



December 4, 2002 - Statement Regarding the Finance Council Meeting

Today the Finance Council of the Roman Catholic Archbishop of Boston (“RCAB”) voted to allow the RCAB to pursue reorganization under Chapter 11 of the Federal Bankruptcy Code, if the RCAB ultimately deems such action necessary to ensure an expeditious and equitable global settlement for the victims of sexual abuse by priests of the Archdiocese. In addition to the approval by the Finance Council, the RCAB would also require other approvals before it could file a Chapter 11 case. The RCAB must also seek approval from the Vatican. No final determination to file Chapter 11 has been made at this time.

The RCAB is seeking to establish a global settlement with all abuse victims, including those who have already filed claims against it and those that may have claims that have not yet been asserted. A global settlement would serve as an alternative to resolving each case by separate litigation or negotiation – an approach that would take many, many years to complete and would likely produce very inconsistent results for the victims. A global settlement would provide the opportunity to achieve an expeditious result for all parties that maximizes the recoveries legally available to all parties and that assures that all claimants receive equal treatment based on the harm they have suffered. In its initial approach to achieving this goal, the Archdiocese and a mediator have begun meeting with the group of lawyers representing the many victims who have filed claims.

“Our goal is to achieve a global settlement for all the victims which is fair, equitable, and satisfactory to claimants. In addition, we would like to ensure that all cases are resolved expeditiously and that the funds available will go to the victim-survivors instead of into litigation costs,” said Donna M. Morrissey, spokesperson for the RCAB. “We believe a mediated resolution would be preferable to seeking Chapter 11 protection and remain hopeful that this process currently underway will be successful. However, we feel it is also necessary to carefully consider the alternative or complementary approach of a Chapter 11 reorganization.”

In seeking a global settlement, the RCAB wants to mitigate these awful events and provide consistent, equitable and expeditious compensation to the victims of this abuse. In addition to a financial settlement, RCAB has created the Office for Assistance and Healing Ministry led by Barbara Thorp to listen and respond to the needs of victim-survivors, who are facing the terrible pain of the consequences of past sexual abuse, through counseling and other means of support. The RCAB, eleven months ago, implemented a comprehensive new policy that does not allow any priest that we are aware of that has a single credible allegation of abuse of a minor to serve in ministry. The policy also requires that all parish staff, clergy, employees and volunteers, particularly those who have custodial responsibility of children, be mandated reporters so that suspected instances of abuse of children learned outside of the sacrament of confession are reported immediately to the appropriate legal and social service authorities. The RCAB is currently in the process of training 200,000 adults and children in parishes and schools as part of a comprehensive educational and abuse prevention program.

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