsport
139. **Church of the Good Shepherd, Henrietta
140. St. Marianne Cope, Henrietta
141. St. Leo, Hilton
142. St. Paul of the Cross, Honeoye Falls
143. St. Mary, Our Lady of the Hills, Honeoye
144. **St. Ann, Hornell
145. Our Lady of the Valley, Hornell

146. **St. Ignatius Loyola, Hornell
147. St. Mary Our Mother, Horseheads
148. **St. Francis Solanus, Interlaken
149. St. Catherine of Siena, Ithaca
150. Immaculate Conception, Ithaca
151. **Our Lady of the Lake, King Ferry
152. All Saints, Lansing
153. **St. Thomas Aquinas, Leicester
154. St. Rose, Lima
155. St. Matthew Catholic Church Society, Livonia
156. **St. Joseph, Livonia
157. **St. Michael, Livonia Center
158. **St. Michael, Lyons
159. **St. Patrick, Macedon
160. **St. Gregory, Marion
161. **St. Patrick, McLean
162. St. Catherine of Siena, Mendon
163. **St. Michael, Montezuma
164. **St. Patrick, Moravia
165. **Church of the Assumption, Mount Morris
166. **St. Patrick, Mount Morris
167. **St. Patrick, Mumford
168. **St. Januarius, Naples
169. **St. John the Evangelist, Newark Valley
170. St. Michael, Newark
171. St. Christopher, North Chili
172. **Holy Angels, Nunda
173. St. Benedict, Odessa
174. **St. Mary of the Lake, Ontario
175. St. Maximillian Kolbe, Ontario
176. **Holy Cross, Ovid
177. The Parish of Mary, Mother of Mercy, Interlaken
178. St. Ann, Owasco
179. Blessed Trinity, Owego
180. St. Patrick, Owego
181. **Immaculate Heart of Mary, Painted Post
182. **St. Anne, Palmyra
183. The Parish of St. Katharine Drexel, Palmyra
184. Holy Spirit, Webster
185. St. Joseph, Penfield
186. **St. Michael, Penn Yan
187. Our Lady of Lakes Catholic Community, Penn Yan
188. **Sacred Heart of Jesus, Perkinsville
189. **St. Francis, Phelps
190. Church of the Transfiguration, Pittsford
191. St. Louis, Pittsford
192. **St. Raphael, Piffard
193. **St. Patrick, Prattsburg
194. **St. Thomas the Apostle, Red Creek
195. **St. Lucy, Retsof
196. **St. Mary, Rexville
197. **St. Joseph, Rush
198. **St. Mary, Rushville

199. **St. Patrick, Savannah
200. **St. Bernard, Scipio Center
201. **St. Mary of the Assumption, Scottsville
202. **St. Patrick, Seneca Falls
203. **St. Dominic, Shortsville
204. **Epiphany, Sodus
205. **St. Rose of Lima, Sodus Point
206. St. John the Evangelist, Spencerport
207. **St. Theresa, Stanley
208. **St. James the Apostle, Trumansburg
209. **St. Michael's, Union Springs
210. **St. Pius the Tenth, Van Etten
211. St. Patrick, Victor
212. St. Francis and St. Clare, Waterloo
213. **St. Mary, Waterloo
214. St. Mary of the Lake, Watkins Glen
215. **St. James, Waverly
216. Holy Family Catholic Community, Wayland
217. **St. Joseph, Wayland
218. Holy Trinity, Webster
219. St. Paul, Webster
220. St. Rita, Webster
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Other Entities

1. Catholic Charities of the Diocese of Rochester, Inc.
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4. Providence Housing Development Corporation
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8. De Paul Community Services (f/k/a De Paul Mental Health Clinic)
9. Bishop Salvatore R. Matano
10. Becket Hall

Schools

1. All Saints in Corning
2. Holy Family in Elmira
3. St. Joseph in Auburn
4. St. Francis/St. Stephen in Geneva
5. De Sales High School in Geneva
6. Bishop Hogan Catholic Academy
7. Northeastern Catholic Junior High School

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EXHIBIT B

Additional Stay Parties

Exhibit B

Additional Stay Parties¹

Parishes

1. Sacred Heart Cathedral, Rochester
2. **Annunciation, Rochester
3. **St. Ambrose, Rochester
4. **St. Andrew, Rochester
5. **St. Anthony of Padua, Rochester
6. **St. Augustine, Rochester
7. St. Anne, Rochester
8. Blessed Sacrament, Rochester
9. **Corpus Christi, Rochester
10. St. Boniface, Rochester
11. **St. Bridget, Rochester
12. ** St. Cecilia, Rochester
13. St. Charles Borromeo, Rochester
14. **Christ the King, Rochester
15. **Church of the Annunciation, Rochester
16. Emmanuel Church of the Deaf, Rochester
17. **St. Feehan, Rochester
18. **St. Francis of Assisi, Rochester
19. St. Frances Xavier Cabrini, Rochester
20. St. George, Rochester
21. **Guardian Angels, Rochester
22. **St. Helen, Rochester
23. Holy Apostles, Rochester
24. Holy Cross, Rochester
25. **Holy Ghost, Rochester
26. **Holy Family, Rochester
27. **Holy Name of Jesus, Rochester
28. **Holy Redeemer, Rochester
29. St. Francis Xavier, Rochester
30. **Holy Redeemer/St. Francis Xavier, Rochester
31. **Holy Rosary, Rochester
32. **Immaculate Conception, Rochester
33. Immaculate Conception/St. Bridget, Rochester
34. **St. James, Rochester
35. **St. John the Evangelist, Rochester
36. St. John the Evangelist, Rochester
37. **St. Joseph, Rochester
38. Kateri Tekakwitha Roman Catholic, Rochester
39. St. Lawrence, Rochester

¹ The Diocese has used its best efforts to identify the Additional Stay Parties on this schedule by their corporate names as reflected in the books and records of the Diocese. Certain CVA Cases may have identified Additional Stay Parties as defendants using different names. The Diocese reserves the right to update or revise this schedule, as needed, to correct the names of the Additional Stay Parties and/or to include any names under which Additional Stay Parties were improperly sued in the event any CVA Claimants assert that the defendants named in their CVA Cases are not included among the Additional Stay Parties.

40. **St. Lucy, Rochester
41. **Light of Christ Roman Catholic Parish, Rochester
42. **St. Margaret Mary, Rochester
43. St. Mark, Rochester
44. St. Mary, Rochester
45. **St. Michael, Rochester
46. St. Monica, Rochester
47. **Our Lady of the Americas, Rochester
48. **Our Lady of Good Counsel, Rochester
49. Our Lady of Lourdes, Rochester
50. **Our Lady of Mount Carmel, Rochester
51. **Our Lady of Mercy, Rochester
52. **Our Lady of Perpetual Help, Rochester
53. **Our Lady of Sorrows, Rochester
54. Our Lady of Victory-St. Joseph, Rochester
55. Our Lady Queen of Peace, Rochester
56. Our Mother of Sorrows, Rochester
57. The Parish of the Holy Family, Rochester
58. Peace of Christ, Rochester
59. **St. Patrick, Rochester
60. **Sts Peter & Paul, Rochester
61. St. Pius Tenth, Rochester
62. **St. Salome, Rochester
63. St. Stanislaus, Rochester
64. St. Theodore, Rochester
65. **St. Theresa of the Infant Jesus, Rochester
66. St. Thomas More, Rochester
67. **St. Thomas the Apostle, Rochester
68. **St. Catherine of Siena, Addison
69. Saints Isidore and Maria Torribia, Addison
70. **St. Margaret Mary, Appalachin
71. **St. Mathias, Atlanta
72. St. Alphonsus, Auburn
73. **St. Aloysius, Auburn
74. **St. Francis of Assisi, Auburn
75. Holy Family, Auburn
76. **St. Hyacinth, Auburn
77. St. Mary, Auburn
78. Saints Mary and Martha, Auburn
79. Sacred Heart, Auburn
80. Good Shephard Catholic Community, Aurora
81. St. Agnes, Avon
82. St. John Vianney, Bath
83. **St. Mary, Bath
84. **St. Stanislaus, Bradford
85. Nativity of the Blessed Virgin Mary, Brockport
86. **St. Columba, Caledonia
87. The Parish of Saint Martin De Porres, Caledonia
88. **Our Lady of Lebanon, Canandaigua
89. St. Benedict, Canandaigua
90. **St. Mary, Canandaigua
91. **St. Joachim, Canisteo
92. **St. William, Cameron Mills

93. **St. Joseph, Campbell
94. **St. Patrick, Cato
95. **St. Francis of Assisi, Catatonk
96. **St. Joseph, Cayuga
97. **St. Vincent De Paul, Churchville
98. **St. Felix, Clifton Springs
99. **St. Felix/St. Francis Parish Cluster, Clifton Springs
100. St. Peter's Roman Catholic Parish, Clifton Springs
101. **St. John the Evangelist, Clyde
102. St. Joseph the Worker, Clyde
103. **St. Pius V, Cohocton
104. **St. William, Conesus
105. All Saints, Corning
106. **Santa Maria de Merced, Cuylerville
107. **St. Mary, Dansville
108. **St. Patrick, Dansville
109. **St. Andrew, Dundee
110. Holy Cross, Dryden
111. **St. Bridget, East Bloomfield
112. St. Jerome, East Rochester
113. **St. Charles Borromeo, Elmira
114. **St. Anthony, Elmira
115. **Blessed Sacrament, Elmira
116. **St. Casimir, Elmira
117. **St. Cecilia, Elmira
118. **Christ the Redeemer, Elmira
119. **St. John the Baptist, Elmira
120. **St. Mary, Elmira
121. **Our Lady of Lourdes, Elmira
122. The Parish of the Most Holy Name of Jesus, Elmira
123. **St. Patrick, Elmira
124. **Sts. Peter and Paul Catholic Parish, Elmira
125. Church of the Assumption, Fairport
126. Church of the Resurrection, Fairport
127. St. John of Rochester, Fairport
128. St. Luke the Evangelist, Geneseo
129. **St. Mary, Geneseo
130. **St. Francis De Sales, Geneva
131. Our Lady of Peace, Geneva
132. **St. Stephen, Geneva
133. **St. Hillary, Genoa
134. **St. Mary, Greenwood
135. St. Anthony, Groton
136. **Holy Name of Jesus, Groveland
137. St. Elizabeth Ann Seton, Hamlin
138. **St. Gabriel, Hammondsport
139. **Church of the Good Shepherd, Henrietta
140. St. Marianne Cope, Henrietta
141. St. Leo, Hilton
142. St. Paul of the Cross, Honeoye Falls
143. St. Mary, Our Lady of the Hills, Honeoye
144. **St. Ann, Hornell
145. Our Lady of the Valley, Hornell

146. **St. Ignatius Loyola, Hornell
147. St. Mary Our Mother, Horseheads
148. **St. Francis Solanus, Interlaken
149. St. Catherine of Siena, Ithaca
150. Immaculate Conception, Ithaca
151. **Our Lady of the Lake, King Ferry
152. All Saints, Lansing
153. **St. Thomas Aquinas, Leicester
154. St. Rose, Lima
155. St. Matthew Catholic Church Society, Livonia
156. **St. Joseph, Livonia
157. **St. Michael, Livonia Center
158. **St. Michael, Lyons
159. **St. Patrick, Macedon
160. **St. Gregory, Marion
161. **St. Patrick, McLean
162. St. Catherine of Siena, Mendon
163. **St. Michael, Montezuma
164. **St. Patrick, Moravia
165. **Church of the Assumption, Mount Morris
166. **St. Patrick, Mount Morris
167. **St. Patrick, Mumford
168. **St. Januarius, Naples
169. **St. John the Evangelist, Newark Valley
170. St. Michael, Newark
171. St. Christopher, North Chili
172. **Holy Angels, Nunda
173. St. Benedict, Odessa
174. **St. Mary of the Lake, Ontario
175. St. Maximillian Kolbe, Ontario
176. **Holy Cross, Ovid
177. The Parish of Mary, Mother of Mercy, Interlaken
178. St. Ann, Owasco
179. Blessed Trinity, Owego
180. St. Patrick, Owego
181. **Immaculate Heart of Mary, Painted Post
182. **St. Anne, Palmyra
183. The Parish of St. Katharine Drexel, Palmyra
184. Holy Spirit, Webster
185. St. Joseph, Penfield
186. **St. Michael, Penn Yan
187. Our Lady of Lakes Catholic Community, Penn Yan
188. **Sacred Heart of Jesus, Perkinsville
189. **St. Francis, Phelps
190. Church of the Transfiguration, Pittsford
191. St. Louis, Pittsford
192. **St. Raphael, Piffard
193. **St. Patrick, Prattsburg
194. **St. Thomas the Apostle, Red Creek
195. **St. Lucy, Retsof
196. **St. Mary, Rexville
197. **St. Joseph, Rush
198. **St. Mary, Rushville

199. **St. Patrick, Savannah
200. **St. Bernard, Scipio Center
201. **St. Mary of the Assumption, Scottsville
202. **St. Patrick, Seneca Falls
203. **St. Dominic, Shortsville
204. **Epiphany, Sodus
205. **St. Rose of Lima, Sodus Point
206. St. John the Evangelist, Spencerport
207. **St. Theresa, Stanley
208. **St. James the Apostle, Trumansburg
209. **St. Michael's, Union Springs
210. **St. Pius the Tenth, Van Etten
211. St. Patrick, Victor
212. St. Francis and St. Clare, Waterloo
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