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June 19, 2020

United States Bankruptcy Court
For the Delaware
844 N. Market Street
Wilmington, DE 19801
Attn: Clerk of the Court

RE: BSA-Adversary 20-50527

Dear Ms. O'Boyle:

Please find enclosed the following document for the Kentucky Defendants:

**OBJECTION OF THE KENTUCKY DEFENDANTS TO STIPULATION AND
AGREED ORDER BY AND AMONG THE BOY SCOUTS OF AMERICA, THE
OFFICIAL COMMITTEE OF SURVIVORS OF ABUSE AND THE OFFICIAL
COMMITTEE OF UNSECURED CREDITOR EXTENDING THE TERMINATION DATE
OF THE STANDSTILL PERIOD UNDER THE CONSENT ORDER GRANTING THE
BSA'S MOTION FOR A PRELIMINARY INJUNCTION PURSUANT TO 11 U.S.C. §§
105(A) AND (362)**

Sincerely,

Thomas C. Crumplar

TCC/rk

Enclosure

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

BOY SCOUTS OF AMERICA,

Plaintiff,

v.

Adv. Proc. No. 20-50527

A.A., *et al.*,

RE: A.D.I. 54, 72, 76, 77

Defendants.

**OBJECTION OF THE KENTUCKY DEFENDANTS TO STIPULATION AND AGREED
ORDER BY AND AMONG THE BOY SCOUTS OF AMERICA, THE OFFICIAL
COMMITTEE OF SURVIVORS OF ABUSE AND THE OFFICIAL COMMITTEE OF
UNSECURED CREDITOR EXTENDING THE TERMINATION DATE OF THE
STANDSTILL PERIOD UNDER THE CONSENT ORDER GRANTING THE BSA'S
MOTION FOR A PRELIMINARY INJUNCTION PURSUANT TO 11 U.S.C. §§ 105(A)
AND (362**

Come now Defendants A.S., B.L, C.F., E.B., F.A., K.W., and N.C. (collectively herein, "The Kentucky Defendants") as and for their Objection to the Stipulation and Agreed Order by and Among the Boy Scouts of America, the Official Committee of Survivors of Abuse, and the Official Committee of Unsecured Creditors Extending the Termination Date of the Standstill Period under the Consent Order Pursuant to 11 U.S.C. §§ 105(A) and 362 that as follows:

OBJECTIONS

1. Defendants A.S., B.L, C.F., E.B., F.A., K.W., and N.C. are all Plaintiffs in separate Federal Court cases pending in the Western District of Kentucky, consolidated under case no. 3:18-cv-00151, captioned *B.L. v. Schumann, et al.*

2. As support for their Objections, Defendants incorporate by reference and restate their Response to the Initial Motion to the BSA's Preliminary Injunction filed on March 10, 2020 [Doc. 25].

3. The Kentucky Defendants state that their claims against Learning for Life, Inc. in the Federal Court cases pending in the Western District of Kentucky are not inextricably intertwined with the Kentucky Defendants' claims against the Debtor.

4. Instead, the Kentucky Defendants have claims that are separate and distinct claims against Learning for Life, Inc. Specifically, the Kentucky Defendants were participants in an Explorers program through the Louisville Metro Police Department that was administered and supervised by Learning for Life, Inc. The Explorers program is not a scouting program administered by the Debtor.

5. Learning for Life, Inc. is a separate entity from Debtor and has its own corporate structure separate from Debtor.

6. Learning for Life, Inc. is a separate insured under the policy of insurance provided by Old Republic Insurance Company that provided coverage for Learning for Life and the Debtor during the years of the Kentucky Defendants' claims, 2008 through 2014. Learning for Life, Inc. has its own insurance coverage with Old Republic Insurance Company.

7. The Kentucky Defendants have claims that are separate and distinct claims against Lincoln Heritage Council. Specifically, the Kentucky Defendants were participants in an Explorers program through the Louisville Metro Police Department that was administered and supervised by Lincoln Heritage Council for Learning for Life, Inc. The Explorers program is not a scouting program administered by the Debtor.

8. Lincoln Heritage Council is a separate entity from Debtor and has its own corporate structure separate from Debtor. Lincoln Heritage Council is a Kentucky not for profit corporation.

9. Lincoln Heritage Council is a separate insured under the policy of insurance provided by Old Republic Insurance Company that provided coverage for Lincoln Heritage Council and the Debtor during the years of the Kentucky Defendants' claims, 2008 through 2014. Lincoln Heritage Council has

its own insurance coverage with Old Republic Insurance Company. There are not aggregate insurance limits for the claims against separate insureds under those policies. The Kentucky Defendants' claims against Lincoln Heritage Council will not affect the Debtor's insurance coverage for these years. *See* Case No. 20-10343, Doc. 678 and Doc. 770.

10. Neither Learning for Life, Inc. nor Lincoln Heritage Council are debtors in the bankruptcy and there has been no indication by these parties that they are contributing any assets to the bankruptcy estate. There has been no showing that allowing these claims to continue against these parties will adversely affect the bankruptcy estate. Instead, these claims are against separate parties who are separately insured by Old Republic Insurance Company. *See id.*

11. Old Republic Insurance Company has its own contractual relationship with the Debtor that is separate from its responsibility to insure Learning for Life, Inc. and Lincoln Heritage Council. *See id.*

12. Also, notably, Old Republic Insurance Company has undertaken the review and adjustment of claims that was previously handled by the Debtor. *See id.*

13. A continued stay of 150 days from today will harm the Kentucky Defendants. They have been diligently proceeding with their claims in their cases and fact discovery in their cases is set to conclude on July 31, 2020. Even if their claims against the Debtor remained stayed, the claims against the Debtor can be severed from the underlying litigation. The Kentucky Defendants' claims against non-debtors who have not filed bankruptcy should proceed.

14. For the foregoing reasons, the Kentucky Defendants respectfully request that their claims against Learning for Life, Inc. and Lincoln Heritage Council not be subject to any stay by this Court. Debtor cannot meet its burden to show that injunctive relief is appropriate as to the Kentucky Defendants.

15. The Kentucky Defendants request that this Court take evidence and hear oral

argument on this Objection at the July 9, 2020 hearing.

RESERVATION OF RIGHTS

Nothing herein should be deemed an admission or waiver with respect to this Court's jurisdiction over the non-debtor defendant parties in the underlying cases involving the Kentucky Defendants.

Respectfully submitted,

/s/ Thomas C. Crumplar

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s/ Louis C. Schneider

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PROOF OF SERVICE

I, Thomas Crumplar, attorney for Defendant A.S., *et al.*, declare that on June 19, 2020, I served the above Objection via the court's CM/ECF server.

/s/ Thomas C. Crumplar
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