



VIA CM/ECF

Stamatios Stamoulis
stamoulis@swdelaw.com

September 7, 2021

Hon. Laurie Selber Silverstein
United States Bankruptcy Judge
United States Bankruptcy Court for the District of Delaware
824 North Market Street, 6th Floor
Wilmington, Delaware 19801

Re: In re Boy Scouts of America and Delaware BSA, LLC Case No. 20-10343

Dear Judge Silverstein:

I attach a revised form of proposed order and certification of counsel addressing Century and Hartford's Motion for an Ordering Authorizing Rule 2004 Discovery, which sought claims aggregator-related discovery. *See* D.I. 1974. The Debtors, TCC, FCR, and Coalition have agreed to the form of proposed order, along with Century, Hartford, and each of the parties that joined the Motion. We respectfully ask that the Court disregard the letter objection served by counsel for AVA Law Group, a.k.a. Andrew Van Arsdale, asking that Reciprocity Industries be struck from the proposed order. [D.I. 2166].

Century and Hartford's Rule 2004 Motion sought discovery against the claim aggregators involved in the generation and filing of the proofs of claims in this case. As explained in the briefs filed in support of the 2004 Motion, Reciprocity is the claims aggregator run by Mr. Van Arsdale that generated many if not the bulk of the AIS claim associated with Mr. Kosnoff. *See* D.I. 2180. The Court referred to Mr. Kosnoff's admissions in his Rule 2019 statement concerning proofs of claim filed by AIS as support for granting of the claims aggregator discovery and in explaining why the discovery sought is potentially relevant to the pending objections to the solicitation motion. *See* 8/30/21 Hr'g Tr. at 46:10-21 ("I think the evidence that was submitted raises concerns about how some of these claims were generated and the recent declaration there Mr. Kosnoff adds to that concern. So, at this time, I'm going to permit that discovery."). In support of Century's Objections to the Debtors' Solicitation Procedures, we submitted a declaration from a person who worked for Reciprocity in generating proofs of claims. *See* D.I. 3857-2.

In short, the discovery sought from claims aggregator Reciprocity was referred to in our Rule 2004 Motion papers and is well within the scope of the relief sought. If the Court elects not to include Reciprocity within its order, we simply ask that we not be precluded from separately pursuing this discovery in connection with the contested solicitation motion.

The Honorable Laurie Selber Silverstein
September 7, 2021
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Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Stamatios Stamoulis", with a long horizontal flourish extending to the right.

Stamatios Stamoulis (Del. Bar #4606)
Of Stamoulis & Weinblatt LLC

Cc: All Counsel of Record (via CM/ECF)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BOY SCOUTS OF AMERICA AND
DELAWARE BSA, LLC,¹

Debtors.

Chapter 11

Case No. 20-10343 (LSS)

Jointly Administered

Re: D.I. 1974, 1975

**CERTIFICATION OF COUNSEL REGARDING ORDER GRANTING IN PART
INSURERS' MOTION FOR AN ORDER AUTHORIZING
CERTAIN RULE 2004 DISCOVERY [D.I. 1974, 1975]**

I, Stamatios Stamoulis, co-counsel to Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America and Indemnity Insurance Company of North America, Westchester Fire Insurance Company and Westchester Surplus Lines Insurance Company (collectively, "Century"), hereby certify and state as follows:

1. On January 22, 2021, Century and Hartford Accident and Indemnity Company, First State Insurance Company, Twin City Fire Insurance Company, and Navigators Specialty Insurance Company (collectively, "Hartford"), filed *Insurers' Motion for an Order Authorizing Rule 2004 Discovery of Certain Proofs of Claim* (the "Motion") [D.I. 1974, 1975]. The deadline to respond to the Motion was February 5, 2021, as extended by agreement for a requesting party (the "Objection Deadline").

2. Prior to the Objection Deadline, various parties filed objections and statements to the Motion. Various parties also filed joinders to the Motion.

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's federal tax identification number, are as follows: Boy Scouts of America (6300) and Delaware BSA, LLC (4311). The Debtors' mailing address is 1325 West Walnut Lane, Irving, Texas 75038.

3. On February 17, 2021, March 17, 2021, and August 30, 2021, the United States Bankruptcy Court for the District of Delaware (the “Court”) held hearings or conference regarding the Motion. On August 30, 2021, the Court granted the Motion, in part, for the reasons set forth on the record of such hearing. Thereafter, the Court directed counsel to Century and Hartford to confer with the parties regarding a form of order and submit an agreed form of order granting the Motion in part. On September 2, 2021, Century provided a draft of the proposed order to the Official Tort Claimants’ Committee (“TCC”), the Future Claimants’ Representative (“FCR”) and the Coalition of Abused Scouts for Justice (the “Coalition”) and on September 3, a draft to the Debtors. Accordingly, counsel to Century, Hartford, and the parties have agreed as to the form of the proposed order attached hereto as **Exhibit A** (the “Proposed Order”).

WHEREFORE, in accordance with the foregoing, Century hereby submits the Proposed Order, attached hereto as **Exhibit A**.

Dated: September 3, 2021
Wilmington, D.E.

Respectfully Submitted,

By: /s/ Stamatios Stamoulis
Stamatios Stamoulis (No. 4606)

Stamoulis & Weinblatt LLC

800 N. West Street
Third Floor
Wilmington, Delaware 19801
Telephone: (302) 999-1540
Facsimile: (302) 762-1688

O'Melveny & Myers LLP

Tancred Schiavoni (*pro hac vice*)
Daniel Shamah (*pro hac vice*)
Times Square Tower
7 Times Square
New York, New York 10036-6537
Telephone: 212-326-2000

*Counsel for Century Indemnity Company, as
successor to CCI Insurance Company, as successor to
Insurance Company of North America and Indemnity
Insurance Company of North America*

Exhibit A

(Proposed Order)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BOY SCOUTS OF AMERICA AND
DELAWARE BSA, LLC,¹

Debtors.

Chapter 11

Case No. 20-10343 (LSS)

Jointly Administered

Re: D.I. 1974, 1975

**ORDER GRANTING IN PART INSURERS' MOTION FOR AN ORDER
AUTHORIZING CERTAIN RULE 2004 DISCOVERY [D.I. 1974, 1975]**

Upon the motion (the "Motion")² of Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America and Indemnity Insurance Company of North America, Westchester Fire Insurance Company and Westchester Surplus Lines Insurance Company and Hartford Accident and Indemnity Company, First State Insurance Company and Twin City Fire Insurance Company (collectively, "Century and Hartford") for entry of an Order granting certain relief requested in the Motion [D.I. 1974, 1975], which was joined by the Allianz Insurers (as defined in the Joinder) [D.I. 2026], Liberty Mutual Insurance Company (as defined in the Joinder) [D.I. 2168], and AIG (as defined in the Joinder) [D.I. 2114] (collectively, the "Joinder Parties" and, together with Century and Hartford, the "Insurers"); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being

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² All capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.

proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and the Court having found and determined that the relief sought in the Motion is appropriate and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and on the basis of the record and evidence submitted to the Court and in consideration of the arguments made; it is HEREBY ORDERED THAT:

1. The Motion is GRANTED to the extent set forth on the record at the August 30, 2021 hearing, which is incorporated by reference herein.

2. The Insurers are authorized under Bankruptcy Rules 2004 and 9016 to issue subpoenas seeking the production of documents and information responsive to the requests set forth in Exhibit E to the Motion to the entities identified in Exhibit C (Verus Claims Services LLC, Consumer Attorney Marketing Group, Archer Systems, and Stratos Legal) and Reciprocity Industries, LLC and to issue subpoenas compelling testimony on behalf of the entities.

3. Any documents produced to Insurers in response to the subpoenas authorized under this Order shall also be produced to all insurers and the Debtors, the Official Tort Claimants' Committee ("TCC"), the Coalition of Abused Scouts for Justice (the "Coalition") and the Future Claimants' Representative ("FCR"), and all insurers, the Debtors, the TCC, the Coalition, and the FCR shall have the right to attend and participate in any depositions authorized under this Order. All parties' rights under Bankruptcy Rule 2004 or other applicable laws to seek further document productions and written and oral examinations in connection with these Chapter 11 Cases are expressly preserved.

4. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: September __, 2021

United States Bankruptcy Judge