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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

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' MOTION IN LIMINE TO PRECLUDE OR LIMIT INSURER PARTICIPATION AT THE HEARING ON CONFIRMATION OF THE DEBTOR'S MODIFIED FOURTH AMENDED PLAN OF REORGANIZATION

Judge: Hon. William J. Lafferty

Date: June 12, 2026
Time: 9:00 a.m. (PT)
Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 220
Oakland, CA 94612

The Official Committee of Unsecured Creditors (the "**Committee**") of the Roman Catholic Bishop of Oakland (the "**Debtor**") respectfully moves for an order, substantially in the form attached hereto as **Exhibit A**, limiting the Objecting Insurers'[1] participation at the hearing (the "**Confirmation Hearing**") on confirmation of the *Debtor's Modified Fourth Amended Plan of Reorganization Dated March 27, 2026* (the "**Plan**") [Dkt. No. 2758]. In support thereof, the Committee states as follows:

PRELIMINARY STATEMENT

The issues to be addressed at the upcoming Confirmation Hearing center on, among other things, whether the Plan is proposed in good faith; is in the best interests of Survivors[2]; is feasible; and potentially, whether the Plan is fair and equitable. The Objecting Insurers' concerns are far narrower: they challenge the legality of the Plan's insurance assignment provisions. Consistent with this limited focus, the Objecting Insurers played virtually no role in discovery relating to confirmation of the Plan. In fact, across all the Objecting Insurers, a single deposition was noticed and no expert reports were served.

Given the limited substantive nature of the Objecting Insurers' filings, their lack of standing to participate in the broader confirmation issues, and the interests of judicial economy,

[1] The following Non-Settling Insurers (as defined in the Plan) filed objections or joinders to objections: (i) Westport Insurance Corporation f/k/a Employers Reinsurance Corporation ("**Westport**"); Continental Casualty Company ("**Continental**"); and Pacific Indemnity Company, Pacific Employers Insurance Company, Insurance Company of North America, and Westchester Fire Insurance Company (the "**Pacific Insurers**," and collectively with Westport and Continental, the "**Certain Insurers**"), *see Certain Insurers' Joint Objection to Confirmation of the Debtor's Modified Fourth Amended Plan Dated March 27, 2026* [Dkt. No. 2958], (ii) Pacific Insurers, *see Pacific Insurers' Objection to Confirmation of the Debtor's Modified Fourth Amended Plan of Reorganization* [Dkt. No. 2961], (iii) Travelers Casualty and Surety Company f/k/a The Aetna Casualty & Surety Company ("Travelers"), *see Objection and Reservation of Rights of Travelers to Confirmation of the Debtor's Modified Fourth Amended Plan of Reorganization, Dated March 27, 2026* [Dkt. No. 2946], (iv) United States Fire Insurance Company ("U.S. Fire"), *see United States Fire Insurance Company's Joinder in Certain Insurers' Joint Objection to Confirmation of the Debtor's Modified Fourth Amended Plan* [Dkt. No. 2979], (v) Certain Underwriters at Lloyd's, London and certain London Market Insurers, *see Joinder to Objections of Pacific Insurers and Travelers to Debtor's Modified Fourth Amended Plan of Reorganization Dated March 27, 2026* [Dkt. No. 2985], (vi) London Market Insurers, *see Supplemental Objection to the Debtor's Modified Fourth Amended Plan of Reorganization Dated March 27, 2026* [Dkt. No. 3034] (collectively the "**Objecting Insurers**").

[2] Capitalized terms not defined herein will have the same meaning as set forth in the Plan

their participation at the Confirmation Hearing should be restricted. The Committee requests one of two forms of relief. ***First***, the Court should defer hearing the Objecting Insurers unless and until the Court finds that the Plan can otherwise be confirmed and suspend the Objecting Insurers' participation (not presence) in the Confirmation Hearing pending that determination. ***Alternatively***, if the Court is inclined to hear the Objecting Insurers simultaneously with the Committee's objections, the Objecting Insurers' role should be strictly confined to their narrow objections and they should be prohibited from examining witnesses or challenging evidence on all other issues. Further, to the extent multiple Objecting Insurers signed or joined a brief, those parties should decide on one person to argue any joined objections.[3]

RELEVANT BACKGROUND

The Committee does not support the Plan and has actively prepared for the Confirmation Hearing by exchanging thousands of pages of written discovery with the Debtor, taking multiple depositions of fact and expert witnesses, and issuing affirmative and rebuttal expert reports.

In stark contrast, the Objecting Insurers', who also oppose the Plan, has been minimal. Only one deposition was noticed. Their participation in depositions noticed by other parties was scarce, and they served no affirmative or rebuttal expert reports. Further, their filed objections primarily address the insurance assignment provisions—not the principal issues raised by the Committee in opposition to the Plan.

ARGUMENT

In *Truck Insurance Exchange v. Kaiser Gypsum Co., Inc.*, the Supreme Court held that an insurer with financial responsibility for bankruptcy claims is a "party in interest" under Section 1109(b). 602 U.S. 268, 280–81 (2024). But *Truck* did not grant insurers unlimited standing to be heard on any matter in a bankruptcy case. *Id.* at 284. The Supreme Court did not deputize insurers to act as a roving commission, free to weigh in on issues that do not affect them. Rather, insurers must demonstrate actual, present financial responsibility before

[3] To the extent a Non-Settling Insurer has not filed or joined an objection, their participation should be that of an observer at the Confirmation Hearing.

participating as parties in interest. *See In re Roman Cath. Church of Archdiocese of New Orleans*, No. 20-10846, 2025 WL 3545484, at *2 (Bankr. E.D. La. Dec. 9, 2025). *Truck* did not displace decades of jurisprudence requiring Article III constitutional and prudential standing. *See Lujan v. Defs. of Wildlife*, 504 U.S. 555, 560–61 (1992). Any party in interest must still satisfy all three constitutional standing requirements before being heard on an issue. *Id.* at 561. Moreover, nothing in *Truck* suggests that the Court has relinquished its "equitable discretion to control participation in a proceeding." 602 U.S. at 284 n.5.

The Objecting Insurers lack standing to be heard on any confirmation issue other than whether the Plan's insurance assignment provisions render it non-confirmable. They are not voting creditors. And unlike the insurers in *Truck*, 602 U.S. at 280–81, they do not acknowledge any financial responsibility in this matter. Indeed, the Objecting Insurers take a "paradoxical" position: they insist they bear no obligation for the payment of claims, while simultaneously asserting a right to be heard based on the *possibility* of paying claims. Courts have rejected such positions. *See In re Roman Cath. Diocese of Albany*, No. 23-10244, 2025 WL 2536165, at *6–7 (Bankr. N.D.N.Y. Sept. 3, 2025).

The Objecting Insurers' objections are purely legal in nature. Because of this, the Objecting Insurers have no basis to participate in the examination or cross-examination of the Committee's witnesses, any evidence the Committee seeks to adduce, or the Debtor's witnesses outside the narrow scope of their objections. Their lack of standing, the circumscribed nature of their objections, and judicial economy all support precluding the Objecting Insurers' participation in the Confirmation Hearing unless and until this Court is prepared to find the Plan may be confirmed over Survivors' objection. Permitting active participation in other aspects of the Confirmation Hearing would contravene the standing doctrine, serve no legitimate purpose, and needlessly burden the proceedings.

Alternatively, if the Court permits the Objecting Insurers to participate throughout the Confirmation Hearing, their role should be strictly confined to their narrow objections and any evidence directly bearing on those objections. Under this approach, the Objecting Insurers

should not participate in the examination or cross-examination of the Committee's witnesses, or the Debtor's witnesses outside the scope of their objections. Their participation should be limited to the assignability of their policies—nothing more.

Under either approach, the Court should exercise its inherent authority to control the Objecting Insurers' involvement. *Unigard Sec. Ins. Co. v. Lakewood Eng'g & Mfg. Corp.*, 982 F.2d 363, 368 (9th Cir. 1992) (recognizing courts' "broad discretion to make discovery and evidentiary rulings conducive to the conduct of a fair and orderly trial," including excluding witnesses whose participation would unfairly prejudice an opposing party). If multiple Objecting Insurers have joined certain briefs, those objections should be argued collectively by one person. Any such participation should be strictly cabined to issues raised in their objections and evidence offered by the Debtor relating to those issues—permitting challenges to evidence adduced by the Committee would be impermissibly collateral. Finally, given the limited number of days allotted for the Confirmation Hearing (so far), allowing the Objecting Insurers to expand their participation beyond these boundaries would be unduly prejudicial and an inefficient use of the Court's time.

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WHEREFORE, the Committee respectfully requests that the Court enter an order (1) precluding the Objecting Insurers from participating in the Confirmation Hearing unless and until the Court finds that the Plan may otherwise be confirmed, or alternatively, (2) limiting the Objecting Insurers' participation to the issues raised in their respective objections concerning evidence offered by the Debtor, (3) any joined objections by the Objecting Insurers should be argued collectively by one person, and (4) to the extent any Non-Settling Insurer did not file an objection or join an objection, they should be barred completely from participating in the Confirmation Hearing.

LOWENSTEIN SANDLER LLP
KELLER BENVENUTTI KIM LLP

Dated: June 4, 2026

By: */s/ Michael A. Kaplan*
Michael A. Kaplan
Jeffrey D. Prol
Brent Weisenberg
Colleen Restel

– and –

Tobias S. Keller
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Exhibit A

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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 **[PROPOSED] ORDER PRECLUDING INSURER PARTICIPATION AT THE HEARING ON CONFIRMATION OF THE DEBTOR'S MODIFIED FOURTH AMENDED PLAN OF REORGANIZATION**

The Court having reviewed the *Official Committee of Unsecured Creditors' Motion in Limine to Preclude of Limit the Insurer Participation at the Hearing on Confirmation of the Debtor's Fourth Modified Fourth Amended Plan of Reorganization* [Dkt. No. __] (the "**Motion**")[1] filed on June 4, 2026 by the Official Committee of Unsecured Creditors (the "**Committee**") of the Roman Catholic Bishop of Oakland (the "**Debtor**") in the above-captioned chapter 11 bankruptcy case (the "**Chapter 11 Case**") and after due consideration and good cause appearing,

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED**;
2. Nothing in this Order shall constitute a determination regarding the legality of the legality of the Plan's insurance assignment provisions (the "**Assignment Provisions**"), and all parties' rights are reserved with respect thereto.
3. The Court will not adjudicate the propriety of the Assignment Provisions unless and until it finds that the Plan could otherwise be confirmed.
4. The Objecting Insurers, therefore, lack standing to be heard on the issues to be first adjudicated at the Confirmation Hearing.
5. In the alternative, if the Court elects to hear the Objecting Insurers simultaneously with the Committee's objections, the Objecting Insurers' participation shall be limited to the issues raised in their respective objections concerning evidence offered by the Debtor, and the Objecting Insurers shall not participate in the examination or cross-examination of the Committee's witnesses or challenge evidence adduced by the Committee.

[1] Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.

6. To the extent multiple Objecting Insurers have signed or joined a single objection, those parties shall designate one person to argue such joined objections.

7. To the extent any Non-Settling Insurer did not file an objection or join an objection, such Non-Settling Insurer shall be barred from participating in the Confirmation Hearing.

8. This Court shall retain jurisdiction to resolve any disputes arising from or related to this Order, and to interpret, implement, and enforce the provisions of this Order.

END OF ORDER