

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

In re:

BOY SCOUTS OF AMERICA AND
DELAWARE BSA, LLC,¹

Debtors.

OFFICIAL TORT CLAIMANTS'
COMMITTEE OF BOY SCOUTS OF
AMERICA and DELAWARE BSA, LLC,

Plaintiffs,

-against-

BOY SCOUTS OF AMERICA and
DELAWARE BSA, LLC,

Defendants.

Chapter 11

Case No. 20-10343 (LSS)

(Jointly Administered)

Adv. Pro. No. 21-50032 (LSS)

**CERTIFICATION OF COUNSEL REGARDING PROPOSED
ORDER APPROVING STIPULATION BY AND BETWEEN THE
DEBTORS AND THE OFFICIAL TORT CLAIMANTS' COMMITTEE
STAYING THE ADVERSARY PROCEEDING AGAINST THE DEBTORS**

The undersigned hereby certifies that:

1. On January 8, 2021, the official committee of tort claimants (consisting of survivors of childhood sexual abuse) (the "Tort Claimants' Committee" or the "Plaintiff"), of the above-captioned debtors and debtors in possession (collectively, the "Debtors" or the "Defendants"), filed the *Complaint for Declaratory Judgment* (the "Complaint") [Adv. Docket No. 1].

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 ("BSA") (6300) and Delaware BSA, LLC ("Delaware BSA") (4311). The Debtors' mailing address is 1325 West Walnut Hill Lane, Irving, Texas 75038.

2. The deadline to answer, move, or otherwise respond to the Complaint was March 3, 2021 (the “Response Deadline”). The Response Deadline was extended to April 2, 2021 [Adv. Docket No. 5], April 16, 2021 [Adv. Docket No. 10], and April 23, 2021 [Adv. Docket No. 13].

3. On April 23, 2021, the Debtors filed the *Debtors’ Answer to the Tort Claimants’ Committee’s Complaint for Declaratory Judgment* [Adv. Docket No. 16].

4. On June 18, 2021, the Debtors filed the *Third Amended Chapter 11 Plan of Reorganization for Boy Scouts of America and Delaware BSA, LLC* [Main Case Docket No. 5368] (the “June 18 Plan”).

5. On July 1, 2021, the Debtors, the Tort Claimants’ Committee, the Future Claimants’ Representative, the Coalition, the Ad Hoc Committee of Local Councils, and certain State Court Counsel (collectively, the “RSA Parties”) entered into and filed a motion to approve the Restructuring Support Agreement [Main Case Docket No. 5466] (the “RSA”), which sets forth the agreement among the RSA Parties concerning their commitment to seek confirmation of the June 18 Plan, as modified consistent with the RSA and the Term Sheet (the “Settlement”) [Main Case Docket No. 5466].

6. On July 2, 2021, the Debtors filed the *Fourth Amended Chapter 11 Plan of Reorganization for Boy Scouts of America and Delaware BSA, LLC* [Main Case Docket No. 5484] (as such may be amended, altered, modified or supplemented from time to time in accordance with the RSA, the “Amended Plan”), which incorporates the terms of the Settlement.

7. Under the RSA, the RSA Parties have agreed that the BSA Settlement Contribution shall be made in consideration for the compromise and settlement of any and all disputes concerning the Debtors’ restricted and/or core assets, including the claims asserted in the Complaint (the “Settlement of Restricted and Core Asset Disputes”).

8. Under the terms of the RSA, in furtherance of the Settlement of Restricted and Core Asset Disputes, the Parties have consented to stay the above-captioned adversary proceeding.

9. Attached hereto as **Exhibit A** the proposed *Order Approving the Stipulation By and Between the Debtors and the Official Tort Claimants' Committee Staying the Adversary Proceeding Against the Debtors* (the "Proposed Order").

10. Accordingly, the Plaintiff requests entry of the Proposed Order.

Dated: July 13, 2021

PACHULSKI STANG ZIEHL & JONES LLP

/s/ James E. O'Neill

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Counsel for the Official Tort Claimants' Committee of Boy Scouts of America and Delaware BSA, LLC

Exhibit A

**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)
OFFICIAL TORT CLAIMANTS' COMMITTEE OF BOY SCOUTS OF AMERICA and DELAWARE BSA, LLC, Plaintiffs, -against- BOY SCOUTS OF AMERICA and DELAWARE BSA, LLC, Defendants.	Adv. Pro. No. 21-50032 (LSS) Re: Adv. Docket No. _____

**ORDER APPROVING STIPULATION BY AND BETWEEN THE
DEBTORS AND THE OFFICIAL TORT CLAIMANTS' COMMITTEE
STAYING THE ADVERSARY PROCEEDING AGAINST THE DEBTORS**

Upon consideration of the *Stipulation By and Between the Debtors and the Official Tort Claimants' Committee Staying the Adversary Proceeding Against the Debtors*. (the "Stipulation"),² attached hereto as **Exhibit 1**, by and among (a) Boy Scouts of America and Delaware BSA, LLC, the non-profit corporations that are debtors and debtors in possession in the above-captioned chapter 11 cases (together, the "Debtors"), and (b) the official tort claimants' committee (the "Tort Claimants' Committee" and, together with the Debtors, the

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 ("BSA") (6300) and Delaware BSA, LLC ("Delaware BSA") (4311). The Debtors' mailing address is 1325 West Walnut Hill Lane, Irving, Texas 75038.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Stipulation

“Parties”); and this Court having reviewed the Stipulation; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Stipulation is approved.
2. The terms and provisions of the Stipulation shall immediately be effective and enforceable upon entry of this Order.
3. This Court shall retain exclusive jurisdiction over all matters arising from or related to the implementation or interpretation of this Order and the Stipulation.

Exhibit 1

**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)

OFFICIAL TORT CLAIMANTS'
COMMITTEE OF BOY SCOUTS OF
AMERICA and DELAWARE BSA, LLC

Plaintiff,

-against-

BOY SCOUTS OF AMERICA and
DELAWARE BSA, LLC,

Defendants.

Adv. Pro. No. 21-50032 (LSS)

**STIPULATION BY AND BETWEEN THE DEBTORS
AND THE OFFICIAL TORT CLAIMANTS' COMMITTEE
STAYING THE ADVERSARY PROCEEDING AGAINST THE DEBTORS**

This stipulation (the "Stipulation") is made and entered into by and between (a) Boy Scouts of America and Delaware BSA, LLC, the non-profit corporations that are debtors and debtors in possession in the above-captioned chapter 11 cases (together, the "Debtors"), and (b) the official tort claimants' committee (the "Tort Claimants' Committee" and, together with the Debtors, the "Parties"), by and through their respective undersigned counsel.

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 Hill Lane, Irving, Texas 75038.

RECITALS

WHEREAS, on January 8, 2021, the Tort Claimants' Committee commenced the above-captioned adversary proceeding by filing a *Complaint* [Adv. D.I. 1] (the "Complaint")² against the Debtors;

WHEREAS, a *Summons and Notice of Pretrial Conference* [Adv. D.I. 3] was issued with respect to the Debtors on February 1, 2021, thereby establishing March 3, 2021 as the date by which Debtors were required to answer, move, or otherwise respond to the Complaint;

WHEREAS, the deadline to answer, move, or otherwise respond to the Complaint was further extended to and including April 23, 2021;

WHEREAS, *The Debtors' Answer to the Tort Claimants' Committee's Complaint for Declaratory Judgement* [Adv. D.I. 16] was filed on April 23, 2021;

WHEREAS, on June 18, 2021, the Debtors filed the *Third Amended Chapter 11 Plan of Reorganization for Boy Scouts of America and Delaware BSA, LLC* [Bankr. D.I. 5368] (the "June 18 Plan");

WHEREAS, on July 1, 2021, the Debtors, the Tort Claimants' Committee, the Future Claimants' Representative, the Coalition, the Ad Hoc Committee of Local Councils, and certain State Court Counsel (collectively, the "RSA Parties") entered into and filed a motion to approve the Restructuring Support Agreement [Bankr. D.I. 5466] (the "RSA"), which sets forth the agreement among the RSA Parties concerning their commitment to seek confirmation of the June 18 Plan, as modified consistent with the RSA and the Term Sheet (the "Settlement").

WHEREAS, on July 2, 2021, the Debtors filed the *Fourth Amended Chapter 11 Plan of Reorganization for Boy Scouts of America and Delaware BSA, LLC* [Bankr. D.I. 5484] (as such

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Complaint, the RSA (as defined herein) or the Amended Plan (as defined herein), as applicable.

may be amended, altered, modified or supplemented from time to time in accordance with the RSA, the “Amended Plan”), which incorporates the terms of the Settlement.

WHEREAS, under the RSA, the RSA Parties have agreed that the BSA Settlement Contribution shall be made in consideration for the compromise and settlement of any and all disputes concerning the Debtors’ restricted and/or core assets, including the claims asserted in the Complaint (the “Settlement of Restricted and Core Asset Disputes”);

WHEREAS, under the terms of the RSA, in furtherance of the Settlement of Restricted and Core Asset Disputes, the Parties have consented to stay the above-captioned adversary proceeding as provided herein; and

WHEREAS, the Parties acknowledge that the Bankruptcy Court must approve the terms of this Stipulation.

NOW, THEREFORE, UPON THE FOREGOING RECITALS, IT IS HEREBY STIPULATED AND AGREED, BY AND BETWEEN THE DEBTORS AND THE TORT CLAIMANTS’ COMMITTEE, THROUGH THEIR RESPECTIVE UNDERSIGNED COUNSEL, AND THE PARTIES JOINTLY REQUEST THAT THE BANKRUPTCY COURT ORDER, AS FOLLOWS:

1. Effectiveness. This Stipulation shall become effective upon execution by counsel for each of the Debtors and Tort Claimants’ Committee and entry of an order of the Bankruptcy Court approving this Stipulation.

2. Stay of Litigation. The Parties agree that, upon the entry of an order of the Bankruptcy Court approving this Stipulation, all actions, proceedings, filings, orders, determinations and discovery between the Debtors and the Tort Claimants’ Committee related to or concerning the Complaint shall be stayed until the stay has been terminated in accordance with paragraph 3 or 4 hereof.

3. Automatic Termination of Stay. The stay contemplated by this Stipulation shall terminate automatically upon the occurrence of any of the following: (i) the Bankruptcy Court’s

entry of an order denying the approval of the RSA; (ii) the TCC's or Debtors' exercise of its or their respective rights to terminate the RSA based on the "fiduciary out" provision of section IV.C or section V.C of the RSA, as applicable; or (iii); the Bankruptcy Court's entry of an order denying confirmation of the Amended Plan.

4. Mutual Termination. The stay contemplated by this Stipulation may be terminated by mutual agreement of the Debtors and the Tort Claimants' Committee upon the occurrence of the following events: (a) the filing of a notice of termination and corresponding certification of counsel of a proposed order terminating the stay signed by each of such Parties; and (b) the entry of an order of the Bankruptcy Court terminating the stay.

5. Immediate Effect. The terms and conditions of this Stipulation shall be immediately effective and enforceable upon entry of an order of the Bankruptcy Court approving this Stipulation.

6. Retention of Jurisdiction. The Bankruptcy Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation and/or enforcement of this Stipulation.

7. Headings. Headings of the decretal paragraphs of this Stipulation have been inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of Stipulation.

8. Filing with Clerk. This Stipulation shall be promptly filed in the clerk's office and entered into the record.

CONSENTED TO BY:

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