



OFFICE OF THE BISHOP • Diocese of Duluth

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April 29, 2019

Dear Brothers and Sisters in Christ,

More than three and a half years ago, on December 7, 2015, the Diocese of Duluth entered into financial reorganization under Chapter 11 of the Bankruptcy Code. We filed for bankruptcy because it allowed the Diocese to fulfill its obligations, especially to the victims of clergy sexual abuse of minors, while continuing to carry out its ministry.

As a result of successful mediation, the Diocese of Duluth and the Official Committee of Unsecured Creditors, comprised of survivors of clergy sexual abuse, have announced a consensual plan of reorganization to be filed in the Diocese of Duluth Chapter 11 bankruptcy proceeding, contingent on approval by the Court. This constitutes a tentative agreement in principle toward resolving the bankruptcy.

The plan, if confirmed, would distribute approximately \$40 million, with more than \$39 million of it funding a trust for the benefit of the survivors, once the remaining Court proceedings for approval conclude. Our attorneys anticipate this will be a three- to four-month process.

The Diocese, our parishes, and related entities have all been asked to contribute to the settlement. We do so not only because of legal and practical requirements but because we are all members of the Body of Christ: "If one part suffers, all the parts suffer with it," (1 Corinthians 12:26). In doing this, we can express our care for those who have been harmed and offer reparation for the sins and crimes of the perpetrators, as well as those who did not adequately protect the innocent.

This mediation process has involved extensive negotiations between representatives of the victims and survivors and our attorneys, with insurance carriers, clergy, and parish lay leaders. All of these parties have responded to make what I believe are wise decisions to achieve a settlement focused on the needs of those who have been harmed, in the hope of helping to bring healing and peace.

On behalf of the Diocese of Duluth, I again apologize to all of the victims and survivors of clergy sexual abuse of minors. Although we will never be able to undo the harm that has been done, we can come to a just resolution that will aid in the healing process and help bring closure. True healing, I believe, comes through Jesus Christ and by His grace.

Our efforts to make our parishes, schools, religious education programs and youth activities the safest places for our children to be are the work of a lifetime. We can never relax our efforts. I share with all of you the hope that one day our world will be free from all forms of abuse, exploitation, and violence especially that visited upon our children and young people.

Our hope is in the Resurrection of Our Lord, who "is the same yesterday, today, and forever" (Hebrews 13:8). Our Lady of the Rosary, pray for us.

Sincerely yours in Christ,

Most Reverend Paul D. Sirba  
Bishop of Duluth