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17 UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WASHINGTON
18 AT SPOKANE

19 In re

20 THE CATHOLIC BISHOP OF
SPOKANE a/k/a THE CATHOLIC
21 DIOCESE OF SPOKANE,

22 Debtor.

Case No. 04-08822-PCW-11

**DEBTOR'S PLAN OF
REORGANIZATION JOINTLY
PROPOSED BY EXECUTIVE
COMMITTEE OF THE
ASSOCIATION OF PARISHES,
DEBTOR, FUTURE CLAIMS
REPRESENTATIVE AND TORT
CLAIMANTS' COMMITTEE**

Dated: January 4, 2007

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ARTICLE 1

INTRODUCTION

1.1 The Executive Committee of the Association of Parishes, the Debtor, the Future Claims Representative and the Tort Claimants' Committee propose the following Plan of Reorganization.

1.2 ALL CREDITORS ARE ENCOURAGED TO CONSULT THE DISCLOSURE STATEMENT BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. AMONG OTHER INFORMATION, THE DISCLOSURE STATEMENT CONTAINS DISCUSSIONS OF THE DEBTOR, THE HISTORICAL BACKGROUND OF THE REORGANIZATION CASE AND THE PREPETITION PERIOD, AND A SUMMARY AND ANALYSIS OF THE PLAN. NO SOLICITATION MATERIALS, OTHER THAN THE DISCLOSURE STATEMENT AND RELATED MATERIALS TRANSMITTED THEREWITH, HAVE BEEN AUTHORIZED BY THE BANKRUPTCY COURT FOR USE IN SOLICITING ACCEPTANCES OR REJECTIONS OF THE PLAN.

1.3 The Court has scheduled the Confirmation Hearing for approval of the Plan on _____, 2007.

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ARTICLE 2
DEFINITIONS

2.1 Definitions. Capitalized terms in this Plan which are not defined in this Article 2 are defined in §§101 and 1101 of the Bankruptcy Code and Bankruptcy Rule 9001.

2.2 Abuse means inappropriate contacts or interactions of a sexual nature between a child and an adult, or a nonconsenting adult and another adult, when the child or nonconsenting adult is being used by the adult as an object of sexual gratification for the adult. A child or nonconsenting adult is abused whether

1 or not this activity involves explicit force, whether or not it involves genital or
2 physical contact, and whether or not there is physical harm to the child or
3 nonconsenting adult. This definition shall not constitute a waiver of any statute of
4 limitations or other defense that would otherwise be available to the Debtor or the
5 Reorganized Debtor under applicable law and the provisions of this Plan with
6 respect to Claims for Abuse that occurred after the Petition Date.

7 2.3 Abused means being subjected to Abuse.

8 2.4 Administrative Expense Claim means a Claim entitled to priority
9 under §507(a)(1) of the Bankruptcy Code, including (a) Claims incurred by Debtor
10 since the Petition Date of a type described in §503(b) of the Bankruptcy Code, (b)
11 all Claims of a Professional Person and (c) all fees and charges assessed against
12 the Estate under 28 U.S.C. §1930.

13 2.5 Allowed Claim means (i) any Claim which has been listed by Debtor
14 in its Schedules, as such Schedules may be amended from time to time in
15 accordance with Bankruptcy Rule 1009, as liquidated in amount and not disputed
16 or contingent and for which no contrary proof of claim has been filed, (ii) any Claim
17 allowed under Article 11 of this Plan, (iii) any Claim which is not a Disputed Claim,
18 (iv) any Ordinary Course Administrative Expense Claim which is not a Disputed
19 Claim, (v) any Claim that is compromised, settled, or otherwise resolved pursuant
20 to the authority granted to the Debtor or the Reorganized Debtor pursuant to a
21 Final Order of the Bankruptcy Court, (vi) any Claim which, if a Disputed Claim, has
22 been allowed by a Final Order, or (vii) any other Claim which has been allowed by
23 a Final Order; provided, however, that any Claim allowed solely for the purpose of
24 voting to accept or reject the Plan pursuant to an order of the Bankruptcy Court
25 shall not be considered an Allowed Claim hereunder. Any party in interest shall
26 have the same right to object to an amendment of Debtor's schedules as to a

1 proof of claim, and any Claim covered by such amendment as to which an
2 objection has been filed shall not become an Allowed Claim until allowed by a
3 Final Order. A reference to a specific class of Claims in conjunction with the word
4 “Allowed” (e.g., Allowed General Unsecured Claim) incorporates this definition of
5 Allowed Claims.

6 2.6 Allowed Future Tort Claim-Extended is defined in Article 11.7.3.1.

7 2.7 Allowed Future Tort Claim-Initial is defined in Article 11.7.2.1.

8 2.8 AOP means the Executive Committee of the Association of Parishes.

9 2.9 Avoidance Actions means any action seeking to avoid any transfer of
10 an interest of Debtor in property, or any obligation incurred by Debtor, that is
11 avoidable pursuant to applicable law and the provisions of the Plan, including
12 without limitation actions pursuant to §§544, 545, and 547-550 of the Bankruptcy
13 Code.

14 2.10 Ballot means the ballot approved by the Bankruptcy Court to
15 accompany the Plan and Disclosure Statement which shall be sent to all Creditors
16 entitled to vote on the Plan.

17 2.11 Ballot Deadline is defined in Article 11.1.1.1.

18 2.12 Bankruptcy Code means Title 11 of the United States Code, 11
19 U.S.C. §§101, et seq., as amended.

20 2.13 Bankruptcy Court means the United States Bankruptcy Court for the
21 Eastern District of Washington.

22 2.14 Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure
23 promulgated under 28 U.S.C. 2075, as amended.

24 2.15 Bar Date means the date established by the Court’s Order Fixing
25 Time For Filing Proofs Of Claim Or Interest, which set March 10, 2006 as the date
26 by which a proof of claim must be filed.

1 2.16 Business Day means any day, other than a Saturday, Sunday or a
2 “legal holiday” (as such term is defined in Bankruptcy Rule 9006(a)).

3 2.17 Cash means United States currency or other immediately available
4 funds denominated in United States currency.

5 2.18 Catholic Entities means any entity in any way related to or affiliated
6 with Debtor which is listed in Schedule 2.18.

7 2.19 Catholic Entity Property is defined in Article 15.3.1.

8 2.20 Claim means “claim” as defined in Bankruptcy Code §101(5).

9 2.21 Claim Payment Date means, as to any Claim, 30 days after the latter
10 of the Effective Date or the date on which such Claim becomes an Allowed Claim.

11 2.22 Class means each of the classifications of Claims and Interests
12 described in Article 4 of the Plan.

13 2.23 Closing Date means the date which is 30 days after the later of (i)
14 the date on which the Confirmation Order was entered or (ii) the date on which any
15 stay of the Confirmation Order entered within 30 days after the date on which the
16 Confirmation Order was entered terminates.

17 2.24 Committees. This term will refer to the TCC and the TLC,
18 collectively.

19 2.25 Confirmation Date means the date on which the Bankruptcy Court
20 enters the Confirmation Order on the Court’s docket.

21 2.26 Confirmation Order means the order of the Bankruptcy Court
22 confirming the Plan pursuant to Bankruptcy Code §1129.

23 2.27 Compromise Fund is defined in Article 11.2.2.

24 2.28 Compromise Process is defined in Article 11.4.

25 2.29 Compromise Tort Claim is defined in Article 11.1.1.

26 2.30 Convenience Fund is defined in Article 11.2.1.

- 1 2.31 Convenience Process is defined in Article 11.3.
- 2 2.32 Convenience Tort Claim is defined in Article 11.1.1.
- 3 2.33 Creditor means “creditor” as defined in Bankruptcy Code §101(10).
- 4 2.34 Debtor means The Catholic Bishop of Spokane, a/k/a The Catholic
5 Diocese of Spokane, a Washington corporation sole.
- 6 2.35 Debtor’s Collateral is defined in Article 15.1.1.2.
- 7 2.36 Debtor’s DOT is defined in Article 15.1.1.1.
- 8 2.37 Debtor’s Loan Documents is defined in Article 15.1.1.1.
- 9 2.38 Debtor’s Note is defined in Article 15.1.1.
- 10 2.39 Declaratory Relief Action means Cause No. 05 CV 00075 JLQ
11 pending before the Honorable Justin L. Quackenbush in District Court.
- 12 2.40 Deposit and Loan Claims means Parish and Catholic Entity Secured
13 and Unsecured Claims for deposits to Debtor’s Deposit and Loan Fund and the
14 Unsecured Claim of Immaculate Heart Retreat Center in the amount of \$1,268.
- 15 2.41 Disallowed means, with respect to a Claim, such Claim or any
16 portion thereof which has been disallowed by a Final Order.
- 17 2.42 Discharged Claims is defined in Article 20.1.
- 18 2.43 Disclosure Statement means the Proponents’ Disclosure Statement
19 approved by the Court for submission to Creditors with this Plan.
- 20 2.44 Disputed Claim means a Claim other than a Tort Claim scheduled as
21 a disputed or contingent Claim, and a Claim other than a Tort Claim for which a
22 proof of claim has been filed and as to which an objection has been or hereafter is
23 timely filed and which objection has not been withdrawn and has not been denied
24 by a Final Order of the Bankruptcy Court.
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- 1 2.45 Disputed Claims Reserve is defined in Article 16.2.
- 2 2.46 District Court means the United States District Court for the Eastern
3 District of Washington.
- 4 2.47 DLF Loans is defined in Article 9.1.
- 5 2.48 Effective Date means the first Business Day on which the conditions
6 specified in Article 19 of the Plan have been satisfied or waived.
- 7 2.49 Estate means the bankruptcy estate of the Debtor created under
8 Bankruptcy Code §541.
- 9 2.50 Estate Fund is defined in Article 15.1.2.
- 10 2.51 Estate's Portion of Catholic Entity Payments is defined in Article
11 15.3.1.
- 12 2.52 Estate's Portion of Parishes' Notes is defined in Article 15.4.1.
- 13 2.53 Executory Contract means every unexpired lease and other contract
14 which is subject to being assumed or rejected by the Debtor under Bankruptcy
15 Code §365, pursuant to the Plan or pursuant to separate motion.
- 16 2.54 FC DOT is defined in Article 15.9.
- 17 2.55 FC Fund is defined in Article 11.2.3.
- 18 2.56 FC Loan Documents is defined in Article 15.9.
- 19 2.57 FC Process is defined in Article 11.7.
- 20 2.58 FCR Tort Claim means the Tort Claim held by the FCR.
- 21 2.59 FCR means Gayle E. Bush, the Future Claims Representative
22 appointed by order of the Bankruptcy Court on June 17, 2005.
- 23 2.60 Final Order means an (i) order or judgment of the Bankruptcy Court
24 or of the District Court as to which the time for appeal has expired without a notice
25 of appeal having been filed or, if a notice of appeal has been filed, as to which
26 such appeal has been finally resolved, or (ii) a final determination by the TCR (in

1 the case of estimation of Matrix Tort Claims, Litigation Tort Claims and
2 Non-Releasing Litigation Tort Claims pursuant to Article 11.2.4, a final
3 determination by the TCR with respect to which a timely motion to review such
4 estimation has not been filed or has been determined by an order or judgment of
5 the Bankruptcy Court or of the District Court as to which the time for appeal has
6 expired without a notice of appeal having been filed or, if a notice of appeal has
7 been filed, as to which such appeal has been finally resolved).

8 2.61 Finally Determined means, with respect to a Claim, a Claim which
9 has been Allowed or Disallowed by a Final Order; and, with respect to a Litigation
10 Tort Claim, a Non-Releasing Litigation Tort Claim or a Future Tort Claim the holder
11 of which has elected to proceed under the FTC Litigation Process, a Claim which
12 has been settled by agreement between the holder of such Claim and the Plan
13 Trustee.

14 2.62 FTC Compromise Process is defined in Article 11.7.2.2.1.

15 2.63 FTC Litigation Process is defined in Article 11.7.2.2.3.

16 2.64 FTC Matrix Process is defined in Article 11.7.2.2.2.

17 2.65 FTC Parish Group 1 is defined in Article 15.9.

18 2.66 FTC Parish Group 2 is defined in Article 15.9.

19 2.67 Intentionally left blank.

20 2.68 Future Claims Commitment is defined in Article 15.9.

21 2.69 Future Tort Claimant means a person (i) who knew that he or she
22 had an incident of sexual contact/touching, sexual abuse, or sexual misconduct by
23 an alleged agent of the Debtor while the person was a minor yet, prior to the Bar
24 Date, failed to make the connection between such incident and injuries arising
25 therefrom, (ii) who, prior to the Bar Date, had not discovered or could not have
26 reasonably discovered that, as a minor, he or she had an incident of sexual

1 contact/touching, sexual abuse, or sexual misconduct by an alleged agent of the
2 Debtor, or (iii) who did not reach the age of eighteen prior to the Bar Date who had
3 claims for sexual abuse by an alleged agent of the Debtor.

4 2.70 Future Tort Claims means Tort Claims held by Future Tort
5 Claimants.

6 2.71 Future Tort Claim-Extended is defined in Article 11.7.3.1.

7 2.72 Future Tort Claim-Initial is defined in Article 11.7.2.1.

8 2.73 General Unsecured Claim means an Unsecured Claim against the
9 Debtor (including, but not limited to, a Claim arising from the rejection of an
10 Executory Contract and a Claim which is the undersecured portion of any Secured
11 Claim), which is not an Administrative Expense Claim, a Priority Tax Claim, a
12 Priority Employee Unsecured Claim, a Priority Unsecured Claim, a General
13 Unsecured Convenience Claim, a Parish and Catholic Entity Secured and
14 Unsecured Claim, a Tort Claim, or a Priest Retirement Claim.

15 2.74 General Unsecured Convenience Claim means a General
16 Unsecured Claim in an amount of \$500 or less, and a General Unsecured Claim of
17 more than \$500 as to which the holder of such Claim irrevocably elects on such
18 holder's Ballot to reduce the amount of such Claim to \$500.

19 2.75 Initial Proportion is defined in Article 11.2.

20 2.76 Insurance Settlements is defined in Article 15.8.

21 2.77 Insurers is defined in Article 15.8.

22 2.78 Insurer Parties is defined in Article 20.4.

23 2.79 Interim Payments is defined in Article 3.1.5.

24 2.80 Litigation Fund is defined in Article 11.2.4.

25 2.81 Litigation Process is defined in Article 11.6.

26 2.82 Litigation Tort Claim is defined in Article 11.1.1.1.

1 2.83 Matrix Protocol means the Matrix Protocol for Compensation of
2 Sexual Abuse Claims attached as Schedule 2.83.

3 2.84 Matrix Fund is defined in Article 11.2.4.

4 2.85 Matrix Process is defined in Article 11.5.

5 2.86 Matrix Tort Claim is defined in Article 11.1.1.1.

6 2.87 Non-Releasing Litigation Fund is defined in Article 11.2.4.

7 2.88 Non-Releasing Litigation Tort Claim is defined in Article 11.1.1.1.

8 2.89 Note 2 Parishes is defined in Article 15.4.3.1.2.

9 2.90 Ordinary Course Administrative Expense Claim means any Claim
10 described in Bankruptcy Code §503(b) incurred by Debtor in the ordinary course of
11 business since the Petition Date.

12 2.91 Parish means a Parish listed in Schedule 2.91, including any Parish
13 school or other ministry operated by such Parish, and Immaculate Heart Retreat
14 Center.

15 2.92 Parish and Catholic Entity Secured and Unsecured Claim means any
16 Secured or Unsecured Claim held by a Parish or Catholic Entity.

17 2.93 Parish Collateral is defined in Article 15.4.3.2.

18 2.94 Parish Group 1 Collateral is defined in Article 15.9.

19 2.95 Parish Group 2 Collateral is defined in Article 15.9.

20 2.96 Parish Entity is defined in Article 15.4.1.

21 2.97 Parish Property is defined in Article 15.4.1.

22 2.98 Parishes' Loan Documents is defined in Article 15.4.3.2.

23 2.99 Parishes' Notes is defined in Article 15.4.3.1.3.

24 2.100 Parishes' Note 1 is defined in Article 15.4.3.1.1.

25 2.101 Parishes' Note 2 is defined in Article 15.4.3.1.2.

26 2.102 Parishes' Note 3 is defined in Article 15.4.3.1.3.

1 2.103 Parish's DOT is defined in Article 15.4.3.1.2.

2 2.104 Participating Catholic Entities means the entities identified on
3 Schedule 2.104.

4 2.105 Participating Parish means a Parish listed in Schedule 2.105.

5 2.106 Payment Agreement is defined in Article 15.9.

6 2.107 Permanent Injunction is defined in Article 20.3.

7 2.108 Person means "person" as defined in Bankruptcy Code §101(41),
8 and all governmental units.

9 2.109 Petition Date means December 6, 2004, which is the date the Debtor
10 filed a voluntary Chapter 11 petition commencing the Reorganization Case.

11 2.110 Petition means the petition by which the Debtor commenced the
12 Reorganization Case.

13 2.111 Plan means this Plan of Reorganization, and every restatement,
14 amendment, or modification thereof, if any.

15 2.112 Plan Trust means the trust that will be created under the Plan Trust
16 Agreement pursuant to Washington law and the Plan.

17 2.113 Plan Trust Agreement means the Plan Trust Agreement in form and
18 substance acceptable to Proponents and approved by the Bankruptcy Court in the
19 Confirmation Order.

20 2.114 Plan Trust Costs and Expenses is defined in Article 11.2.

21 2.115 Plan Trustee means the trustee provided for in Article 13.2.

22 2.116 Plan Trust Reserve is defined in Article 11.2.

23 2.117 Post Confirmation Fees is defined in Article 25.3.

24 2.118 Post Petition Abuse Claim means a Claim for Abuse that occurred
25 after the Petition was filed and before the Effective Date.

1 2.119 Priest Retirement Claims means the legal, equitable and contractual
2 rights of the Priests arising under the Priest Retirement Plan.

3 2.120 Priest Retirement Plan means the Retirement Plan Agreement for
4 the Priests of the Catholic Diocese of Spokane, as it may be amended from time to
5 time, a copy of which is available from Debtor on request.

6 2.121 Priority Employee Unsecured Claim means every Unsecured Claim
7 of an employee of the Debtor for wages, salaries, or commissions, including
8 vacation, severance or sick leave pay, which is entitled to priority pursuant to
9 Bankruptcy Code §507(a)(4) and (5).

10 2.122 Priority Tax Claim means every Unsecured Claim or portion thereof
11 which is entitled to priority pursuant to Bankruptcy Code §507(a)(8).

12 2.123 Priority Unsecured Claim means an Unsecured Claim entitled to
13 priority pursuant to Bankruptcy Code §507(a)(6) and (7).

14 2.124 Professional Fees means fees and costs of a Professional Person.

15 2.125 Professional Person means a person employed pursuant to §§327,
16 328, and 1103 of the Bankruptcy Code and Bankruptcy Rules 2014.

17 2.126 Proponents means the AOP, the Debtor, the FCR and the TCC.

18 2.127 Questionnaire means a questionnaire in the form agreed to by the
19 Proponents and the TLC.

20 2.128 Release Fund is defined in Article 15.1.2.

21 2.129 Release of Claims is defined in Article 11.1.1.

22 2.130 Released Parties is defined in Article 20.3.

23 2.131 Release Portion of Catholic Entity Payments is defined in Article
24 15.3.2.

25 2.132 Release Portion of Parishes' Note is defined in Article 15.4.2.

1 2.133 Reorganization Case means the case under Chapter 11 of the
2 Bankruptcy Code which was commenced by the filing of a voluntary Chapter 11
3 petition by the Debtor on the Petition Date.

4 2.134 Reorganized Debtor means the Debtor, from and after the Effective
5 Date.

6 2.135 Responsible Person means a person (i) who was a Priest, an
7 employee or other agent of the Debtor or any Parish at the time such person
8 committed an act of Abuse, or (ii) for whom or for whose actions the Debtor or any
9 Parish was otherwise legally liable at the time of such Abuse.

10 2.136 Section 541 Litigation means Adversary Proceeding No. 05-80038
11 filed by the TLC against the Debtor, the Parishes and other parties on February 4,
12 2005, and Adversary Proceeding No. 04-00291 filed by Michael Shea against the
13 Debtor on December 22, 2004.

14 2.137 Secured Claim means every Claim, the repayment of which is
15 secured by the assets of the Debtor to the extent of the lesser of the value of such
16 security or the amount of the Claim, including any right to setoff asserted by a
17 Creditor that is treated as a Secured Claim under the Bankruptcy Code, except a
18 Parish and Catholic Entity Secured and Unsecured Claim.

19 2.138 Secured Creditor means every Creditor which holds a Secured
20 Claim.

21 2.139 Settled Compromise Tort Claim is defined in Article 11.1.2.

22 2.140 Settled Matrix Tort Claim is defined in Article 11.1.2.

23 2.141 TCC means the Official Committee of Tort Claimants appointed by
24 the U.S. Trustee on December 23, 2004, as reconstituted on February 2, 2005, to
25 represent the interests of Tort Claimants who, as of the Date of Filing, had not filed
26 a lawsuit against the Debtor, excluding Future Tort Claimants.

1 the extent it qualifies within the definition of such Class and is in a different Class
2 to the extent it qualifies within the definition of such different Class.

3 4.2 Classes. For purposes of the Plan, Claims against the Debtor are
4 hereby classified in the following classes in accordance with Bankruptcy Code
5 §1122(a) as follows:

6 4.2.1 Class 1. Priority Employee Unsecured Claims.

7 4.2.2 Class 2. Priority Unsecured Claims.

8 4.2.3 Class 3. Secured Claims.

9 4.2.4 Class 4. General Unsecured Convenience Claims.

10 4.2.5 Class 5. Deposit and Loan Claims and Other Parish and
11 Catholic Entity Secured and Unsecured Claims.

12 4.2.6 Class 6. General Unsecured Claims.

13 4.2.7 Class 7. Tort Claims.

14 4.2.8 Class 8. Priest Retirement Claims.

15 **ARTICLE 5**
16 **TREATMENT OF CLASS 1 CLAIMS**
(PRIORITY EMPLOYEE UNSECURED CLAIMS)

17 5.1 Distribution. Each holder of an Allowed Priority Employee
18 Unsecured Claim shall be treated by the Reorganized Debtor in accordance with
19 the policies and procedures regarding each item comprising such Claim in effect
20 on the latter of Claim Payment Date or the date which is 30 days after the date on
21 which such Claim would have become matured and liquidated but for the filing of
22 the Petition.

23 5.2 Impairment. Class 1 Claims are not impaired under the Plan.

24 **ARTICLE 6**
25 **TREATMENT OF CLASS 2 CLAIMS**
(PRIORITY UNSECURED CLAIMS)

1 9.1 Distribution and Security. On the Effective Date, the Reorganized
2 Debtor shall, without representation or warranty, assign to an entity acceptable to
3 the Proponents, in trust for the benefit of each holder of an Allowed Deposit and
4 Loan Claim, all then outstanding loans payable to the Debtor's Deposit and Loan
5 Fund ("DLF Loans"), subject to the first and second priority security interests
6 granted to the Plan Trustee by the Debtor's Loan Documents and the FC Loan
7 Documents, and shall instruct all obligors on the DLF Loans to make all payments
8 directly to such entity. The Plan Trustee's interest in the DLF Loans and the
9 proceeds thereof shall be senior to the interest(s) of: (a) any beneficial interest of a
10 holder of an Allowed Deposit and Loan Claim in the DLF Loans and proceeds
11 thereof and (b) any holder of a right of setoff. Such entity shall hold all payments
12 received on and proceeds of DLF Loans in trust subject to the Plan Trustee's first
13 and second priority security interests until the date on which the October 1, 2007
14 \$37 million payment and the December 31, 2007 \$10 million plus interest payment
15 on Debtor's Note are paid in full when due and shall invest such payments in short
16 term obligations of or insured by the United States of America. After the date on
17 which the October 1, 2007 \$37 million payment and the December 31, 2007 \$10
18 million plus interest payment on Debtor's Note are paid in full when due, such
19 entity shall distribute all then remaining proceeds of DLF Loans to holders of
20 Allowed Deposit and Loan Fund Claims in accordance with an agreement between
21 the Debtor or the Reorganized Debtor and the Parishes and Catholic Entities to be
22 negotiated outside this Plan, and shall continue to hold, collect and distribute the
23 proceeds of the DLF Loans for the benefit of all holders of Allowed Deposit and
24 Loan Claims. The balance due to each holder of an Allowed Deposit and Loan
25 Claim shall be paid in accordance with an agreement between the Debtor or the
26 Reorganized Debtor and the Parishes and Catholic Entities to be negotiated

1 outside this Plan. Allowed Deposit and Loan Claims shall not be paid in full or in
2 part or offset against the DLF Loans or proceeds thereof before the date on which
3 the October 1, 2007 \$37 million payment and the December 31, 2007 \$10 million
4 plus interest payment on Debtor's Note are paid in full when due.

5 9.2 Allowance. All Deposit and Loan Claims listed in Schedule 9.2 shall
6 be allowed in the amount so listed in full on the Effective Date. All other Parish
7 and Catholic Entity Secured and Unsecured Claims, including claims for liens on
8 or otherwise related to the Parish Properties, shall be disallowed in full on the
9 Effective Date.

10 9.3 Impairment. Class 5 Claims are impaired under the Plan.

11 **ARTICLE 10**
12 **TREATMENT OF CLASS 6 CLAIMS**
13 **(GENERAL UNSECURED CLAIMS)**

14 10.1 Distribution. Each holder of an Allowed General Unsecured Claim
15 shall be paid in full in Cash by the Reorganized Debtor in 2 equal installments,
16 plus interest at the rate of 5% per annum from and after the Effective Date, with
17 the first installment to be paid on the first Business Day that is 6 months after the
18 Claim Payment Date and the second installment to be paid on the first Business
19 Day that is 12 months after the Claim Payment Date.

20 10.2 Impairment. The Class 6 General Unsecured Claims are impaired
21 under the Plan.

22 **ARTICLE 11**
23 **TREATMENT OF CLASS 7 CLAIMS**
24 **(TORT CLAIMS)**

25 11.1 Election of Treatment of Class 7 Claims.

26 11.1.1 Election of Convenience Tort Claim, Compromise Tort Claim,
Matrix Tort Claim, Litigation Tort Claim or Non-Releasing Litigation Tort Claim
Treatment.

1 11.1.1.1 Election and Release. Each holder of a Class 7 Tort
2 Claim (except the FCR, Future Tort Claimants, Settled Compromise Tort
3 Claimants, and Settled Matrix Tort Claimants) may elect to be treated as a holder
4 of (i) a “Convenience Tort Claim”, which is a Tort Claim to be allowed and paid
5 under the Convenience Process, (ii) a “Compromise Tort Claim”, which is a Tort
6 Claim to be allowed and paid under the Compromise Process, (iii) a “Matrix Tort
7 Claim”, which is a Tort Claim to be allowed and paid under the Matrix Process, (iv)
8 a “Litigation Tort Claim”, which is a Tort Claim to be allowed and paid under the
9 Litigation Process, or (v) a “Non-Releasing Litigation Tort Claim”, which is a Tort
10 Claim to be allowed and paid under the Litigation Process. Such election shall be
11 made on such holder’s Ballot, and, except in the case of an election of
12 Non-Releasing Tort Claim treatment, executing and delivering to Debtor on or
13 before _____, 2007 (the “Ballot Deadline”) a “Release of Claims” in the
14 form incorporated into the Ballot pursuant to which the Tort Claimant releases all
15 Claims against the Parishes, the Catholic Entities (except Morning Star Boys
16 Ranch) and the Insurers in exchange for the treatment of such Claims under this
17 Plan. Notwithstanding the foregoing, if before or after the Effective Date the
18 holder of a Class 7 Tort Claim (except the FCR, Future Tort Claimants, Settled
19 Compromise Tort Claimants and Settled Matrix Tort Claimants) fails to comply with
20 an order of the Bankruptcy Court requiring a sworn oral statement to be given to
21 the person to be designated in Article 13.2 as the TCR regarding the Abuse
22 suffered by such Claimants, within 30 days after the date set for the taking of such
23 statement (or such later date agreed to by the TCR or set by the Bankruptcy
24 Court), such holder shall be deemed to have elected to be treated as a holder of a
25 Convenience Tort Claim, which deemed election shall be irrevocable, and to have
26 executed and delivered a Release of Claims. Counsel for any Tort Claimant who

1 is required to provide a sworn oral statement shall be provided a copy of the Matrix
2 Protocol before such statement is given.

3 11.1.1.2 Complaint by Litigation Tort Claimant and
4 Non-Releasing Litigation Tort Claimants: Release by Non-Releasing Litigation Tort
5 Claimants. If holder of a Litigation Tort Claim or a Non-Releasing Litigation Tort
6 Claim has not filed a complaint alleging such claim in a court of competent
7 jurisdiction before making an election to be treated as a holder of a Litigation Tort
8 Claim or a Non-Releasing Litigation Tort Claim, such holder must file and serve on
9 the Plan Trustee such a complaint within 60 days after the Effective Date. If a
10 holder of a Litigation Tort Claim does not file such complaint, such holder shall be
11 deemed to have elected to be treated as a holder of a Matrix Tort Claim. If a
12 holder of a Non-Releasing Litigation Tort Claim does not file such complaint, such
13 holder shall be deemed to have conditionally elected to be treated as a holder of a
14 Matrix Tort Claim. To complete such conditional election, such holder must
15 execute and deliver to the Debtor a Release of Claims within 60 days after the
16 Effective Date. Debtor shall give such holder notice within 15 days after the
17 Effective Date of such conditional election and his or her right to complete such
18 conditional election. If such holder does not execute and deliver to the Debtor a
19 Release of Claims within 60 days after the Effective Date, such holder shall be
20 deemed to have elected to be treated as a holder of a Convenience Tort Claim,
21 which election shall be irrevocable, and to have executed and delivered a Release
22 of Claims.

23 11.1.1.3 Amended Election by Holders of Compromise Tort
24 Claims, Matrix Tort Claims, Litigation Tort Claims and Non-Releasing Litigation
25 Tort Claims.

1 11.1.1.3.1 Litigation Tort Claim and Non-Releasing

2 Litigation Tort Claim. At any time prior to earliest of the date on which the Plan
3 Trustee has filed a dispositive motion with respect to, or trial has commenced on,
4 the Claim of a holder of a Litigation Tort Claim or a Non-Releasing Litigation Tort
5 Claim, such holder may amend his or her election to instead elect treatment as the
6 holder of a Convenience Tort Claim, Compromise Tort Claim, or Matrix Tort Claim
7 by delivering a written notice of such election (and in the case of a holder of a
8 Non-Releasing Litigation Tort Claim, a Release of Claims) to the TCR and the
9 Plan Trustee. Any such amended election shall be irrevocable. Except as
10 provided in this Article 11.1.1.3.1, an election of treatment as a holder of a
11 Litigation Tort Claim or a Non-Releasing Litigation Tort Claim is irrevocable. Any
12 such amended election shall be deemed to be a consent to a limitation of the
13 amount of any distribution with respect to such holder's Allowed Claim to the
14 lesser of

15 (a) the portion of the Litigation Fund or
16 Non-Releasing Litigation Fund which bears the same proportion to the total of
17 such Fund as the amount of such holder's Litigation Tort Claim or Non-Releasing
18 Litigation Tort Claim as estimated under Article 11.2.4 bears to the amount of all
19 Litigation Tort Claim or Non-Releasing Litigation Tort Claim as estimated under
20 Article 11.2.4, minus

21 (i) all pre-litigation and
22 litigation Professional Fees and expenses attributable to such Claim which
23 accrued through the date of such amended election, and

24 (ii) the portion of all other Plan
25 Trust Costs and Expenses allocated to the Litigation Fund or the Non-Releasing
26 Litigation Fund which accrued through the date of such amended election which

1 bears the same proportion to all such Plan Trust Costs and Expenses as the
2 amount of such holder's Litigation Tort Claim or Non-Releasing Litigation Tort
3 Claim as estimated under Article 11.2.4 bears to the amount of all Litigation Tort
4 Claim or Non-Releasing Litigation Tort Claim as estimated under Article 11.2.4, or

5 (b) the distribution such holder would
6 have received if such amended election had been such holder's initial election or
7 deemed election, and such holder's Claim had been included in determining the
8 amount of the applicable Fund (e.g., the Matrix Fund in the case of an amended
9 election to be treated as the holder of a Matrix Tort Claim, etc.) under Article 11.2.
10 The amount so determined shall be transferred from the Litigation Fund or the
11 Non-Releasing Litigation Fund to the Fund from which such amended Claim will
12 be paid.

13 11.1.1.3.2 Matrix Tort Claim. At any time prior to
14 final allowance or disallowance of a Matrix Tort Claim, the holder of such Claim
15 may amend his or her election or deemed election to instead elect treatment as
16 the holder of a Convenience Tort Claim or a Compromise Tort Claim by delivering
17 a written notice of such election to the TCR. Any such amended election shall be
18 irrevocable. Except as provided in this Article 11.1.1.3.2, an election or deemed
19 election of treatment as a holder of a Matrix Tort Claim is irrevocable. If the
20 amended Claim is allowed, the allowed amount of such Claim shall be transferred
21 from the Matrix Fund to the Fund from which such amended Claim will be paid.

22 11.1.1.3.3 Compromise Tort Claim. At any time
23 prior to final allowance or disallowance of a Compromise Tort Claim, the holder of
24 such Claim may amend his or her election to instead elect treatment as the holder
25 of a Convenience Tort Claim by delivering a written notice of such election to the
26 TCR. Any such amended election shall be irrevocable. Except as provided in this

1 Article 11.1.1.3.3, an election of treatment as a holder of a Compromise Tort Claim
2 is irrevocable. If the amended Claim is allowed, the allowed amount of such Claim
3 shall be transferred from the Compromise Fund to the Convenience Fund.

4 11.1.1.4 Deemed Election of Matrix Tort Claim or
5 Non-Releasing Litigation Tort Claim Treatment. Each holder of a Class 7 Tort
6 Claim (except the FCR, Future Tort Claimants, Settled Compromise Tort
7 Claimants, Settled Matrix Tort Claimants and Non-Releasing Litigation Tort
8 Claimants) who does not elect to be treated as a holder of a Convenience Tort
9 Claim, a Compromise Tort Claim, a Matrix Tort Claim or a Litigation Tort Claim by
10 making such election on such holder's Ballot and executing and delivering to
11 Debtor on or before the Ballot Deadline a Release of Claims shall be deemed to
12 have conditionally elected to be treated as a holder of a Matrix Tort Claim, To
13 complete such conditional election, such holder must execute and deliver to the
14 Debtor a Release of Claims within 60 days after the Effective Date. Debtor shall
15 give such holder notice within 15 days after the Effective Date of such conditional
16 election and his or her right to complete such conditional election. If such holder
17 does not execute and deliver to the Debtor a Release of Claims within 60 days
18 after the Effective Date, such holder shall be deemed to have elected to be treated
19 as a holder of a "Non-Releasing Litigation Tort Claim", which is a Tort Claim to be
20 allowed and paid under the Litigation Process. A reference to a Litigation Tort
21 Claim does not include a Non-Releasing Litigation Tort Claim.

22 11.1.2 Deemed Election of Settled Compromise Tort Claim or Settled
23 Matrix Tort Claim Treatment. A holder of a "Settled Compromise Tort Claim",
24 which is a Claim settled by Debtor in a stated amount of \$45,000 or less listed on
25 Schedule 11.1.2(a) the settlement of which is approved by the Bankruptcy Court
26 under Bankruptcy Rule 9019, shall be deemed to have elected to be treated under

1 the Compromise Process, and shall be required to execute and deliver to Debtor
2 on or before the Ballot Deadline a Release of Claims. A holder of a “Settled Matrix
3 Tort Claim”, which is a Claim settled by Debtor in a stated amount more than
4 \$45,000 listed on Schedule 11.1.2(b), the settlement of which is approved by the
5 Bankruptcy Court under Bankruptcy Rule 9019, shall be deemed to have elected
6 to be treated under the Matrix Process, and shall be required to execute and
7 deliver to Debtor on or before the Ballot Deadline a Release of Claims. A
8 reference to a Compromise Tort Claim or a Matrix Tort Claim does not include a
9 Settled Compromise Tort Claim or a Settled Matrix Tort Claim, respectively. A
10 holder of a Tort Claim listed on Schedules 11.1.2(a) or (b) the settlement of which
11 is not approved by the Bankruptcy Court under Bankruptcy Rule 9019 may elect to
12 be treated under Articles 11.1.1.

13 11.1.3 FCR Tort Claim and Future Tort Claims. The FCR Tort Claim
14 and Future Tort Claims shall be allowed and paid through the FC Process.

15 11.1.4 Combined Voting. For purposes of accepting or rejecting the
16 Plan, all Class 7 Tort Claims shall be treated as a single class.

17 11.2 Allocation of Estate Fund and Release Fund. As soon as practicable
18 after the Effective Date, the Plan Trustee shall establish a reserve (“Plan Trust
19 Reserve”) for the costs and expenses of administration of the Plan Trust, including
20 but not limited to fees and expenses, including Professional Fees, of the TCR and
21 Plan Trustee, Post-Confirmation Professional Fees payable by the Plan Trust
22 pursuant to Article 25.3 and reasonable contingencies (“Plan Trust Costs and
23 Expenses”). From time to time thereafter, the Plan Trustee may increase the Plan
24 Trust Reserve. The Plan Trust Reserve shall be funded from the Estate Fund and
25 the Release Fund in proportion to the amount of such Funds, after reduction of the
26 amount of the Estate Fund pursuant to Article 15.1.2 to account for certain

1 payments of Allowed Administrative Expense Claims for Professional Fees (“Initial
2 Proportion”). As soon as practicable after the Effective Date, the balance of the
3 Estate Fund and the Release Fund shall be allocated as follows:

4 11.2.1 Convenience Fund. An amount equal to the sum of all
5 Allowed Convenience Tort Claims, plus a reserve of \$15,000 multiplied by the
6 number of Convenience Tort Claims that have not been Finally Determined, to a
7 fund for payment of the aggregate Allowed Convenience Tort Claims
8 (“Convenience Fund”), charged to the Estate Fund and the Release Fund in
9 accordance with the Initial Proportion.

10 11.2.2 Compromise Fund. An amount equal to the sum of (i) all
11 Allowed Compromise Tort Claims, (ii) all Allowed Settled Compromise Tort Claims,
12 (iii) all Tort Claims listed on Schedule 11.1.2(a) as to which a Bankruptcy Rule
13 9019 proceeding has not been determined by a Final Order, and (iv) the product of
14 \$45,000 multiplied by the number of Compromise Tort Claims that have not been
15 Finally Determined, to a fund for the aggregate Allowed Compromise Tort Claims
16 and Allowed Settled Compromise Tort Claims (“Compromise Fund”), charged to
17 the Estate Fund and the Release Fund in accordance with the Initial Proportion.

18 11.2.3 FC Fund. \$1 million for Allowed Future Tort Claims-Initial
19 (“FC Fund”), charged to the Estate Fund and the Release Fund in accordance with
20 the Initial Proportion.

21 11.2.4 Matrix Fund, Litigation Fund, and Non-Releasing Litigation
22 Fund. The TCR shall estimate the aggregate amount of the Matrix Tort Claims,
23 Litigation Tort Claims and Non-Releasing Litigation Tort Claims by assigning each
24 claim to a tier of the Matrix Protocol and utilizing the mean of the range of values
25 for each claim in such tier, and shall mail a summary of the results of such
26 estimation to all holders of Matrix Tort Claims, Litigation Tort Claims, and

1 Non-Releasing Litigation Tort Claims and to their counsel if such counsel has
2 requested such summary in writing from the TCR. Such estimation shall be
3 reviewable by the Bankruptcy Court only on a motion of any party in interest filed
4 within 10 days after the date such summary is mailed by the TCR, and shall be
5 approved unless the moving party proves that the TCR's estimation in the
6 aggregate constitutes an abuse of discretion. The balance of the Estate Fund, net
7 of the portion of the Plan Trust Reserve, the Convenience Fund, the Compromise
8 Fund, and the FC Fund charged to the Estate Fund, shall be finally and
9 conclusively allocated (i) to a fund for payment of the aggregate Allowed Matrix
10 Tort Claims and Allowed Settled Matrix Tort Claims ("Matrix Fund"), (ii) to a fund
11 for the payment of the aggregate Allowed Litigation Tort Claims ("Litigation Fund"),
12 and (iii) to a fund for the payment of the aggregate Allowed Non-Releasing
13 Litigation Tort Claims ("Non-Releasing Litigation Fund") based on the relative
14 proportions of (a) the sum of all estimated Matrix Tort Claims and all Allowed
15 Settled Matrix Tort Claims, (b) the sum of all estimated Litigation Tort Claims, and
16 (c) the sum of all estimated Non-Releasing Litigation Tort Claims. The balance of
17 the Release Fund, net of the portion of the Plan Trust Reserve, the Convenience
18 Fund, the Compromise Fund, and the FC Fund charged to the Release Fund, shall
19 be finally and conclusively allocated to the Matrix Fund and the Litigation Fund
20 based on the relative proportions of (a) the sum of all estimated Matrix Tort Claims
21 and all Allowed Settled Matrix Tort Claims, and (b) the sum of all estimated
22 Litigation Tort Claims.

23 11.2.5 Separate Administration. After the Estate Fund and the
24 Release Fund are allocated to a Fund pursuant to this Article 11.2, such Fund
25 shall be separately administered by the Plan Trustee; and all Plan Trust Costs and
26 Expenses of each such Fund, including costs of litigating or otherwise determining

1 Tort Claims potentially payable from such Fund, shall be borne solely by such
2 Fund; provided, however, that if there is any balance remaining in the Compromise
3 Fund or the Convenience Fund after all Allowed Claims payable from such Fund
4 are paid in full, and a reserve for all Plan Trust Costs and Expenses of such Fund
5 is established, such balance shall be distributed to the Matrix Fund, the Litigation
6 Fund, and the Non-Releasing Litigation Fund in proportion to the original amount
7 of such Funds; provided further, that if there is any balance remaining in the
8 Litigation Fund or the Non-Releasing Litigation Fund after all Allowed Claims
9 payable from such Fund are paid in full, and a reserve for all Plan Trust Costs and
10 Expenses of such Fund is established, such balance shall be distributed to the
11 Matrix Fund. If the net proceeds of the liquidation of any item of Trust Property
12 liquidated after allocation to the Matrix Fund, the Litigation Fund, and the
13 Non-Releasing Litigation Fund is different from the fair market value estimated by
14 the Plan Trustee when making such allocation, the difference shall be allocated
15 between such Funds in proportion to the original amount of such Funds after
16 adjustment for any reallocation from the Litigation Fund or the Non-Releasing
17 Litigation Fund to the Matrix Fund under Article 11.1.1.3.1.

18 11.3 Convenience Process.

19 11.3.1 Distribution. Each holder of an Allowed Convenience Tort
20 Claim shall be paid such holder's Allowed Claim in Cash by the Plan Trust from
21 the Convenience Fund on the later of the Claim Payment Date or the date which is
22 30 days after the date on which a portion of the Estate Fund and a portion of the
23 Release Fund is allocated to the Convenience Fund.

24 11.3.2 Allowance. A Convenience Tort Claim shall be allowed in the
25 amount of \$15,000 if the TCR determines based on the Tort Claimant's proof of
26 claim in the Bankruptcy Case and, if requested by the TCR, the Tort Claimant's

1 Questionnaire that a preponderance of the evidence shows that the Tort Claimant
2 was Abused. The TCR shall not consider (i) whether the person who Abused the
3 Tort Claimant was a Responsible Person, (ii) any applicable statute of limitations
4 or the passage of time since the date(s) of such Abuse, or (iii) any other defenses
5 of Debtor, in making such determination. The TCR may, however, consider the
6 credibility of the Tort Claimant and the facts alleged in support of the Claim.

7 11.4 Compromise Process.

8 11.4.1 Distribution.

9 11.4.1.1 Allowed Compromise Tort Claims. Each holder of
10 an Allowed Compromise Tort Claim shall be paid the amount of such holder's
11 Allowed Claim in Cash by the Plan Trust from the Compromise Fund on the later
12 of the Claim Payment Date or the date which is 30 days after the date on which a
13 portion of the Estate Fund and a portion of the Release Fund is allocated to the
14 Compromise Fund.

15 11.4.1.2 Allowed Settled Compromise Tort Claims. Each
16 holder of an Allowed Settled Compromise Tort Claim shall be paid in Cash the
17 agreed amount of such holder's Claim set forth in Schedule 11.2.1(a) by the Plan
18 Trust from the Compromise Fund on the later of the Claim Payment Date or the
19 date which is 30 days after the date on which a portion of the Estate Fund and a
20 portion of the Release Fund is allocated to the Compromise Fund.

21 11.4.2 Allowance.

22 11.4.2.1 Compromise Tort Claims. A Compromise Tort
23 Claim shall be allowed if the TCR determines that the Tort Claimant has proved by
24 a preponderance of the evidence that Tort Claimant was Abused by a Responsible
25 Person, and that the Tort Claimant's Abuse would fall within one or more of Tiers
26 1-3 of the Matrix Protocol if the Claim were determined under the Matrix Process.

1 Such Claim shall be allowed in the amount of \$45,000 if the TCR determines by a
2 preponderance of the evidence that the holder of such Claim was a minor at the
3 time of such Abuse, and in the amount of \$30,000 if the TCR determines by a
4 preponderance of the evidence that the holder of such Claim was an adult at the
5 time of such Abuse. The TCR shall not consider any applicable statute of
6 limitations, the passage of time since the date(s) of such Abuse, or any other
7 defenses of Debtor, in making such determinations. The TCR may, however,
8 consider the credibility of the Tort Claimant and the facts alleged in support of the
9 claim.

10 11.4.2.2 Allowed Settled Compromise Tort Claims. A Settled
11 Compromise Tort Claim shall be automatically allowed upon the Effective Date in
12 the amount listed on Schedule 11.1.2(a).

13 11.4.3 Tier 4 Claims. If the TCR determines by a preponderance of
14 the evidence that the Abuse of a Tort Claimant who has elected to be treated as a
15 Compromise Tort Claim would fall within only Tier 4 of the Matrix Protocol if the
16 Claim were determined under the Matrix Process, such Claimant's Claim shall be
17 determined, and, if allowed, paid under the Convenience Process. The allowed
18 amount of such Claim shall be transferred from the Matrix Fund to the
19 Convenience Fund.

20 11.5 Matrix Process.

21 11.5.1 Matrix Protocol. The Matrix Protocol shall be implemented
22 and enforced by the Plan Trustee and the TCR as though fully set forth herein.

23 11.5.2 Distribution. Each holder of an Allowed Matrix Tort Claim, and
24 each holder of an Allowed Settled Matrix Tort Claim, shall be paid in Cash by the
25 Plan Trust such holder's pro rata share of the Matrix Fund (but not more than the
26 full amount of such Allowed Claim) within 30 days after the later of the date on

1 which all Matrix Tort Claims have been Finally Determined, or the amount of the
2 Matrix Tort Claims has been estimated by a Final Order and the Matrix Fund has
3 been funded.

4 11.5.3 Allowance.

5 11.5.3.1 Settled Matrix Tort Claim. A Settled Matrix Tort
6 Claim shall be automatically allowed upon the Effective Date in the amount set
7 forth in Schedule 11.1.2(b).

8 11.5.3.2 Matrix Tort Claim. A Matrix Tort Claim shall be
9 allowed if the TCR determines that the Tort Claimant has proved by a
10 preponderance of the evidence that the Tort Claimant was Abused by a
11 Responsible Person, and does not find that there is clear, cogent and convincing
12 evidence that the applicable statute of limitations under Chapter 4.16 of the
13 Revised Code of Washington for such Matrix Tort Claim had run on or before
14 December 6, 2004. If a Matrix Tort Claim is allowed, the TCR shall determine the
15 amount of such Tort Claim by assigning such Tort Claim a value pursuant to the
16 Matrix Protocol. The TCR may consider the credibility of the Tort Claimant and the
17 facts alleged in support of the Tort Claim and, in the TCR's sole discretion, reduce
18 or deny the Tort Claim.

19 11.6 Litigation Process.

20 11.6.1 Distribution.

21 11.6.1.1 Allowed Litigation Tort Claim. Each holder of an
22 Allowed Litigation Tort Claim shall be paid in Cash by the Plan Trust such holder's
23 pro rata share of the Litigation Fund (but not more that the full amount of such
24 Allowed Litigation Tort Claim) within 30 days after of the later of the date on which
25 all Litigation Tort Claims have been Finally Determined, or the amount of the
26

1 Litigation Tort Claims has been estimated by a Final Order of the TCR and the
2 Litigation Fund has been funded.

3 11.6.1.2 Allowed Non-Releasing Litigation Tort Claim. Each
4 holder of an Allowed Non-Releasing Litigation Tort Claim shall be paid in Cash by
5 the Plan Trust such holder's pro rata share of the Non-Releasing Litigation Fund
6 (but not more than the full amount of such Allowed Non-Releasing Litigation Tort
7 Claim) within 30 days after of the later of the date on which all Non-Releasing
8 Litigation Tort Claims have been Finally Determined, or the amount of the
9 Non-Releasing Litigation Tort Claims has been estimated by a Final Order of the
10 TCR and the Non-Releasing Litigation Fund has been funded.

11 11.6.2 Allowance. Allowance of a Litigation Tort Claim or a
12 Non-Releasing Litigation Tort Claim shall be determined either by a trial of such
13 Tort Claim conducted by a court of competent jurisdiction (in the case of a Tort
14 Claimant who filed a complaint before the Petition Date, the court in which such
15 complaint is pending), or a settlement between the Tort Claimant and the Plan
16 Trustee. Any such Litigation Tort Claim or Non-Releasing Litigation Tort Claim is
17 subject to all defenses, including but not limited to the applicable statute of
18 limitations, available to Debtor. Nothing in this Plan shall affect any right the
19 holder of a Litigation Tort Claim to demand a jury trial under applicable law.

20 11.7 FC Process.

21 11.7.1 FCR Tort Claim. The FCR Tort Claim shall be deemed
22 satisfied when the FC Fund is fully funded and the Future Claims Commitment
23 becomes effective.

24 11.7.2 Allowance and Distribution of Future Tort Claims-Initial.

25 11.7.2.1 Distribution. Each holder of an Allowed Future Tort
26 Claim which is filed on or before the 9th anniversary of the Effective Date ("Future

1 Tort Claim-Initial”) shall be paid in full in Cash by the Plan Trust from the FC Fund
2 and the proceeds of the Future Claims Commitment, which upon payment shall
3 become part of the FC Fund, within 30 days after the latter of the date on which
4 such Future Tort Claim-Initial is Finally Determined or the date on which the FC
5 Fund is initially funded with the \$1 million allocation provided for in Article 11.2.3
6 and the Future Claims Commitment becomes effective.

7 11.7.2.2 Allowance. The holder of a Future Tort Claim-Initial
8 may elect to proceed with allowance under the “FTC Compromise Process”
9 (defined below), the “FTC Matrix Process” (defined below) or the “FTC Litigation
10 Process” (defined below) by (i) filing with the TCR a Proof of Claim in the form to
11 be developed and furnished by the TCR which elects the FTC Compromise
12 Process or the FTC Matrix Process, or (ii) filing a complaint in the District Court
13 which elects the FTC Litigation Process. If the Proof of Claim does not elect
14 between the FTC Compromise Process and the FTC Matrix Process, the holder of
15 such Claim shall be deemed to have elected to proceed under the FTC Matrix
16 Process. Except as provided in Articles 11.7.2.2.2(b) and 11.7.2.2.3(b), any such
17 election shall be irrevocable. Each Proof of Claim or District Court complaint by a
18 holder of a Future Tort Claim-Initial must include a Release of Claims. A Future
19 Tort Claim which is filed after the 9th anniversary of the Effective Date shall be
20 allowed or disallowed and paid exclusively under Article 11.7.3. A Future Tort
21 Claim-Initial Allowed under this Article 11.7.2.2 is referred to as an “Allowed Future
22 Tort Claim-Initial.”

23 11.7.2.2.1 FTC Compromise Process. In the case
24 of a holder of a Future Tort Claim-Initial who elects to proceed with allowance
25 under the FTC Compromise Process, such Claim shall be allowed in the amount
26 of \$45,000 if the TCR determines that the holder of such Claim has proved by a

1 preponderance of the evidence that the holder of such Claim was Abused as a
2 minor by a Responsible Person, and that the applicable statute of limitations under
3 Chapter 4.16 of the Revised Code of Washington had not begun to run on or
4 before March 10, 2006. The TCR shall not consider any applicable statute of
5 limitations which accrued after, or the passage of time after, March 10, 2006 in
6 making such determination. The TCR may consider the credibility of the Tort
7 Claimant and the facts alleged in support of the Tort Claim.

8 11.7.2.2.2 FTC Matrix Process.

9 (a) Allowance. If a holder of a Future
10 Tort Claim-Initial elects to proceed with allowance under the Matrix Process, such
11 Claim shall be allowed (a) if the TCR determines that the holder of such Claim has
12 proved by a preponderance of the evidence (i) that such holder was Abused by a
13 Responsible Person, and (ii) that the applicable statute of limitations under
14 Chapter 4.16 of the Revised Code of Washington had not begun to run on or
15 before March 10, 2006; and (b) if the TCR does not find that there is clear, cogent
16 and convincing evidence that the applicable statute of limitations under Chapter
17 4.16 of the Revised Code of Washington had run (i) after March 10, 2006, and (ii)
18 before the date the Holder of such Claim filed a Proof of Claim. The TCR shall
19 determine the amount of such Claim by assigning such Claim a value pursuant to
20 the Matrix Protocol. The TCR may consider the credibility of the Tort Claimant and
21 the facts alleged in support of the Tort Claim and, in the TCR's sole discretion,
22 reduce or deny the Tort Claim.

23 (b) Amendment. At any time prior to
24 final allowance or disallowance of a Future Tort Claim-Initial under the FTC Matrix
25 Process, the holder of such Claim may amend his or her election or deemed
26 election to instead elect treatment under the FTC Compromise Process by

1 delivering a written notice of such election to the TCR. Any such amended
2 election shall be irrevocable.

3 11.7.2.2.3 FTC Litigation Process.

4 (a) Allowance. If a holder of a Future
5 Tort Claim-Initial elects to proceed with allowance under the Litigation Process,
6 such Claim shall be determined either by a trial of such Claim conducted by the
7 District Court, or a settlement between the holder of such Claim and the Plan
8 Trustee. Such Future Tort Claim-Initial shall be disallowed unless the holder of
9 such Claim proves by a preponderance of the evidence that the applicable statute
10 of limitations under Chapter 4.16 of the Revised Code of Washington had not
11 begun to run on or before March 10, 2006. Such Claim also is subject to all
12 defenses, including but not limited to the applicable statute of limitations, available
13 to Debtor. Nothing in this Plan shall affect any right the holder of a Future Tort
14 Claim-Initial may have to a jury trial under applicable law.

15 (b) Amendment. At any time prior to
16 the earliest of the date on which the Plan Trustee has filed a dispositive motion
17 with respect to, or trial has commenced on, a Future Tort Claim-Initial being
18 determined under the FTC Litigation Process, the holder of such Claim may
19 amend his or her election to instead elect treatment under the FTC Matrix Process
20 or the FTC Compromise Process by delivering a written notice of such election to
21 the TCR and the Plan Trustee. Any such amended election shall be irrevocable.
22 Any such amended election shall be deemed to be a consent to a reduction of the
23 amount of any distribution with respect to such holder's Allowed Claim by the
24 amount of all pre litigation and litigation Professional Fees and expenses, and all
25 other Plan Trust Costs and Expenses attributable to such Claim which accrued
26 through the date of such amended election.

1 11.7.3 Future Tort Claims-Extended filed after 9th Plan Anniversary.

2 11.7.3.1 Allowance. The holder of a Future Tort Claim which
3 was filed after the 9th anniversary of the Effective Date and on or before the 23rd
4 anniversary of the Effective Date ("Future Tort Claim-Extended") shall have no
5 right to payment or any other right under the preceding provisions of this Plan.

6 The holder of a Future Tort Claim-Extended may proceed only by (i) filing with the
7 Reorganized Debtor a Proof of Claim in the form to be developed and furnished by
8 the Reorganized Debtor, or (ii) filing a complaint in the District Court. Each Proof
9 of Claim or District Court complaint by a holder of a Future Tort Claim-Extended
10 must include a Release of Claims. The Claim of a holder of a Future Tort
11 Claim-Extended shall be determined either by a trial of such Claim conducted by
12 the District Court, or a settlement between the holder of such Claim and the
13 Reorganized Debtor. Such Claim shall be disallowed unless the holder of such
14 Claim proves by a preponderance of the evidence that the applicable statute of
15 limitations under Chapter 4.16 of the Revised Code of Washington had not begun
16 to run on or before March 10, 2006. Such Claim also is subject to all defenses,
17 including but not limited to the applicable statute of limitations, available to Debtor.
18 Nothing in this Plan shall affect any right the holder of a Future Tort
19 Claim-Extended may have to a jury trial under applicable law.

20 11.7.3.2 Payment. After the 9th Anniversary of the Effective
21 Date, the Reorganized Debtor will continue to insure for Tort Claims caused by
22 acts committed on or after February 1, 1989 with Catholic Mutual, its successor, or
23 another insurer, under insurance policies equivalent to its current insurance
24 policies with Catholic Mutual. Except as provided in Article 15.9.2, the holder of an
25 Allowed Future Tort Claim-Extended shall be paid by the Reorganized Debtor
26

1 solely from the proceeds of such insurance and the obligation of the Reorganized
2 Debtor for Future Tort Claims-Extended shall be without recourse.

3 11.7.4 Future Tort Claims Filed after 23th Plan Anniversary Barred.

4 All Future Tort Claims filed after the 23rd anniversary of the Effective Date shall
5 have no right to payment or any other right under this Plan, and all such Claims
6 shall be discharged under Article 20.1 of the Plan.

7 11.8 Effect of disallowance. If a Tort Claim is Disallowed, the holder of
8 such Claim shall have no further rights against the Debtor, the Reorganized
9 Debtor, the Plan Trust or any Fund.

10 11.9 Succession to Debtor's rights and duties. With the exception of the
11 duties set forth in Article 26, the Plan Trustee with respect to Litigation Tort
12 Claims, Non-Releasing Litigation Tort Claims and Future Tort Claims-Initial the
13 holders of which elect to proceed with allowance under the FTC Litigation Process,
14 the Reorganized Debtor with respect to Future Tort Claims-Extended, and the
15 TCR with respect to all other Tort Claims, shall succeed to all rights and duties of
16 Debtor with respect to such Tort Claims; and shall have complete control of the
17 conduct of all proceedings with respect to such Claims. The Plan Trustee shall
18 have complete control of settlements of Litigation Tort Claims, Non Releasing
19 Litigation Tort Claims and Future Tort Claims-Initial the holders of which elect to
20 proceed with allowance under the FTC Litigation Process. The Reorganized
21 Debtor shall have complete control of settlements of Future Tort Claims-Extended.
22 The TCR shall have no authority to settle other Tort Claims. No one except the
23 holder of the Tort Claim being determined and the TCR, the Plan Trustee or the
24 Reorganized Debtor, as appropriate, (and their counsel) shall have standing to
25 participate in such proceedings; provided that (a) any person may provide
26 information about a Tort Claim and state a position with respect to a Tort Claim to

1 the TCR, the Plan Trustee or the Reorganized Debtor, which information and
2 statement of position shall be transmitted to the affected Tort Claimant, and (b) the
3 TCR, the Plan Trustee or the Reorganized Debtor, in furtherance of the TCR's or
4 Plan Trustee's duties and obligations and with due regard to the legitimate interest
5 of a Tort Claimant to have information about his or her identity kept confidential,
6 shall have the absolute right to provide any party in interest with any and all
7 information regarding a Tort Claim that is in the possession, custody or control of
8 the TCR, the Plan Trustee or the Reorganized Debtor, including the Questionnaire
9 and the information constituting Proof of Abuse described below, subject to an
10 agreement with the party in interest to keep such information confidential. The
11 TCR, the Plan Trustee or the Reorganized Debtor shall give the Claimant notice
12 and an opportunity to object before providing such information, and the TCR's, the
13 Plan Trustee's or the Reorganized Debtor's decision on such objection shall be
14 final and not subject to any appeal, review or protective order. Debtor, the
15 Reorganized Debtor and their counsel shall provide a copy of its complete file with
16 respect to every Tort Claim to the Plan Trustee (with respect to claims to be
17 determined by the Plan Trustee) and to the TCR (with respect to claims to be
18 determined by the TCR), and shall cooperate fully with the TCR and the Plan
19 Trustee as requested by the TCR or the Plan Trustee. The expenses for
20 attorneys' fees and costs incurred by Debtor's and Reorganized Debtor's counsel
21 at the request of the TCR or the Plan Trustee in providing claims information to the
22 Plan Trustee and/or TCR shall be paid by the Plan Trust. To the extent
23 necessary, the Plan Trustee and the TCR are hereby designated as estate
24 representatives pursuant to and in accordance with Bankruptcy Code
25 §1123(b)(3)(B).

1 11.10 Proof of Abuse. Within 30 days after written request therefor from
2 the TCR, each holder of a Tort Claim to be determined by the TCR shall complete
3 under oath the Questionnaire, shall produce all records and documents requested
4 by the TCR, shall consent to and cooperate in any examinations requested by the
5 TCR and performed by health care professionals selected by the TCR, and shall
6 consent to and cooperate in a written and/or oral examination under oath by the
7 TCR. The TCR also may, but shall not be required to, obtain evidence from the
8 Debtor, the Reorganized Debtor or any other party, and shall have all of the rights
9 and powers of the Debtor to take discovery under Part VII of the Bankruptcy
10 Rules. The TCR's determination shall be made expeditiously. The extent to which
11 the Federal Rules of Evidence will be applied by the TCR in assessing the
12 credibility and competency of evidence shall be within the sole discretion of the
13 TCR. The Federal Rules of Evidence, to the extent determined by the TCR to be
14 applicable, shall be liberally construed to promote justice.

15 11.11 Determinations by TCR and Requests for Reconsideration. The
16 TCR shall notify the Tort Claimant in writing of the TCR's determination with
17 respect to the Tort Claimant's Claim, which determination shall be final unless the
18 Tort Claimant makes a timely request for reconsideration and shall not be subject
19 to any appeal. The Tort Claimant may request reconsideration of such
20 determination by delivering a written request for reconsideration to the TCR within
21 20 days after the date of the TCR's determination, and may submit additional
22 evidence and argument in support of such request with such request. No other
23 person may request reconsideration or submit additional evidence or argument.
24 The TCR shall notify the Tort Claimant in writing of the TCR's determination of
25 such request for reconsideration. The TCR's determination of such request for
26 reconsideration shall be final and not subject to any appeal.

1 11.12 All Information about Tort Claimants Confidential. Subject to Article
2 11.10, all information the Plan Trustee and the TCR receive from any source about
3 any Tort Claim, and all information the Plan Trustee or the TCR provide to another
4 party, shall be held strictly confidential and shall not be disclosed to any third
5 party, except to the extent ordered by a court of competent jurisdiction in
6 connection with a Litigation Tort Claim.

7 11.13 Allowance for voting. All Class 7 Tort Claims except Future Tort
8 Claims shall be temporarily allowed in the amount of \$1 for purposes of voting to
9 accept or reject this Plan.

10 11.14 Settlement Negotiations. To the extent provided by Federal Rule of
11 Evidence Rule 408, any settlement offers or any discussions of settlement shall
12 not be admissible for any purpose, and they are expressly determined not to be
13 admissions by any party.

14 11.15 Discretion to Defer or Accelerate Payments.

15 11.15.1 Deferral. The Plan Trustee shall have the discretion to
16 defer or pro rate any distribution to holders of Allowed Class 7 Tort Claims if the
17 Plan Trustee determines that there are not sufficient funds available to pay all
18 such Claims on the date when such distribution is payable.

19 11.15.2 Acceleration. On or after the date on which the
20 Convenience Fund has been funded and sufficient funds are available from other
21 Funds, the Plan Trustee shall make an interim distribution of \$15,000 per Claim to
22 holders of Tort Claims which have not yet been allowed and as to which the Plan
23 Trustee in the case of Litigation Tort Claims and the TCR in the case of other Tort
24 Claims has determined that there is not a material likelihood that the Claim of such
25 holder will be finally allowed in an amount less than \$15,000.

1 successor, whose appointment shall be subject to the approval of the Honorable
2 Patricia C. Williams, or in her absence the Chief Judge of the U. S. Bankruptcy
3 Court for the Eastern District of Washington, after notice and a hearing. If the
4 TCC, the FCR and the TLC do not unanimously nominate a successor within 45
5 days after the TCR or the Plan Trustee resigns or becomes unable to serve, the
6 Honorable Patricia C. Williams, or in her absence the Chief Judge of the U. S.
7 Bankruptcy Court for the Eastern District of Washington, shall designate a
8 successor after notice and a hearing.

9 13.3 Counsel for Plan Trustee and TCR. If the Plan Trustee or TCR
10 employs counsel, no attorney or law firm that has represented any party in interest
11 in connection with the Bankruptcy Case shall be eligible for such employment.

12 **ARTICLE 14**
13 **INTENTIONALLY OMITTED**

14 **ARTICLE 15**
15 **MEANS OF IMPLEMENTATION OF THE PLAN**

16 15.1 Debtor's Note and Security Agreements.

17 15.1.1 Debtor's Loan Documents. The Reorganized Debtor shall pay
18 \$48 million to the Plan Trustee (and subject to the pro tanto reduction provided for
19 by Article 3.1.5) to pay Tort Claims, Professional Fees, and expenses of
20 determining Tort Claims and administration of the Plan Trust, as follows:

21 15.1.1.1 Loan Documents. On or before the Closing Date,
22 the Reorganized Debtor shall execute, acknowledge as necessary, and deliver to
23 the Plan Trustee (i) a Note for \$48 million which shall be nonrecourse with respect
24 to the last \$1 million of the principal balance thereof and shall be recourse with
25 respect to all other amounts payable thereunder, with the first \$37 bearing no
26 interest before October 1, 2007, the next \$10 million bearing no interest before
October 1, 2007 and bearing interest at the rate of 6% per annum from and after

1 October 1, 2007, and the last \$1 million bearing no interest before October 1,
2 2009, payable (a) from time to time upon the receipt by Reorganized Debtor of
3 payments on or the proceeds of any sale or other disposition of any item of the
4 Debtor's Collateral, (b) \$37 million due October 1, 2007, (c) \$10 million due
5 December 31, 2007, and (d) with the balance payable in full on October 1, 2009
6 ("Debtor's Note"); (ii) a first priority Deed of Trust and Security Agreement
7 ("Debtor's DOT"); (iii) financing statements; Lender's Policies of Title Insurance
8 and UCC searches satisfactory to the Plan Trustee; and (iv) such other documents
9 and instruments as the Plan Trustee shall require to evidence and secure payment
10 of the Debtor's Note (the documents and instruments referred to in clauses (i)-(iv)
11 are referred to collectively as the "Debtor's Loan Documents", all of which shall be
12 in form and substance acceptable to Proponents and the TLC, or, if they do not
13 agree, approved by the Bankruptcy Court). On the Effective Date, the Plan
14 Trustee shall record and file any documents and instruments designated by the
15 Plan Trustee to be recorded and filed with the appropriate county auditor or
16 recorder and the Washington Department of Licensing.

17 15.1.1.2 Collateral. The collateral described by the Debtor's
18 DOT shall be all of the Reorganized Debtor's interest in any real and personal
19 property owned by or held in the name of the Debtor as of the Closing Date or
20 acquired thereafter, including but not limited to the real and personal property
21 listed in Schedule 15.1.1.2, all DLF Loans and proceeds thereof (subject to Article
22 9.1), all Avoidance Actions and orders related thereto, the Declaratory Relief
23 Action, the Insurance Settlements, the Parishes' Notes and all security therefor,
24 the Estate's Portion of Catholic Entity Payments by provided for in Article 15.3.1,
25 and the Release Portion of Catholic Entity Payments by provided for in Article
26 15.3.2 ("Debtor's Collateral"). Any foreclosure of Debtor's Collateral located in the

1 State of Washington shall be conducted under Washington law, and any
2 foreclosure of Debtor's Collateral located elsewhere shall be shall be conducted
3 under the law of the jurisdiction in which such Collateral is located.

4 15.1.1.3 Payment and Sale and Use of Collateral. Upon
5 receipt by Reorganized Debtor of full or partial payment of, or the proceeds of a
6 sale or other disposition of, any item of Debtor's Collateral, such payments or
7 proceeds shall be immediately paid in the form received to the Plan Trustee and
8 shall be applied as a partial payment of Debtor's Note. The Reorganized Debtor
9 shall not sell or otherwise dispose of any of Debtor's Collateral without the prior
10 written consent of the Plan Trustee, which consent shall not be unreasonably
11 withheld. Payments on, and other proceeds of approved sales or other
12 dispositions of Debtor's Collateral (except payments on and all other proceeds of
13 the Release Portion of Catholic Entity Payments, the Release Portion of Parishes'
14 Notes and the Insurance Settlements) may be used for payment of Claims other
15 than Tort Claims as provided in this Plan, including Allowed Administrative
16 Expense Claims, and expenses incurred in the ordinary course of business after
17 the Effective Date, which Allowed Administrative Expense Claims and ordinary
18 course expenses for the period through October 1, 2007 shall not exceed the
19 expenses set forth a budget which shall be in form and substance acceptable to
20 Proponents and the TLC, or, if they do not agree, approved by the Bankruptcy
21 Court. None of the payments used to pay budgeted expenses shall decrease the
22 amount due under the Debtor's Note or the scope of the Debtor's Collateral.
23 Payments on and all other proceeds of the Release Portion of Catholic Entity
24 Payments, the Release Portion of Parishes' Notes and the Insurance Settlements
25 shall be used exclusively for payment of Tort Claims and Plan Trust Costs and
26 Expenses. The Debtor's Loan Documents and all rights and interests of the Plan

1 Trustee thereunder and in Debtor's Collateral are referred to collectively as the
2 "Trust Property". The Trust Property shall be vested in the Plan Trust free and
3 clear of all Claims, liens, encumbrances, charges and other interests of Debtor,
4 the Reorganized Debtor, the Parishes or any other Person. The Plan Trust shall
5 thereafter hold, use, manage, liquidate, dispose or otherwise deal with the Trust
6 Property pursuant to the terms of the Plan Trust. The Plan Trustee is hereby
7 designated as the estate representative pursuant to and in accordance with
8 Bankruptcy Code §1123(b)(3)(B) with respect to all Trust Property.

9 15.1.1.4 Cross-Default. A default under the Plan shall
10 constitute a default on the Debtor's Note.

11 15.1.1.5 Execution and Delivery of Notes and Loan
12 Documents Mandatory. On and after the Closing Date the Plan Trustee may
13 enforce the obligations of the Debtor to execute and deliver the Debtor's Notes
14 and the Debtor's Loan Documents as a judgment of the Bankruptcy Court, and
15 shall have recourse to all available methods of enforcing such a judgment,
16 including but not limited to specific performance.

17 15.1.2 Allocation of Trust Property. The Plan Trustee shall allocate
18 all payments on the Trust Property, and all other proceeds of the Trust Property,
19 attributable to the Release Portion of Catholic Entity Payments, the Release
20 Portion of Parishes' Notes and the Insurance Settlements to a separate fund (the
21 "Release Fund"); and shall allocate all other payments on the Trust Property, and
22 all other proceeds of the Trust Property, including but not limited to payments and
23 proceeds attributable to the Estate's Portion of Catholic Entity Payments and the
24 Estate's Portion of Parishes' Notes, to a separate fund (the "Estate Fund"). All
25 reductions in the amount of the Debtor's Note pursuant to Article 3.1.5 shall
26

1 reduce both the amount of the Estate Fund and the amount of the Debtor's Note
2 allocated to the Estate Fund.

3 15.2 Revesting of Debtor's Property. On the Effective Date, all real and
4 personal property of the Debtor shall revert in the Reorganized Debtor, subject to
5 the Debtor's Loan Documents.

6 15.3 Sale of Debtor's Interest in Property to and Release Payment by the
7 Participating Catholic Entities.

8 15.3.1 Sale. All of Debtor's interest in any real or personal property
9 used by a Participating Catholic Entity, whether held in the name of the Debtor, a
10 Participating Catholic Entity or a third party, all of the Debtor's interest in the Guse
11 Trust (which Debtor believes cannot be used to pay Claims), and all of Debtor's
12 interest in the 541 Litigation with respect to such real and personal property,
13 (collectively the "Catholic Entity Property"), shall be sold on or before the Effective
14 Date to and purchased by the Participating Catholic Entity which uses such
15 property, and in the case of the Guse Trust, to Catholic Charities of Spokane, free
16 and clear of all Claims, liens, encumbrances, charges and other interests of
17 Debtor or any other party pursuant to a Quit Claim Deed and Bill of Sale in form
18 and substance acceptable to Proponents, the TLC, and, as appropriate, Morning
19 Star Boys' Ranch and Immaculate Heart Retreat Center, or, if they do not agree,
20 approved by the Bankruptcy Court, in consideration of the following payments and
21 transfers ("Estate's Portion of Catholic Entity Payments") to the Reorganized
22 Debtor on or before the Effective Date:

Entity	Cash Payments on or before the Effective Date
Catholic Cemeteries of Spokane	\$3,400,000
Catholic Charities of Spokane	\$2,000,000 (less a credit for net proceeds of the sale of St. Anne's not

	to exceed \$550,000)
	Transfer by Quit Claim Deed to Debtor on or before the Effective Date
Morning Star Boys' Ranch	85% Interest in Heckett Ranch, as described in Schedules 15.3.1(a) (Estimated value is approximately \$425,000)
Immaculate Heart Retreat Center	85% Interest in 20 acre parcel of real property, as described in Schedules 15.3.1(b) (Estimated value is approximately \$425,000)

The Debtor's interest in the 541 Litigation with respect to the Catholic Entity Property shall merge with each Participating Catholic Entity's title to such real and personal property upon delivery of the Quit Claim Deed and Bill of Sale.

15.3.2 Release Payment. In consideration of the Permanent Injunction provided for in Article 20.3, each Participating Catholic Entity except Catholic Charities of Spokane shall make the following payments and transfers ("Release Portion of Catholic Entity Payments") to the Reorganized Debtor on or before the Effective Date:

Entity	Cash Payments on or before the Effective Date
Catholic Cemeteries of Spokane	\$600,000
	Transfer by Quit Claim Deed to Debtor on or before the Effective Date
Morning Star Boys' Ranch	15% Interest in Heckett Ranch (Estimated value is approximately \$75,000)
Immaculate Heart Retreat Center	15% Interest in 20 acre parcel of real property (Estimated value is approximately \$75,000)

15.3.3 Title Insurance; Deeds. Morning Star Boys' Ranch and Immaculate Heart Retreat Center shall take all steps necessary to assure that the

1 Quit Claim Deeds to the Heckett Ranch and the 20 acre parcel are sufficient to
2 enable the Debtor to obtain a Lender's Policy of Title Insurance pursuant to Article
3 15.1.1.1 insuring that the Debtor's Deed of Trust will grant the Plan Trustee a first
4 priority lien free and clear of all liens and encumbrances. Such Quit Claim Deeds
5 shall be in form and substance acceptable to Proponents, the TLC, and, as
6 appropriate, Morning Star Boys' Ranch and Immaculate Heart Retreat Center, or,
7 if they do not agree, approved by the Bankruptcy Court

8 15.3.4 Deposit of Cash and Documents; Payments and Transfers

9 Mandatory. On or before the date set by the Bankruptcy Court for the first hearing
10 on the Proponents' motion for confirmation of this Plan, each Participating Catholic
11 Entity shall deposit in a segregated interest bearing trust account of Debtor Cash
12 in the amount of the payment from such Catholic Entity provided for in Articles
13 15.3.1 and .2 to be applied to such payment on the Effective Date, and shall
14 deliver in trust to Debtor Quit Claim Deeds free of liens and encumbrances to the
15 real property described in Schedules 15.3.1(a) and (b) to be recorded on the
16 Effective Date. The Debtor, and on and after the Confirmation Date, the Plan
17 Trustee shall enforce the obligations of the Participating Catholic Entities to make
18 the deposits provided for in this Article 15.3.4 and the payments and transfers
19 provided for in Articles 15.3.1 and .2 in the Bankruptcy Court as a judgment of the
20 Bankruptcy Court, and shall have recourse to all available methods of enforcing
21 such a judgment, including but not limited to specific performance.

22 15.4 Sale of Debtor's Interest in Property to and Release Payment by
23 Parishes.

24 15.4.1 Sale. Each parcel of real property occupied or otherwise used
25 by a Parish, all personal property used by a Parish on or in conjunction with such
26 real property, all other real and personal property owned by or held by a Parish as

1 of the Effective Date, which is listed in Schedule 15.4.1, and all of the Debtor's, the
2 TCC's and the TLC's interest in the 541 Litigation with respect to such real and/or
3 personal property, shall be and is referred to collectively as the "Parish Property".
4 On or before the Effective Date, each of the Parishes may form a legal entity,
5 cognizable as such by civil law and, subject to the limitations provided in Article
6 25.7, consistent with canon law, for the purpose of holding title to and/or beneficial
7 interests in the Parish's assets ("Parish Entity"). On or before the Effective Date,
8 all of Debtor's interest in the Parish Property, whether held in the name of the
9 Debtor, a Parish or a third party, shall be sold, transferred and conveyed to (a) the
10 Parish Entity formed by the Parish which occupies or otherwise uses such Parish
11 Property as designated by the respective Parishes with the approval and consent
12 of the Catholic Bishop of Spokane, or (b) if the Parish Entity is not yet formed, to
13 the Parish, free and clear of all Claims, liens, encumbrances, charges and other
14 interests of Debtor or any Tort Claimant claiming an interest therein pursuant to a
15 Quit Claim Deed and Bill of Sale in form and substance acceptable to Proponents,
16 the TLC and the Parishes, or, if they do not agree, approved by the Bankruptcy
17 Court, for \$14 million payable pursuant to the Parishes' Notes (the "Estate's
18 Portion of Parishes' Notes"). The Debtor's, and the TCC's and the TLC's interest
19 as Plaintiff in the 541 Litigation with respect to or based upon a claimed interest or
20 ownership of the Parish Property shall merge with each Parish Entity's title to such
21 Parish Property upon delivery of the Quit Claim Deed and Bill of Sale, and such
22 merged title to such Parish Property shall be exclusively for the beneficial
23 ownership and use of such Parish and Parish Entity.

24 15.4.2 Release. On or before the Effective Date, the Participating
25 Parishes and their Parish Entities, the Note 2 Parishes and the Note 3 Parish shall
26 pay \$2 million to the Reorganized Debtor pursuant to the Parishes' Notes (the

1 “Release Portion of Parishes’ Notes”), in consideration of entry of the Permanent
2 Injunction . The Parishes and Parish Entities shall receive all benefits of the
3 Permanent Injunction as described in Article 20.3 as of the Effective Date.

4 15.4.3 Parishes’ Notes and Loan Documents.

5 15.4.3.1 Parishes’ Notes.

6 15.4.3.1.1 Parishes’ Note 1. On or before the
7 Closing Date, the Participating Parishes and their Parish Entities shall jointly and
8 severally execute and deliver to the Plan Trustee a recourse Note payable to the
9 Reorganized Debtor for \$10 million bearing no interest before October 1, 2007 and
10 bearing interest at the rate of 6% per annum from and after October 1, 2007,
11 payable from time to time upon the receipt by any Participating Parish or its Parish
12 Entity of payments on or the proceeds of any sale or other disposition of any item
13 of Parish Collateral, and with the balance payable in full on December 31, 2007
14 (“Parishes’ Note 1”), which shall be endorsed to the order of the Plan Trustee by
15 the Reorganized Debtor with full recourse. Under no circumstances does
16 Parishes’ Note 1 create any legal liability or obligation for individual parishioners of
17 any Parish whatsoever.

18 15.4.3.1.2 Parishes’ Note 2. On or before the
19 Closing Date, the Parishes listed in Schedule 15.4.3.1.2 and their Parish Entities
20 (collectively the “Note 2 Parishes”) jointly and severally shall execute and deliver
21 to the Plan Trustee a Note which shall be recourse to such Parishes and their
22 Parish Entities (except Immaculate Heart Retreat Center), and non-recourse to
23 Immaculate Heart Retreat Center, payable to the Reorganized Debtor for \$5
24 million with no interest before October 1, 2007, payable from time to time upon the
25 receipt by the Note 2 Parishes of payments on or the proceeds of any sale or other
26 disposition of any item of Parish Collateral, and with the balance payable in full on

1 October 1, 2007 (“Parishes’ Note 2), which shall be endorsed to the order of the
2 Plan Trustee by the Reorganized Debtor with full recourse. Under no
3 circumstances does Parishes’ Note 2 create any legal liability or obligation for
4 individual parishioners of the Note 2 Parishes whatsoever.

5 15.4.3.1.3 Parishes’ Note 3. On or before the
6 Closing Date, the Our Lady of Lourdes Parish and its Parish Entity (collectively the
7 “Note 3 Parish”) jointly and severally shall execute and deliver to the Plan Trustee
8 a non-recourse Note payable to the Reorganized Debtor for \$1 million with no
9 interest before October 1, 2009, payable from time to time upon the receipt by the
10 Note 3 Parish of payments on or the proceeds of any sale or other disposition of
11 any item of Parish Collateral, and with the balance payable in full on October 1,
12 2009 (“Parishes’ Note 3”), which shall be endorsed to the order of the Plan Trustee
13 by the Reorganized Debtor without recourse. Under no circumstances does
14 Parishes’ Note 3 create any legal liability or obligation for individual parishioners of
15 the Note 3 Parish whatsoever. Parishes’ Notes 1, 2 and 3 are referred to
16 collectively as the “Parishes’ Notes”.

17 15.4.3.1.4 Cross-Default. A default on the Parishes’
18 Note 1 shall constitute a default on Parishes’ Notes 2 and 3. A default on
19 Parishes’ Note 2 or 3 shall not constitute a default on Parish Note 1.

20 15.4.3.2 Collateral for Parishes’ Notes. To secure payment
21 of the (i) Parishes’ Note 1, each Participating Parish and its Parish Entity, (ii) of
22 Parishes’ Note 2, each Note 2 Parish, and (iii) of Parishes’ Note 3, the Note 3
23 Parish, shall execute, acknowledge as necessary, and deliver to the Plan Trustee
24 on or before the Closing Date, (i) first priority Deeds of Trust and Security
25 Agreements (“Parish’s DOT”) on the portion of each such Parish’s and Parish
26 Entity’s Parish Property which is real property, fixtures and intangible personal

1 property such as permits, plans, service contracts and warranties related to such
2 real property and fixtures then owned and thereafter acquired ("Parish Collateral");
3 (ii) financing statements covering the Parish Collateral, and Lender's Policies of
4 Title Insurance which shall insure the Plan Trustee and UCC searches satisfactory
5 to the Plan Trustee; and (iii) such other documents and instruments as the Plan
6 Trustee shall require to evidence and secure payment of the Parishes' Notes (the
7 documents and instruments referred to in clauses (i)-(iii) are referred to collectively
8 as collectively the "Parishes' Loan Documents", all of which shall be in form and
9 substance acceptable to Proponents and the TLC, or, if they do not agree,
10 approved by the Bankruptcy Court). On the Effective Date, the Plan Trustee shall
11 record and file any documents and instruments designated by the Plan Trustee to
12 be recorded and filed with the appropriate county auditor or recorder and the
13 Washington Department of Licensing. Upon receipt by a Parish or its Parish Entity
14 of full or partial payment of, or proceeds of a sale or other disposition of, any
15 Parish Collateral, such payments or proceeds shall be immediately paid in the
16 form received to the Plan Trustee. All payments on the Parishes' Notes shall be
17 allocated 14/16th to the Estate's Portion of Parishes' Note and 2/16th to the
18 Release Portion of Parishes' Note, and shall be applied as a partial payment of
19 Parishes' Notes. The Parishes and their Parish Entities, the Note 2 Parishes and
20 the Note 3 Parish shall not sell or otherwise dispose of any of the Parish Collateral
21 with a fair market value of \$100,000 or more without the prior written consent of
22 the Plan Trustee, which consent shall not be unreasonably withheld. Any
23 foreclosure of Parish Collateral located in the State of Washington shall be
24 conducted under Washington law, and any foreclosure of Parish Collateral located
25 elsewhere shall be shall be conducted under the law of the jurisdiction in which
26 such Collateral is located. The Plan Trustee shall complete any foreclosure of the

1 Deeds of Trust of the Note 2 Parishes other than Immaculate Heart Retreat Center
2 before it completes any foreclose of the Deed of Trust of Immaculate Heart
3 Retreat Center; provided that the Plan Trustee may proceed with all steps in any
4 foreclosure of the Deed of Trust of Immaculate Heart Retreat Center short of
5 completing the foreclosure sale before it completes the foreclosure of the other
6 Deeds of Trust, and may proceed with the foreclosure sale if for any reason the
7 Plan Trustee is stayed or otherwise legally precluded from commencing or
8 completing the foreclosure of one or more of the other Deeds of Trust or
9 determines that the cost of such foreclosure exceeds the likely net proceeds of
10 such foreclosure. With regard to Parishes' Note 1, the order of the foreclosure
11 sales of the Parish Collateral of the Participating Parishes shall be in the best
12 business judgment of the Plan Trustee; provided however that the Reorganized
13 Debtor may designate the order of the first 6 foreclosure sales of the Parish
14 Collateral of the Participating Parishes (except Note 2 Parishes) located in
15 Spokane County whose real property was appraised in the April 2006 GVA Kidder
16 Mathews appraisal reports for \$1.5 million or more; provided further that the Plan
17 Trustee shall not be required to proceed with foreclosure sales in the designated
18 order if for any reason the Plan Trustee is stayed or otherwise legally precluded
19 from commencing or completing the foreclosure of one or more of the Deeds of
20 Trust of such designated Spokane County Participating Parishes or determines
21 that the cost of such foreclosure exceeds the likely net proceeds of such
22 foreclosure; and provided further that nothing herein shall prevent the Plan Trustee
23 from proceeding with all steps in any foreclosure of the Deeds of Trust of each
24 such Spokane County Participating Parishes short of completing the foreclosure
25 sale without regard to the designated order.

26

1 payments made by them under this Plan shall be determined among such
2 Parishes, their Parish Entities, the Note 2 Parishes, the Note 3 Parish and
3 Participating Catholic Entities and the Debtor and/or Reorganized Debtor in their
4 sole discretion.

5 15.7 Entry of Judgment in the Section 541 Litigation and Disallowance of
6 Related Claims. On the Effective Date, the Plan Trustee shall be substituted as
7 the sole party plaintiff in the Section 541 Litigation. On the latter of (i) the Effective
8 Date, or (ii) certification by the Plan Trustee or a determination by the Bankruptcy
9 Court that the transactions provided for in Articles 15.1, 15.3 and 15.4 have
10 closed, a judgment shall be entered dismissing with prejudice the Section 541
11 Litigation, and all appeals relating to the Section 541 Litigation. The judgment and
12 order shall be in a form acceptable to the Proponents, the Participating Catholic
13 Entities, the Participating Parishes, Immaculate Heart Retreat Center and the TLC,
14 and approved by the Bankruptcy Court. After the Effective Date, no Person may
15 institute or prosecute an Avoidance Action with respect to Parish Property or any
16 other property in which the Debtor holds, ever held or is alleged to hold or ever
17 have held, and any such Avoidance Action then pending shall be dismissed with
18 prejudice.

19 15.8 Insurance Settlements. To the extent not previously approved by the
20 Bankruptcy Court, the insurance settlements listed in Schedule 15.8, and the
21 agreements providing for such settlements (“Insurance Settlements”), shall be
22 approved upon entry of and as a part of the Confirmation Order. All of the insurers
23 listed in Schedule 15.8 (“Insurers”) have entered into such settlements in
24 consideration of dismissal of the Declaratory Relief Action and entry of the
25 Permanent Injunction and the Settling Insurer Injunction. On the Effective Date
26 the Parishes and the Catholic Entities (except Morning Star Boy’s Ranch) shall

1 release their claims to coverage under the insurance policies covered by the
2 Insurance Settlements in consideration of entry of the Permanent Injunction and
3 receipt of Releases of Claims from each holder of a Tort Claim who elects to
4 receive funds paid for such Releases of Claim..

5 15.9 Future Claims Commitment.

6 15.9.1 Future Tort Claims-Initial. On or before the Closing Date, the
7 Reorganized Debtor, the Parishes listed in Schedule 15.9(a) and their Parish
8 Entities ("FTC Parish Group 1"), and the Parishes listed in Schedule 15.9(b) and
9 their Parish Entities ("FTC Parish Group 2") jointly and severally shall execute and
10 deliver to the Plan Trustee a payment agreement ("Payment Agreement") pursuant
11 to which the Reorganized Debtor, FTC Parish Group 1 and FTC Parish Group 2,
12 shall be jointly and severally liable for payment to the Plan Trustee of an amount
13 equal to all Allowed Future Tort Claims-Initial and all Plan Trust Costs and
14 Expenses with respect to Future Tort Claims-Initial not paid by the Plan Trust from
15 the initial \$1 million allocation to the FC Fund, minus a \$200,000 contingency
16 reserve to be held by the Plan Trust until all Future Tort Claims-Initial have been
17 determined by a Final Order and all Allowed Future Tort Claims-Initial and all Plan
18 Trust Costs and Expenses with respect to Future Tort Claims-Initial have been
19 paid in full. Payments shall be due under the Payment Agreement on the last day
20 of the first full calendar month after the date on which the Plan Trustee certifies to
21 the Reorganized Debtor the amount of the required payment for any unpaid
22 Allowed Future Tort Claim-Initial or Plan Trust Costs and Expenses with respect to
23 Future Tort Claims. The Payment Agreement shall be secured by (i) Deeds of
24 Trust and Security Agreements ("FC DOTs") on the Debtor's Collateral, on the
25 portion of the Parish Property of each member of FTC Parish Group 1 which is
26 real property, fixtures and intangible personal property such as permits, plans,

1 service contracts and warranties related to such real property and fixtures owned
2 by such member on the Closing Date and thereafter acquired ("Parish Group 1
3 Collateral"), and on the portion of the Parish Property of each member of FTC
4 Parish Group 2 which is real property, fixtures and intangible personal property
5 such as permits, plans, service contracts and warranties related to such real
6 property and fixtures owned by such member on the Closing Date and thereafter
7 acquired ("Parish Group 2 Collateral") prior to all other liens and encumbrances
8 except those provided for in the Debtor's Loan Documents and the Parishes' Loan
9 Documents; (ii) financing statements covering the Collateral, Lender's Policies of
10 Title Insurance which shall insure the Plan Trustee and UCC searches satisfactory
11 to the Plan Trustee; and (iii) such other documents and instruments as the Plan
12 Trustee shall require to evidence and secure payment of the Payment Agreement
13 (the Payment Agreement and the documents and instruments referred to in
14 clauses (i)-(iii) are referred to collectively as collectively the "FC Loan Documents",
15 all of which shall be in form and substance acceptable to Proponents and the TLC,
16 or, if they do not agree, approved by the Bankruptcy Court). On the Effective
17 Date, the Plan Trustee shall record and file any documents and instruments
18 designated by the Plan Trustee to be recorded and filed with the appropriate
19 county auditor or recorder and the Washington Department of Licensing. If the
20 Plan Trustee consents to the sale or other disposition of any item of Debtor's
21 Collateral pursuant to Article 15.1.1.3, the Plan Trustee shall release the security
22 interest under the FC DOT in such item. The security interest provided for by the
23 FC DOTs and the other Payment Agreement Loan Documents shall be
24 subordinate to the security interests provided for in the Debtor's DOT, the other
25 Debtor's Loan Documents, the Parish's DOTs and the other Parishes' Loan
26 Documents. The FC DOTs on the FTC Parish Group 2 Collateral shall be

1 subordinated to any security interests granted by the FTC Parish Group 2 to
2 secure a loan or loans not to exceed the then outstanding balance of the Parishes'
3 Notes the proceeds of which are used exclusively to pay the Parishes' Notes in
4 full. The FC DOTs on the FTC Parish Group 1 Collateral and the Debtor's
5 Collateral shall not be subordinated to any such security interests. The
6 Reorganized Debtor, the Participating Parishes and their Parish Entities shall not
7 sell or otherwise dispose of any item of the Debtor's Collateral or the Parish
8 Collateral with a value of \$500,000 or more without the prior written consent of the
9 Plan Trustee, which consent shall not be unreasonably withheld, except Cash on
10 hand and Cash proceeds of approved sales or other dispositions of Debtor's
11 Collateral or Parish Collateral may be used for payment of expenses incurred in
12 the ordinary course of business after the Effective Date. If a release or
13 subordination of the FC DOT on the Parish Group 2 Collateral of a Parish in Parish
14 Group 2 is necessary for such Parish to build a new church or school or to make
15 necessary improvements or repairs to an existing church or school and does not
16 materially impair the security for the Payment Agreement, such Parish may
17 request that the Plan Trustee consent to such release or subordination, which
18 consent shall not be unreasonably withheld. The Payment Agreement also shall
19 require the Reorganized Debtor to continue to insure for Tort Claims caused by
20 acts committed on or after February 1, 1989 with Catholic Mutual, its successor, or
21 another insurer, under insurance policies equivalent to its current insurance
22 policies with Catholic Mutual, until all Future Tort Claims-Initial and all Future Tort
23 Claims-Extended have been determined by a Final Order and all Allowed Future
24 Tort Claims-Initial and all Future Tort Claims-Extended and all Plan Trust Costs
25 and Expenses with respect to Future Tort Claims-Initial and Future Tort
26 Claims-Extended have been paid in full. The provisions of this Article 15.9 are

1 referred to collectively as the "Future Claims Commitment". The Permanent
2 Injunction shall be entered in consideration of the Future Claims Commitment.
3 Under no circumstances does the Payment Agreement create any legal liability or
4 obligation for individual parishioners of any Parish whatsoever. Any foreclosure of
5 Debtor's Collateral, Parish Group 1 Collateral or Parish Group 2 Collateral located
6 in the State of Washington shall be conducted under Washington law, and any
7 foreclosure of Debtor's Collateral, Parish Group 1 Collateral or Parish Group 2
8 Collateral located elsewhere shall be shall be conducted under the law of the
9 jurisdiction in which such Collateral is located. With regard to Parish Group 2, the
10 order of the foreclosure sales of the FTC Parish Group 2 Collateral of the Parishes
11 in Parish Group 2 shall be in the best business judgment of the Plan Trustee;
12 provided however that the Reorganized Debtor may designate the order of the first
13 6 foreclosure sales of the FTC Parish Group 2 Collateral of the Parishes in Parish
14 Group 2 whose real property was appraised in the April 2006 GVA Kidder
15 Mathews appraisal reports for \$1.5 million or more; provided further that the Plan
16 Trustee shall not be required to proceed with foreclosure sales in the designated
17 order if for any reason the Plan Trustee is stayed or otherwise legally precluded
18 from commencing or completing the foreclosure of one or more of the Deeds of
19 Trust of such Parishes in Parish Group 2 or determines that the cost of such
20 foreclosure exceeds the likely net proceeds of such foreclosure; and provided
21 further that nothing herein shall prevent the Plan Trustee from proceeding with all
22 steps in any foreclosure of the Deeds of Trust of each such Parishes in Parish
23 Group 2 short of completing the foreclosure sale without regard to the designated
24 order.

25 15.9.2 Future Tort Claims-Extended.

1 15.9.2.1 Reorganized Debtor's Obligations. On the first day
2 after the 9th Anniversary of the Effective Date on which all Future Tort
3 Claims-Initial have been determined by a Final Order and all Allowed Future Tort
4 Claims-Initial and all Plan Trust Costs and Expenses with respect to Future Tort
5 Claims-Initial have been paid in full, the Reorganized Debtor's obligations under
6 the Payment Agreement shall be limited to its obligation to continue insurance for
7 Future Tort Claims-Extended pursuant to Article 11.7.3, which obligation shall
8 continue to be secured by the Debtor's FC DOT. The Plan Trustee may enforce
9 this obligation for the benefit of then existing or potential future holders of Allowed
10 Future Tort Claim-Extended. A holder of an Allowed Future Tort Claim-Extended
11 not covered by such insurance because of the Reorganized Debtor's failure to
12 continue such insurance also may enforce this obligation and the Debtor's FC
13 DOT as a third-party beneficiary. The principal amount of this obligation as to
14 each holder of an Allowed Future Tort Claim-Extended shall be the amount of
15 insurance coverage which would have been available for such Claim if such
16 insurance had been continued.

17 15.9.2.2 Parish Group 1 Obligations. If, on the 9th
18 Anniversary of the Effective Date, the Reorganized Debtor has the insurance
19 required by Article 11.7.3.2 in full force and effect, the Parishes in Parish Group 1
20 shall have no obligation to holders of Future Tort Claims-Extended. If, on the 9th
21 Anniversary of the Effective Date, the Reorganized Debtor does not have the
22 insurance required by Article 11.7.3.2 in full force and effect, the Parishes in
23 Parish Group 1, jointly and severally with the Reorganized Debtor, will be
24 obligated under the Payment Agreement to continue insurance for Future Tort
25 Claims-Extended pursuant to Article 11.7.3.2, which obligation shall continue to be
26 secured by the FC DOTs of the Parishes in Parish Group 1. The Plan Trustee

1 may enforce this obligation for the benefit of then existing or potential future
2 holders of Allowed Future Tort Claim-Extended. A holder of an Allowed Future
3 Tort Claim-Extended not covered by such insurance because of the Reorganized
4 Debtor's failure to continue such insurance also may enforce this obligation and
5 the FC DOT of the Parishes in Parish Group 1 as a third-party beneficiary. The
6 principal amount of this obligation as to each holder of an Allowed Future Tort
7 Claim-Extended shall be the amount of insurance coverage which would have
8 been available for such Claim if such insurance had been continued. If and when
9 the Reorganized Debtor obtains insurance required by Article 11.7.3.2, the
10 obligations under this Article 15.9.2.2 of the Parishes in Parish Group 1 shall
11 terminate as to Future Tort Claims-Extended filed thereafter.

12 15.9.2.3 No Obligations of Parish Group 2. Parish Group 2
13 shall have no obligation for Future Tort Claims-Extended or for insurance for such
14 Claims.

15 15.9.2.4 Disposition of FC Fund.

16 15.9.2.4.1 No Default on 9th Anniversary. If there is
17 no uncured default under the Payment Agreement on the first day after the 9th
18 Anniversary of the Effective Date on which all Future Tort Claims-Initial have been
19 determined by a Final Order and all Allowed Future Tort Claims-Initial and all Plan
20 Trust Costs and Expenses with respect to Future Tort Claims-Initial have been
21 paid in full, any balance of the FC Fund in excess of \$200,000 shall be allocated
22 by the Plan Trustee pro rata to the Matrix Fund and the Litigation Fund and, after
23 payment of Plan Trust Costs and Expenses, paid to holders of Allowed Matrix Tort
24 Claims and Allowed Litigation Tort Claims as provided in Article 11.5 and .6. Any
25 balance of \$200,000 or less shall be held by the Plan Trustee for the benefit
26

1 holders of Allowed Future Tort Claims-Extended and distributed as provided in
2 Article 15.9.2.4.3

3 15.9.2.4.2 Default on 9th Anniversary. If there is an
4 uncured default under the Payment Agreement on the first day after the 9th
5 Anniversary of the Effective Date on which all Future Tort Claims-Initial have been
6 determined by a Final Order and all Allowed Future Tort Claims-Initial and all Plan
7 Trust Costs and Expenses with respect to Future Tort Claims-Initial have been
8 paid in full, any balance of the FC Fund shall be held by the Plan Trustee for the
9 benefit holders of Allowed Future Tort Claims-Extended and distributed as
10 provided in Article 15.9.2.4.3.

11 15.9.2.4.3 Disposition of Balance. Any balance of
12 the FC Fund held by the Plan Trustee pursuant to Articles 15.9.2.4.1 and .2 shall
13 be used by the Plan Trustee to pay Plan Trust Costs and Expenses, and Allowed
14 Future Tort Claims-Extended for which insurance is not available in the order such
15 Claims are Allowed. If any balance of the FC Fund remains after the 23rd
16 Anniversary of the Effective Date and all Future Tort Claims-Extended have been
17 determined by a Final Order and all Allowed Future Tort Claims-Extended and all
18 Plan Trust Costs and Expenses with respect to Future Tort Claims-Extended are
19 paid in full, the Plan Trustee shall donate such balance to a recognized charity
20 substantially engaged in providing services to persons who have been sexually
21 abused as minors.

22 15.10 Retention of Rights. Except as otherwise provided in the Plan, the
23 Debtor and/or the Reorganized Debtor shall retain all of their rights and defenses
24 with respect to any Claim, except Tort Claims, including, but not limited to, all
25 rights with respect to legal and equitable defenses to or setoffs or recoupments
26 against such Claims, except Tort Claims.

1 15.11 Operative Documents. The Proponents and, after his or her
2 appointment, the Plan Trustee will prepare any documents which are necessary or
3 appropriate to execute the Plan or provided for under the Plan, and shall provide
4 the TLC with a reasonable opportunity to review such documents prior to their
5 execution. Debtor, the Reorganized Debtor, the Participating Parishes, the
6 Participating Catholic Entities, the Note 2 Parishes, and the Note 3 Parish shall
7 execute such documents and take such other action as is necessary to effectuate
8 the transactions provided for in the Plan. If there is any dispute regarding the
9 reasonableness or propriety of any such documents after reasonable and good
10 faith efforts by the Proponents, after his or her appointment, the Plan Trustee, and
11 the TLC, to negotiate and obtain approval of the documents by the other affected
12 Person(s), any such dispute shall be determined by the Bankruptcy Court.

13 15.12 Exemption from Transfer Taxes. Pursuant to §1146(c) of the
14 Bankruptcy Code, (a) the issuance, transfer or exchange of notes or equity
15 securities, (b) the creation or recordation of any mortgage, deed of trust, lien,
16 pledge or other security interest, (c) the making or assignment of any lease or
17 sublease, or (d) the making or delivery of any deed or other instrument of transfer
18 under, in furtherance of, or in connection with, this Plan, including, without
19 limitation, any merger agreements, agreements of consolidation, restructuring,
20 disposition, liquidation or dissolution, deeds, bills of sale, and transfers of tangible
21 property, will not be subject to any stamp tax, recording tax, personal property tax,
22 real estate transfer tax, or other similar tax. Any transfers pursuant to this Plan
23 shall not be subject to any such taxes, and the Confirmation Order shall direct the
24 appropriate state or local government officials or agents to forego the collection of
25 any such tax or governmental assessment and to accept for filing and recordation

1 any of the foregoing instruments or other documents without the payment of any
2 such tax or governmental assessment.

3 15.13 Return of Deposits. To the extent that the Debtor was required to
4 and did pay deposits to any Creditors after the Petition Date as a condition of or as
5 security for continued service after the Petition Date, including, but not limited to,
6 deposits paid to utility companies for adequate assurance of payment pursuant to
7 Bankruptcy Code §366, then, upon satisfaction of the Claims of such Creditor(s)
8 pursuant to the Plan, any such deposits, together with any interest or other income
9 earned thereon, if any, shall be refunded to the Reorganized Debtor within 15 days
10 after demand by the Reorganized Debtor for return of such deposit(s) and
11 immediately paid to the Plan Trustee on account of the Debtor's Note.

12 15.14 Unrelated Party Avoidance Actions. After the Effective Date, no
13 Person may institute or prosecute an Avoidance Action against any other Person
14 (except Paine, Hamblen, Coffin, Brooke & Miller, LLP), and any such Avoidance
15 Action then pending shall be dismissed with prejudice. The Plan Trustee shall
16 have all of the rights and remedies of the Debtor and the Reorganized Debtor as
17 of the Effective Date with respect to, and may commence and prosecute, an
18 Avoidance Action against Paine, Hamblen, Coffin, Brooke & Miller, LLP.

19 15.15 Default Interest. The Debtor's Loan Documents, the Parishes' Loan
20 Documents and the FC Loan Documents all shall provide for default interest at the
21 rate of 12% per annum.

22 **ARTICLE 16** 23 **DISTRIBUTIONS**

24 16.1 Distributions on Business Days. Any payment or distribution
25 required to be made under this Plan on a day other than a Business Day shall be
26 made on the next succeeding Business Day.

1 16.2 Disputed Claims Reserve. The Debtor or the Reorganized Debtor
2 shall reserve for each Disputed Claim from amounts otherwise distributable under
3 this Plan in an amount equal to (i) the amount of such Claim as estimated by the
4 Bankruptcy Court pursuant to an order of the Court, or (ii) if no such order has
5 been entered with respect to such Claim, the greater of (A) the amount listed in the
6 Debtor's Schedule of Assets and Liabilities and (B) the amount set forth in a proof
7 of claim or application for payment filed with the Court. Such reserved amounts,
8 collectively shall constitute the "Disputed Claims Reserve". The Reorganized
9 Debtor shall hold the Disputed Claims Reserve for the holders of Disputed Claims
10 to be distributed in accordance with the resolution of such Disputed Claims.
11 Claims filed or scheduled without an amount shall be reserved at \$1 unless
12 otherwise ordered by the Court. This Article 16.2 shall not be applicable to Tort
13 Claims provided for under Article 11.

14 16.3 Interest on Claims. Unless otherwise specifically provided for in this
15 Plan or the Confirmation Order, post-petition and post-Confirmation interest shall
16 not accrue or be paid on any Claims and no holder of a Claim shall be entitled to
17 interest accruing on or after the Petition Date on any Claim.

18 16.4 Delivery of Distributions; Unclaimed Distributions. Distributions to
19 holders of Allowed Claims shall be made at the addresses set forth in the records
20 of Debtor or Reorganized Debtor or the Plan Trust unless: (a) such addresses are
21 superseded by any proofs of claim or transfers of Claim that may be filed pursuant
22 to Bankruptcy Rule 3001 or (b) if the holder of an Allowed Claim has an attorney of
23 record, then the Distribution shall be delivered to the attorney of record and
24 payable jointly to counsel of record and the holder of the Allowed Claim. If the
25 distribution to any holder of an Allowed Claim is returned to the Reorganized
26 Debtor or the Plan Trust as undeliverable or is otherwise unclaimed, or the check

1 are referred to as “Discharged Claims”. Post Petition Abuse Claims shall not be
2 discharged.

3 20.2 Exculpation and Limitation of Liability. Neither the Debtor, the
4 Reorganized Debtor, the Committees, the Future Claims Representative, the Plan
5 Trustee, the TCR, nor any of their respective present or former members,
6 managers, officers, directors, employees, advisors, attorneys, or agents acting in
7 such capacity will have or incur any liability to, or be subject to any right of action
8 by, any holder of a Claim or any other party-in-interest or any of their respective
9 agents, employees, representatives, financial advisors, attorneys, affiliates, or any
10 of their successors or assigns, for any act or omission in connection with, relating
11 to, or arising out of the Reorganization Case, the pursuit of confirmation of the
12 Plan, or the administration of the Plan or Plan Trust, or the property to be
13 distributed under the Plan or Plan Trust, except for their willful misconduct; and in
14 all respects such parties shall be entitled to reasonably rely upon the advice of
15 counsel with respect to their duties and responsibilities under the Plan or the Plan
16 Trust or in the context of the Reorganization Case.

17 20.3 Permanent Injunction Against Prosecution of Released Claims.
18 “Released Parties” means the Parishes, the Parish Entities, the Catholic Entities
19 (except Morning Star Boy’s Ranch) and the Insurers, and their respective agents,
20 predecessors, successors, officials, subsidiaries, divisions, affiliates,
21 representatives, attorneys, accountants, and all others acting for or on their behalf.
22 Except as otherwise expressly provided in the Plan, for the consideration
23 described in Articles 15.3, .4, .8, and .9, all Persons who have executed and
24 delivered Releases of Claims shall be permanently enjoined on and after the
25 Effective Date from: (a) commencing or continuing in any manner, any action or
26 any other proceeding of any kind with respect to any Claim against the Released

1 Parties or the property of the Released Parties related to a Discharged Claim; (b)
2 seeking the enforcement, attachment, collection or recovery by any manner or
3 means of any judgment, award, decree, or order against the Released Parties or
4 the property of the Released Parties, with respect any Claim against the Released
5 Parties related to a Discharged Claim; (c) creating, perfecting, or enforcing any
6 encumbrance of any kind against the Released Parties or the property of the
7 Released Parties with respect any Claim against the Released Parties related to a
8 Discharged Claim; (d) asserting any setoff, right of subrogation, or recoupment of
9 any kind against any obligation due to the Released Parties with respect any
10 Claim against the Released Parties related to a Discharged Claim; and (e) taking
11 any act, in any manner and in any place whatsoever with respect any Claim
12 against the Released Parties related to a Discharged Claim, that does not conform
13 to or comply with provisions of the Plan or the Plan Trust. Such injunction is
14 referred to as the "Permanent Injunction".

15 20.4 Settling Insurer Injunction. All Persons (except Morningstar Boy's
16 Ranch) who have held, hold, or may hold Claims, including but not limited to Tort
17 Claims, against an Insurer that are barred pursuant an order approving an
18 Insurance Settlement that included a sale of policies free and clear pursuant to
19 Bankruptcy Code §363(f), whether known or unknown, and their respective
20 agents, attorneys, and all others acting for or on their behalf, shall be permanently
21 enjoined on and after the Effective Date from: (a) commencing or continuing in
22 any manner, any action or any other proceeding of any kind with respect to any
23 such Claim, including, but not limited to, any Tort Claim, Future Tort Claim, or FCR
24 Tort Claim, for indemnity, contribution, subrogation or based on any similar theory;
25 against such Insurer, and its respective predecessors, successors, officials,
26 shareholders subsidiaries, divisions, affiliates, representatives, attorneys, merged

1 or acquired companies or operations or assigns (collectively, the "Insurer Parties")
2 or the property of the Parties; (b) seeking the enforcement, attachment, collection
3 or recovery by any manner or means of any judgment, award, decree, or order
4 against the Parties or the property of the Parties, with respect to any such Claim;
5 (c) creating, perfecting, or enforcing any encumbrance of any kind against the
6 Parties or the property of the Parties with respect to any such Claim; (d) asserting
7 any setoff, right of subrogation, or recoupment of any kind against any obligation
8 due to the Parties with respect to any such Claim; and (e) taking any act, in any
9 manner and in any place whatsoever, that does not conform to or comply with
10 provisions of the Plan or the Trust Agreement. In the event any Person takes any
11 action that is prohibited by, or is otherwise inconsistent with the provisions of this
12 Article 20.4 or the Plan, then, upon notice to the Court by an affected Party, the
13 action or proceeding in which the Claim of such Person is asserted will
14 automatically be transferred to the Bankruptcy Court or the District Court for
15 enforcement of the provisions of this Article 20.4 or the Plan.

16 20.5 No Release of Other Entities or Policies. None of the provisions of
17 this Plan, the Confirmation Order, or the Insurance Settlements or orders
18 approving the Insurance Settlements with the Insurers entered in this case affect
19 the rights of a Tort Claimant to pursue a claim or recovery against (a) any person
20 or entity not a party to this Plan, and/or (b) any insurance policies issued by one or
21 more of the Insurers to any person or entity not a party to this Plan. The persons
22 or entities referred to in this Article 20.5 as persons or entities not a party to this
23 Plan include, but are not limited to, the Archdiocese of Seattle, Morning Star Boy's
24 Ranch, Rosalia School District, The Sulpicians (Order of St. Sulpice), the Society
25 of Jesus (Jesuits), Patrick O'Donnell individually, James O'Malley individually,
26 and/or any other priest perpetrator individually. Except as specifically provided

1 herein, nothing in this Article 20.5 limits the rights and obligations of Morning Star
2 Boy's Ranch under this Plan.

3 **ARTICLE 21**
4 **MODIFICATION OF PLAN**

5 The Plan may be modified by the Proponents from time to time in
6 accordance with, and pursuant to, Bankruptcy Code §1127. The Plan may be
7 modified by the Proponents at any time before the Confirmation Date, provided
8 that the Plan, as modified, meets the requirements of Bankruptcy Code §§1122
9 and 1123, and the Proponent has complied with Bankruptcy Code §1125.

10 **ARTICLE 22**
11 **PROCEDURES FOR RESOLVING DISPUTED CLAIMS**

12 22.1 Objections to Claims except Tort Claims. As of the Effective Date,
13 Reorganized Debtor shall acquire all defenses, counterclaims and setoffs, whether
14 equitable or legal, of Debtor to Claims held or asserted to be held against Debtor.
15 An objection to the allowance of a Claim shall be in writing and shall be filed with
16 the Bankruptcy Court by Debtor, Reorganized Debtor or any other party in interest.
17 The party filing such objection shall have the right to assert the Reorganized
18 Debtor's defenses, counterclaims and setoffs, whether equitable or legal, and shall
19 prosecute each of its objections to a Claim until determined by a Final Order
20 unless such party (a) compromises and settles an Objection to a Claim or Interest
21 by written stipulation, or (b) withdraws an objection to a Claim with approval of the
22 Bankruptcy Court. Notwithstanding any other provision in the Plan, no payment or
23 Distribution shall be made on account of or with respect to any Claim to the extent
24 it is a Disputed Claim unless and until the Disputed Claim becomes an Allowed
25 Claim. Objections to Claims shall be filed and served no later than 60 days after
26 the Confirmation Order. This Article 22.1 shall have no application to Class 5

1 Deposit and Loan Claims and Other Parish and Catholic Entity Secured and
2 Unsecured Claims, Class 7 Tort Claims, or Class 8 Priest Retirement Claims.

3 22.2 Disputed Distribution. If any dispute arises as to the identity of a
4 holder of an Allowed Claim who is to receive any distribution, the Reorganized
5 Debtor or the Plan Trust may, in lieu of making such Distribution to such holder,
6 make such distribution into an escrow account until the disposition shall be
7 determined by Final Order of the Bankruptcy Court or by written agreement among
8 the interest parties to the dispute.

9 22.3 Ex Parte Approval. The Debtor or Reorganized Debtor shall be
10 authorized to settle objections to Claims, except Class 7 Tort Claims, of non-
11 insiders or applications for payment of Administrative Expenses Claims (other than
12 for fees and expenses of a Professional Person) in settlement amounts of less
13 than \$20,000 ex parte and without notice to any party.

14 **ARTICLE 23**
15 **RETENTION OF JURISDICTION**

16 23.1 Retained Jurisdiction. Notwithstanding entry of the Confirmation
17 Order, the Bankruptcy Court shall retain jurisdiction to ensure that the purposes
18 and intent of the Plan are implemented until entry of an order concluding and
19 terminating the Case. Without limiting the generality of the foregoing, the Court
20 shall retain jurisdiction of the following contested matters and proceedings.

21 23.1.1 Allowing any Claim arising prior to Confirmation as a cost and
22 expense of the administration of the Case.

23 23.1.2 Re-examining any Claim that has been Allowed, except Tort
24 Claims Allowed under Article 11.

25 23.1.3 Hearing and determining any objection to a Claim, except a
26 Tort Claim. The failure of Debtor or Reorganized Debtor to object to, or to

1 examine any Claim except a Tort Claim shall not be deemed a waiver of Debtor's
2 or Reorganized Debtor's right to object to, or re-examine, any Claim except a Tort
3 Claim.

4 23.1.4 Hearing and determining any Avoidance Action brought by the
5 Debtor or the Reorganized Debtor.

6 23.1.5 Hearing and determining all causes of action, controversies,
7 disputes, or conflicts between Debtor or Reorganized Debtor, or the Plan Trust,
8 and any other party, including those that were pending prior to Confirmation.

9 23.1.6 Hearing and determining any motions brought by Debtor or
10 Reorganized Debtor seeking approval of a proposed sale of an asset of the
11 Estate.

12 23.1.7 Hearing and determining all questions and disputes regarding
13 title to the property of the Debtor, its Estate, Reorganized Debtor, the Parishes or
14 the Plan Trust.

15 23.1.8 Correcting any defect, curing any omission, or reconciling any
16 inconsistency in the Plan or the Confirmation Order as may be necessary to carry
17 out the purpose and intent of the Plan.

18 23.1.9 Hearing and determining any actions brought by the Debtor or
19 Reorganized Debtor to protect Debtor, the Estate, or Reorganized Debtor, or the
20 Plan Trustee to protect the Plan Trust.

21 23.1.10 Issuing any order necessary to implement the Plan or
22 Confirmation Order, including, without limitation, such declaratory and injunctive
23 orders as are appropriate to protect the Debtor, the Estate, the Reorganized
24 Debtor or the Plan Trust.

1 and expenses of the Reorganized Debtor, shall be paid by the Reorganized
2 Debtor and need not be submitted to the Bankruptcy Court for approval. Any
3 Claims for fees, costs, and expenses incurred by the TCR, the Plan Trustee, the
4 FCR, the TCC, or the TLC, and for Professional Fees incurred by the TCR, the
5 Plan Trustee, the FCR, the TCC, the TLC, or the Debtor or the Reorganized
6 Debtor pursuant to Article 11.9, after the Effective Date (“Post Confirmation Fees”)
7 shall be treated as part of the fees and expenses of the Plan Trust, shall be paid
8 by the Plan Trust, and must be submitted to the Bankruptcy Court for approval.
9 Employment of professionals by the TCR or the Plan Trustee shall be subject to
10 Bankruptcy Court approval pursuant to §§327 and 328 of the Bankruptcy Code
11 and Bankruptcy Rules 2014. If the Plan Trust Reserve is not sufficient to pay Post
12 Confirmation Fees approved by the Bankruptcy Court, the excess shall be paid
13 from the Matrix Fund, the Litigation Fund and the Non-Releasing Litigation Fund in
14 proportion to the amounts allocated to such Funds pursuant to Article 11.2.4.

15 25.4 Unmarked Ballots. Executed ballots respecting the Plan returned by
16 creditors to Debtor that do not indicate acceptance or rejection of the Plan shall be
17 deemed and counted as acceptances of the Plan.

18 25.5 Payments Shall Be Timely. Reorganized Debtor and the Plan Trust
19 shall timely make all payments required under this Plan. Without limiting the
20 generality of the foregoing, Reorganized Debtor shall be responsible for the timely
21 payment of quarterly fees incurred pursuant to 28 U.S.C. §1930(i)(6) following
22 Confirmation until the case is closed. After Confirmation, Reorganized Debtor
23 shall serve on the United States Trustee quarterly a financial report for each
24 quarter (or portion thereof) the case remains open. The quarterly financial report
25 shall include a statement of all disbursements made during the course of the
26 quarter, whether or not pursuant to the Plan.

1 25.6 Stay of Confirmation Order Shall Not Apply. The stay of
2 enforceability of the Confirmation Order pursuant to Bankruptcy Rule 3020(e) shall
3 not apply, and the Confirmation Order shall be enforceable according to its terms
4 immediately upon entry absent further order of the Court.

5 25.7 Governing Law. Except to the extent that the Bankruptcy Code or
6 Bankruptcy Rules or other federal laws are applicable, and subject to the
7 provisions of any contract, instrument, release, or other agreement or document
8 entered into in connection with the Plan, the construction, implementation and
9 enforcement of the Plan and all rights and obligations arising under the Plan shall
10 be governed by, and construed and enforced in accordance with, the laws of the
11 State of Washington and not Canon Law, without giving effect to its conflicts of law
12 principles; provided that the rights and obligations of the Debtor, the Reorganized
13 Debtor, the Parishes and the Catholic Entities among themselves but not with
14 respect to any third parties also shall be governed by Canon Law.

15 25.8 Extension Of Payment Dates. If any payment date falls due on any
16 day which is not a Business Day, then such due date shall be extended to the next
17 Business Day.

18 25.9 Notices. Any notice required or permitted to be provided under the
19 Plan shall be in writing and served by regular first class mail, overnight delivery, or
20 hand-delivery.

21 25.10 Closing of the Case. At such time as the Plan has been fully
22 administered and/or the Plan has been substantially consummated, the
23 Reorganized Debtor will file an application for Final Order showing that the Plan
24 has been substantially consummated. The Reorganized Debtor will file an
25 application for Final Order upon notice to only those Creditors, holders of Interests,
26 and parties that have filed requests for notice at any time after the Petition Date,

1 after which an order approving the Reorganized Debtor's final report and closing
2 the Reorganization Case may be entered.

3 25.11 Interest. Whenever interest is to be computed under the Plan,
4 interest shall be simple interest and not compounded.

5 25.12 Additional Assurances. The Debtor, the Reorganized Debtor, the
6 Plan Trustee, the Participating Parishes, the Participating Catholic Entities, the
7 Note 2 Parishes, the Note 3 Parish and the Creditors holding Claims herein will
8 execute such other further documents as are necessary to implement any of the
9 provisions of the Plan.

10 25.13 Cramdown. The Proponents hereby request, if necessary,
11 confirmation of the Plan pursuant to Bankruptcy Code §1129(b) with respect to
12 any impaired Class of Claims which does not vote to accept the Plan.

13 25.14 Fractional Dollars. Notwithstanding any other provision of the Plan,
14 no payments or distributions under the Plan of or on account of fractions of dollars
15 shall be made. When any payment or distribution of or on account of a fraction of
16 a dollar to any holder of an Allowed Claim would otherwise be required, the actual
17 payment or distribution made will reflect a rounding of such fraction to the nearest
18 whole number (up or down).

19 25.15 Dissolution of Committees and termination of FCR. On the 30th day
20 after latter of the dates on which (a) the TCR's estimation of the aggregate amount
21 of the Matrix Tort Claims, Litigation Tort Claims and Non-Releasing Litigation Tort
22 Claims pursuant to Article 11.2.4 becomes a Final Order, or (b) the Confirmation
23 Order becomes a Final Order, the TLC and the TCC shall be dissolved. The
24 FCR's appointment shall be terminated on the latter of the Effective Date and the
25 date on which the Confirmation Order becomes a final order. If the TCR or the
26 Plan Trustee resigns or becomes unable to serve, the TCC and the TLC as

1 constituted on the date of their dissolution shall be automatically reconstituted, the
2 FCR's appointment shall be automatically reinstated, and the employment of their
3 respective counsel shall be automatically approved, for the sole purpose of
4 representing their respective constituencies and clients in connection with the
5 appointment of a successor until a successor is appointed pursuant to a Final
6 Order, and their fees, costs and expenses shall be paid pursuant to Article 25.3.

7 25.16 Headings. The headings of the articles, paragraphs, and section of
8 the Plan are inserted for convenience only and will not affect the interpretation
9 hereof.

10 25.17 Successors and Assigns. The rights, benefits and obligations of any
11 Person named or referred to in the Plan shall be binding upon, and will inure to the
12 benefit of, the heirs, executors, administrators, successors or assigns of such
13 Person.

14 **ARTICLE 26**

15 **NON-MONETARY UNDERTAKINGS OF DEBTOR**

16 The Debtor and/or Bishop William S. Skylstad will undertake the following
17 non-monetary obligations within thirty (30) days after the Effective Date, unless
18 otherwise noted.

19 26.1 For a period of not less than 9 years after the Effective Date, the
20 Debtor will post on the Diocesan web site the names of ALL known Spokane
21 diocesan clergy, religious clergy not incardinated in the Spokane diocese who
22 nevertheless were functioning as clergy in and for the Spokane diocese, and order
23 clergy or religious who are admitted, proven or credibly accused perpetrators. For
24 any such perpetrator who is deceased, the name of such perpetrator shall be
25 posted in accordance with the Spokane diocesan Review Board Policy which
26 provides for publication of the name of a deceased priest against whom a credible

1 allegation of sexual abuse has been made only if it is requested by the abused
2 person that the deceased priest's name be publicized. Notwithstanding the
3 foregoing, the Debtor shall maintain the posting for any longer period of time if
4 recommended by the U.S. Conference of Catholic Bishops.

5 26.2 Debtor will also continue publication on the web site of the postings
6 of admitted, proven or credibly accused perpetrators described above which have
7 been posted since 2002 for the same period of time as described in Article 26.1
8 above.

9 26.3 Within one (1) year after the Effective Date, Bishop Skylstad will
10 himself go to every parish in which any children were abused or where
11 perpetrators served and read from the pulpit a statement identifying all
12 perpetrators that have served in the parish and urge people to come forward and
13 contact law enforcement, the diocesan Victim's Assistance Coordinator and/or any
14 survivor group or organization felt appropriate by the person wishing to make a
15 report of abuse.

16 26.4 Debtor will publish in the Inland Register four times per year for five
17 (5) years after the Effective Date and one time per year for twenty (20) years
18 thereafter, a prominent statement urging persons sexually abused by priests or
19 religious to come forward and contact law enforcement, and the diocesan Victim's
20 Assistance Coordinator and/or any survivor group or organization felt appropriate
21 by the person wishing to make a report of abuse.

22 26.5 Bishop Skylstad will publicly support a complete elimination of all
23 criminal statutes of limitation for child sexual abuse.

24 26.6 For two (2) years after the Effective Date, the Debtor will allow any
25 person holding an Allowed Tort Claim to speak publicly in the parish where they
26 were Abused at a time mutually agreed upon by the person holding the Allowed

1 Tort Claim, the Debtor and the parish pastor and/or administrator. Any such
2 persons holding an Allowed Tort Claim who wishes to so speak publicly in the
3 parish where they were abused shall be entitled to speak on no more than one
4 occasion per Tort Claimant and reasonable notice of the occasion, time and place
5 of his or her presentation shall be given by the Debtor or the parish to parish
6 members.

7 26.7 Debtor will make available reasonable space but not more than one
8 full page in each issue of the Inland Register for two (2) years after the Effective
9 Date to allow Tort Claimants to tell their stories of abuse by priests if they desire to
10 publish their stories.

11 26.8 Debtor, and its representatives, will not refer either verbally or in print
12 to the Claims of Tort Claimants as "alleged" Claims.

13 26.9 Within a reasonable time after the allowance of any Tort Claim,
14 Bishop Skylstad will send letters of apology to the Tort Claimant and, if requested
15 by the Tort Claimant, his or her immediate family.

16 **ARTICLE 27**
17 **REQUEST FOR CONFIRMATION**

18 The Proponents request entry of a Confirmation Order pursuant to §1129 of
19 the Bankruptcy Code.

20 Dated this 4th day of January, 2007.

21 RIDDELL WILLIAMS P.S.

BUSH STROUT & KORNFELD

22
23 By: /s/ George E. Frasier
24 George E. Frasier, WSBA #1857
Joseph E. Shickich, Jr., WSBA #

By: /s/ Gayle Bush
Gayle Bush

25 Attorneys for Tort Claimants' Committee

Attorney for Unknown Claims
Representative

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ELSAESSER JARZABEK ANDERSON
MARKS ELLIOTT & MCHUGH

PAINE, HAMBLIN, COFFIN, BROOKE
& MILLER, LLP

By: /s/ Ford Elsaesser
Ford Elsaesser

By: /s/ Shaun M. Cross
Shaun M. Cross
Michael Paukert
Gregory J. Arpin

CRUMB & MUNDING, P.S.

Attorneys for Debtor

By: /s/ John D. Munding
John D. Munding, WSBA #21734

Attorneys for Executive Committee of
the Association of Parishes

- 1 Schedule 2.18-Catholic Entities
- 2 Catholic Cemeteries of Spokane
- 3 Bishop White Seminary
- 4 Morning Star Boys' Ranch
- 5 Immaculate Heart Retreat Center
- 6 Catholic Charities of Spokane

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Schedule 2.83- Matrix Protocol for Compensation of Sexual Abuse Claims
To be attached at a later date

Schedule 2.91-Parishes

Parish	Location
Assumption of the Blessed Virgin	Spokane
Assumption of the Blessed Virgin	Walla Walla
Cathedral of Our Lady of Lourdes	Spokane
Holy Family	Clarkston
Holy Ghost	Valley
Holy Rosary	Pomery
Holy Rosary	Rosalia
Holy Rosary	Tonasket
Holy Trinity	Washtucna
Immaculate Conception	Colville
Immaculate Conception	Davenport
Immaculate Conception	Oroville
Immaculate Conception	Republic
Immaculate Heart Retreat Center	Spokane
Mary Queen of Heaven	Spokane
Mary Queen of Heaven	Sprague
Our Lady of Fatima	Spokane
Our Lady of Lourdes	West End
Our Lady of Perpetual Help	St. John
Our Lady of Sorrows	Kallispel Reservation
Our Lady of the Lake	Suncrest
Our Lady of the Valley	Okanogan
Pure Heart of Mary	Northport
Sacred Heart	Brewster
Sacred Heart	Kettle Falls
Sacred Heart	Nespelem

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Parish	Location
Sacred Heart	Othello
Sacred Heart	Pullman
Sacred Heart	Springdale
Sacred Heart	Wilbur
Sacred Heart	Spokane
Sacred Heart	Tekoa
Sacred Heart	Wellpinit
St. Agnes	Ritzville
St. Aloysius Gonzaga	Spokane
St. Ambrose	Lind
St. Ann	Spokane
St. Anne	Medical Lake
St. Anthony	Newport
St. Anthony	Spokane
St. Augustine	Spokane
St. Bernard	Ione
St. Boniface	Uniontown
St. Catherine	Oakesdale
St. Charles	Spokane
St. Francis Assisi	Harrington
St. Francis Assisi	Spokane
St. Francis Assisi	Walla Walla
St. Francis Xavier	Spokane
St. Gall	Colton
St. Genevieve	Twisp
St. John Vianney	Spokane Valley

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Parish	Location
St. Joseph	Spokane
St. Joseph	Colbert
St. Joseph	Dayton
St. Joseph	LaCrosse
St. Joseph	Metaline Falls
St. Joseph	Odessa
St. Joseph	Omak
St. Joseph	Otis Orchards
St. Joseph	Rockford
St. Jude	Usk
St. Mark	Waitsburg
St. Mary	Spokane Valley
St. Mary Mission	Omak
St. Mary of the Rosary (includes St. Joseph-Jump Off Joe)	Chewelah
St. Mary Presentation	Deer Park
St. Michael	Reardan
St. Michael's Mission	Inchelium
St. Paschal	Spokane
St. Patrick	Colfax
St. Patrick	Curlew
St. Patrick	Pasco
St. Patrick	Spokane
St. Patrick	Walla Walla
St. Paul the Apostle	Eltopia
St. Peter	Spokane
St. Philip Benizi	Ford

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Parish	Location	
St. Rose of Lima	Cheney	
St. Rose of Lima	Keller	
St. Thomas More	Spokane	
St. Thomas More Chapel	Pullman	
St. Vincent	Connell	

- 1 Schedule 2.104-Participating Catholic Entities
- 2 Catholic Cemeteries of Spokane
- 3 Morning Star Boys' Ranch
- 4 Immaculate Heart Retreat Center
- 5 Catholic Charities of Spokane

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Schedule 2.105-Participating Parishes

Parish	Location
Assumption of the Blessed Virgin	Spokane
Assumption of the Blessed Virgin	Walla Walla
Cathedral of Our Lady of Lourdes	Spokane
Holy Family	Clarkston
Holy Ghost	Valley
Holy Rosary	Rosalia
Holy Rosary	Tonasket
Holy Trinity	Washtucna
Immaculate Conception	Colville
Immaculate Conception	Davenport
Immaculate Conception	Oroville
Immaculate Conception	Republic
Immaculate Heart Retreat Center	Spokane
Mary Queen of Heaven	Spokane
Mary Queen of Heaven	Sprague
Our Lady of Fatima	Spokane
Our Lady of Lourdes*	West End
Our Lady of Perpetual Help	St. John
Our Lady of Sorrows*	Kallispel Reservation
Our Lady of the Lake	Suncrest
Our Lady of the Valley	Okanogan
Pure Heart of Mary	Northport
Sacred Heart	Brewster
Sacred Heart	Kettle Falls
Sacred Heart*	Nespelem

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Parish	Location
Sacred Heart	Othello
Sacred Heart	Pullman
Sacred Heart	Springdale
Sacred Heart	Wilbur
Sacred Heart	Spokane
Sacred Heart	Tekoa
Sacred Heart*	Wellpinit
St. Agnes	Ritzville
St. Aloysius Gonzaga	Spokane
St. Ambrose	Lind
St. Ann	Spokane
St. Anne	Medical Lake
St. Anthony	Newport
St. Anthony	Spokane
St. Augustine	Spokane
St. Bernard	Ione
St. Boniface	Uniontown
St. Catherine	Oakesdale
St. Charles	Spokane
St. Francis Assisi	Harrington
St. Francis Assisi	Spokane
St. Francis Assisi	Walla Walla
St. Francis Xavier	Spokane
St. Gall	Colton
St. Genevieve	Twisp
St. John Vianney	Spokane Valley

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Parish	Location
St. Joseph	Spokane
St. Joseph	Colbert
St. Joseph	LaCrosse
St. Joseph	Metaline Falls
St. Joseph	Odessa
St. Joseph*	Omak
St. Joseph	Otis Orchards
St. Joseph	Rockford
St. Jude	Usk
St. Mary	Spokane Valley
St. Mary Mission*	Omak
St. Mary of the Rosary (includes St. Joseph-Jump Off Joe)	Chewelah
St. Mary Presentation	Deer Park
St. Michael	Reardan
St. Michael's Mission*	Inchelium
St. Paschal	Spokane
St. Patrick	Colfax
St. Patrick	Curlew
St. Patrick	Pasco
St. Patrick	Spokane
St. Patrick	Walla Walla
St. Paul the Apostle	Eltopia
St. Peter	Spokane
St. Philip Benizi*	Ford
St. Rose of Lima	Cheney
St. Rose of Lima*	Keller

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Parish	Location	
St. Thomas More	Spokane	
St. Thomas More Chapel	Pullman	
St. Vincent	Connell	

*These Parishes are located on Indian Reservations. To the extent the property of these Parishes can not be pledged without the consent of the Bureau of Indian Affairs or another governmental or sovereign entity recognized under federal law, such property need not be pledged.

Schedule 9.2-Allowed Deposit and Loan Claims

Claimant	Amount
All Saints School	147,509.46
Bishop White Seminary	75,952.32
Cataldo Catholic School	8,825.48
Cathedral of Our Lady of Lourdes	17,113.44
Cathedral of Our Lady of Lourdes	1,920.44
Cathedral of Our Lady of Lourdes	9,726.89
Cathedral of Our Lady of Lourdes	1,295.00
Catholic Cemeteries – Holy Cross	749,180.45
Holy Family School – Clarkston	20,287.38
Holy Ghost – Valley	42,965.55
Holy Ghost – Valley	5,025.29
Holy Rosary – Pomeroy	9,635.38
Holy Rosary – Tonasket	2,831.78
Immaculate Conception – Colvill	3,459.22
Immaculate Conception – Davenport	22,667.07
Immaculate Conception – Oroville	5,870.51
Immaculate Conception – Republic	41,773.46
La Comunidad Catolica De Spokane c/ St. Joseph	2,109.00
Mary Queen of Heaven – Spokane	7,773.41
Morning Star Boys Ranch	67,672.85
Our Lady of Fatima	12,458.52
Our Lady of the Lake	59,219.09

1	Our Lady of the Valley	122,859.94
2	Sacred Heart – Brewster	212,270.17
3	Sacred Heart – Othello	2,721.62
4	Sacred Heart – Othello	268,589.76
5	Sacred Heart – Pullman	16,249.98
6	Sacred Heart – Valley/Springdale	4,078.31
7	Sacred Heart – Wilbur	279,680.73
8	Sacred Heart – Spokane	134,220.62
9	Spokane Catholic Investment Trust	9,667.45
10	St. Aloysius	20,295.06
11	St. Ambrose – Lind	7,410.26
12	St. Ann	1,993.98
13	St. Anthony – Newport	27,661.80
14	St. Anthony's Altar Society – Newport	3,349.24
15	St. Anthony – Spokane	15,498.13
16	St. Bernard	6,142.85
17	St. Boniface	40,630.98
18	St. Charles	29,356.67
19	St. Francis Assisi – Harrington	17,261.03
20	St. Francis Assisi – Walla Walla	59,034.21
21	St. Francis Xavier	25,857.10
22	St. Genevieve	13,984.49
23	St. John Vianney Church	59,088.45
24	St. John Vianney School	56,422.99
25	St. Joseph – Spokane	64,099.93
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1	St. Joseph – Colbert	116,319.00
2	St. Joseph – Jump Off Joe	17,666.59
3	St. Joseph – Metaline Falls	3,975.47
4	St. Joseph – Odessa	8,857.91
5	St. Joseph – Otis Orchards	42,131.38
6	St. Mark's – Dayton	2,799.83
7	St. Mary – Spokane Valley	1,505.12
8	St. Mary Rosary – Chewelah	44,665.59
9	St. Mary Rosary – Chewelah Youth	548.94
10	Group	
11	St. Mary Rosary – Chewelah Cemetery	5,745.04
12	St. Mary Presentation – Deer Park	979,795.94
13	St. Michael – Reardan	1,830.58
14	St. Michael's Mission – Inchelium	4,816.48
15	St. Patrick – Colfax	6,368.57
16	St. Patrick – Pasco	1,555.81
17	St. Patrick – Spokane	4,059.45
18	St. Paul – Eltopia	8,394.73
19	St. Phillip's Villa	2,050.15
20	St. Rose of Lima – Cheney	76,744.03
21	St. Thomas More Church	1,569.35
22	St. Thomas More School	7,771.57
23	St. Vincent – Connell	10,246.27
24	Walla Walla Catholic Schools	509.79
25	Total	4,163,683.74
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DEBTOR'S PLAN OF REORGANIZATION JOINTLY PROPOSED
BY AOP, DEBTOR, FCR AND TCC -97
291/526060.62
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Schedule 11.1.2(a)-Settled Compromise Tort Claims

No.	BMC Claim No.	Settlement Amount
1.	15	\$8,000.00
2.	51	\$4,000.00
3.	83	\$15,000.00
4.	91	\$15,000.00
5.	93	\$15,000.00
6.	94	\$15,000.00
7.	115	\$15,000.00
8.	117	\$45,000.00
9.	120	\$15,000.00
10.	297	\$15,000.00
11.	298	\$22,800.00
12.	301	\$40,000.00
13.	308	\$30,000.00
14.	309	\$30,000.00
15.	310	\$30,000.00
16.	311	\$30,000.00
17.	312	\$30,000.00
18.	313	\$30,000.00
19.	314	\$30,000.00
20.	316	\$5,000.00
21.	318	\$30,000.00
22.	393	\$10,000.00

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23.	395	\$10,000.00
24.	399	\$25,000.00
25.	401	\$25,000.00
26.	409	\$15,000.00
27.	410	\$15,000.00
28.	418	\$15,000.00
29.	421	\$15,000.00
TOTAL		\$599,800.00

Schedule 11.1.2(b)-Settled Matrix Tort Claims

No.	BMC Claim No.	Settlement Amount
1.	46	\$300,000.00
2.	58	\$235,000.00
3.	68	\$160,000.00
4.	69	\$175,000.00
5.	70	\$88,000.00
6.	88	\$95,000.00
7.	160	\$75,000.00
TOTAL		\$1,128,000.00

1 Schedule 15.1.1.2-Real and Personal Property

2 All real and personal property in which the Estate has an interest, including

3 but not limited to:

4	Real Property	
5	Catholic Pastoral Center (Chancery)	
6	Rockwood Lane Units	
7	Fairfield Agricultural Land (Mattausch Farm)	
8	Bishop White Seminary	
9	Bishop White Seminary SFR	
10	Bishop's House	
11	Chester Property	
12	Medical Lake	
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15	Personal Property	
16	Cash	
17	DLF Loans	
18	Insurance Actions	
19	Interest of Bishop in Certain Other Corporations	
20	Accounts and Pledges Receivable	
21	Office Equipment, and Other Tangible Personal Property	
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Schedule 15.3.1(a)-Heckett Ranch
To be furnished by Debtor

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Schedule 15.3.1(b)-20 Acre Parcel
To be furnished by Debtor

Schedule 15.4.1-Parish Property

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2	Assumption of the Blessed Virgin	3624 W Indian Trail Road, Spokane
3	Assumption of the Blessed Virgin	2098 E Alder Street, Walla Walla
4	Cathedral of Our Lady of Lourdes	1115 W. Riverside Avenue, Spokane
5	Holy Family	917 Chestnut Street, Clarkston
6	Holy Ghost	3083 Hemlock Street, Valley
7	Holy Rosary	622 N. Plaza Avenue, Rosalia
8	Holy Rosary	1st and Whitcomb, Tonasket
9	Holy Trinity	Washtucna
10	Immaculate Conception	320 N. Maple, Colville
11	Immaculate Conception	1310 Adams Street, Davenport
12	Immaculate Conception	1715 Main Street, Oroville
13	Immaculate Conception	261 E. 7th Street, Republic
14	Immaculate Heart Retreat Center	6910 S Ben Burr Road, Spokane, WA
15	Mary Queen of Heaven	3423 E. Carlisle Avenue, Spokane
16	Mary Queen of Heaven	Sprague
17	Our Lady of Fatima	1517 E. 33rd Avenue, Spokane
18	Our Lady of Lourdes*	West End
19	Our Lady of Perpetual Help	St. John
20	Our Lady of Sorrows*	Kallispel Reservation
21	Our Lady of the Lake	Highway 291, Nine Mile Falls
22	Our Lady of the Valley	2511 N.Elmway, Okanogan
23	Pure Heart of Mary	720 South Street, Northport
24	Sacred Heart	214 S. 5th Street, Brewster
25	Sacred Heart	Highway 396, Kettle Falls
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1	Sacred Heart*	Nespelem
2	Sacred Heart	616 E. Juniper, Othello
3	Sacred Heart	440 NE Ash Street, Pullman
4	Sacred Heart	110 S. 2nd Street, Springdale
5	Sacred Heart	606 SW Alder, Wilbur
6	Sacred Heart	219 E. Rockwood Boulevard, Spokane
7	Sacred Heart	822 N. Washington Street, Tekoa
8	Sacred Heart*	Wellpinit
9	St. Agnes	404 E. 5th, Ritzville
10	St. Aloysius Gonzaga	330 E. Boone Avenue, Spokane
11	St. Ambrose	Lind
12	St. Ann	2120 E. First Avenue, Spokane
13	St. Anne	708 E. Lake Street, Medical Lake
14	St. Anthony	612 W. 1st Avenue, Newport
15	St. Anthony	2320 N. Cedar Street, Spokane
16	St. Augustine	428 W. 19th Avenue, Spokane
17	St. Bernard	802 8th, Lone
18	St. Boniface	Uniontown
19	St. Catherine	4th and Steptoe, Oakesdale
20	St. Charles	4515 N. Alberta Street, Spokane
21	St. Francis Assisi	206 Coal Creek Road, Harrington
22	St. Francis Assisi	1104 W. Heroy, Spokane
23	St. Francis Assisi	722 W. Alder Street, Walla Walla
24	St. Francis Xavier	545 E. Providence Avenue, Spokane
25	St. Gall	312 Steptoe Street, Colton
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1	St. Genevieve	403 Burgar Street, Twisp
2	St. John Vianney	503 N. Walnut Road, Spokane Valley
3	St. Joseph	1503 W. Dean Avenue, Spokane
4	St. Joseph	3720 E. Colbert Road, Colbert
5	St. Joseph	Star and 2nd Street, LaCrosse
6	St. Joseph	406 Park, Metaline Falls
7	St. Joseph	907 S Dixie Boulevard, Odessa
8	St. Joseph*	530 Jackson, Omak
9	St. Joseph	4521 N. Arden Road, Otis Orchards
10	St. Joseph	138 S. River Street, Rockford
11	St. Jude	River Road, Usk
12	St. Mary	304 S. Adams Road, Spokane Valley
13	St. Mary Mission*	Omak
14	St. Mary of the Rosary (includes St. Joseph-Jump Off Joe)	502 E. Main Street, Chewelah
15	St. Mary Presentation	310 N. Main Street, Deer Park
16	St. Michael	455 Cottonwood, Reardan
17	St. Michael's Mission*	Hall Creek Road, Inchelium
18	St. Paschal	2523 N. Park Road, Spokane
19	St. Patrick	1018 S. Main Street, Colfax
20	St. Patrick	9 Church Street, Curlew
21	St. Patrick	1320 W. Henry, Pasco
22	St. Patrick	5021 N. Nelson Street, Spokane
23	St. Patrick	408 W. Poplar, Walla Walla
24	St. Paul the Apostle	14181 Glade Road, Eltopia
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1	St. Peter	3520 E. 18th Avenue, Spokane
2	St. Philip Benizi*	Ford
3	St. Rose of Lima	460 N. 5th Street, Cheney
4	St. Rose of Lima*	Keller
5	St. Thomas More	505 W. St. Thomas More Way,
6		Spokane
7	St. Thomas More Chapel	820 NE "B" Street, Pullman
8	St. Vincent	Connell

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10 *These Parishes are located on Indian Reservations. To the extent the

11 property of these Parishes can not be pledged without the consent of the Bureau

12 of Indian Affairs or another governmental or sovereign entity recognized under

13 federal law, such property need not be pledged.

14 Legal descriptions will not be attached to the Plan

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- 1 Schedule 15.4.3.1.2 Note 2 Parishes
- 2 Cathedral of Our Lady of Lourdes Parish
- 3 Assumption of the Blessed Virgin Parish
- 4 St. Augustine Parish
- 5 St. Mary Parish, Spokane Valley
- 6 Immaculate Heart Retreat Center

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Schedule 15.8-Insurance Settlements

Insurer	Settlement Amount
General Insurance Company of America (a/k/a Safeco) ¹	\$5,250,000.00
ACE Property and Casualty Insurance Company ²	1,500,000.00
Indiana Insurance Company	2,750,000.00
Oregon Automobile Insurance Company	6,000,000.00
Washington Insurance Guaranty Association	999,999.99
CNA (Pacific Insurance Company, Columbia Casualty Company, American Casualty Company of Reading Pennsylvania, Continental Insurance Company and The Glens Falls Insurance Company)	3,500,000.00
TOTAL	19,999,999.99

¹ An accounts has been established by this Insurer carrier for this Settlement and the funds are accruing interest for the benefit of the Debtor.

² An accounts has been established by this Insurer carrier for this Settlement and the funds are accruing interest for the benefit of the Debtor.

- 1 Schedule 15.9(a)-FTC Parish Group 1
- 2 Cathedral of Our Lady of Lourdes Parish
- 3 Assumption of the Blessed Virgin Parish
- 4 St. Augustine Parish
- 5 St. Mary Parish, Spokane Valley

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- 1 Schedule 15.9(b)-FTC Parish Group 2
- 2 St. Patrick
- 3 St. Thomas More (Church & School)
- 4 Our Lady of Fatima (Church & School)
- 5 St. Charles (Church & School)
- 6 St. Ann
- 7 Sacred Heart
- 8 St. John Vianney (Church & School)
- 9 St. Peter (Church & School)
- 10 St. Aloysius
- 11 Mary Queen of Heaven
- 12 St. Joseph
- 13 St. Paschal Parish
- 14 St. Aloysius (School)
- 15 St. Anthony (Church & School)
- 16 St. Francis Catholic School
- 17 St. Joseph

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Schedule 17.1-Assumed Executory Contracts and Unexpired Leases

Name & Address	Description
GE Capital P. O. Box 31001 Pasadena, CA 91110-0274	Equipment Lease
	Canon Copier Model # IR600, Serial # NLE09375
	Canon Copier Model # IR600,Serial # NNT16772
	Canon Copier Model # IR1330, Serial # ZTZ00479
	Canon Copier Model # CLC1150, Serial # # NNC00405
Schindler Elevator Corp. 409 N. Thierman Road Ste D Spokane Valley, WA 99213-3160	Elevator Maintenance
	Service Contract # 4100015110
Culligan 25 E. 3rd. Ave. Spokane, WA 99202-1492	Water Treatment
SMK Construction Co., Inc. P. O. Box 4687 Spokane, WA 99220	HVAC Maintenance
	CL9397545
Honeywell Inc. 12490 Collection Center Dr. Chicago, IL 60693-0124	Heating System Maintenance

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Ampco System Parking 1325 4th. Ave. Ste 910 Seattle, WA 98101-2529	Parking lot lease
The John Carroll Society c /o Brenda Alford 9612 St. Thomas Drive PO Box 4744 Pasco 99302-4744	Agreement for Administration and Operation of St. Patrick's School, Pasco, WA
Rockwood Lane Units 104, 204, 208, 222 and 308 Spokane, WA	Tenancy agreements for residences for retired priests