



THE CATHOLIC DIOCESE OF ROCKVILLE CENTRE

Office of Communications • *The Long Island Catholic* • *Fe Fuerza Vida*

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STATEMENT

DATE: **May 29, 2020**

RE: **Motion for Stay**

FROM: **Sean P. Dolan, Director of Communications**

The Diocese of Rockville Centre's (DRVC) request for a stay pending an appeal of the court's denial of its motion to dismiss approximately 35 cases brought under the Child Victims Act reflects the Diocese's dedication to the fair and just treatment of all abuse victims, rather than continuing on a course that is marked by exhausting litigation expenses for the benefit of those racing to the courthouse ahead of others. The Diocese's stay motion is not an attempt to turn its back on victims or shield predators from any punishment they deserve.

Toward the Diocese's goal to reconcile with and compensate all victims of abuse, the Diocese has continued to process claims through the Independent Reconciliation and Compensation Program ("IRCP"), which, since it was established in 2017, has awarded more than \$57 million to 320 victims of sexual abuse and has pending offers to or is actively investigating an additional 50 claims.

The Diocese expects proceeds from its insurance policies, for which it has paid premiums over the years, to play an important role in compensating survivors. To ensure that those insurance proceeds are available, the Diocese is raising and fully litigating all legal defenses to claims brought against it.

To date, however, the Diocese's insurance companies have yet to reimburse the Diocese for the enormous legal costs it has incurred as a result of the CVA lawsuits. Because of that, and the additional strain on its finances resulting from the COVID-19 pandemic, the Diocese does not have the resources to continue litigating the nearly 100 pending cases through to judgment. What is more, insurance will not, as a matter of law, cover punitive damages sought by 74 of these plaintiffs that, if awarded, would likely total in the hundreds of millions of dollars. If these actions are not stayed pending appeal, the substantial sums that the Diocese will have to expend in continuing to litigate these actions will be unavailable to survivors.

While a bankruptcy filing is a last resort, the Diocese may have to seek such protection to preserve value so as to enable it to carry out its mission of supporting the Catholic faith on Long Island, while ensuring that all survivors receive fair settlements.