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January 31, 2013

FILED VIA CM/ECF
Honorable Susan V. Kelley
U.S. Bankruptcy Judge
United States Bankruptcy Court
Eastern District of Wisconsin
517 East Wisconsin Avenue
Milwaukee, WI 53202

Re: *In re* Archdiocese of Milwaukee
Case No. 11-20059-SVK

Dear Judge Kelley:

At the Court's direction, we write to advise the Court regarding the Debtor's proposed approach for the disposition of the various claims objections that have been filed since November 2012, including those that will be filed shortly. In light of the Court's comments at the hearing on January 24, 2013, regarding the staged disposition of the legal issues presented by the objections to claims, and in the interests of proceeding toward a rapid disposition of the claims objections, the Debtor requests the Court approve the schedule set forth below. The Debtor is not authorized to represent State Court Counsel's current position except to state that the Claimants represented by State Court Counsel apparently intend to propose a different schedule.

GROUP 1: These claim objections were filed on November 13, 2012, and they are incorporated by Docket Nos. 1072 through 1087. The Debtor also moved for summary judgment. These claims involve individuals who were represented by counsel at the time of the settlement or a claimant whose prepetition lawsuit was dismissed with prejudice. The Debtor proposes that the applicable Claimants' opposition to the summary judgment motions will be due on or before March 1, 2013, with an opportunity for the Debtor to file a reply on or before March 15, 2013. The Debtor asks the Court to set a hearing on these motions as soon as the Court can accommodate the parties after March 15, 2013.

GROUP 2: The Debtor objected to Proof of Claim No. 102 (Claimant A-32) and Proof of Claim 184 (Claimant A-85) on November 13, 2012. The Debtor objected to these claims which involve prior settlements of claims alleging sexual abuse against priests who are not on the Archdiocese's published list of known offenders and for whom the Archdiocese has no prior reported incidents. State Court Counsel requested limited discovery on these objections, which

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the Debtor is accommodating. After this discovery is completed within the next several weeks, the Debtor will make a further report to the Court regarding the disposition of these two claims. The Debtor remains optimistic that State Court Counsel will consent to the entry of an Order disallowing the claims in a fashion similar to the Court's disposition of the Proofs of Claim filed by Claimants A-75 and A-367.

GROUP 3: The Debtor objected to other Proofs of Claims filed by various Claimants who previously settled with the Debtor [Dkt. Nos. 1113 through 1156]. These objections were filed on November 13, 2012. The Debtor proposes to suspend further proceedings regarding these particular objections pending the Court's disposition of the Motion for Reconsideration related to Claim 394 (Claimant A-282). The Debtor will promptly advise the Court and State Court Counsel regarding the Debtor's proposed disposition of these claims following the Court's ruling on the Motion for Reconsideration.

GROUP 4: The Debtor filed this group of 157 claims objections on January 21, 2013. The underlying claims all involve allegations of abuse against "non-debtor entities" such as religious order priests, religious order nuns and lay people not employed by the Debtor. The Debtor will file representative motions for summary judgment to permit the Court's accelerated disposition of the underlying legal issues. The Debtor will file the motions for summary judgment on or before March 1, 2013. The Debtor proposes that any Claimants' opposition will be due on or before March 22, 2013, with an opportunity for the Debtor to file a reply on or before April 8, 2013. The Debtor asks the Court to set a hearing on these motions promptly after April 8, 2013.

GROUP 5: The Debtor intends to file this group of 175 claims objections on or before February 23, 2013.¹ As the Debtor advised the Court at the Scheduling Conference on January 24, 2013, the Debtor will object to claims in which no fraud is evident or can be proven because the alleged abuse occurred prior to the time the Debtor became aware that the alleged perpetrator committed any alleged prior act. As with Group 4, the Debtor will file representative motions for summary judgment on or before March 4, 2013. The Debtor proposes that any Claimants' opposition be due on or before March 25, 2013, with an opportunity for the Debtor to file a reply on or before April 8, 2013. The Debtor asks the Court to set a hearing on these motions promptly after April 8, 2013.

State Court Counsel advised the Debtor that the claimants subject to the Group 4 and Group 5 objections may propound limited discovery requests to the Debtor. The Debtor will

¹ The Debtor selected a Saturday so as not to burden the Court's system during regular business hours.

promptly respond to the discovery requests and, if necessary, propose new dates for the scheduling of the dispositive motions.

If this proposal meets with the Court's approval, we are happy to prepare and upload an Order for the Court's signature.

Sincerely yours,

/s/ Francis H. LoCoco

Francis H. LoCoco

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cc: Chapter 11 Service List