

EXHIBIT B

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as successor by merger to Royal Insurance Company of America*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

THE ROMAN CATHOLIC DIOCESE OF
ROCKVILLE CENTRE, NEW YORK,

Debtor.

Chapter 11

Case No: 20-12345-scc

THE ROMAN CATHOLIC DIOCESE OF
ROCKVILLE CENTRE, NEW YORK,

Plaintiff

Adversary Proceeding No. 20-01227-scc

v.

ARROWOOD INDEMNITY COMPANY
f/k/a Royal Insurance Company also f/k/a
Royal Globe Insurance Company, et al.,

Defendants.

**ARROWOOD INDEMNITY COMPANY'S ANSWER
WITH AFFIRMATIVE DEFENSES AND JURY DEMAND**

Defendant, Arrowood Indemnity Company, formerly known as Royal Indemnity
Company, as successor by merger to Royal Insurance Company of America - improperly plead as

ARROWOOD INDEMNITY COMPANY f/k/a Royal Insurance Company also f/k/a Royal Globe Insurance Company - (“Arrowood”) responds to the Adversary Proceeding Complaint as follows:

BACKGROUND

1. Paragraph 1 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

2. Paragraph 2 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood admits only that Governor Cuomo signed into law the New York Child Victims Act, which speaks for itself.

3. Paragraph 3 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood admits only that claims have been brought against the Diocese pursuant to the New York Child Victims Act and that the Diocese created an Independent Reconciliation and Compensation Program.

4. Paragraph 4 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

THE PARTIES

5. Arrowood is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 5 of the Complaint.

6. Arrowood admits only that it is a Delaware corporation with its principal place of business at 3600 Arco Corporate Drive, Charlotte, North Carolina, 28273-8136 and that it may have rights and obligations under certain of the policies identified under Exhibit A, which is for

this Court to determine. Arrowood denies any remaining allegations contained in Paragraph 6 of the Complaint.

7. The allegations contained in Paragraph 7 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 7.

8. The allegations contained in Paragraph 8 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 8.

9. The allegations contained in Paragraph 9 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 9.

10. The allegations contained in Paragraph 10 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 10.

11. The allegations contained in Paragraph 11 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 11.

12. The allegations contained in Paragraph 12 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 12.

13. The allegations contained in Paragraph 13 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 13.

14. The allegations contained in Paragraph 14 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 14.

15. The allegations contained in Paragraph 15 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 15.

16. The allegations contained in Paragraph 16 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 16.

JURISDICTION AND VENUE

17. Paragraph 17 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies this Adversary Proceeding is a core proceeding and further states that it does not consent to entry of final orders or judgment by the Bankruptcy Court in this non-core proceeding.

18. Paragraph 18 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood admits only that there are lawsuits pending against the Diocese pursuant to the CVA. Arrowood denies any remaining allegations contained in Paragraph 18.

LIABILITY INSURANCE POLICIES PURCHASED BY THE DIOCESE

19. With regard to the allegations contained in Paragraph 19 of the Complaint, Arrowood admits only that its predecessor(s) may have issued primary, excess and/or umbrella policies of liability insurance to the Diocese which were in effect between October 1, 1957 and October 1, 1976 under which certain parishes, schools and other entities may have been insured. Arrowood denies the remainder of the allegations contained in Paragraph 19.

20. With regard to the allegations contained in Paragraph 20 of the Complaint, Arrowood admits only that its predecessor(s) may have issued primary, excess and/or umbrella policies of liability insurance to the Diocese which were in effect between October 1, 1957 and October 1, 1976. Arrowood denies the remainder of the allegations contained in Paragraph 20 to the extent directed at it.

21. With regard to the allegations contained in Paragraph 21 of the Complaint, Arrowood admits only that its predecessor(s) may have issued primary, excess and/or umbrella policies of liability insurance to the Diocese which were in effect between October 1, 1957 and October 1, 1976. Arrowood denies the remainder of the allegations contained in Paragraph 21 to the extent directed at it.

22. With regard to the allegations contained in Paragraph 22 of the Complaint, Arrowood admits only that its predecessor(s) may have issued primary, excess and/or umbrella policies of liability insurance to the Diocese which were in effect between October 1, 1957 and October 1, 1976 under which certain parishes, schools and other entities may have been insured. Arrowood denies the remainder of the allegations contained in Paragraph 22.

23. The allegations contained in Paragraph 23 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 23.

24. The allegations contained in Paragraph 24 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 24.

25. The allegations contained in Paragraph 25 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 25.

26. The allegations contained in Paragraph 26 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 26.

27. The allegations contained in Paragraph 27 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 27.

28. The allegations contained in Paragraph 28 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 28.

29. The allegations contained in Paragraph 29 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 29.

30. The allegations contained in Paragraph 30 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 30.

31. The allegations contained in Paragraph 31 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 31.

32. The allegations contained in Paragraph 32 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 32.

33. The allegations contained in Paragraph 33 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 33.

34. The allegations contained in Paragraph 34 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 34.

35. The allegations contained in Paragraph 35 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 35.

36. Arrowood denies the allegations contained in Paragraph 36 of the Complaint to the extent directed toward it.

THE IRCP

37. With regard to the allegations contained in Paragraph 37 of the Complaint, Arrowood admits only that the Diocese created an Independent Reconciliation and Compensation Program. Arrowood is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 37.

38. With regard to the allegations contained in Paragraph 38 of the Complaint, Arrowood admits only that the Diocese created an Independent Reconciliation and Compensation Program. Arrowood is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 38.

39. With regard to the allegations contained in Paragraph 39 of the Complaint, Arrowood admits only that the Diocese created an Independent Reconciliation and Compensation Program. Arrowood is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 39.

CVA AND SEXUAL ABUSE CLAIMS

40. Paragraph 40 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required,

Arrowood admits only that Governor Cuomo signed into law the New York Child Victims Act, which speaks for itself.

41. With regard to the allegations contained in Paragraph 41 of the Complaint, Arrowood admits only that lawsuits have been filed against the Diocese pursuant to the Child Victims Act, which speak for themselves. Arrowood denies any remaining allegations contained in Paragraph 41.

42. With regard to the allegations contained in Paragraph 42 of the Complaint, Arrowood admits only that the New York State Department of Financial Services issued Insurance Circular Letter No. 11 (2019) on or about September 12, 2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 42.

ARROWOOD'S COVERAGE POSITIONS

Refusal to Defend Entire Action When Some Claims Are Potentially Covered

43. Paragraph 43 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

44. With regard to the allegations contained in paragraph 44 of the Complaint, Arrowood admits only that it has agreed to participate in the defense of the Diocese in certain of the Underlying Lawsuits pursuant to a reservation of rights. Arrowood denies any remaining allegations contained in Paragraph 44.

45. With regard to the allegations contained in paragraph 45 of the Complaint, Arrowood admits only that the Diocese sent letters to Arrowood regarding Arrowood's coverage positions taken in certain matters, which speak for themselves. Arrowood denies any remaining allegations contained in Paragraph 45.

46. Paragraph 46 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

Reliance Upon Materials Outside the Underlying Complaints to Deny Duty To Defend

47. Paragraph 47 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

48. With regard to the allegations contained in paragraph 48 of the Complaint, Arrowood admits only that it has agreed to participate in the defense of the Diocese in certain of the Underlying Lawsuits pursuant to a reservation of rights. Arrowood denies any remaining allegations contained in Paragraph 48.

49. With regard to the allegations contained in paragraph 49 of the Complaint, Arrowood admits only that the Diocese sent letters to Arrowood regarding Arrowood's coverage positions taken in certain matters, which speak for themselves. Arrowood denies any remaining allegations contained in Paragraph 49.

50. Paragraph 50 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

Reasonable Expense of Independent Counsel

51. Paragraph 51 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood admits only that the Diocese selected Jones Day as its counsel to defend the Underlying Lawsuits and denies any remaining allegations contained in Paragraph 51.

52. Paragraph 52 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

53. Arrowood denies the allegations contained in Paragraph 53 of the Complaint.

54. Paragraph 54 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

55. Paragraph 55 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

Denial of the Duty to Defend

56. With regard to the allegations contained in Paragraph 56 of the Complaint, Arrowood admits only that it denied coverage to the Diocese and/or certain parishes, schools and other entities in connection with certain lawsuits for reasons communicated in writing to the Diocese. Arrowood denies any remaining allegations contained in Paragraph 56 of the Complaint.

57. With regard to the allegations contained in Paragraph 57 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 57 of the Complaint.

58. With regard to the allegations contained in Paragraph 58 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 58 of the Complaint.

59. With regard to the allegations contained in Paragraph 59 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 59 of the Complaint.

60. With regard to the allegations contained in Paragraph 60 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 60 of the Complaint.

61. With regard to the allegations contained in Paragraph 61 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 61 of the Complaint.

62. With regard to the allegations contained in Paragraph 62 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 62 of the Complaint.

63. With regard to the allegations contained in Paragraph 63 of the Complaint, Arrowood admits only that a lawsuit was filed by Plaintiff G.C. in the Supreme Court of the State of New York, County of Nassau, Index No. 900035/2019, which speaks for itself. Arrowood denies any remaining allegations contained in Paragraph 63 of the Complaint.

64. Paragraph 64 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

65. Arrowood denies the allegations contained in Paragraph 65 of the Complaint.

66. Arrowood denies the allegations contained in Paragraph 66 of the Complaint.

67. Paragraph 67 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

Defense of Parishes, Schools, and Other Entities of the Diocese

68. With regard to the allegations contained in Paragraph 68 of the Complaint, Arrowood admits only that it denied coverage to certain parishes, schools and other entities in connection with certain lawsuits for reasons communicated in writing to the Diocese and those entities. Arrowood denies any remaining allegations contained in Paragraph 68 of the Complaint.

69. Arrowood denies the allegations contained in Paragraph 69 of the Complaint.

70. With regard to the allegations contained in Paragraph 70 of the Complaint, Arrowood admits only that an employee of Royal Insurance Company was deposed in a prior matter, which testimony speaks for itself. Arrowood denies the remaining allegations contained in Paragraph 70 of the Complaint.

71. Arrowood denies the allegations contained in Paragraph 71 of the Complaint.

72. Paragraph 72 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood admits only that the Diocese claims it and certain parishes, schools and other entities are entitled to separate counsel. Arrowood denies any remaining allegations contained in Paragraph 72.

73. Paragraph 73 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

Indemnification for IRCP Settlements

74. Arrowood is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 74 of the Complaint.

75. Arrowood is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 75 of the Complaint.

76. With regard to the allegations contained in Paragraph 76 of the Complaint, Arrowood admits only that the Diocese requested Arrowood indemnify it in connection with one IRCP settlement. Arrowood denies the remaining allegations contained in Paragraph 76 to the extent directed to it.

77. Paragraph 77 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

**LMI's Disclaimer of Any Present Duty to Indemnify
the Diocese for its Ultimate Net loss**

78. The allegations contained in Paragraph 78 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 78.

79. The allegations contained in Paragraph 79 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 79.

80. The allegations contained in Paragraph 80 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 80.

81. The allegations contained in Paragraph 81 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 81.

COUNT I

Declaratory Judgment Against All Insurers – Sexual Abuse Claims

82. Arrowood repeats, reiterates and realleges each and every response contained in paragraphs 1 through 81 as if more fully set forth herein at length.

83. Paragraph 83 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

84. Arrowood denies those allegations contained in Paragraph 84 that are directed toward it. To the extent directed toward others, Arrowood is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 84.

85. Paragraph 85 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

86. With regard to the allegations contained in Paragraph 86 of the Complaint, Arrowood admits only that an actual controversy exists between Arrowood and the Diocese. Arrowood denies the remaining allegations contained in Paragraph 86 of the Complaint.

87. With regard to the allegations contained in Paragraph 87 of the Complaint, Arrowood admits only there is an actual controversy between Arrowood and the Diocese regarding whether and to what extent Arrowood has any obligation to defend and/or indemnify the Diocese under the Arrowood Policies with respect to the Underlying Lawsuits. Arrowood denies any remaining allegations contained in Paragraph 87.

COUNT II

Breach of Contract

88. Arrowood repeats, reiterates and realleges each and every response contained in paragraphs 1 through 87 as if more fully set forth herein at length.

89. To the extent that the allegations contained in Paragraph 89 are directed toward it, Arrowood admits only to having entered in to certain of the insurance policies identified in Exhibit A. To the extent directed toward others, Arrowood is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 89.

90. Paragraph 90 of the Complaint contains either statements that are not allegations or are legal conclusions for which no response is required. To the extent a response is required, Arrowood denies the allegations.

91. With regard to the allegations contained in Paragraph 91 of the Complaint, Arrowood admits only that it denied coverage to the Diocese in connection with certain lawsuits for reasons communicated in writing to the Diocese. Arrowood denies the remaining allegations contained in Paragraph 91 of the Complaint.

92. Arrowood denies the allegations contained in Paragraph 92 of the Complaint as are directed toward it.

COUNT III

Breach of Contract

93. Arrowood repeats, reiterates and realleges each and every response contained in paragraphs 1 through 92 as if more fully set forth herein at length.

94. The allegations contained in Paragraph 94 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 94.

95. The allegations contained in Paragraph 95 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 95.

96. The allegations contained in Paragraph 96 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 96.

97. The allegations contained in Paragraph 97 of the Complaint are directed to other Defendants. Arrowood is therefore without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 97.

AFFIRMATIVE DEFENSES

By way of further Answer to the Complaint, Arrowood states that said claims are barred, in whole or in part, for the following reasons based upon the following facts.

THE UNDERLYING LAWSUITS FOR WHICH THE DIOCESE HAS REQUESTED ARROWOOD PROVIDE DEFENSE AND INDEMNITY

1. Between August 14, 2019 and the present, the Diocese requested that Arrowood provide defense and indemnity coverage in connection with certain lawsuits filed against it alleging sexual abuse by numerous Diocesan clergy and/or other individuals over whom the Diocese allegedly exercised control (the “Underlying Lawsuits”).

2. To date, Arrowood has agreed to participate in the defense of the Diocese in approximately 130 of the Underlying Lawsuits, subject to a reservation of rights.

3. Subject to a reservation of rights, Arrowood is defending the Diocese in all Underlying Lawsuits which allege sexual abuse within the Arrowood Policy Periods, and which do not include allegations of abuse by Father Romano Ferraro.

4. Arrowood issued Requests for Information (“RFIs”) to the Diocese and certain parishes, schools and other entities (“Affiliated Entities”) in connection with all Underlying

Lawsuits in which it has agreed to participate in the defense. The RFIs seek information related to the Underlying Lawsuits and have been issued as part of Arrowood's investigation of the Underlying Lawsuits, including but not limited to, the Diocese's history and knowledge of sexual misconduct of its priests, employees and/or agents, and the Diocese's sexual abuse policies for responding to sexual misconduct claims.

5. For example, Arrowood seeks information regarding whether and when the Diocese knew of alleged abuses and/or improprieties by members of the clergy, teachers and other individuals, including those alleged in the Underlying Lawsuits to have committed acts of child sexual abuse.

6. Arrowood has advised the Diocese that Arrowood does not have sufficient information to fully evaluate the Underlying Lawsuits, and therefore seeks information in the RFIs to investigate the Underlying Lawsuits.

THE ARROWOOD POLICIES

7. Arrowood issued the following commercial general liability primary policies to the Diocese which were in effect between October 1, 1957 and October 1, 1976 (the "Arrowood Primary Policies"):

- RLG 055000, with a policy period of 10/01/1957 – 10/01/1958
- RLG 059700, with a policy period of 10/01/1958 – 10/01/1959
- RLG 001059, with a policy period of 10/01/1959 – 10/01/1960
- RLG 001060, with a policy period of 10/01/1960 – 10/01/1961
- RLG 001061, with a policy period of 10/01/1961 – 10/01/1962
- RLG 001062, with a policy period of 10/01/1962 – 10/01/1963
- RLG 001063, with a policy period of 10/01/1963 – 10/01/1964
- RLG 001064, with a policy period of 10/01/1964 – 10/01/1965
- RLG 001065, with a policy period of 10/01/1965 – 10/01/1966
- RTG 604826, with a policy period of 10/01/1966 – 10/01/1967
- RTG 604827, with a policy period of 10/01/1967 – 10/01/1968
- RTG 604828, with a policy period of 10/01/1968 – 10/01/1969
- RTG 604829, with a policy period of 10/01/1969 – 10/01/1970
- RTG 604820, with a policy period of 10/01/1970 – 10/01/1971
- RTG 604821, with a policy period of 10/01/1971 – 10/01/1972

- PTG 604822, with a policy period of 10/01/1972 – 10/01/1973
- PTG 604823, with a policy period of 10/01/1973 – 10/01/1974
- PTG 604824, with a policy period of 10/01/1974 – 10/01/1975
- PTG 604825, with a policy period of 10/01/1975 – 10/01/1976

8. Arrowood issued the following excess or umbrella liability policies to the Diocese which were in effect between June 4, 1964 and October 1, 1976, and which are excess to the Arrowood Primary Policies (“the Arrowood Excess/Umbrella Policies”):

- RLX 100035, with a policy period of 06/04/1964 – 06/04/1967
- RLA 100629, with a policy period of 06/04/1967 – 06/04/1970
- RLA 101501, with a policy period of 06/04/1970 – 10/01/1971
- RLA 101877, with a policy period of 10/01/1971 – 10/01/1972
- PLA 102188, with a policy period of 10/01/1972 – 10/01/1973
- PLA 102553, with a policy period of 10/01/1973 – 10/01/1974
- PTQ 302591, with a policy period of 10/01/1974 – 10/01/1975
- PTQ 306461, with a policy period of 10/01/1975 – 10/01/1976

A. The Arrowood Primary Policies

9. Upon information and belief, Primary Policies RLG 055000 (effective October 1, 1957 to October 1, 1958) and RLG 0598700 (effective October 1, 1958 to October 1, 1959) were issued to “Roman Catholic Diocese of Brooklyn 75 Greene Avenue, Brooklyn, N.Y. and/or Roman Catholic Diocese of Rockville Centre 29 Quealey Place, Rockville Centre, N.Y.” The declarations pages provide that the Limits of Liability are “AS PER CERTIFICATES ATTACHED.”

10. Upon information and belief, the Primary Policies in effect from October 1, 1959 to October 1, 1966 were issued to “Roman Catholic Diocese of Rockville Centre, N.Y., et al.” and the declarations pages provide that the Limits of Liability are “AS PER CERTIFICATES ATTACHED.”

11. Upon information and belief, the Primary Policies in effect from October 1, 1966 to October 1, 1976 were issued to “Roman Catholic Diocese of Rockville Centre, N.Y. and As Per Certificates Attached” and the declarations pages provide that the Limits of Liability are “AS PER CERTIFICATES ATTACHED.”

12. Upon information and belief, some or all of the Arrowood Primary Policies contain per person limits and/or per occurrence limits.

13. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1957 to October 1, 1966 obligate Arrowood “to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as damages because of bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by any person and caused by accident.”

14. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1966 to October 1, 1976 obligate Arrowood, in relevant part, “to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of...bodily injury... to which this insurance applies, caused by an occurrence....,” as certain of those terms are defined in those Policies.

15. Upon information and belief, the Arrowood primary policies in effect from October 1, 1966 to October 1, 1973 define “bodily injury” to mean “bodily injury, sickness or disease sustained by any person.”

16. Upon information and belief, the Arrowood primary policies in effect from October 1, 1973 to October 1, 1976 define “bodily injury” to mean “bodily injury, sickness or disease sustained by any person which occurs during the policy period, including death at any time resulting therefrom.”

17. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1966 to October 1, 1973 define “occurrence” to mean “an accident, including injurious exposure to conditions, which results, during the policy period, in bodily injury or property damage neither expected nor intended from the standpoint of the insured.”

18. Upon information and belief, the Arrowood primary policies in effect from October 1, 1973 to October 1, 1976 define “occurrence” to mean “an accident, including continuous or repeated exposure to conditions, which results in bodily injury or property damage neither expected nor intended from the standpoint of the insured.”

19. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1957 to October 1, 1966 require the accident to occur during the policy period and within the Policy Territory.

20. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1966 to October 1, 1976 require the “bodily injury” to occur during the policy period and within the Policy Territory.

21. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1957 to October 1, 1966 also obligate Arrowood, in relevant part, to “defend any suit against the Insured alleging such injury, sickness, disease...and seeking damages on account thereof, even if such suit is groundless, false or fraudulent; but the company may make such investigation, negotiation and settlement of any claims or suit as it deems expedient;....”

22. Upon information and belief, the Arrowood Primary Policies in effect from October 1, 1966 to October 1, 1976 also obligate Arrowood, in relevant part, to “defend any suit against the insured seeking damages on account of such bodily injury...and may make such investigation and settlement of any claim or suit as it deems expedient....”

23. Upon information and belief, the Arrowood Primary Policies also contain “Persons Insured” and other provisions, endorsements and/or definitions of “named insured” and/or “insured” indicating who is an insured thereunder.

24. Upon information and belief, the Arrowood Primary Policies contain Conditions and/or other provisions requiring the Insured to provide notice of any “occurrences” or accidents “as soon as practicable.”

25. Upon information and belief, the Arrowood Primary Policies contain Conditions and/or other provisions requiring the Insured to provide immediate notice of claims made or suits brought.

26. Upon information and belief, the Arrowood Primary Policies contain Conditions and/or other provisions requiring the Insured to cooperate with Arrowood in the investigation and conduct of suits.

27. Upon information and belief, the Arrowood Primary Policies contain Conditions and/or other provisions prohibiting the Insured from voluntarily making any payment, assuming any obligation and/or incurring any expense other than as may be required for immediate medical and surgical relief or for first aid to others.

B. The Arrowood Excess/Umbrella Policies

28. Upon information and belief, Arrowood Excess Policy RLX 100035 (effective June 4, 1964 to June 4, 1967) was issued to “Roman Catholic Diocese of Rockville Centre, New York and as per Endorsement #1”.

29. Upon information and belief, Endorsement #1 to Excess Policy RLX 100035 provides, in relevant part, that the Named Insured includes all the insureds named in the coverage certificates attached to and made a part of the underlying Royal Indemnity Company Policies.

30. Upon information and belief, Umbrella Policies RLA 100629, RLA 101501 and RLA 101877 (effective June 4, 1967 to June 4, 1970, June 4, 1970 to October 1, 1971 and October 1, 1971 to October 1, 1972, respectively) identify “Name Of Insured” as “Roman Catholic Diocese of Rockville Centre, New York and as per Endorsement #1”.

31. Upon information and belief, the declarations page to Umbrella Policy PLA 102188 (effective October 1, 1972 to October 1, 1973) lists as named insured(s): “The Roman Catholic Diocese of Rockville Centre, New York and As Per Endorsement #1”.

32. Upon information and belief, Endorsement #1 to Umbrella Policy PLA 102188 provides, in relevant part, that “the Named Insured includes all insureds named in the coverage certificates attached to and made a part of underlying Royal Globe Insurance Company Policies.”

33. Upon information and belief, Endorsement # 2A to Umbrella Policy PLA 102553 (effective October 1, 1973 to October 1, 1974) provides *inter alia*, that “THE NAMED INSURED INCLUDES ALL INSUREDS AND ADDITIONAL INTERESTS NAMED IN THE COVERAGE CERTIFICATES ATTACHED TO AND MADE A PART OF UNDERLYING ROYAL GLOBE INSURANCE POLICIES.”

34. Upon information and belief, the declarations pages to Umbrella Policy PTQ 302591 and Umbrella Policy PTQ 306461 (effective October 1, 1974 to October 1, 1975 and October 1, 1975 to October 1, 1976, respectively) list as named insured(s): the Roman Catholic Diocese of Rockville Centre, New York and named insureds “As Per Endorsement #1”. Endorsement #1 to Umbrella Policies PTQ 302591 and PTQ 306461 provides, in relevant part, that “the Named Insured includes all insureds and additional interests named in the coverage certificates attached to and made a part of underlying Royal Globe Insurance Company Policies.”

35. Upon information and belief, some or all of the Arrowood Excess/Umbrella Policies contain per person limits and/or per occurrence limits.

36. Upon information and belief, under Arrowood Excess Policy RLX 100035, Arrowood agrees to “further indemnify the insured in accordance with the applicable insuring agreements of the Primary Insurance.”

37. Upon information and belief, Arrowood Excess Policy RLX 100035 contains a Condition for Notice of Loss which provides in relevant part that whenever the insured has information from which it may reasonably conclude that a covered occurrence is likely to involve the policy, that the Insured is required to send notice to Arrowood “as soon as practicable.”

38. Upon information and belief, Arrowood Excess Policy RLX 100035 contains a Condition for Assistance and Cooperation which provides in relevant part that the Insured shall cooperate with Arrowood in the defense of any claims, suits or proceedings Arrowood is called upon to defend or in which Arrowood associates in the defense.

39. Upon information and belief, under Arrowood Umbrella Policies RLA 100629, RLA 101501, RLA 101877, PLA 102188, PLA 102553, PTQ 302591 and PTQ 306461, Arrowood agrees, in relevant part, “To indemnify the Insured for all sums which the Insured shall become legally obligated to pay as damages because of: (a) Personal Injury....caused by an occurrence which takes place during the policy period anywhere in the world.”

40. Upon information and belief, Arrowood Umbrella Policies RLA 100629, RLA 101501, RLA 101877, PLA 102188, PLA 102553, PTQ 302591, and PTQ 306461 define “Personal Injury” in relevant to part to mean “the following, including death resulting therefrom: Bodily Injury, Mental Injury, Mental Anguish, Shock, Sickness, Disease, Disability....”

41. Upon information and belief, Arrowood Umbrella Policies RLA 100629, RLA 101501, RLA 101877, PLA 102188 and PLA 102553 define “occurrence” to mean, in relevant part: “an event including injurious exposure to conditions, which results, during the policy period in personal injury...neither expected nor intended from the standpoint of the Insured.”

42. Upon information and belief, Arrowood Umbrella Policies PTQ 302591 and PTQ 306461 define “occurrence” to mean, in relevant part: “an event including injurious exposure to

conditions, which results, during the policy period in personal injury...neither expected nor intended from the standpoint of the Insured.”

43. Upon information and belief, Arrowood Umbrella Policies RLA 100629, RLA 101501, RLA 101877, PLA 102188, PLA 102553, PTQ 302591 and PTQ 306461 contain a Condition for “Notice of Occurrence” which provides, in relevant part, that “Whenever it appears that an occurrence covered hereunder is likely to involve the Company, written notice shall be sent to the Company as soon as practicable.”

44. Upon information and belief, Arrowood Umbrella Policies RLA 100629, RLA 101501, RLA 101877, PLA 102188, PLA 102553, PTQ 302591, and PTQ 306461 contain a Condition for “Assistance and Cooperation” which provides, in relevant part, that Arrowood and the Insured shall cooperate fully in the defense and control of any claim, suit or proceeding reasonably likely to involve the Company.

COVERAGE CORRESPONDENCE AND REQUESTS FOR INFORMATION
BETWEEN ARROWOOD AND THE DIOCESE
AND CERTAIN AFFILIATED ENTITIES

45. With respect to the approximately 130 lawsuits in which Arrowood has agreed to provide a defense to the Diocese, subject to a reservation of rights, and which do not involve allegations of abuse by Father Romano Ferraro, Arrowood issued RFIs to the Diocese and certain Affiliated Entities.

46. The RFIs advise the Diocese that Arrowood does not have sufficient information to fully evaluate the Underlying Lawsuits, and that Arrowood needs information from the Diocese and/or Affiliated Entities to investigate the Underlying Lawsuits.

47. Specifically, the RFIs request relevant categories of documents and information from the Diocese and/or Affiliated Entities regarding the Underlying Lawsuits and the priests accused of sexual abuse in the Underlying Lawsuits.

48. The RFIs request information which would be in the Diocese's and/or Affiliated Entities' possession and/or control, including, in part:

- Any and all incident reports, condemnations, performance reviews, etc., prepared by the Debtor and/or Non-Debtor Entities in connection with the alleged abuser(s);
- The names of all priests, employees and agents of the Debtor and/or Non-Debtor Entities involved in any of the alleged sexual misconduct committed by each abuser or who have been alleged to have had knowledge of the alleged sexual misconduct;
- The names of all priests, employees and/or agents of the Debtor and/or Non-Debtor Entities who were suspended from service as a result of the alleged sexual misconduct at issue;
- All written guidelines, rules, manuals or other documents, whether formal or informal, concerning the Diocese's sexual abuse policy and the handling of sexual abuse claims; and
- The personnel files of the alleged abuser(s).

49. The RFIs also request information which would be in the Diocese's and/or Affiliated Entities' possession and/or control with regard to their insurance policies and insurance program(s) with regard to the Underlying Lawsuits at issue.

50. The Diocese has provided what it states to be copies of all insurance policies and Certificates or other secondary evidence of coverage in its possession or control.

51. The Diocese has also provided coverage position letters containing purported policy language from insurers which issued policies to the Diocese that were in effect after the Arrowood Policies.

52. The Diocese has not otherwise responded to Arrowood's RFIs, despite publicly acknowledging that the Diocese and/or its Affiliated Entities have undertaken investigations into the allegations asserted in the Underlying Lawsuits.

53. Accordingly, Arrowood is unable to properly investigate the Underlying Lawsuits against the Diocese.

**HISTORICAL INFORMATION AND OTHER REPORTS REGARDING THE
DIOCESE'S PRIOR KNOWLEDGE OF ABUSIVE PRIESTS AND OTHER
INDIVIDUALS AND WIDESPREAD COVERUP OF ITS KNOWLEDGE OF ABUSE**

54. The Catholic Church has been aware for at least 100 years of sexually abusive priests within the Catholic Church and within its control.

55. Upon information and belief, the Diocese has refused to release a list of clergy or other individuals whom it has found to be credibly-accused of child sexual abuse.

A. The Crime of Solicitation Instruction

56. In 1922, the Holy See released a confidential document to its Bishops and other officials of Catholic organizations regarding the handling of cases of solicitation of sex in the confessional. The document mandated a specific procedure for the Holy See's agents, including the Bishop of the Diocese, to use when a cleric abused children using the confessional. The document required strict secrecy and indicates that the Holy See was fully aware that there was a systemic problem of clergy members sexually molesting children using the confessional.

57. In 1962, The Vatican Press published the confidential document, *Instruction on The Manner of Proceeding in Cases of Solicitation* (The Vatican Press, 1962) ("Crimen Sollicitationis") as instruction for all patriarchs, archbishops, bishops and other diocesan ordinaries "Even of the Oriental Rite", which contains specific instructions regarding the handling of child sex abuse by clergy. The 1922 and 1962 publications of Crimen Sollicitationis are collectively referred to as the "Crime of Solicitation Instruction."

58. The Crime of Solicitation Instruction states that it is "to be diligently stored in the secret archives of the Curia as strictly confidential."

59. In various lawsuits filed against the Diocese, including one entitled *G.C. v. Diocese of Rockville Centre, et. al.*, Supreme Court of the State of New York, County of Nassau, Index Number 900035/2019, it is alleged: "The policy of secrecy and the severest of penalties for its

violation [as outlined in the Crime of Solicitation] were reiterated in documents issued by officials of the Holy See for the benefit of its agents, including the Bishop of the Diocese [of Rockville Centre], in 1988 and 2001.” The Complaint goes on: “Indeed, the policy of secrecy and lack of consequences for the sexual abuse of children was perceived as a perquisite by clergy sex abusers. The Holy See and Diocese [of Rockville Centre] believed it to be perceived as a perquisite, which it condoned and used to its advantage in controlling priests.” *See*, G.C. Complaint at ¶¶ 26 & 28.

B. The Suffolk County Special Grand Jury Report

60. By order of the Honorable Harry E. Seidell, the Suffolk County Supreme Court Special Grand Jury was empaneled on May 6, 2002 to complete an investigation into the Diocese of Rockville Centre, its priests and its parishes.

61. A 181-page Special Grand Jury Report dated January 17, 2003 (“Grand Jury Report”) was released which detailed numerous instances of criminal acts of abuse of unnamed victims by 23 priests (identified in the report as Priests “A” through “W”) within the Diocese of Rockville Centre.

62. The Grand Jury Report noted that the statute of limitations had expired for most of the abuse uncovered by the Grand Jury. The Report concludes, *inter alia*, that the general policy of the Diocese was to ignore credible complaints of abuse, hide priests’ abusive histories from parishioners and pastors in new parishes to which the priests were assigned, deceive and intimidate victims, and protect the interests of the Diocese and its priest over the victims.

63. The Grand Jury Report states, *inter alia*, that “in a number of cases, Diocesan officials knew or should have known of sexually abusive priests, because they were warned of their inappropriate and clearly sexual behaviors with children. The inaction of these officials placed children in danger of being sexually abused and in fact, they were.”

64. Based on its findings, the Grand Jury recommended: (1) that the civil and criminal statutes of limitations for claims involving the sexual abuse of minors be extended or eliminated with a one-year lookback period to allow previously time-barred claims; (2) that criminal statutes be amended to hold clergy members accountable for conduct that conceals or hinders discovery of a crime and impose mandatory reporting requirements to law enforcement; (3) that the New York State legislature establish a state registry of individuals involved in the abuse of children who are not the parent or guardian of the child; (4) that the legislature implement screening requirements for persons who seek employment involving minor children; and (5) that the New York State Civil Practice Law and Rules be amended to prohibit confidentiality agreements in any action for damages resulting from the sexual abuse of a child.

65. Although the Grand Jury Report does not name the accused priests, some of the priests have been identified in the media and/or through online sources which compile information on accused members of the clergy. According to those sources, including “bishopaccountability.org,” the Grand Jury Report includes information regarding the abuse alleged by the following members of the clergy, all identified as abusers in the Underlying Lawsuits:

- Rev. Joseph Mundy (Priest A)
- Rev. Matthew Fitzgerald (Priest B)
- Rev. Brian McKeon (Priest C)
- Rev. Eugene C. Vollmer (Priest D)
- Rev. James Bergin (Priest E)
- Msgr. Alan Placa (Priest F)
- Rev. Angelo J. Ditta (Priest H)
- Rev. Gerard J. Chasse (Priest I)
- Rev. Nicholas Unterstein (Priest J)
- Rev. Robert Huneke (Priest M)
- Msgr. Charles “Bud” Ribaud (Priest O)
- Rev. Michael A. Carroll (Priest P)
- Msgr. Alfred M. Soave (Priest T)
- Rev. Andrew L. Millar (Priest V)
- Rev. Michael R. Hands (Priest W)

C. The “Hidden Disgrace II” Report

66. On or about February 5, 2018, an attorney organization called Lawyers Helping Survivors of Child Sex Abuse released a 19-page report titled “*Hidden Disgrace II*” which names 51 clergy members and individuals associated with the Diocese of Rockville Centre who have been accused of sexually abusing children since as early as the 1950s. (“Hidden Grace II Report”). This Report “builds on [the Suffolk County grand jury report] by identifying, where possible, the priests described in the report, detailing additional accusations and providing the disposition of cases, when available.”

67. The details of the accusations in the *Hidden Disgrace II* Report were compiled from survivor accounts, news articles and information posted on bishopaccountability.org.

68. The clergy members and individuals identified in the “*Hidden Disgrace II*” Report include abusers identified in the Underlying Lawsuits, including but not limited to:

- Fr. Robert L. Brown
- Fr. Romano J. Ferraro
- Fr. Joseph C. McComiskey
- Fr. Alan J. Placa
- Fr. Charles A. “Bud” Ribaud

D. The Anderson Report

69. “The Anderson Report: Sexual Abuse in the Diocese of Rockville Centre” (the “Anderson Report”) was first prepared by Jeff Anderson & Associates in or around 2019.

70. The Anderson Report “contains the names of sixty-five (65) Diocesan priests, religious order priests, and other religious clerics associated with the Diocese of Rockville Centre, including those who were assigned within or working in the geographic boundaries of the Diocese, who have been accused of sexual misconduct with minors.”

71. The information in the Anderson Report “is derived from publicly available sources, claims made by survivors to the dioceses and religious orders responsible for the offenders, and legal settlements made as a result of claims for sexual abuse.”

72. The clergy members and individuals highlighted in the Anderson Report include abusers identified in the Underlying Lawsuits, including but not limited to:

- Father Robert L. Brown
- Father Romano Ferraro
- Father Joseph C. McComiskey
- Bishop John R. McGann
- Monsignor Edward L. Melton; and
- Father Charles A. Ribaud

E. The Independent Reconciliation and Compensation Program (“IRCP”)

73. On or about October 16, 2017, the Diocese established the Independent Reconciliation and Compensation Program (“IRCP”) to provide compensation to survivors of sexual abuse by the Diocese’s priests.

74. According to the Diocese, as of September 29, 2020, 445 abuse claimants filed claims with the IRCP and a total of 350 of them had accepted compensation totaling approximately \$62 million, with about 25 claims still being processed as of the Petition Date and 18 outstanding determinations. The Diocese has not disclosed to Arrowood the individual amount(s) of every one of those settlements.

75. Certain of the Underlying Lawsuits settled through the IRCP. To date, the Diocese has requested that Arrowood indemnify it for one of those settlements.

76. Upon information and belief, at least some of the claims that have gone through the IRCP involve/involved clergy deemed credibly-accused by the Diocese and/or publicly identified as abusers.

F. Underlying Lawsuits Alleging Prior Knowledge by the Diocese

77. Upon information and belief, since August 14, 2019, approximately 223 pre-petition lawsuits were filed under the CVA against the Diocese identifying and/or naming many of the credibly accused clergy.

78. The Diocese has tendered approximately 136 of those lawsuits to Arrowood.

79. Several of the same priests and clergy members are accused of sexual abuse in multiple Underlying Lawsuits. Further, in the Underlying Lawsuits, the Diocese is alleged to have had prior knowledge of abuse and/or pedophilia by these priests.

80. Arrowood has no obligation to defend or indemnify the Diocese in connection with those Underlying Lawsuits involving sexually abusive priests previously known to the Diocese, including, but not limited to, those outlined below.

I. Father Romano Ferraro

81. Father Romano Ferraro (“Ferraro”) is alleged to have sexually abused and/or sexually assaulted dozens of minor boys over the course of approximately 44 years and while assigned to various different parishes, the majority of which were within the Diocese of Rockville Centre and the Diocese of Brooklyn.

82. Upon information and belief, Ferraro has been named in numerous matters tendered to Arrowood by the Diocese and/or Diocese of Brooklyn that concern allegations of abuse against Father Ferraro.

83. The lawsuits filed against the Diocese since August 14, 2019 which allege sexual abuse of minors within the Diocese by Ferraro and which were tendered to Arrowood and include allegations of abuse following Ferraro’s transfer from the Diocese of Brooklyn to the Diocese of Rockville Centre include:

- G.C. v. Diocese of Rockville Centre, et al,
Supreme Court of the State of New York, Nassau County

Index No. 900035/2019

- Kelly v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, Nassau County
Index No. 900064/2019
- B.R. v. Diocese of Brooklyn, et al.,
Supreme Court of the State of New York, Kings County
Index No. 512125/2020
- F.C. v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, Nassau County
Index No. 900125/2020

84. The following lawsuits filed in the New York Supreme Court, Kings County, allege sexual abuse against minors before or at about the time that Ferraro was transferred to the Diocese of Rockville Centre:

- S.S. v. Diocese of Brooklyn, et al.
Index No. 520731/2019
- Charles Marri v. Diocese of Brooklyn and Queens, et al.
Index No. 517898/2019
- W.B. v. Diocese of Brooklyn, et al.
Index No. 520879/2019
- B.K. v. Diocese of Brooklyn, et al.
Index No. 520730/2019
- Peter DiGiorgio v. Roman Catholic Diocese of Brooklyn, et al.
Index No. 520009/2019
- G.H. v. Diocese of Brooklyn, et. al.
Index No. 524463/2019
- P.F. v. Diocese of Brooklyn, et. al.
Index No. 526614/2019
- Costa v. Diocese of Brooklyn, et. al.
Index No. 503282/2020
- S.O. v. Diocese of Brooklyn, et. al.
Index No. 501952/2020

- Ark124 Doe v. Diocese of Brooklyn, et. al.
Index No. 507222/2020
- Ark148 Doe v. Diocese of Brooklyn, et. al.
Index No. 507283/2020
- R.M. v. Diocese of Brooklyn, et. al.
Index No. 508058/2020
- Nicolas Nabel v. Diocese of Brooklyn, et. al.
Index No. 512747/2020
- PC-25 Doe v. Diocese of Brooklyn, et. al.
Index No. 512675/2020
- B.R. v. Diocese of Brooklyn, et. al.
Index No. 512125/2020
- B.K. v. Diocese of Brooklyn, et. al.
Index No. 519885/2020
- Charles Marri v. Diocese of Brooklyn, et. al.
Index No. 514369/2020

85. As detailed below, it is alleged by various plaintiffs that the Diocese, the Affiliated Entities and/or the Diocese of Brooklyn were aware of Ferraro's sexual proclivities as early as the 1950's.

86. The Diocese was established in 1957 from territory that was formerly part of the Diocese of Brooklyn.

87. Upon information and belief, Ferraro entered the seminary in or around 1954 and was ordained a priest in May of 1960.

88. Upon information and belief prior to ordination, Ferraro left the seminary because he grew conflicted over his proclivity for boys. Diocesan officials allegedly convinced Ferraro to nonetheless continue pursuing his career in priesthood.

89. In or around 1970, Ferraro was dishonorably discharged from the Navy after an allegation of child sexual abuse. *See, e.g., G.C. v. Diocese of Rockville Centre, et al.*

90. Upon information and belief, an Affidavit of A.W. Richard Sipe, an expert witness retained by counsel for the plaintiff in the matter of *John Doe v. Archdiocese for the Military Services, et al.*, Circuit Court of the State of Florida, Case No. 2006-CA-10-16, provided an overview of Ferraro's career and the evidence indicating awareness of Ferraro's proclivities as far back as the 1950's. Mr. Sipe concluded that there was "serious doubt on the part of [Ferraro's] superiors about the suitability of [Ferraro] for the priesthood" in the 1950's.

91. Upon information and belief, Ferraro was transferred on at least nineteen occasions from 1960 to 2002 to different parishes or locations as follows:

1960-1962 — St. Joseph Patron of the Universal Church (Brooklyn, NY)
1962-1963 — St. Rosalia (Brooklyn, NY)
1963-1964 — Regina Pacis Votive Shrine (Brooklyn, NY)
1965-1968 — St. Lucy (Brooklyn, NY)
1965-1968 — Holy Family Church (Brooklyn, NY)
1968-1970 — U.S. Army Chaplain & military service
1968-1969 — U.S. Naval Air Station (Key West, FL)
1971-1973 — St. Rose of Lima (Queens, NY)
1973-1975 — Sick leave and attended Cathedral College for Master's degree
1975-1977 — St. Joseph (Kings Park)
1977-1978 — St. Francis Xavier (Brooklyn, NY)
1978-1979 — St. Aloysius (Queens, NY)
1980-1981 — House of Affirmation (Webster Groves, MO)
1981-1983 — St. Joan of Arc (St. Louis, MO)
1983 — St. Francis Xavier (Bronx, NY)
1984 — St. James (Woodbridge, NJ)
1984-1985 — Our Lady of Mount Virgin (Middlesex, NJ)
1985-1986 — St. John Vianney (Colonia, NJ)
1986-1987 — Christ the King (Commack)
1987-1988 — St. Rita's (Staten Island, NY).
1989 — St. Luke Institute (Suitland, MD) (as a patient)
1989-2002 — Parsons Manor (Jamaica, NY)
May 20, 2004 — MCI-Cedar Junction (maximum security prison) (South Walpole, MA)

92. Upon information and belief, Ferraro sexually abused minor boys through at least 2002, when he was arrested for repeatedly raping a boy while assigned to or associated with a parish in Billerica MA, starting when the boy was 7 years old. Ferraro was found guilty of child rape, indecent assault and battery against a child under 14, and was sentenced to life in prison.

93. Ferraro is alleged to have sexually assaulted, abused and/or had sexual contact with at least fifteen (15) underage boys between approximately 1958 and 1974 while affiliated or associated with the Diocese of Brooklyn. *See*, Paragraph 85, above.

94. In or around 1971, Ferraro allegedly sexually abused, assaulted and molested a minor parishioner of Defendant St. Joseph's Parish in Kings Park, New York, which was under the purview of the Diocese of Rockville Centre. *See, Kelly v. Diocese of Rockville Centre, et al.*, Supreme Court of the State of New York, County of Nassau, Index No. 900064/2019, Complaint at ¶¶ 2, 36 (the "Kelly Complaint").

95. In *F.C. v. Diocese of Rockville Centre, et al.*, Supreme Court of the State of New York, County of Nassau, Index No. 900125/2020 it is alleged that "From approximately 1973 through approximately 1977, Father Ferraro exploited the trust and authority vested in him by the defendants by grooming F.C. to gain his trust and to obtain control over him as part of Father Ferraro's plan to sexually molest and abuse F.C. and other children." *See, F.C. Complaint* at ¶ 61.

96. The *F.C. Complaint* further alleges that, prior to the abuse of F.C., Ferraro was a known sexual abuser of children and that it was reasonably foreseeable to the Diocese that Ferraro's sexual abuse of children would likely result in injury to others, including F.C. *See, F.C. Complaint* at ¶¶ 65, 67.

97. In *B.R. v. Diocese of Brooklyn, et al.*, Supreme Court of the State of New York, County of Kings, Index No. 512125/2020, it is alleged that from approximately 1975 to 1976, Ferraro sexually assaulted the plaintiff on many occasions. *See, B.R. Complaint* at ¶ 19.

98. The *B.R. Complaint* further alleges that the Diocese knew or in the exercise of reasonable care should have known that Ferraro had a propensity to engage in sexual abuse of children and that Ferraro was unfit, dangerous, and a threat to the health, safety, and welfare of the minors entrusted to his counsel, care and/or protection; and that it was reasonably foreseeable to

the Diocese that Ferraro would commit acts of child sexual abuse or assault on a child. *See, B.R. Complaint* at ¶ 29-32.

99. From approximately 1975 to 1976, Ferraro allegedly sexually assaulted another minor boy on “many different occasions” while assigned to Defendant St. Joseph’s Parish in Kings Park, New York. *See, G.C. Complaint* at ¶ 8.

100. The *G.C. Complaint* further alleges that Ferraro sexually abused a young boy in 1971 while assigned to St. Rose of Lima in [the Diocese of] Brooklyn and that “...Ferraro continued in ministry with access to numerous children until he was arrested in 2002 for raping a boy.” *See, G.C. Complaint* at ¶¶ 11-12.

101. The *G.C. Complaint* also alleges that Ferraro was a “serial sexual predator who sexually abused multiple boys over a period of decades. Prior to being ordained as a priest, he knew he was a pedophile.” *See, G.C. Complaint* at ¶ 9.

102. In *G.C.*, it is further alleged that “At all relevant times, the Diocese [of Rockville Centre] and the Church knew or in the exercise of reasonable care should have known that Father Ferraro had a propensity for the conduct which caused injury to Plaintiff, in particular, that he had a propensity to engage in the sexual abuse of children.” *See, G.C. Complaint* at ¶ 13.

103. The *G.C. Complaint* also alleges the Diocese of Rockville Centre “knew or should have known that Father Ferraro was unfit, dangerous, and a threat to the health, safety, and welfare of the minors entrusted to his counsel, care and/or protection,” and that the Diocese [of Rockville Centre] “gave him the opportunity to commit foreseeable acts of child sexual abuse or assault.” *Id.* at ¶¶ 14-16.

104. In the Kelly Complaint, it is alleged, *inter alia*, that the Diocese intentionally accepted Ferraro into the Diocese “amounting to a criminal conspiracy to hide and otherwise keep quiet from the public in general, and the diocese community, known facts of criminal sexual past

practices, known sexual tendencies, and likely future tendencies as to young boys and other children in the diocese community and their relative establishments.” *Kelly* Complaint at Punitive Damages Count.

105. In the *Kelly* Complaint, it is also alleged that the Diocese and St. Joseph’s Parish failed to investigate “...Ferraro’s past and/or current histories of sexual abuse; and/or that, through the exercise of reasonable diligence should have known of Ferraro’s propensity for child sexual abuse.” *Id.*

106. In the *Kelly* Action, it is further alleged that the Diocese and St. Joseph’s Parish knew or should reasonably have known under the circumstances that Ferraro regularly and consistently abused, and allowed the abuse, of multiple young children within and outside the Church grounds and that Church administrators willfully participated in the conspiracy to hide and keep quiet that certain priests, including that...Ferraro “perpetrated vicious acts of pedophilia and crimes against children on the site and off the site of St. Joseph’s Parish....” *Id.*

107. Upon information and belief, there have been other allegations of sexual abuse by Father Ferraro, including prior to the abuse alleged in the *S.S., Marri, W.B., B.K., DiGiorgio, G.C., Kelly, F.C.* and *B.R.* Actions, asserted in lawsuits, claims or other matters pending in other jurisdictions.

108. Arrowood has disclaimed any obligation to defend and/or indemnify the Diocese in the *G.C.* Action, *Kelly* Action, *F.C.* Action or the *B.R.* Action which allege abuse by Ferraro, as neither an “occurrence” nor an accident has been established as required under the Arrowood Policies.

II. Monsignor Alan J. Placa

109. Placa has been accused of sexually abusing at least six (6) minor children between approximately 1970 and 1982.

110. Placa served as a legal consultant to the Diocese in or around 1986 and led the Diocese's handling of sex abuse cases and served as Vice Chancellor from approximately 1988 through 2002. *See*, Hidden Disgrace II Report at pg. 14, *see also*, bishopaccountability.org.

111. In June 2002, Placa was accused of abusing four boys in the 1970s while assigned to St. Patrick and St. Pius X Preparatory Seminary. *See*, Hidden Disgrace II Report at pg. 14.

112. Placa is also believed to be Priest "F" highlighted in the Grand Jury Report.

113. When Priest "F" attempted to touch the boy in his office and the boy responded by covering his genitals, "Priest F's efforts to push his arm away failed" so "Priest F gave up and left." Priest "F" tried once more with this victim and when he came forward decades later, Priest "F" denied sexually abusing anyone. *See*, Grand Jury Report at pg. 44.

114. When Priest "F" was on his second assignment at St. Pius X, the students knew to stay away from him. Two victims did complain about Priest "F" to the school's rector, but they were not believed. Another student and his parents spoke with the rector about Priest "F" but, again, nothing was done. *See*, Grand Jury Report at pg. 45.

115. The Underlying Lawsuits alleging abuse by Placa that have been tendered to Arrowood include:

- Fernan v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900037/2019
- Tollner v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900021/2019

116. In *Fernan v. Diocese of Rockville Centre*, it is alleged that Placa sexually abused Plaintiff on approximately 100 occasions between 1974 and 1977 while assigned to St. Pius X Preparatory Seminary. *See*, *Fernan* Complaint at ¶¶ 4, 16-19.

117. The Fernan Complaint also alleges, *inter alia*, that Plaintiff reported the abuse to agents, servants, and/or employees of St. Pius and/or the Diocese, including to his school counselor, Monsignor Daniel Fagan, “but all parties failed to take any action to protect plaintiff and/or other students or children of St. Pius and/or the Diocese.” *Fernan Complaint* at ¶ 20.

118. The Fernan Complaint further alleges that: “Despite the Diocese’s and/or St. Pius’s knowledge that Placa sexually abused children and/or had the propensity to sexually abuse children, the Diocese and St. Pius allowed Placa unfettered access to children, including on school and diocese premises, without proper supervision” and “several other students of Placa and St. Pius were also sexually abused by Placa.” *Fernan Complaint* at ¶¶ 3 & 20.

119. In *Tollner v. Diocese of Rockville Centre*, it is alleged that Placa raped and otherwise sexually abused Plaintiff on approximately two occasions in 1975 while assigned to St. Pius X Preparatory Seminary. *See, Tollner Complaint* at ¶¶ 4, 16-17.

120. The Tollner Complaint further allege that Monsignor Brendan Riordan was present but left the room when Placa drugged Plaintiff and another student and raped Plaintiff. When the rape was over, Monsignor Riordan asked if it was okay before he re-entered the room. *Tollner Complaint* at ¶ 17.

121. The Tollner Complaint further alleges that: “Despite the Diocese’s and/or St. Pius’s knowledge that Placa sexually abused children and/or had the propensity to sexually abuse children, the Diocese and St. Pius allowed Placa unfettered access to children, including on school and diocese premises, without proper supervision” and “several other students of Placa and St. Pius were also sexually abused by Placa.” *Fernan Complaint* at ¶¶ 3 & 18.

122. Arrowood is also aware of allegations that Placa abused four (4) minors other than Fernan and Tollner from 1974 to 1978, in 1976, and from 1976 until 1982, respectively.

III. Father Charles A. “Bud” Ribaud

123. Ribaud has been accused of sexually abusing at least nine (9) minor children between approximately 1970 and 1982.

124. Ribaud was assigned to St. Rose of Lima in Massapequa, New York. In 1970, the Diocese transferred him to Holy Trinity High School in Hicksville, New York, where he served as chaplain and counselor until approximately 1984. *See*, bishopaccountability.org.

125. In or about 1984, the Diocese transferred Ribaud to Sacred Heart School in North Merrick, New York. In or about 1987, the Diocese transferred Ribaud to St. Dominic’s School in Oyster Bay, New York. *See, Id.*

126. In 2002, Ribaud was placed on leave and subsequently retired following allegations that he abused a student at Holy Trinity High School. Ribaud reportedly was sent for psychiatric evaluation while his parishioners were told he was on medical leave. During this evaluation, Ribaud purportedly admitted that he might have abused as many as a dozen boys. *See*, Anderson Report at pg. 27.

127. Ribaud is believed to be Priest “O” highlighted in the Grand Jury Report.

128. The Grand Jury Report provides, in relevant part, that: “[w]hat is known, is that Priest O was repeatedly sexually abusive and that the Diocese knew this years before they took any action against him.” *See*, Report at pg. 86.

129. The Grand Jury Report further states, “Priest O had the art of seducing teenaged boys down to a science,” and that “[a]ssigned to a diocesan high school, he would target boys who had transferred into the school from the public school system. These boys were the most likely to be vulnerable to his advances, because they frequently had trouble adjusting to the parochial school environment, and they had fewer friends.” “One of Priest O’s victims actually transferred from the high school to get away from him.” Report at pg. 87.

130. The Grand Jury Report also recounts an instance where a parish priest called a Diocesan official involved in personnel issues after a parishioner told that priest that Priest O abused his son. The complaint was referred to another Diocesan official, an attorney. This priest met with the victim, whom he determined was not credible. The Diocese offered to pay for the victim's counseling but did nothing to further investigate the allegations. While the Diocese did not investigate the allegations, it did investigate the victim and documented information from his confidential high school records in a secret archive file to impeach his credibility if the need ever arose. *See*, Report at pg. 87.

131. The Grand Jury Report further indicates that the reporting of abuse by another one of Priest O's victims prompted the Diocese to send Priest O for psychological evaluation wherein Priest O admitted to dealing with issues related to the sexual abuse of boys and acknowledged he had abused at least twelve boys. *Id.* at pg. 88; *see also*, Anderson Report at pg. 27.

132. The Underlying Lawsuits alleging abuse by Ribaudo that have been tendered to Arrowood include:

- Koeneke v. Holy Family Roman Catholic Church, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900004/2019
- Barrett v. Holy Trinity Diocesan High School, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900048/2019
- D'Estries, et al. v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900006/2019

Now filed as: Paul Kustes v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900070/2019

- Anonymous PK v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900015/2020

133. In *Koeneker v. Holy Family Roman Catholic Church, et al.*, it is alleged that Ribauda sexually abused Plaintiff, a parishioner of Holy Family, from 1971 to 1975 on at least 15 occasions. *See*, Koeneker Complaint at ¶¶ 15-16.

134. The Koeneker Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “knew or should have known that RIBAUDO violated DIOCESE, HOLY FAMILY, and HOLY TRINITY’s relevant rules, regulations and protocols prohibiting priests like RIBAUDO from sexually abusing and otherwise harming minor parishioners, including Plaintiff.” Koeneker Complaint at ¶ 31.

135. In *Anonymous PK v. Diocese of Rockville Centre, et al.*, it is alleged that Ribauda sexually abused the plaintiff in approximately 1975 to 1977. *See*, Anonymous PK Complaint at ¶ 101.

136. The Anonymous PK Complaint further alleges that before the plaintiff was sexually abused by Ribauda, the Diocese had actual or constructive knowledge of material facts regarding Ribauda’s sexual misconduct, impulses and behavior; specifically, the Diocese had knowledge of clergy sexual abuse of minors in general and knowledge of Ribauda’s transfers and the reasons behind such transfers. *See*, Anonymous PK Complaint at ¶¶ 54, 113.

137. In *Barrett v. Holy Trinity Diocesan High School, et al.*, it is alleged that Ribauda sexually abused Plaintiff over 100 times between approximately 1975 to 1979 while Ribauda acted as Chaplain/counsel to students at Holy Trinity High School. *See*, Barrett Complaint at ¶¶ 26-28.

138. The Barrett Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “knew or should have known of RIBAUDO’S propensity to sexually abuse minor students.” Barrett Complaint at ¶ 38.

139. In *Kustes v. Diocese of Rockville Centre, et al.*, it is alleged that Ribauda sexually abused Plaintiff in or around 1977. *See*, Kustes Complaint at ¶ 57.

140. The Kustes Complaint also alleges, *inter alia*, that “...prior to the times mentioned herein, Father Ribaudo was a known sexual abuser of children,” and that the Diocese and Affiliated Entities “knew or should have known that Father Ribaudo was sexually abusing Paul and other children at Holy Trinity and elsewhere.” Kustes Complaint at ¶¶ 61, 64.

141. It is also alleged in the Kustes Complaint that the Diocese and Affiliated Entities “concealed the sexual abuse of children by Father Ribaudo in order to conceal their own bad acts in failing to protect children from him” to “protect their reputation, and to prevent victims of such sexual abuse by him from coming forward during the extremely limited statute of limitations prior to the enactment of the CVA, despite knowing that Father Ribaudo would continue to molest children.” Kustes Complaint at ¶ 68.

142. Arrowood is also aware of allegations that Ribaudo abused two (2) minors other than Koenke, Barrett, Kustes and Anonymous PK.

IV. Bishop John R. McGann

143. McGann has been accused of sexually abusing at least five (5) minor children between approximately 1959 and 1988.

144. Public records indicate that Father John R. McGann (“McGann”) was ordained in 1950, assigned to St. Anne’s Roman Catholic Church in Brentwood, New York from 1951 through 1957, and assigned to St. Agnes Cathedral in Rockville Centre as Secretary to the Bishop from 1958 through 1970. *See*, Anderson Report at pg. 21.

145. In 1971, McGann was assigned to Church of St. Joseph in Garden City, New York.
Id.

146. From 1972 to 1976, McGann was associated with the Auxiliary Bishop of Rockville Centre as Titular Bishop of Morosbisus and Episcopal Vicar of Suffolk, and from approximately

1976 through 2000, McGann served as Bishop of the Diocese of Rockville Centre. *Id.*; see also, bishopaccountability.org.

147. The Underlying Lawsuits alleging abuse by McGann that have been tendered to Arrowood include:

- Silvestre v. The Roman Catholic Diocese of Rockville Centre, New York, et al., Supreme Court of the State of New York, County of Nassau
Index No. 900054/2019
- Joanne Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al., Supreme Court of the State of New York, County of Nassau
Index No. 900052/2019
- Alexander Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al., Supreme Court of the State of New York, County of Nassau
Index No. 900051/2019

148. In *Silvestre v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that McGann sexually assaulted, sexually abused and/or had sexual contact with Plaintiff, a parishioner of St. Agnes Cathedral, from 1966 to 1971 on at least 15 occasions, including in the St. Agnes rectory and the St. Agnes basement. *See*, *Silvestre Complaint* at ¶¶ 17-18.

149. In approximately 1967, Plaintiff attended an event at the St. Agnes Rectory where a number of priests, including McGann, were seated around a table. Father Robert L. Brown sexually assaulted, sexually abused and/or had sexual contact with Plaintiff while she was seated on Fr. Brown's lap, while other priests, including McGann and Monsignor Edward L. Melton, were present (the "1967 St. Agnes Rectory Event"). *See*, *Silvestre Complaint* at ¶ 16.

150. The *Silvestre Complaint* further alleges, *inter alia*, that the Diocese and Affiliated Entities "knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of...McGann..." *Silvestre Complaint* at ¶ 26.

151. The Silvestre Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...McGann...by assigning, maintaining, and/or appointing them to positions with access to minors. Silvestre Complaint at ¶ 25.

152. In *Joanne Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, Plaintiff alleges abuse by McGann and Monsignor Melton while at the 1967 St. Agnes Rectory Event while other priests, including Father Brown, were present. *See*, Joanne Jack Complaint at ¶ 15.

153. The Joanne Jack Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of...McGann...” Joanne Jack Complaint at ¶ 21.

154. The Joanne Jack Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...McGann...by assigning, maintaining, and/or appointing them to positions with access to minors. Joanne Jack Complaint at ¶ 20.

155. In *Alexander Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that McGann sexually assaulted, sexually abused and/or had sexual contact with Plaintiff on at least 4 occasions in approximately 1963 in McGann’s office in the St. Agnes Rectory. *See*, Alexander Jack Complaint at ¶¶ 14-15.

156. The Alexander Jack Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned,

and/or covered up, the inappropriate and unlawful sexual activities of...McGann..." Alexander Jack Complaint at ¶ 24.

157. The Alexander Jack Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities "had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...McGann...by assigning, maintaining, and/or appointing them to positions with access to minors. Alexander Jack Complaint at ¶ 23.

158. Arrowood is also aware of allegations that McGann sexually abused two (2) other minors between 1959 and 1971.

V. Monsignor Edward L. Melton

159. Melton has been accused of sexually abusing at least seven (7) minor children between approximately 1960 and 1978.

160. Public records indicated that Father Edward L. Melton ("Melton") was ordained in 1939; and was assigned to St. Catherine of Sienna Roman Catholic Church in Franklin Square, New York from approximately 1954 to 1958; was transferred to St. Barnabas the Apostle Roman Catholic Church in Bellmore, New York in 1958, was assigned to Good Samaritan Hospital in West Islip, New York from approximately 1959 through 1962, and also worked at Mercy Hospital in Rockville Centre from approximately 1960 through 1964. *See*, Anderson Report at pg. 22.

161. In 1967, Melton was appointed Monsignor in St. Agnes Cathedral in Rockville Centre, New York, and was assigned there until approximately 1994. He died in 1994. *See*, *Id*.

162. The Underlying Lawsuits alleging abuse by Melton that have been tendered to Arrowood include:

- Mills v. Roman Catholic Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900040/2019

- Mattison v. Roman Catholic Diocese of Rockville Centre, New York, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900053/2019
- Hagan v. Roman Catholic Diocese of Rockville Centre, New York, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900050/2019
- Silvestre v. The Roman Catholic Diocese of Rockville Centre, New York, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900054/2019
- Joanne Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900052/2019

163. In *Mills v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that Melton sexually abused Plaintiff from approximately 1976 through 1978 when Melton was a Monsignor assigned to St. Agnes Cathedral. *See*, Mills Complaint at ¶¶ 29, 30 & 51.

164. The Mills Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of Monsignor Edward Melton...” Mills Complaint at ¶ 63.

165. The Mills Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the responsibility to manage, supervise, control and/or direct Monsignors... assigned to defendant, ST. AGNES ROMAN CATHOLIC CATHEDRAL,” and “had a duty not to aid pedophiles such as...Melton...by assigning, maintaining, and/or appointing him to positions in which he would have access to minors. Mills Complaint at ¶¶ 65, 69.

166. In *Mattison v. Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that Melton sexually abused Plaintiff on at least ten occasions from approximately 1964 through 1967 when Melton was assigned by the Diocese to be the Director of Division of Health

and Hospitals for Catholic Charities. The abuse occurred during Melton's visits to Plaintiff's home in Port Washington, New York and on vacations to Virginia, Florida and the Bahamas. *See*, Mattison Complaint at ¶¶ 10-11.

167. The Mattison Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities "knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of Monsignor Melton..." Mattison Complaint at ¶ 16.

168. The Mattison Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities "had the duty to reasonably manage, supervise, control and/or direct priests who served at Catholic Charities, and specifically, had a duty not to aid pedophiles such as Monsignor Melton by assigning, maintaining, and/or appointing them to positions with access to minors. Mattison Complaint at ¶ 15.

169. In *Hagan v. Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that Melton sexually abused Plaintiff on approximately 50 occasions from approximately 1960 through 1964 when Melton was assigned by the Diocese to be the Director of Division of Health and Hospitals for Catholic Charities. The abuse occurred during Melton's visits to Plaintiff's home in Sands Point, New York, on boating trips in and around Long Island, and on vacations to Florida and the Bahamas *See*, Hagan Complaint at ¶¶ 10-11.

170. The Hagan Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities "knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of Monsignor Melton..." Hagan Complaint at ¶ 16.

171. The Hagan Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities "had the duty to reasonably manage, supervise, control and/or direct priests who served at

Catholic Charities, and specifically, had a duty not to aid pedophiles such as Monsignor Melton by assigning, maintaining, and/or appointing them to positions with access to minors. Hagan Complaint at ¶ 15.

172. In *Silvestre v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that Melton sexually assaulted, sexually abused and/or had sexual contact with Plaintiff, a parishioner of St. Agnes Cathedral, from approximately 1967 to 1971 on at least 6 occasions, including in the St. Agnes rectory and at the 1967 St. Agnes Rectory Event. *See*, *Silvestre Complaint* at ¶¶ 19-20.

173. The *Silvestre Complaint* further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of...Melton...” *Silvestre Complaint* at ¶ 26.

174. The *Silvestre Complaint* also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...Melton...by assigning, maintaining, and/or appointing them to positions with access to minors. *Silvestre Complaint* at ¶ 25.

175. In *Joanne Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, Plaintiff alleges that she was abused by Melton at the 1967 St. Agnes Rectory Event. *See*, *Joanne Jack Complaint* at ¶ 15.

176. The *Joanne Jack Complaint* further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of...Melton...” *Joanne Jack Complaint* at ¶ 21.

177. The Joanne Jack Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...Melton...by assigning, maintaining, and/or appointing them to positions with access to minors. Joanne Jack Complaint at ¶ 20.

VI. Father Robert L. Brown

178. Father Robert L. Brown (“Brown”) has been accused of sexually abusing at least eight (8) minor children between approximately 1961 and 1986.

179. Brown was ordained in the Diocese in 1957 and was moved to no less than four different parishes throughout his career until his death in 1994. *See*, Anderson Report at pg. 11.

180. The Underlying Lawsuits alleging abuse by Brown that have been tendered to Arrowood include:

- Silvestre v. The Roman Catholic Diocese of Rockville Centre, New York, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900054/2019
- Alexander Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900051/2019
- Piscotta v. The Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900041/2020
- PC-20 Doe v. The Roman Catholic Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900110/2020

181. In *Silvestre v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that Brown sexually assaulted, sexually abused and/or had sexual contact with Plaintiff, a parishioner of St. Agnes Cathedral, from approximately 1961 to 1968 on at least 12

occasions, including in the St. Agnes rectory and the St. Agnes sacristy and at the 1967 St. Agnes Rectory Event. *See*, Silvestre Complaint at ¶¶ 14-16.

182. The Silvestre Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of...Brown...” Silvestre Complaint at ¶ 26.

183. The Silvestre Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...Brown...by assigning, maintaining, and/or appointing them to positions with access to minors. Silvestre Complaint at ¶ 25.

184. In *Alexander Jack v. The Roman Catholic Diocese of Rockville Centre, New York, et al.*, it is alleged that Brown sexually assaulted, sexually abused and/or had sexual contact with Plaintiff on at least 25 occasions from approximately 1963 to 1967, including in St. Agnes Cathedral, St. Agnes High School and in the tunnels underneath St. Agnes. *See*, Alexander Jack Complaint at ¶¶ 18-19.

185. The Alexander Jack Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew and/or reasonably should have known, and/or knowingly condoned, and/or covered up, the inappropriate and unlawful sexual activities of...Brown...” Alexander Jack Complaint at ¶ 24.

186. The Alexander Jack Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “had the duty to reasonably manage, supervise, control and/or direct priests who served or resided at St. Agnes, and specifically, had a duty not to aid pedophiles such as...Brown...by assigning, maintaining, and/or appointing them to positions with access to minors. Alexander Jack Complaint at ¶ 23.

187. In *PC-20 Doe v. The Roman Catholic Diocese Rockville Centre, et al.*, it is alleged that Brown sexually abused the plaintiff on numerous occasions from approximately 1972 to 1975. *See, PC-20 Doe Complaint at ¶ 28.*

188. The PC-20 Doe Complaint further alleges that “The Vatican and other church authorities addressed the problem of clergy sex abuse on countless occasions prior to Fr. Brown's abuse of Plaintiff and communicated as much with all levels of Church hierarchy including bishops and other leaders. As such, at all relevant times, Defendants were well aware that errant sexual behavior by some priests was not only widespread but predictable;” and that the Diocese was given actual notice of Brown’s propensities to sexually abuse minor boys before the plaintiff was sexually abused, but that the Diocese took no action to remove Brown as a priest, discipline Brown, or at least keep him away from minor boys, like the plaintiff, who were in danger of being sexually abused by him.” *See, PC-20 Doe Complaint at ¶¶ 31-34.*

189. In *Piscotta v. The Diocese of Rockville Centre, et al.*, it is alleged that Brown sexually assaulted, sexually abused and/or has sexual contact with Plaintiff “on repeated occasions” from approximately 1973 to 1975 when Brown was assigned to St. Mary’s Roman Catholic Church in Manhasset, New York. *See, Piscotta Complaint at ¶¶ 68-71.*

190. The Piscotta Complaint further alleges, *inter alia*, that “The dominating culture of the Catholic Church over Plaintiff pressured Plaintiff not to report Father Robert L. Brown’s sexual abuse of him.” *Piscotta Complaint at ¶¶ 72-74.*

191. The Piscotta Complaint also alleges, *inter alia*, that “At no time did the Diocese [Church or School] ever send an official, a member of the clergy, an investigator or any employee or independent contractor to the Church or School to advise or provide any form of notice to the parishioners, students and/or their families, either verbally or in writing that there were credible allegations against Father Robert L. Brown and to request that anyone who saw, suspected or

suffered sexual abuse to come forward and file a report with the police department.” Piscotta Complaint at ¶¶ 75-77.

192. The Piscotta Complaint also alleges, *inter alia*, that the Diocese and Affiliated Entities “knew or [were] negligent in not knowing that...Brown...posed a threat of sexual abuse to children,” but they failed to warn Plaintiff of the risk that Brown posed or of any knowledge they had about sexual abuse, or to report to law enforcement any known and/or suspected abuse of children by Brown. *See*, Piscotta Complaint at ¶¶ 84-86; 119-122.

VII. Father Joseph C. McComiskey

193. Father Joseph C. McComiskey (“McComiskey”) has been accused of sexually abusing at least four (4) minor children between approximately 1970 and 1976.

194. McComiskey was ordained as a priest in the Diocese in 1970 and was moved to no less than five different parishes until 2002 when he was forced to retire in the wake of an allegation of child sexual abuse that was made to the Diocese’s sex abuse hotline and was referred to local prosecutors. *See*, Anderson Report at pg. 21.

195. The Underlying Lawsuits alleging abuse by McComiskey that have been tendered to Arrowood include:

- S.T. v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of Nassau
Index No. 900007/2019
- Moore v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, County of New York
Index No. 950167/2019

196. In *S.T. v. Diocese of Rockville Centre, et al.*, it is alleged that McComiskey sexually abused Plaintiff in approximately 1976 while McComiskey was assigned to St. Philip and St. James Church in St. James, New York. The abuse occurred during activities sponsored by or were

a direct result of activities sponsored by the Diocese and Affiliated entities, including during a camping trip. *See*, S.T. Complaint at ¶¶ 57-59.

197. The *S.T.* Complaint further alleges, *inter alia*, that the Diocese and Affiliated Entities “knew or should have known that Father McComiskey was a known sexual abuser of children” and that it was reasonably foreseeable that McComiskey’s “sexual abuse of children would likely result in injury to others, including the sexual abuse of S.T. and other children by Father McComiskey.” S.T. Complaint at ¶¶ 61-62.

198. The *S.T.* Complaint also alleges, *inter alia*, the Diocese and Affiliated Entities knew or should have known that McComiskey was likely to abuse children “because in approximately 1974 – years before S.T. was abused by Father McComiskey – it was reported to St. Philip and St. James Church and the Diocese that another child was sexually abused by Father McComiskey.” S.T. Complaint at ¶ 64.

199. The *S.T.* Complaint also alleges, *inter alia*, the Diocese and Affiliated Entities “concealed the sexual abuse of children by Father McComiskey in order to conceal their own bad acts in failing to protect children from him, to protect their reputation, and to prevent victims of such sexual abuse by him from coming forward during the extremely limited statute of limitations prior to the enactment of the CVA, despite knowing that Father McComiskey would continue to molest children.” S.T. Complaint at ¶ 67.

200. In *Moore v. Diocese of Rockville Centre, et al.* it is alleged that McComiskey sexually abused Plaintiff in or around approximately 1971 to 1974 while McComiskey was assigned to St. Joseph’s Roman Catholic Church in Babylon, New York. The Plaintiff specifically alleges abuse in McComiskey’s room in the St. Joseph Rectory and in Plaintiff’s home in Spring 1974. *See*, Moore Complaint at ¶¶ 48, 59-66.

201. The Moore Complaint further alleges, *inter alia*, that McComiskey would host parties in his room within the St. Joseph Rectory, at which McComiskey would encourage minors to drink beer and alcohol. It is further alleged that “other Church clergy and staff members” were aware of the parties and did nothing to stop his behavior. Moore Complaint at ¶¶ 55-58.

202. The Moore Complaint further alleges, *inter alia*, that McComiskey’s abuse of Plaintiff was reported to “Fr. Fitz” at St. Joseph, that “Fr. Fitz” arranged for a meeting with Plaintiff, his friend and their mothers, and that “Fr. Fitz” advised Plaintiff McComiskey would be reassigned to a high school, despite Plaintiff’s advice to the contrary. McComiskey was thereafter assigned to Maria Regina High School, and three other posts, where he had unfettered access to children and sexually abused other minors entrusted to his care. Moore Complaint at ¶¶ 69-74.

203. The Moore Complaint also alleges, *inter alia*, that McComiskey had sexually abused or assaulted other minor children within the Diocese’s purview, and that the Diocese and Affiliated Entities were aware of his “predilection to engage in sexually inappropriate behaviors with children.” Moore Complaint at ¶¶ 67-68.

204. Arrowood is also aware of an allegation that McComiskey sexually abused another minor beginning in 1970.

FIRST AFFIRMATIVE DEFENSE

The Bankruptcy Court lacks jurisdiction over this matter pursuant to 28 U.S.C. § 1334.

SECOND AFFIRMATIVE DEFENSE

This Court may not enter final orders or judgments in this matter because it is a non-core proceeding pursuant to 28 U.S.C. § 157, and Arrowood does not consent to this Court entering final orders or judgments pursuant to Fed. R. Bankr. P. 7012.

THIRD AFFIRMATIVE DEFENSE

The Complaint fails to state a claim upon which relief may be granted.

FOURTH AFFIRMATIVE DEFENSE

The Complaint may be subject to dismissal for failure to join all necessary and/or indispensable parties to this action.

FIFTH AFFIRMATIVE DEFENSE

Plaintiff's claims may be barred in whole or in part by the equitable doctrines of waiver, release, estoppel, laches and unclean hands.

SIXTH AFFIRMATIVE DEFENSE

The Diocese bears the burden of proving the existence and terms of any lost or missing policy or policies under which it seeks coverage.

SEVENTH AFFIRMATIVE DEFENSE

Coverage is barred to the extent recovery is sought on behalf of any person or entity which is not an insured under the Arrowood Policies.

EIGHTH AFFIRMATIVE DEFENSE

Coverage may be barred to the extent the Diocese has made or will make voluntary payments, assumed or will assume any obligation, or incurred or will incur any expense without Arrowood's consent.

NINTH AFFIRMATIVE DEFENSE

Any coverage owed under the Arrowood Policies is subject to the applicable limits of liability.

TENTH AFFIRMATIVE DEFENSE

Coverage under the Arrowood Policies may be subject to applicable deductibles, self-insurance retentions and/or retrospective premium adjustments.

ELEVENTH AFFIRMATIVE DEFENSE

To the extent that there is coverage under the Arrowood Policies, Arrowood is entitled to a determination as to the priority of coverage and a proper allocation of all available insurance.

TWELFTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese for Underlying Lawsuits alleging abuse by Father Romano Ferraro)

Arrowood has no obligation under the Arrowood Policies to defend or indemnify the Diocese for the Underlying Lawsuits alleging abuse by Father Romano Ferraro including, but not limited to:

- G.C. v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, Nassau County
Index No. 900035/2019
- Kelly v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, Nassau County
Index No. 900064/2019
- B.R. v. Diocese of Brooklyn, et al.,
Supreme Court of the State of New York, Kings County
Index No. 512125/2020
- F.C. v. Diocese of Rockville Centre, et al.,
Supreme Court of the State of New York, Nassau County
Index No. 900125/2020

THIRTEENTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese for Underlying Lawsuits regarding other abusive priests previously known to the Diocese including, but not limited to, Monsignor Alan J. Placa, Father Charles A. “Bud” Ribaud, Bishop John R. McGann, Monsignor Edward L. Melton; Father Robert L. Brown, and Father Joseph C. McComiskey)

Arrowood has no obligation under the Arrowood Policies to defend and/or indemnify the Diocese for the Underlying Lawsuits involving sexual abuse allegedly committed by Placa, Ribaud, McGann, Melton, Brown, McComiskey and other known abusers.

FOURTEENTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese in the Kelly Lawsuit)

Arrowood has no obligation under the Arrowood Policies to defend and/or indemnify the Diocese for the Kelly Suit because the injuries alleged in the Kelly Suit as to sexual abuse by Fathers Fitzgerald and Ferraro do not arise from an “occurrence,” and are not accidental as required by the Arrowood Policies. Moreover, Arrowood has no obligation to defend or indemnify the Diocese for the Kelly Suit in connection with any allegations regarding Father Butler because there are no allegations that Father Butler sexually abused, sexually assaulted or had any sexual contact with the Plaintiff.

FIFTEENTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese in Underlying Lawsuits under the Arrowood Policies because the Diocese has breached its duty to cooperate with Arrowood as required by the Arrowood Policies)

Arrowood has no obligation to defend and/or indemnify the Diocese in the Underlying Lawsuits in which it has agreed to participate in the defense of the Diocese pursuant to a reservation of rights, due to the Diocese’s deliberate and material failure to cooperate with Arrowood’s investigation of its requests for coverage in connection with the Underlying Lawsuits.

SIXTEENTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese under the Arrowood Policies for Certain Underlying Lawsuits, to the extent the Diocese and/or Affiliated Entities did not provide Arrowood with Timely Notice as required under the Arrowood Policies)

Arrowood has no obligation to defend or indemnify the Diocese under the Arrowood Policies for certain Underlying Lawsuits to the extent the Diocese did not provide Arrowood with timely notice as required under the Arrowood Policies.

SEVENTEENTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese Under the Arrowood Policies based on Known Loss and/or Prior Knowledge)

Arrowood has no obligation to defend or indemnify the Diocese in connection with the Underlying Lawsuits to the extent the Diocese had knowledge of the instances of sexual abuse, including those alleged in the Underlying Lawsuits, prior to the inception of the relevant Arrowood Policies, and failed to notify Arrowood of same or failed to inform Arrowood of such abuse during any application or renewal process for the Arrowood Policies because such failure constitutes a material misrepresentation.

EIGHTEENTH AFFIRMATIVE DEFENSE

(No Duty to Defend or Indemnify the Diocese under the Arrowood Policies based upon lack of “occurrence”)

Arrowood has no duty to defend or indemnify the Diocese in the Underlying Lawsuits as the injuries at issue were not caused by an “occurrence” or accident as required under the insuring agreements of the Arrowood Policies because the Diocese expected and/or intended the injuries based upon its knowledge of the problem of clergy sexual abuse of children, the concealment of that information from the public, the general policy and practice of the Diocese to ignore credible complaints of abuse, to hide priests’ abusive histories from parishioners and pastors in new parishes to which the priests were assigned, to deceive and intimidate victims, and to protect the interest of the Diocese and its priests over the victims of such abuse.

NINETEENTH AFFIRMATIVE DEFENSE

(Allocation of defense costs and/or indemnity in certain Underlying Lawsuits)

To the extent that Arrowood is obligated to defend and/or indemnify the Diocese in connection with any of the Underlying Lawsuits, including in those matters where the sexual abuse is alleged to have continued beyond the Arrowood Policy periods, Arrowood is obligated only to

pay its share of defense costs and/or indemnity, consistent with applicable law and applicable policy language.

TWENTIETH AFFIRMATIVE DEFENSE

**(No Duty to Defend or Indemnify the Diocese for
IRCP payments under the Arrowood Policies)**

Arrowood is entitled to a declaration as a matter of law that it has no obligation to defend or indemnify the Diocese for compensation payments it has made in connection with the IRCP.

TWENTY-FIRST AFFIRMATIVE DEFENSE

The claims set forth in the Complaint may be limited or excluded by the other terms, conditions, exclusions, definitions, limits of liability and endorsements contained in the Arrowood Policies and/or by public policy or express provision of law.

TWENTY-SECOND AFFIRMATIVE DEFENSE

Arrowood believes and therefore asserts that additional affirmative defenses may be available that cannot now be articulated because the Complaint fails to set forth a claim with sufficient particularity to permit Arrowood to determine all applicable defenses or because Arrowood does not possess information bearing on the Diocese's claims. Arrowood therefore fully reserves its right to assert additional defenses once such information is obtained.

WHEREFORE, Plaintiff Arrowood requests that this Court enter judgment:

- A. Dismissing the Complaint with prejudice;
- B. Declaring that Arrowood has no obligation to defend and/or indemnify the Diocese under the Arrowood Policies for Underlying Lawsuits alleging abuse by Father Romano Ferraro;
- C. Declaring that Arrowood has no obligation to defend or indemnify the Diocese under the Arrowood Policies in connection with Underlying Lawsuits alleging abuse by Father Alan J. Placa, Father Charles A. "Bud" Ribauda, Bishop John H.

McGann, Monsignor Edward C. Melton, Father Robert L. Brown, and Father Joseph C. McComiskey;

- D. Declaring that Arrowood has no obligation to defend and/or indemnify the Diocese under the Arrowood Policies for Underlying Lawsuits alleging abuse by previously known abusive priests;
- E. Declaring that Arrowood has no obligation to defend or indemnify the Diocese in connection with the action captioned Kelly v. Diocese of Rockville Centre, et al., Supreme Court of the State of New York, Nassau County, Index No. 900064/2019;
- F. Declaring that Arrowood has no duty to defend and/or indemnify persons or entities that are not insureds under the applicable Arrowood Policies, for the claims and/or abuse alleged in the Underlying Lawsuits;
- G. Declaring that Arrowood has no duty to defend and/or indemnify the Diocese in the Underlying Lawsuits due to the Diocese's deliberate failure to cooperate with Arrowood's investigation of the Underlying Lawsuits;
- H. Declaring that Arrowood has no obligation to defend and/or indemnify the Diocese for certain Underlying Lawsuits to the extent the Diocese did not provide Arrowood with timely notice as required under the Arrowood Policies;
- I. Declaring that Arrowood has no obligation to defend and/or indemnify the Diocese in connection with the Underlying Lawsuits to the extent the Diocese had knowledge of the instances of sexual abuse, including those alleged in the Underlying Lawsuits, prior to the inception of the relevant Arrowood Policies, and failed to notify Arrowood of same;
- J. Declaring that Arrowood has no obligation to defend and/or indemnify the Diocese in connection with the Underlying Lawsuits to the extent the Diocese had

knowledge of the instances of sexual abuse, including those alleged in the Underlying Lawsuits, and failed to inform Arrowood of such abuse during any application or renewal process for the Arrowood Policies;

- K. Declaring that Arrowood has no duty to defend or indemnify the Diocese in the Underlying Lawsuits because the injuries at issue were not caused by an “occurrence” or accident as required under the insuring agreements of the Arrowood Policies; and
- L. To the extent it is declared that Arrowood is obligated to defend and/or indemnify the Diocese in connection with any of the Underlying Lawsuits, declaring that Arrowood is obligated only to pay its share of defense costs and/or indemnity, consistent with applicable law and applicable policy language;
- M. Declaring that Arrowood has no obligation to defend and/or indemnify the Diocese in connection with the Independent Reconciliation and Compensation Program;
- N. Making such further declarations and awards as may be required to fully determine Arrowood’s rights with respect to the Arrowood Policies in connection with the Underlying Lawsuits, and resolving all disagreements between Arrowood and the Diocese with respect to the coverage provided for the Underlying Lawsuits; and
- O. For other and further relief as the court deems just, proper and equitable.

JURY DEMAND

Pursuant to Fed. R. Civ. P. 38, and Fed. R. Bankr. P. 9015, Arrowood hereby demands a trial by jury on all issues so triable in connection with any claim asserted in the Complaint and/or in the Affirmative Defenses.

Dated: December 28, 2020
New York, New York

/s/ Kevin T. Coughlin

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re: THE ROMAN CATHOLIC DIOCESE OF ROCKVILLE CENTRE, NEW YORK, Debtor.	Chapter 11 Case No: 20-12345-scc
THE ROMAN CATHOLIC DIOCESE OF ROCKVILLE CENTRE, NEW YORK, Plaintiff v. ARROWOOD INDEMNITY COMPANY f/k/a Royal Insurance Company also f/k/a Royal Globe Insurance Company, et al., Defendants.	Adversary Proceeding No. 20-01227-scc

STIPULATION TO EXTEND ANSWER DEADLINE

WHEREAS, on October 1, 2020, The Roman Catholic Diocese of Rockville Centre, New York (the “Diocese”), the debtor and debtor in possession in the above-captioned chapter 11 case, commenced the above-referenced adversary proceeding, Adv. Pro. No. 20-01227-scc (the “Adversary Proceeding”) by filing its *Adversary Proceeding Complaint* [Case No. 20-12345-scc Doc No. 25] (the “Complaint”) against Arrowood Indemnity Company formerly known as Royal Indemnity Company, as successor by merger to Royal Insurance Company of America (“Arrowood”) and various other insurers;

NOW, WHEREFORE, the Diocese and Arrowood hereby stipulate and agree that the time within which Arrowood may move, answer, or otherwise respond to the Complaint is hereby extended up to and including December 28, 2020.

STIPULATED AND AGREED TO BY:

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Dated: December 15, 2020