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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 WJL Chapter 11 Judge: Hon. William J. Lafferty **NOTICE REGARDING SUBMISSION OF LETTER TO SURVIVORS REGARDING DIOCESE PLAN** [No Hearing Requested]

The Official Committee of Unsecured Creditors (the "**Committee**") of the Roman Catholic Bishop of Oakland (the "**Debtor**") hereby files this notice of submission of its letter (the "**Committee Letter**") to survivors of sexual abuse holding class 4 claims under the *Debtor's Modified Fourth Amended Plan of Reorganization Dated March 27, 2026* [Dkt. No. 2758].

The Committee requests that the Committee Letter, attached hereto as **Exhibit A**, be included alongside the *Disclosure Statement in Support of Debtor's Modified Fourth Amended Plan of Reorganization* [Dkt. No. 2839] and the other documents included in the solicitation packet being served by the Debtor on class 4 claimants. The Committee reserves the right to amend and/or supplement the Committee Letter at any time prior to approval of the documents to be included in the solicitation packet.

Dated: April 28, 2026

LOWENSTEIN SANDLER LLP
BURNS BAIR LLP
KELLER BENVENUTTI KIM LLP

By: */s/ Gabrielle L. Albert*
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- and -

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EXHIBIT A

April [●], 2026

FROM THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE ROMAN CATHOLIC BISHOP OF OAKLAND

To: Holders of Abuse Claims Entitled to Vote on the Fourth Amended Plan of Reorganization in the Bankruptcy Case of The Roman Catholic Bishop of Oakland (Chapter 11 Case No. 23-40523 WJL)

THE COMMITTEE RECOMMENDS THAT HOLDERS OF SEXUAL ABUSE CLAIMS VOTE TO REJECT (VOTE AGAINST) THE DIOCESE PLAN

The Official Committee of Unsecured Creditors (the "**Committee**") in the chapter 11 bankruptcy case of the Roman Catholic Bishop of Oakland (the "**Diocese**" or the "**Debtor**") consists of nine survivors of sexual abuse ("**Survivors**") who are entrusted with representing the interests of all Survivors.

The Diocese has filed a Plan of Reorganization (the "**Diocese Plan**") under which it proposes to pay over 375 Survivors just $150 million, with the lion's share of its payment being made at the tail end of its payment schedule. Making matters worse, it is likely that the Diocese will not be able to start making its payments for more than two years, so the actual payment schedule extends more than 5.5 years.

The Debtor's proposed payment to Survivors averages about $400,000 per Survivor. The Committee believes that this payment is woefully insufficient to fairly compensate Survivors for the terrible trauma they have endured. In comparison, in 2003, the Diocese settled with 54 Survivors for a total of $57.5 million, which averaged $1.64 million per claim on an inflation-adjusted basis. And, on April 22, 2026, an Alameda County jury awarded ***$16 million*** in damages to just one Survivor holding a claim against the Diocese.

The Diocese Plan also allows the Roman Catholic Welfare Corp. ("**RCWC**") to seek releases from approximately 120 Survivor Claims filed against it in exchange for payments totaling $30 million, which would also be paid over a period of years.[1] RCWC's proposed payment of $250,000 on average per claim filed against it is even lower than what the Diocese is offering.

Because the Diocese and RCWC are not offering fair value to Survivors under the Diocese Plan, the Committee recommends that ***Survivors should not support the Diocese Plan and should not agree to grant releases to RCWC***. Rather, the Committee will be filing a motion to dismiss this Chapter 11 Case so that Survivors can pursue their lawsuits in state court before a jury of their peers.

The Debtor should not be permitted to pay Survivors pennies on the dollar for the harm that they have suffered due the Diocese's failure to stop unspeakable physical and emotional harm

[1] RCWC is allegedly a separate legal entity that owns and operates Catholic Schools within the Diocese.

and trauma inflicted on children. Accordingly, ***the Committee strongly recommends that you vote to REJECT the Diocese Plan.***

The Committee believes that dismissal of this Chapter 11 Case is in the best interests of all creditors because, among other reasons:

- it is now readily apparent that claims held by Survivors are worth multiples of what the Debtor and its insurers (the "**Insurers**") are willing to pay in this bankruptcy case;

- dismissal will permit Survivors to proceed with their lawsuits against the Diocese and related parties in state court;

- the Diocese has steadfastly refused to take any number of the actions in this Chapter 11 Case which would dramatically increase the amount of funds available to Survivors;

- confirmation of the Diocese Plan will inevitably lead to lengthy appeals, leaving Survivors years away from receiving any payment through this Chapter 11 Case; and

- state court actions will inevitably continue after this Chapter 11 Case in all events against Debtor affiliate, the Roman Catholic Welfare Corporation, which is unlikely to receive releases under the Diocese Plan.

The Diocese and RCWC Can Pay Survivors Substantially More Than What is Proposed in the Diocese Plan. The Committee believes the Debtor and RCWC fail to use a large portion of their assets to satisfy Abuse Claims. In fact, the Debtor is only proposing to sell assets that the Bishop says he can part with to fund the Diocese Plan. But the Bishop has access to assets worth hundreds of millions dollars that he can be forced to liquidate to satisfy judgements obtained by Survivors in their state court lawsuits.

The Debtor's Insurers are Seeking Massive Bankruptcy Discounts. Throughout this Chapter 11 Case, the Insurers have refused to offer anything close to full value to settle their liability under their policies. Rather, they seek massive "bankruptcy discounts." Dismissal of this Chapter 11 Case will prevent the Insurers from employing many of the strategies they use to tamp down their liability and force cheap settlements. If this Chapter 11 Case is dismissed, Survivors can sue the Debtor and its Insurers in state court to force them to pay fair value to Survivors.

Dismissal Will Allow Survivors to pursue their claims against RCWC in State Court. The Committee urges Survivors not to grant RCWC a release because its proposed payment dramatically undervalues its liability. RCWC owns millions of dollars in assets, including cash, investments, and unencumbered real estate that Survivors can recover if they obtain judgments against RCWC in their state court lawsuits.

The Debtor's proposed Child Protection Protocols are Too Weak. While the Diocese Plan provides for certain child protection protocols, the Debtor's proposal to retain a Compliance Monitor for a limited five-year term fundamentally misunderstands the nature and scope of the reforms that are necessary to protect children from predatory priests in the future. In addition, the Debtor's proposal that the power and authority to investigate abuse revert to the Bishop once the Compliance Monitor's term ends ignores the fundamental structural conflict of interest that required independent oversight in the first instance.

Many of you were harmed by some of the most notorious perpetrators in the Church. The Diocese Plan does not begin to fairly compensate Survivors for the years of negligence and the harm the Diocese failed to stop. Accordingly, in furtherance of its fiduciary duties to all Survivors, the Committee believes that dismissal of this Chapter 11 Case to allow Survivors to pursue their lawsuits in state court is a far more fair and equitable method to resolve Abuse Claims than what is proposed in the Diocese Plan.

If you have any questions about this letter, the Plan, the Disclosure Statement or the voting procedures, please contact Lowenstein Sandler LLP by emailing Jeffrey Prol at jprol@lowenstein.com or Brent Weisenberg at bweisenberg@lowenstein.com.

Very truly yours,

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE ROMAN CATHOLIC BISHOP OF OAKLAND