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UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re:

THE ROMAN CATHOLIC DIOCESE OF ROCKVILLE CENTRE, NEW YORK,¹

Debtor.

Chapter 11

Case No. 20-12345 (MG)

JOINT STIPULATION AND AGREED ORDER GRANTING LIMITED RELIEF FROM THE AUTOMATIC STAY

WHEREAS, on August 7, 2018, Raymond Lewis (the "<u>Plaintiff</u>") commenced a personal injury action entitled *A.L., by her guardian Raymond Lewis v. Holy Trinity Diocesan High School, et al.*, No. 0602927/2018 (N.Y. Sup. Ct.) (the "<u>State Court Action</u>") in the New York Supreme Court (Nassau County) (the "<u>Trial Court</u>"), asserting claims arising out of injuries sustained in connection with a swimming pool accident;

WHEREAS, the Roman Catholic Diocese of Rockville Centre (the "DRVC" or "Debtor"),

Holy Trinity Diocesan High School, Chaminade High School, and Sacred Heart Academy, among others, are named as defendants in the State Court Action (collectively, the "Defendants");

WHEREAS, on October 1, 2020, the DRVC commenced the above-captioned chapter 11 case;

¹ The Debtor in this chapter 11 case is The Roman Catholic Diocese of Rockville Centre, New York, the last four digits of its federal tax identification number are 7437, and its mailing address is 50 North Park Avenue P.O. Box 9023, Rockville Centre, NY 11571-9023.

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WHEREAS, pursuant to 11 U.S.C. § 362(a), the filing of the Debtor's chapter 11 petition operates as an automatic stay of the further prosecution against the Debtor in the State Court Action;

WHEREAS, the Bankruptcy Court previously entered a *Joint Stipulation and Agreed Order Granting Limited Relief from the Automatic Stay* [Docket No. 312], which modified the State Court Action for the exclusive purpose of permitting the completion of the Defendants' appeal to the Appellate Division of the New York Supreme Court (Second Department), including the scheduling of oral argument and the issuing of a decision and judgment by the Appellate Division with respect to the Defendants' appeal, and for no other purposes;

WHEREAS, the Appellate Division issued a decision affirming in part and reversing in part the trial court's decision and order on March 25, 2022;

WHEREAS, the parties have met and conferred and agree that it is appropriate to enter a limited modification to the automatic stay for the sole purpose of allowing a trial to be held and judgment to be entered in the State Court Action; and

WHEREAS, the Plaintiff has filed a *Motion for Entry of Joint Stipulation and Agreed Order Granting Limited Relief from the Automatic Stay* (the "Motion"), seeking entry of this Order.

After due deliberation and sufficient cause appearing therefor, THE COURT FINDS AND CONCLUDES THAT:

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012.

B. This is a core proceeding under 28 U.S.C. § 157(b)(2).

C. Venue in this district is proper under 28 U.S.C. §§ 1408 and 1409.

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D. The Court has authority pursuant to 11 U.S.C. § 362(d) to order the limited modification to the automatic stay sought by the Plaintiff.

E. Sufficient cause exists to modify the automatic stay for the sole purpose of holding a trial and entering judgment in the State Court Action; and

F. Due and proper notice of the Motion has been given, and no other or further notice is necessary or required.

Based on the foregoing, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.

2. The automatic stay is modified with respect to the State Court Action for the sole purpose of permitting pre-trial proceeding and a trial to be held and judgment to be entered, including appeals, if any, and for no other purpose at this time.

3. Except as expressly provided in this Order, the automatic stay remains in effect with respect the State Court Action.

4. Nothing in this Order authorizes the Plaintiff, after entry of judgment in the State Court Action, to seek to execute on any assets of the Debtor, and the automatic stay continues to bar any attempts to collect on any judgment entered in the State Court Action against the Debtor.

5. By agreeing to entry of this Order, (i) the Debtor is not waiving and will not be deemed to have waived any right to assert the automatic stay as a bar to continued prosecution of the State Court Action, including in response to any motion to lift or modify the automatic stay made by the Plaintiff, and (ii) the Plaintiff is not waiving and will not be deemed to have waived any right to seek to lift or modify the automatic stay to allow further prosecution of the State Court Action after resolution of the trial and entry of judgment.

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6. Nothing in this Order waives any available claims or defenses, including at law, equity, or otherwise with respect to the State Court Action.

7. Neither this Order nor any negotiations and writings in connection with this Order will in any way be construed as or deemed to be evidence of or an admission on behalf of any party regarding any claim or right that such party may have against the other party.

8. This Order shall be promptly filed in the clerk's office and entered into the record.

9. The Debtor is authorized to take all actions necessary or appropriate to carry out this Order.

10. This Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

[Remainder of page intentionally left blank]

STIPULATED AND AGREED TO BY:

JONES DAY

By: Christopher DiPompeo

Corinne Ball Todd Geremia Benjamin Rosenblum Andrew Butler JONES DAY 250 Vesey Street New York, NY 10281-1047 Telephone: (212) 326-3939 Facsimile: (212) 755-7306 Email: cball@jonesday.com trgeremia@jonesday.com brosenblum@jonesday.com

-and-

Christopher DiPompeo (*pro hac vice*) JONES DAY 51 Louisiana Ave., N.W. Washington, D.C. 20001 Telephone: (202) 879-7686 Facsimile: (202) 626-1700 Email: cdipompeo@jonesday.com

Counsel for the Debtor and Debtor in Possession

MULHOLLAND MINION DAVEY

By: <u>Brian R. Davey</u>

Brian R. Davey MULHOLLAND MINION DAVEY 374 Hillside Ave. Williston Park, NY 11596 Telephone: (516) 248-1200 Email: bdavey@mmlaw.us.com

Counsel for Defendants

SIMON LESSER PC

By: <u>Nathaniel Levy</u>

Nathaniel Levy 100 Park Avenue, 16th Floor New York, New York 10017 Office: (212) 599-5455 Email: nlevy@simonlesser.com

Counsel for Plaintiff

IT IS SO ORDERED.

Dated: February 1, 2023 New York, New York

> /s/ Martin Glenn MARTIN GLENN Chief United States Bankruptcy Judge