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*Counsel for the Debtor  
and Debtor in Possession***UNITED STATES BANKRUPTCY COURT****NORTHERN DISTRICT OF CALIFORNIA****OAKLAND DIVISION**

In re:

THE ROMAN CATHOLIC BISHOP OF  
OAKLAND, a California corporation sole,

Debtor.

Case No. 23-40523

Chapter 11

**DEBTOR'S STATUS CONFERENCE  
STATEMENT FOR BANKRUPTCY CASE**

Judge: Hon. William J. Lafferty

**Hearing on Motion to Dismiss:**

Date: October 29, 2025

Time: 1:30 p.m.

Place: United States Bankruptcy Court  
1300 Clay Street  
Courtroom 220  
Oakland, CA 94612**Next Scheduled Status Conference:**

Date: November 12, 2025

Time: 10:30 a.m.

Place: United States Bankruptcy Court  
1300 Clay Street  
Courtroom 220  
Oakland, CA 94612

1 **TO THE HONORABLE WILLIAM J. LAFFERTY, UNITED STATES BANKRUPTCY JUDGE**  
2 **AND ALL INTERESTED PARTIES AND/OR THEIR COUNSEL OF RECORD:**

3 The Roman Catholic Bishop of Oakland, a California corporation sole, and the debtor and debtor  
4 in possession (the “Debtor”) in the above-captioned chapter 11 bankruptcy case (the “Chapter 11 Case”),  
5 hereby files this status conference statement (this “Statement”) in advance of the October 29, 2025 hearing  
6 scheduled in this Chapter 11 Case and in advance of the status conference scheduled for November 12,  
7 2025. More information regarding the current status of the Chapter 11 Case and previous developments  
8 are set forth in the Debtor’s earlier-filed status conference statements [Dkt. Nos. 192, 320, 458, 520, 760,  
9 843, 1373, 2291, 2292, and 2333], and the Debtor’s *Third Amended Disclosure Statement for Debtor’s*  
10 *Third Amended Plan of Reorganization* [Dkt. No. 1874].

11 **A. Mediation Update**

12 On October 7-8, 2025, the Debtor, the Committee and the Insurers appeared in person for full-day,  
13 global mediation sessions in Los Angeles, California, at the offices of The Gallagher Law Group. Tim  
14 Gallagher, Judge Sontchi and Judge Newsome appeared for these mediation sessions. At the close of the  
15 second day of mediation, all three mediators delivered a joint Mediators’ Proposal for a global settlement  
16 between the Debtor, the Committee and the Insurers, seeking responses by October 17, 2025. The  
17 Mediators’ Proposal was by its terms not subject to negotiation and is not enforceable unless all sides  
18 accept. The Mediators’ Proposal was limited to the amount of funds to be paid to a settlement trust by the  
19 Debtor and the Insurers. The Mediators made clear that all other non-monetary terms were left open for  
20 further negotiation between the parties.

21 The Debtor communicated its acceptance of the Mediators’ Proposal on October 16. The Debtor  
22 believes not all sides have accepted the Mediators’ Proposal. The Debtor believes Mr. Gallagher continues  
23 to seek support for the Mediators’ Proposal. If some – but not all – parties accept the Mediators’ Proposal  
24 or otherwise commit to financial terms in support of a plan of reorganization, the Debtor is leaving open  
25 the possibility of joining with such party(ies) to propose an amended plan of reorganization in this Chapter  
26 11 Case. However, that is not the case as of this submission.

1 The Debtor may have additional information to present to the Court at the hearing on October 29,  
2 2025. The Debtor estimates it will make a final decision about whether to proceed with an amended plan  
3 of reorganization on or by November 12, 2025, which is the date set for the next status conference in this  
4 Chapter 11 Case. In the meantime, the Debtor will seek an order from this Court that the Chapter 11 Case  
5 be dismissed without prejudice on November 12, 2025, unless the Debtor informs this Court on that date  
6 the Debtor will proceed with an amended plan of reorganization with support from additional stakeholders  
7 or informs the Court of changed circumstances which warrant additional time before an order for dismissal  
8 is entered. At this time, in the Debtor's opinion November 12 remains the outside date for this Chapter 11  
9 Case to either be dismissed without prejudice or to proceed on a renewed path toward confirmation of an  
10 amended plan of reorganization, for the reasons stated in the Debtor's Motion to Dismiss.

11 **B. The Debtor's Motion To Dismiss**

12 On September 9, 2025, the Debtor filed *Debtor's Motion to Dismiss Chapter 11 Case Pursuant to*  
13 *11 U.S.C. § 1112(B)* [Dkt. No. 2293] (the "Motion to Dismiss"). The hearing on the Motion to Dismiss is  
14 set for October 29, 2025 at 1:30 p.m. PT.

15 The Official Committee of Unsecured Creditors (the "Committee") filed its "Statement in Support  
16 of the Debtor's Motion to Dismiss" on September 19, 2025 [Dkt. No. 2293] (the "Committee's  
17 Statement"). The Debtor filed its Response to the Committee's Statement on October 20, 2025 [Dkt. No.  
18 2413] (the "Debtor's Response"). The Committee filed its Reply to the Debtor's Response on October 27,  
19 2025 [Dkt. No. 2423] (the "Committee's Reply").

20 There were no objections filed to the Motion to Dismiss. The Committee's Statement supports the  
21 Motion to Dismiss but argues the Chapter 11 Case should be dismissed with prejudice – rather than  
22 without prejudice – based on the Committee's claim the Debtor's filing of and conduct in this Chapter 11  
23 Case amounts to bad faith. The Debtor rejects each of the Committee's arguments because in the Debtor's  
24 view they are not supported by the facts or the law.

25 (1) The Committee argues the Debtor allegedly did not use Chapter 11 for its "intended purpose –  
26 to right size its operations to improve financial performance and maximize the value of its assets for the  
27 benefit of the bankruptcy estate and its creditors" [Dkt. No. 2423, p. 1]. The Debtor's proposed Third  
28

1 Amended Plan of Reorganization identifies the assets the Debtor would use to fund a plan.<sup>1</sup> Through its  
2 argument the Debtor has not right sized its operations to improve financial performance for the benefit of  
3 the estate and its creditors, the Committee essentially argues the Debtor should close more churches and  
4 sell them to pay unsecured creditors. The Debtor's proposals in this case support the Debtor's good faith  
5 approach to a fair and equitable settlement and do not constitute bad faith.

6 (2) The Committee argues (citing its own brief as authority, at *id.* p. 2) the Debtor's proposal to  
7 pay unsecured creditors in this Chapter 11 allegedly constitutes bad faith on the part of the Debtor because  
8 according to the Committee the Debtor has not valued the unsecured claims "under state law". There is  
9 no legal support requiring the Debtor to value the unsecured claims under state law. Moreover here, the  
10 Debtor has offered to pay unsecured creditors in this Chapter 11 Case an average per-survivor recovery  
11 which substantially exceeds all average diocesan bankruptcies in which at least 200 non-duplicative abuse  
12 claims were filed and in which a consensual plan was confirmed after January 1, 2015. The Committee  
13 also ignores that the Debtor has accepted the Mediators' Proposal (agreeing to pay even more than the  
14 Debtor's last settlement proposal) to resolve the financial contribution to a settlement, which itself is  
15 evidence of the Debtor's good faith approach to a fair and equitable settlement in this Chapter 11 Case  
16 and does not constitute bad faith.

17 (3) The Committee argues the Debtor has "refused to place all of its assets on the table". On July  
18 25, 2025, this Court entered an order dismissing the Committee's adversary proceeding through which the  
19 Committee had sought to substantively consolidate the assets of non-debtor entities with those of the  
20 Debtor. [AP 24-04053 Dkt. No. 55]. In addition, the Debtor has certain assets which are restricted from  
21 being distributed to unsecured creditors under federal and state law.

22 Finally, the Committee has now abandoned its argument the Debtor's many disclosures about  
23 Livermore constitute bad faith on the part of the Debtor. *See* Dkt. No. 2423 at p. 9, fn. 8 ("To avoid further  
24

25 \_\_\_\_\_  
26 <sup>1</sup> Indeed, should the Debtor (and RCWC) pay the amount it committed to pay through its acceptance of  
27 the Mediators' Proposal, the Debtor and RCWC will need to utilize even more assets to fund the  
28 settlement. The Debtor has determined in the reasonable exercise of its business judgment the amount it  
has committed to pay pursuant to the Mediators' Proposal is the most it can possibly pay to the unsecured  
creditors in this case while continuing its ministry and mission.

1 confusion and debate on this issue, the Committee will not rely on this argument in support of its request  
2 for dismissal with prejudice.”) The Committee withdrew this argument only after the Debtor delivered a  
3 written communication to the Committee on October 24, 2025 which stated the following:

4  
5 As you know, the Debtor has long taken issue with the Committee's false  
6 statements to the Court concerning the Debtor's disclosures to the  
7 Committee about the Livermore Property. The Committee again deployed  
8 these false statements in its response to the Debtor's motion to dismiss (the  
9 “Committee Response”) in its attempt to manufacture a record of "bad faith"  
10 on the Debtor's part. We write to demand the Committee cease its  
11 misstatements of fact about the Livermore Property, now. Aside from it not  
12 being the Debtor's job to monitor and update the Committee regarding a  
13 non-estate asset, especially when the rezoning application and process is a  
14 matter of public record, the evidence indisputably shows the Committee's  
15 statements about the Livermore Property are not true. The Debtor did in  
16 fact inform the Committee about efforts to rezone the Livermore Property,  
17 both inside and outside of the mediation process. The Debtor also disclosed  
18 considerable detail about the Livermore Property in its public filings in the  
19 Chapter 11 Case, including in multiple iterations of the disclosure  
20 statement. (See Exhibit A to the Debtor's reply filed Monday.) We know  
21 from discovery your law firm received information and updates from third-  
22 parties regarding efforts with respect to Livermore beginning in the early  
23 months of the case. And hardly a conversation about settlement between  
24 Debtor and Committee passed without Brent saying something about  
25 leveraging the Livermore Property to pay survivor claims.

26 While the Committee considers its response to the Debtor's reply brief, we  
27 advise you that should the Committee continue to push its lies about the  
28 Livermore Property, the Debtor will at a minimum present all available  
evidence to the Court over any objection the Committee might have. One  
such piece of evidence, the formal redesignation request to the City of  
Livermore of December 2023, was included in the Debtor's submission this  
past Monday.

29 [\*\*\* REDACTED DISCUSSION OF EVIDENCE SUBMITTED TO THE  
30 COMMITTEE DURING MEDIATION\*\*\*]

31 This evidence proves the Committee's arguments on pages 4-5 of the  
32 Committee Response are knowingly false, and that the Committee hoped to  
33 hide the truth behind the mediation privilege. This is not the first time you  
34 have done that in this case. We expect you, as the authors of the Committee  
35 Response, to withdraw this portion of the Committee Response or to present  
36 the above evidence to the Court and acknowledge your error. If you do not,  
37 then we will to the extent necessary to refute all false statements upon which  
38

1 the Committee relies in its pursuit of a bad faith finding and dismissal with  
2 prejudice. (Attached as Exhibit 1, *redacted* as indicated above and without  
3 attachments which have also been *redacted*).

4 Accordingly, the Debtor's conduct with respect to disclosures concerning the Livermore Property  
5 – an asset which is not even owned by the Debtor – cannot be the basis for a finding of bad faith by the  
6 Debtor.<sup>2</sup>

7 None of the Insurers have objected to the Motion to Dismiss nor have any Insurers asserted bad  
8 faith by the Debtor in support of a dismissal with prejudice in this Chapter 11 Case.

9 **C. Selection of Test Cases Following Lift Stay Order**

10 In its supplemental status conference statement filed on September 9, 2025 [Dkt. No. 2292], the  
11 Debtor provided an update on the status of selection of test cases following this Court's July 25, 2025,  
12 order lifting the automatic stay to allow six coordinated state court actions to proceed. Progress toward  
13 selecting those six test cases has been slow, although there has been some limited progress since the  
14 Debtor's September 9 report to this Court.

15 Plaintiffs' liaison counsel, Rick Simons, originally proposed six cases for stay relief but several  
16 failed to satisfy the critical requirement of being estate-neutral in terms of defense costs (i.e., fully covered  
17 by insurance and therefore not imposing any additional litigation costs on RCBO's bankruptcy estate).  
18 RCBO has consistently emphasized any case selected for trial must be vetted for insurance coverage  
19 before proceeding. Following multiple meet-and-confer discussions between RCBO and Mr. Simons,  
20 plaintiffs' counsel identified six cases that satisfy the coverage requirement and thus to which RCBO has  
21 agreed. These were presented to Judge Chatterjee for his consideration by plaintiff's' liaison counsel in  
22 the *Multiple Plaintiffs' and Institutional Defendants' Joint Case Management Statement* [C.R.C. 3.541]  
(the "JCCP October Joint Statement") filed in the JCCP 5108 proceeding on October 21, 2025.

23 At the September case management conference in JCCP 5108, the Superior Court granted the  
24 motion of Pacific Indemnity and certain other insurers to intervene in the JCCP 5108 proceeding. The  
25

26  
27 <sup>2</sup> Although the Reply states that the Committee is not relying on its arguments regarding Livermore, it  
28 also contains substantial argument that the Debtor's conduct was in bad faith, which the Debtor believes  
necessitates clarifying the record as set forth herein.

1 intervening Insurers have stated that they disagree with plaintiffs' liaison counsel's proposed cases and  
2 presented their own competing list of ten cases in the JCCP October Joint Statement.

3 At the October 24, 2025, JCCP 5108 case management conference, Judge Chatterjee stated he will  
4 select six test cases to proceed from among (i) the six proposed by plaintiffs' liaison counsel and (ii) the  
5 ten proposed by the intervening Insurers. He further indicated at least two of the cases will be the first two  
6 proposed by plaintiffs' liaison counsel, which include the Woodall case as anticipated (Woodall is Chair  
7 of the Committee). Judge Chatterjee has not yet issued an order designating the six test cases.

8 Also at the October 24 case management conference, Judge Chatterjee indicated he anticipates  
9 each case will be tried separately, and the likely trial date for the Woodall matter will be in March or April  
10 2026,<sup>3</sup> with the second trial potentially scheduled for May 2026.

11 **D. Status of Insurance Coverage Litigation**

12 The insurance adversary proceeding pending before Judge Corley in the District Court as case  
13 numbers 3:24-cv-00709 and 3:24- cv-00711 (the "Insurance Coverage Litigation") has been stayed except  
14 for written discovery since January 17, 2025, when the District Court granted in part RCBO's motion to  
15 hold the Insurance Coverage Litigation in abeyance. In her order granting the motion Judge Corley  
16 directed the parties to "proceed to obtain all of the written discovery they believe is needed in this  
17 insurance coverage dispute." [Dist. Ct. Dkt. No. 166]. The parties have therefore engaged in extensive  
18 discovery in the months since the abeyance order, and the Debtor continues to aggressively pursue its  
19 coverage rights in the Insurance Coverage Litigation through discovery. The parties have exchanged  
20 written discovery requests and engaged in numerous meet and confer discussions regarding written  
21 discovery. The Debtor has made extensive document productions in response to the Insurers' document  
22 requests, producing more than 58,000 documents to the insurers.

23 Following a case management conference held on August 20, 2025, Judge Corley directed the  
24 parties to file discovery dispute letters not later than October 2, 2025, regarding any remaining disputes.  
25 In light of continued meet and confer efforts, that deadline has been continued by stipulated order to  
26

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27 <sup>3</sup> The Debtor notes this is consistent with its representations to this Court in July 2025 that any trial on  
28 the first test case would be six months to a year out.



November 4, 2025. Currently no further dates are set in the Insurance Coverage Litigation. The Debtor anticipates further hearings will be set following submission of the discovery dispute letters.

**E. Application to Retain Covington as Conflicts Counsel Regarding Insurance**

On October 20, 2025, the Debtor filed its *Debtor's Application to Employ Covington & Burling LLP as Special Insurance Counsel* [Dkt. No. 2416] (the "Covington Application"). By the Covington Application, the Debtor seeks approval effective as of October 7, 2025, for its retention of Covington & Burling, LLP ("Covington") to represent the Debtor as conflicts co-counsel with Foley in the Insurance Coverage Litigation. Covington will represent the Debtor in pursuing insurance coverage from the Debtor's Insurers, including representation in the Insurance Coverage Litigation with regard to matters where Foley has a conflict. This includes with regarding to potential assertion of claims related to insurance bad faith, as to which Foley is conflicted. As set forth in more detail in the Covington Application, the Debtor has selected Covington based on its extensive experience and reputation in representing policyholders in coverage disputes, including in bringing insurance bad faith claims.

No objections to the Covington Application have been filed, and the Debtor has not received any information objections. The Debtor therefore will request the Court enter its proposed order approving Covington's employment, which has been uploaded. Approval is necessary regardless of potential dismissal of the case so Covington can be compensated for the essential work it has performed at the Debtor's request in connection with and following mediation.

**F. Professional Fee Applications And Interim Compensation**

Interim fee applications for estate professionals ("Professionals") for the interim period ending April 30, 2025 (the "Sixth Interim Applications"), were granted, subject to agreed reductions with the fee examiner, by the Court's order entered on September 4, 2025 [Dkt. No. 2281] (the "Sixth Interim Fee Order"). Pursuant to the Court's *Agreed Order Amending Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Dkt. No. 2101] (the "Amended Interim Compensation Order"), the fees allowed by the Sixth Interim Fee Order remain subject to a twenty percent holdback pending further order. All allowed amounts less the holdback have been paid to the Professionals.



Interim Professional fee applications for the interim period ending August 31, 2025, were filed on or before October 15, 2025 (the "Seventh Interim Applications"). The Seventh Interim Applications are set for hearing on December 3, 2025. The fee examiner has confirmed this will provide sufficient time for his review, discussion with Professionals, and reporting. As contemplated by the Amended Interim Compensation Order, the Seventh Interim Applications request payment of allowed holdback amounts for the prior period covered by the Sixth Interim Applications, as well as the period covered by the Seventh Interim Applications.

The Debtor has paid all amounts payable pursuant to monthly fee statements filed by professionals, subject to the applicable holdbacks pursuant to the Court's interim compensation orders.

To the extent a dismissal order is entered prior to the end of 2025, the Debtor anticipates fees incurred after August 31, 2025, will be included in final fee applications filed by Professionals. Should the Debtor determine it is in the best interests of the estate to file a fourth amended plan, the Debtor will reassess its position regarding the interim compensation procedures order and related holdback of professional fees.

DATED: October 28, 2025

Respectfully submitted,

**FOLEY & LARDNER LLP**

Eileen R. Ridley

Shane J. Moses

Ann Marie Uetz

Matthew D. Lee

Geoffrey S. Goodman

Mark C. Moore

/s/ Shane J. Moses

SHANE J. MOSES

*Counsel for the Debtor  
and Debtor in Possession*

# EXHIBIT 1

## Moses, Shane

---

**From:** Lee, Matt  
**Sent:** Friday, October 24, 2025 1:02 PM  
**To:** Prol, Jeffrey D.; Weisenberg, Brent I.; Gabrielle Albert  
**Cc:** Uetz, Ann Marie; Moore, Mark C.; Moses, Shane; Christopher Sontchi; Timothy Gallagher  
**Subject:** In re RCBO: Committee's response to Motion to Dismiss  
**Attachments:** RCBO Emails.zip

Counsel –

As you know, the Debtor has long taken issue with the Committee's false statements to the Court concerning the Debtor's disclosures to the Committee about the Livermore Property. The Committee again deployed these false statements in its response to the Debtor's motion to dismiss (the "Committee Response") in its attempt to manufacture a record of "bad faith" on the Debtor's part. We write to demand the Committee cease its misstatements of fact about the Livermore Property, now. Aside from it not being the Debtor's job to monitor and update the Committee regarding a non-estate asset, especially when the rezoning application and process is a matter of public record, the evidence indisputably shows the Committee's statements about the Livermore Property are not true. The Debtor did in fact inform the Committee about efforts to rezone the Livermore Property, both inside and outside of the mediation process. The Debtor also disclosed considerable detail about the Livermore Property in its public filings in the Chapter 11 Case, including in multiple iterations of the disclosure statement. (See Exhibit A to the Debtor's reply filed Monday.) We know from discovery your law firm received information and updates from third-parties regarding efforts with respect to Livermore beginning in the early months of the case. And hardly a conversation about settlement between Debtor and Committee passed without Brent saying something about leveraging the Livermore Property to pay survivor claims.

While the Committee considers its response to the Debtor's reply brief, we advise you that should the Committee continue to push its lies about the Livermore Property, the Debtor will at a minimum present all available evidence to the Court over any objection the Committee might have. One such piece of evidence, the formal redesignation request to the City of Livermore of December 2023, was included in the Debtor's submission this past Monday. [REDACTED]

I have attached other documents referenced in Section II.B.vii of the Debtor's response, which are as follows:

[REDACTED]

[REDACTED]

This evidence proves the Committee's arguments on pages 4-5 of the Committee Response are knowingly false, and that the Committee hoped to hide the truth behind the mediation privilege. This is not the first time you have done that in this case. We expect you, as the authors of the Committee Response, to withdraw this portion of the Committee Response or to present the above evidence to the Court and acknowledge your error. If you do not, then we will to the extent necessary to refute all false statements upon which the Committee relies in its pursuit of a bad faith finding and dismissal with prejudice.

**Matt Lee**  
*Partner*

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[ATTACHMENTS REDACTED]