## OFFICE OF THE ARCHBISHOP

## August 4, 2023

## Dear Friends in Christ:

As many of you may know, Catholic dioceses in California have undergone two "open window" periods allowing individuals under civil law to bring claims for childhood sexual abuse that otherwise would have been barred due to the expiration of the statute of limitations.

In 2002, the California Legislature permitted certain expired claims of childhood sexual abuse not only against the perpetrators but also against third-party defendants (like the dioceses) for a one-year period starting January 1, 2003. This resulted in the Archdiocese of San Francisco selling excess property and drawing on insurance coverage to pay approximately \$68 million to roughly 100 plaintiffs to settle claims.

In 2019, the State of California again removed the statute of limitations on sexual abuse claims for non-profit organizations, opening a new three-year window allowing cases to be filed against the Archdiocese through December 31, 2022. This resulted in more than 500 civil lawsuits being filed against the Archdiocese. The judge assigned to us has set an imminent trial date for one of the initial cases against the Archdiocese.

I want you to know that, as with the 2003 window, the vast majority of the alleged abuse occurred in the 1960s, 1970s, and 1980s and involved priests who are deceased or no longer in ministry. In addition to deceased individuals who can no longer defend themselves, a significant number of these claims include unnamed individuals or named individuals who are unknown to the Archdiocese.

For several months now, with the assistance of our financial and legal advisors, we have been investigating the best options for managing and resolving these cases. After much contemplation and prayer, I wish to inform you that a Chapter 11 bankruptcy reorganization is very likely. It would allow the Archdiocese to achieve two very important goals. First, Chapter 11 is a process that brings all parties together in one place to resolve difficult claims fairly and equitably under the supervision of the bankruptcy court, allowing the Archdiocese to deal with the hundreds of cases collectively rather than one at a time. That could result in a faster resolution for hundreds of survivors, providing them with fair compensation and finally, hopefully, some peace and closure. Secondly, Chapter 11 would allow the Archdiocese to reorganize its financial affairs to continue its vital ministries to the faithful and to the communities that rely on our services and charity.

If a Chapter 11 is filed, only the legal entity, The Roman Catholic Archbishop of San Francisco, a Corporation Sole, would be included. The operations of our parishes and schools should continue as usual without disruption, as should the activities of the Archdiocese. The Archdiocese would join a growing list of dioceses in the United States and California that have filed for protection under the bankruptcy laws. Some of these dioceses have already restructured and emerged from this process.

I am deeply saddened by the sinful acts and the damage caused to the lives of innocent children who put their trust in priests, staff, and volunteers of the Church. I pray for the survivors every day that they will someday find peace. Throughout my service of more than a decade as Archbishop of San Francisco, I have maintained the unwavering commitment to fighting sexual abuse of minors and helping the Church atone for the sins of the past perpetuated by her ministers. I have appointed diligent and serious people to manage our safe environment program, which continues to engage in regular education, background screening, and fingerprinting of employees and volunteers who work with minors.

At the heart of our outreach to survivors is creating a welcoming environment and compassionate assistance. The Archdiocese provides various services to assist survivors, including counseling and spiritual direction.

By utilizing a stringent screening process and enhancing awareness and education for children and adults, the occurrences of abuse within the Church are very rare. Today, I believe the Catholic Church sets the standard for other organizations, showing what can and should be done to protect our children.

The situation remains very fluid, and given the anxiety this scenario understandably presents, we have updated the Protecting Children questions and answers on our <u>website</u> to address some obvious concerns you may have.

I remain committed to the healing and care of survivors who have suffered irreversible harm because of the sins of the Church's ministers and ask you to join me in praying for our Archdiocese, parish communities, schools, and all the survivors of sexual abuse. In particular, I ask you to commit, or renew your commitment, to Living the Consecration that I called for on October 7, 2017, when, in response to a request from many of our people, I consecrated our Archdiocese to the Immaculate Heart of Mary.

While a great majority of these sins were committed many decades ago, it is a sign of Christian solidarity that we join together in praying the rosary daily and at least once a week as a family, spending an hour of adoration of our Lord in the Blessed Sacrament once a week, and fasting on Fridays for the survivors of abuse, for the mission of our Archdiocese, and for the eradication of this shameful crime from our society as a whole. God is pleased by such prayer and penance, and doing so will open our hearts to the blessings He wishes to lavish upon us.

May God shower you and your families with His grace during these difficult times.

Sincerely yours in Christ, our Prince of Peace,

Most Rev. Salvatore J. Cordileone Archbishop of San Francisco