



DIOCESE OF CAMDEN

FREQUENTLY ASKED QUESTIONS

The Diocese of Camden Settlement of Chapter 11 Reorganization Pursuant to the United States Bankruptcy Code

1. **What are the details of the settlement?** On April 19, 2022, the Diocese of Camden and the Official Committee of Tort Claimant Creditors (the “Survivors’ Committee”), which represents approximately 300 survivors, reached a settlement regarding survivor claims in the amount of \$87.5 million.
2. **When and why did the Diocese of Camden file for Chapter 11 Reorganization?** The Diocese began its Chapter 11 reorganization on October 1, 2020 to ensure that all clergy sex abuse survivors are fairly compensated, while ensuring the Diocese can continue to serve parishioners and all residents of Southern New Jersey through its ministries.
3. **What effect has Chapter 11 Reorganization had on the Diocese?** During the process, and especially during the pandemic, the Diocese maintained all daily activities and performed the critical outreach necessary for vulnerable populations in our six counties. We also continued to fulfill our mission for the faithful. The Diocese and parishes remained responsive to the needs of the community while recognizing our responsibility to the survivors.
4. **Who is responsible for the Chapter 11 Reorganization?** From the outset of the Chapter 11 proceedings, Bishop Dennis Sullivan, as well as diocesan administrators, have appeared before United States Bankruptcy Judge Jerrold N. Poslusny, Jr. and the court-designated mediator retired Chief United States District Judge Jose L. Linares.



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5. ***When were claimants required to file?*** The first major benchmark in the Chapter 11 process occurred when the Bankruptcy Court fixed a date of June 30, 2021 by which all claims were required to be filed on a confidential basis. This resulted in approximately 300 claims, which have been carefully reviewed by the Survivors' Committee and diocesan insurers.
6. ***How much will the settlement cost the Diocese?*** The settlement provides a total payment of \$87.5 million by the Diocese and certain related entities, which is payable over four years beginning on the Effective Date of the Plan of Reorganization. The total fund of \$87.5 million is at the high end of **all** Diocesan Chapter 11 cases throughout the United States. We believe this is a fair and equitable settlement and no independent analysis suggests otherwise.
7. ***What is the schedule for payment?*** \$50 million upon the effective date which is when confirmation of the Plan of Reorganization is approved by the Court and final and non-appealable. In addition, the Diocese will pay an additional \$10 million on the first, second and third anniversaries of the effective date and a final payment of \$7.5 million on the fourth anniversary of the effective date.
8. ***How much will parishes pay?*** This analysis is still ongoing and the Court will approve it as part of the Plan of Reorganization process.
9. ***Will there need to be cutbacks, layoffs, or property sold to pay for this settlement?*** No cutbacks or layoffs are anticipated as a result of the reorganization. As to real estate, the Diocese always reviews properties which are not mission critical to evaluate them.



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10. ***What other non-monetary items are included in the settlement?*** All non-monetary terms are related to recognizing the past injuries and maintaining comprehensive safeguards to avoid any future injuries.
11. ***What is the Diocese's commitment to child safety?*** In addition to the \$87.5 million in funds, the Diocese has and will continue to implement every available safeguard to ensure that clergy abuse will never occur again. No one legitimately disputes the level of scrutiny that exists within the Diocese of Camden at this point through our comprehensive child and youth protection policies and procedures. In addition to the various educational components designed to protect children in parishes and schools, any case of alleged abuse is immediately reported to the Attorney General of the State of New Jersey and the County Prosecutor. A full and independent investigation occurs.
12. ***How else does the Diocese support Survivors?*** The Diocese continues to provide for therapy and mental health services for any survivor.
13. ***What is the commitment of the Diocese to Survivors?*** The Diocese continues to be committed to every action possible to move forward and recognize the survivors, the history of abuse, taking all steps to ensure this abuse never occurs again, and treating survivors in a fair and equitable manner.
14. ***What is the commitment of the Diocese to the Faithful in South Jersey?*** The Diocese is also committed to continuing its mission and meeting the requirements of being in our communities with critical programs that support the homeless, veterans, the elderly, sick and other vulnerable persons.