

**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)

Ref. D.I. 8813, 8816

**NOTICE OF ERRATA REGARDING CERTAIN PROVISIONS IN
EXHIBIT I-1 TO THE DEBTORS' THIRD MODIFIED FIFTH AMENDED
CHAPTER 11 PLAN OF REORGANIZATION**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On February 15, 2022, 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”), filed the *Third Modified Fifth Amended Chapter 11 Plan of Reorganization for Boy Scouts of America and Delaware BSA, LLC* [D.I. 8813] (together with all exhibits, schedules and attachments thereto, the “Plan”), with the United States Bankruptcy Court for the District of Delaware (the “Court”).

2. Concurrently therewith, the Debtors filed the *Notice of Filing of Exhibits I-1 and J-1 to Debtors' Third Modified Fifth Amended Chapter 11 Plan of Reorganization and Redlines Thereof* [D.I. 8816]. Attached thereto as Exhibit 1 is a fully executed version of the Hartford Insurance Settlement Agreement,² which is Exhibit I-1 to the Plan.

3. The Debtors hereby file this notice to correct certain non-substantive and inadvertent errors in the Hartford Insurance Settlement Agreement as follows:

Article I.A of the Hartford Insurance Settlement Agreement

- 73. “**Released Claims**” means any and all Claims related to or arising from or in connection with, in whole or in part, (a) Abuse Insurance Policies, including all Hartford Policies; (b) coverage for Abuse Claims under any other insurance policies issued or allegedly issued by the Hartford Protected Parties to any Entity, including any Chartered Organization, (c) any Claim related to any Hartford Protected Party’s performance of any alleged obligation under any Hartford Policy or other insurance policy that covers Abuse Claims, including the types of Claims included in the

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtors’ 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.

² Capitalized terms not defined herein are defined in the Plan.

definition of “Insurance Action” in the Plan; (d) the Bankruptcy Case and related proceedings, including the Debtors’ Plan and any prior plans, the Prior Hartford Settlement Agreement, any Claims that were or could have been asserted in the Bankruptcy Case by Hartford and its Affiliates against the Debtors or any of the other Parties, Protected Parties, or Limited Protected Parties or by the Debtors or any of the other Parties, Protected Parties, or Limited Protected Parties against any Hartford Protected Party, and any actions, omissions, or positions taken in the Bankruptcy Case and related proceedings; (e) any Abuse Claims; (f) any Direct Action Claims; (g) any Extra-Contractual Claims; (h) the 2010 ~~BSA-Hartford~~ Hartford-BSA Settlement Agreement, and/or (i) the 2011 ~~BSA-Hartford~~ Hartford-BSA Settlement Agreement.

- 85. “Third Modified Fifth Amended Plan” means the Third Modified Fifth Amended Chapter 11 Plan of Reorganization for Boy Scouts of America and Delaware BSA, LLC, dated February 14 15, 2022 [D.I. 8813].

Article II.B.1 of the Hartford Insurance Settlement Agreement

- 1. As set forth in Section VI.C below, each current Local Council, including those listed on Exhibit G to the Third Modified Fifth Amended Plan, has become a Joining Local Council.

Article V.C of the Hartford Insurance Settlement Agreement

- **C. Release of Certain Administrative Expense Claims.** Upon the Plan Effective Date, Hartford shall release the Debtors and their Estates from any Administrative Expense Claim arising out of the Debtors’ failure to seek approval of, or otherwise relating to, the Prior Hartford Settlement Agreement, except for (1) the Hartford Administrative Expense Claim and (2) in the event that the Debtors take a Specified Action, as set forth in Section VI.N of the Agreement, the Hartford Additional Administrative Expense Claim. Said release shall survive any Reversal and any termination of the Agreement in accordance with its terms. For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Agreement, if the Plan Effective Date does not occur, and in the absence of the Debtors’ taking a Specified Action, nothing in this Agreement shall release or limit (i) any right that Hartford may otherwise have to assert an Administrative Expense Claim or other claim against the Debtors and their Estates (in any such dollar amount as Hartford may conclude is justified) arising out of the Debtors’ failure to seek approval of, or otherwise relating to, the Prior Hartford Settlement Agreement or on any other basis, and (ii) the Debtors’ right to object on any grounds, including on the basis that the Debtors fully complied with all obligations under both the Prior Hartford Settlement Agreement and this Agreement and have no liability for any Administrative Expense Claim or other claim.

Article VI.A.1.a of the Hartford Insurance Settlement Agreement

- a. On the Release Date, in exchange for the Settlement Amount and other consideration provided by Hartford under this Agreement, the Debtors and their Estates shall sell the Hartford BSA Policies to Hartford under the Plan pursuant to sections 363, 1123, and/or 1141 of the Bankruptcy Code (the “**Hartford BSA Policy Sale**” and, together with the Hartford Local Council Policy Sale as defined in Section VI.A.2 below, the “**Sale**”).

Article VI.C of the Hartford Insurance Settlement Agreement

- **C. Local Councils.** The Debtors and AHCLC shall ensure that, within thirty (30) calendar days of the Execution Date, each current Local Council, including those listed on Exhibit G to the Third Modified Fifth Amended Plan, becomes a Joining Local Council by executing a joinder to this Agreement in the form attached as Exhibit D.

Article VI.N.3.a.iii of the Hartford Insurance Settlement Agreement

- iii. If the Debtors take any Specified Action~~—~~, Hartford may assert an Administrative Expense Claim (in addition to the Hartford Administrative Expense Claim) of twenty-three million, six hundred ten thousand dollars (\$23,610,000.00) (the “**Agreed Amount**,” with such claim being the “**Hartford Additional Administrative Expense Claim**”), which shall be reserved for prior to distributions to unsecured creditors. The other Parties, Joining State Court Counsel, and Joining Local Councils shall not object to the Hartford Additional Administrative Expense Claim or argue that such Claim should be allowed in an amount less than the Agreed Amount unless they reasonably contend that no Specified Action has occurred (and each of the Debtors, Hartford, the other Parties, Joining State Court Counsel, and Joining Local Councils reserve all rights and defenses with respect to whether a Specified Action has occurred); *provided, however,* that if the occurrence of a Specified Action is due to the enactment of congressional legislation prohibiting non-debtor releases (and such prohibition is not explicitly applicable only to bankruptcy cases filed after the enactment of such legislation), Hartford may not assert the Hartford Additional Administrative Expense Claim. Hartford shall not assert any claim against the Debtors or their Estates on account of the Debtors’ taking a Specified Action other than the Hartford Additional Administrative Expense Claim and shall not seek the Hartford Additional Administrative Expense Claim in an amount greater than the Agreed Amount, provided that Hartford’s assertion of the Hartford Additional Administrative Expense Claim shall not affect Hartford’s entitlement to receive or retain the Hartford Administrative Expense Claim.

Article VI.N.4 of the Hartford Insurance Settlement Agreement

- **4. Cooperation.** The Parties, the Settlement Trust, the Joining State Court Counsel, and the Joining Local Councils shall cooperate in good faith and use best

efforts to ensure that Hartford may obtain the benefit of the Hartford Administrative Expense Claim and the Credit and the release of the Net Additional Payment from the Escrow Account to Hartford, if applicable, including by supporting (if reasonably requested by Hartford) the entry of orders of the Bankruptcy Court, in addition to the Confirmation Order, approving and enforcing or giving effect to the Hartford Administrative Expense Claim, the Credit, and such release of the Net Additional Payment.

Article VI.O.2 of the Hartford Insurance Settlement Agreement

- 2. The Parties, the Settlement Trust, Joining State Court Counsel, and Joining Local Councils shall cooperate in good faith to ensure that Hartford may obtain the benefit of the Hartford Administrative Expense Claim and the Credit and the release of the Net Additional Payment from the Escrow Account to Hartford, if applicable, including by supporting (if reasonably requested by Hartford) the entry of orders of the Bankruptcy Court approving and enforcing or giving effect to the Hartford Administrative Expense Claim, the Credit, and such release of the Net Additional Payment.

Article VI.O.3 of the Hartford Insurance Settlement Agreement

- 3. Nothing in this Section or elsewhere in this Agreement shall bar any of the Parties, the Settlement Trust, Joining State Court Counsel, or Joining Local Councils from arguing that any appeal from the Confirmation Order or Affirmation Order should be dismissed on grounds of statutory or equitable mootness or otherwise.

Dated: April 21, 2022

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