BINDER MALTER HARRIS & ROME-BANKS LLP
Robert G. Harris #124678
Julie H. Rome-Banks #142364
Reno Fernandez #251934
1625 The Alameda, Suite 101
San Jose, CA 95126
Tel: (408) 295-1700
Email: rob@bindermalter.com
Email: julie@bindermalter.com
Email: reno@bindermalter.com

Attorneys for Debtor and Debtor in Possession, Franciscan Friars of California, Inc.

LOWENSTEIN SANDLER LLP
Jeffrey D. Prol (admitted *pro hac vice*)
Brent Weisenberg (admitted *pro hac vice*)
One Lowenstein Drive
Roseland, NJ 07068
Tel: (973) 597-2500
Email: jprol@lowenstein.com
Email: bweisenberg@lowenstein.com

KELLER BENVENUTTI KIM LLP
Tobias S. Keller #151445
Jane Kim #298192
Gabrielle L. Albert #190895
101 Market St., Suite 1950
San Francisco, CA 94104
Tel: (415) 496-6723
Email: tkeller@kbkllp.com
Email: jkim@kbkllp.com
Email: galbert@kbkllp.com

BURNS BAIR LLP
Timothy W. Burns (admitted *pro hac vice*)
Jesse J. Bair (admitted *pro hac vice*)
10 East Doty Street, Suite 600
Madison, WI 53703-3392
Tel: (608) 286-2808
Email: tburns@burnsbair.com
Email: jbair@burnsbair.com

Attorneys for Official Committee of Unsecured Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re:

FRANCISCAN FRIARS OF CALIFORNIA, INC.,

Debtor.

Case No. 23-41723 WJL

Chapter 11

NOTICE OF (A) HEARING TO CONSIDER CONFIRMATION OF THE THIRD AMENDED JOINT PLAN OF REORGANIZATION FOR THE FRANCISCAN FRIARS OF CALIFORNIA, INC.; (B) DEADLINE FOR FILING ANY OBJECTIONS THERETO AND (C) RELATED MATTERS

Judge: Hon. William J. Lafferty
Date: December 1, 2026
Time: 9:30 a.m. (Pacific Time)
Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 220
Oakland, CA 94612

TO: ALL HOLDERS OF CLAIMS AND PARTIES-IN-INTEREST, PLEASE TAKE NOTICE THAT:

On October 16, 2026, the Franciscan Friars of California, Inc. (the "**Debtor**") and the Official Committee of Unsecured Creditors (the "**Committee**," and together with the Debtor, the "**Plan Proponents**") filed the *Third Amended Joint Plan of Reorganization for The Franciscan Friars of California, Inc. Dated October 16, 2026,* [Docket No. 1985] (together with all schedules and exhibits thereto, and as may be modified, amended, or supplemented from time to time, the "**Joint Plan**").[1]

If you wish to review the Joint Plan, you may receive a copy free of charge from Donlin Recano & Company, LLC ("**DRC**"), the claims, noticing, and solicitation agent retained by the Debtor in this Chapter 11 Case, by: (a) calling the Debtor's toll-free restructuring hotline at (888) 444-4055 (U.S./Canada); (b) emailing ffcinfo@AngeionGroup.com or (c) accessing the case docket, free of charge, at the following web address: https://bankruptcy.angeiongroup.com/Clients/ffc/Dockets. DRC is authorized to answer questions and provide additional copies of solicitation materials but may not advise you as to whether you should object to the Joint Plan, or provide any other legal advice. You may also obtain copies of any pleadings filed in this Chapter 11 Case for a fee via PACER at: https://ecf.canb.uscourts.gov/bankruptcy.

INFORMATION REGARDING CONFIRMATION HEARING

Confirmation Hearing. A hearing to consider confirmation of the Joint Plan (the "**Confirmation Hearing**"), shall commence at **9:30 a.m. (prevailing Pacific time) on December 1, 2026** at the United States Bankruptcy Court, 1300 Clay Street, Oakland, California, in Courtroom 220 before the Honorable William J. Lafferty, United States Bankruptcy Judge. The Confirmation Hearing may be adjourned or continued from time to time by the Court or jointly by the Plan Proponents without further notice except as announced in open court or as filed on the Court's docket. The Joint Plan may be modified under Section 1127 of the Bankruptcy Code before, during, or as a result of the Confirmation Hearing, in each case without further notice to parties in interest.

The Confirmation Hearing will be held in person in the courtroom, provided that (1) parties in interest may attend by Zoom Webinar; (2) additional information is available on Judge Lafferty's Procedures page on the Court's website, which is http://www.canb.uscourts.gov; and (3) information on how to attend the hearing by Zoom Webinar will be included with each calendar posted under Judge Lafferty's calendar on the Court's website.

OBJECTIONS TO CONFIRMATION OF THE JOINT PLAN

Objections or responses to confirmation of the Joint Plan, if any, must: (a) be in writing; (b) conform to the Bankruptcy Rules and the Local Rules; (c) state the basis for the objection, the specific grounds therefor ***and, if the objecting party wishes to cross-examine any witness who has filed a declaration in support of the Joint Plan, include a request to do so***, and (d) be filed with the Court and served so as to be received not later than **November 9, 2026 at 5:00 p.m. (Pacific Time)** by:

(i) counsel to the Debtor, Binder Malter Harris & Rome-Banks LLP, 2775 Park Avenue, Santa Clara, CA 95050, Attn: Robert G. Harris (rob@bindermalter.com), Julie H. Rome-Banks (julie@bindermalter.com), and Reno Fernandez (reno@bindermalter.com);

[1] All capitalized terms used but not defined herein have the meanings ascribed to such terms in the Joint Plan.

Case: 23-41723 Doc# 2033 Filed: 10/30/26 Entered: 10/30/26 18:55:15 Page 2 of 8

(ii) the Office of the United States Trustee for the Northern District of California, Office of the United States Trustee, 450 Golden Gate Avenue, Room 05-0153, San Francisco, CA 94102, Attn: Jason Blumberg (jason.blumberg@usdoj.gov);

(iii) counsel to the Committee,

(a) Keller Benvenutti Kim LLP, 425 Market Street, 26th Floor, San Francisco, CA 94105, Attn: Gabrielle L. Albert (galbert@kbkllp.com),

(b) Lowenstein Sandler LLP, One Lowenstein Drive, Roseland, NJ 07068, Attn: Jeffrey D. Prol (jprol@lowenstein.com) and Brent Weisenberg (bweisenberg@lowenstein.com), and

(c) Burns Bair LLP, 10 East Doty Street, Suite 600, Madison, WI 53703, Attn: Timothy W. Burns (tburns@burnsbair.com) and Jesse J. Bair (jbair@burnsbair.com); and

(iv) those who have formally appeared and requested service in this case under Rule 2002 of the Federal Rules of Bankruptcy Procedure.

All objections not timely filed and served in accordance with the provisions of this Order are hereby deemed waived and will not be considered by this Court.

RELEASE OF CHANNELED CLAIMS, EXCULPATION, AND INJUNCTION PROVISIONS

Release by Holders of Channeled Claims. The release and injunction provisions set forth in Article XII of the Joint Plan are an integral part of the Debtor's overall restructuring efforts and are an essential element in obtaining the Protected Parties' and Settling Insurers' support for the Joint Plan.

Article XII of the Joint Plan contains the following Release, Injunction, and Exculpation provisions:

A. Release by Debtor of Claims Against Protected Parties and Settling Insurers (Section 12.3.8 of the Joint Plan)

Except for obligations arising under any executory contract assumed by the Reorganized Debtor, obligations under any settlement agreement (including, for the avoidance of doubt, any Insurance Settlement Agreement), and any Claims excepted from exculpation and discharge, the Debtor, the Reorganized Debtor, and the Estate, waive, release, settle, and compromise on the Effective Date any and all Claims or causes of action of every kind and nature that the Debtor, the Reorganized Debtor, or the Estate have or may have against a Protected Party or Settling Insurer Releasee, including without limitation, Avoidance Actions and any Claim that such Protected Party or Settling Insurer Releasee or its assets are a part of, or are owned by, the Debtor or the Estate. No such Claim will survive the Effective Date or be deemed to be assigned to the Trust. Nothing in the foregoing or otherwise contained in this Plan is intended to affect, diminish, or impair any releases in a Bankruptcy Court-approved agreement with a Protected Party or Settling Insurer (including, for the avoidance of doubt, any Insurance Settlement Agreement).

B. Release by Holders of Channeled Claims (Section 12.3.9 of the Joint Plan)

Except as otherwise expressly provided in this Plan or the Confirmation Order, and to the fullest extent authorized by applicable law, all Releasing Parties, including Consenting Class 5 and Class 6 Claims, shall be deemed to provide a full release to the Released Parties and their respective property from any and all Claims relating to the Debtor, the Protected Parties, the Estate, the conduct of the Debtor's and the other Released Parties' businesses, the formulation, preparation, solicitation, dissemination, negotiation, or filing of the Disclosure Statement or this Plan or any contract, instrument, release, or other agreement or document created or entered into in connection with or pursuant to the Disclosure Statement, this Plan, the filing and prosecution of this Chapter 11 Case, the pursuit of confirmation and consummation of this Plan, the subject matter of, or the transactions or events giving rise to, any Claim or interest that is treated in this Plan, the business or contractual arrangements among the Releasing Parties and any Released Party, or any other act or omission, transaction, agreement, event, or other occurrence taking place before the Effective Date. The foregoing release shall be effective upon the occurrence of the Effective Date; provided however that nothing herein shall prevent Consenting Class 5 Litigation Claimants from naming the Debtor, the Reorganized Debtor or any Protected Party in any litigation or other proceeding to resolve whether the Debtor, the Reorganized Debtor or any Protected Party has liability for Abuse Claims and the amount of any such liability, solely for the purpose of pursuing Coverage Claims against Non-Settling Insurers.

C. <u>Mutual Releases (Section 12.4 of the Joint Plan)</u>

Except for obligations arising under any executory contract assumed and assigned to the Reorganized Debtor, obligations arising under this Plan, and, solely with respect to the Debtor and the Protected Parties, , on the Effective Date, each of the Protected Parties, the Committee, the Trust, and each Consenting Class 5 and Class 6 Claimant shall be deemed to waive and release any and all Claims and causes of action of every kind and nature that they may have against each other, except that Class 5 and 6 Abuse Claimants shall not waive their rights to distributions under the Trust in accordance with this Plan and the Trust Documents, and shall be deemed to release their Abuse Claims against the Debtor and the Protected Parties as of the Effective Date; provided, however, that prior to their release any such Abuse Claims shall only be enforceable and compensable pursuant to the terms of this Plan and Plan Documents; and provided further that nothing herein shall prevent Consenting Class 5 Litigation Claimants from naming the Debtor, the Reorganized Debtor or any Protected Party in any litigation or other proceeding to resolve whether the Debtor, the Reorganized Debtor or any Protected Party has liability for Abuse Claims and the amount of any such liability, solely for the purpose of pursuing Coverage Claims against Non-Settling Insurers.

D. Releases in Insurance Settlement Agreements (Section 12.4.1 of the Joint <u>Plan)</u>

Consenting Class 5 and Class 6 Claimants shall be deemed to waive, release, and discharge any and all Claims and causes of action of every kind and nature that they may have against a Settling Insurer and the other Settling Insurer Releasees of such Settling Insurer on the date such Settling Insurer remits in good funds the Insurance Settlement Amount due under such Settling Insurer's Insurance Settlement Agreement. The releases in the Insurance Settlement Agreements are hereby fully incorporated in this Plan by reference and are adopted and ratified in all respects, and the Confirmation Order shall adopt and ratify all such releases. For the avoidance of doubt, but without limiting the generality of the foregoing, the Confirmation Order shall provide that all such releases are binding upon the Debtor, the Reorganized Debtor, the Protected Parties (as applicable), the Trust, Trust Administrator, and Unknown Abuse Claims Representative.

E. <u>Injunction Against Interference with the Joint Plan (Section 12.3.1)</u>

Upon entry of the Confirmation Order, all Holders of Claims and all Non-Settling Insurers shall be precluded and enjoined from taking any actions to interfere with the implementation and consummation of this Plan. On the Effective Date, the injunctions provided for in this Plan shall be deemed issued, entered, valid, and enforceable according to their terms. The injunctions shall be permanent and irrevocable and are not subject to vacatur or modification.

F. Channeling Injunction (Section 12.3.2 of the Joint Plan)

This provision shall be referred to as the "Channeling Injunction." Except as provided in this Plan for the treatment of Consenting Class 5 Litigation Claims, in consideration of the undertakings of the Released Parties (including, where applicable, their respective settlements with the Debtor and/or Trust), their contributions to the Trust, other consideration, and to further preserve and promote the agreements between and among the Released Parties, the Trust Administrator and the Unknown Abuse Claimants Representative, and the protections afforded the Released Parties, and pursuant to sections 105, 1123 and 1129 of the Bankruptcy Code:

(a) All Abuse Claims and Unknown Abuse Claims against the Debtor are channeled into the Trust;

(b) All Abuse Claims and Unknown Abuse Claims held by Consenting Class 5 and Class 6 Claimants against the other Released Parties are channeled into the Trust;

(c) All other Channeled Claims are channeled into the Trust;

(d) All Entities that have held or asserted, hold or assert, or may in the future hold or assert, any Channeled Claim are hereby permanently stayed, enjoined, barred, and restrained from taking any action, directly or indirectly, for the purposes of asserting, enforcing, or attempting to assert or enforce any Channeled Claim, including:

(i) Commencing or continuing in any manner any suit, action or other proceeding of any kind with respect to any Channeled Claim against any of the Released Parties, or against any property or assets of any of the Released Parties;

(ii) Enforcing, attaching, collecting or recovering, or seeking to accomplish any of the foregoing, by any manner or means, any judgment, award, decree, or order with respect to any Channeled Claim from any of the Released Parties, or against any property or assets of any of the Released Parties;

(iii) Creating, perfecting or enforcing against any Released Party or the property or assets of any Released Party any Lien of any kind relating to any Channeled Claim;

(iv) Asserting, implementing, or effectuating any Channeled Claim against:

1. Any obligation due any of the Released Parties;

2. Any of the Released Parties; or

3. The property of any of the Released Parties; and

(v) Asserting or accomplishing any setoff, right of indemnity, subrogation, contribution, or recoupment of any kind against an obligation due to any of the Released Parties or the property of any of the Released Parties.

For the avoidance of doubt, the Channeling Injunction prohibits Class 5 and 6 Claimants from asserting, enforcing, or attempting to enforce any Channeled Claim against any Settling Insurer Releasee or the property or assets of any Settling Insurer Releasee.

This Channeling Injunction is an integral part of this Plan and is essential to the Plan's consummation and implementation. The channeling of Channeled Claims as provided above shall inure to the benefit of the Released Parties. In a successful action to enforce the Channeling Injunction in response to a willful violation thereof, the moving party may seek an award of costs (including reasonable attorneys' fees) against the non-moving party, and such other legal or equitable remedies as are just and proper, after notice and hearing.

G. Limited Exceptions to the Channeling Injunction (Section 12.3.3 – 12.3.4 of the Joint Plan)

a. Non-Consenting Class 5 Claimants and Non-Consenting Class 6 Claimants excepted: The injunction set forth in Section 12.3.2 shall not apply to prevent a Non-Consenting Class 5 Claimant or a Non-Consenting Class 6 Claimant from asserting any Claim they may have against any Protected Parties or Non-Settling Insurers in accordance with, and subject to, the terms and provisions of this Plan.

b. Preservation of Insurance Claims: The injunction set forth in Section 12.3.2 shall not prevent Consenting Class 5 Litigation Claimants from naming the Debtor, the Reorganized Debtor or any Protected Party in any litigation or other proceeding to resolve whether the Debtor, the Reorganized Debtor or any Protected Party has liability for Abuse Claims and the amount of any such liability, solely for the purpose of pursuing Coverage Claims against Non-Settling Insurers.

c. Any injunction contained in a Bankruptcy Court-approved agreement with any Released Party (including, for the avoidance of doubt, any Insurance Settlement Agreement) is incorporated into this Plan by reference, is deemed fully set forth in this Plan, and is in addition to the Channeling Injunction. Any differences between this Channeling Injunction and the injunction(s) deemed set forth by this Section are not intended to affect, diminish, or impair the injunction(s) incorporated herein and contained in such agreement.

H. Settling Insurer Injunction (Section 12.3.5 of the Joint Plan)

In consideration of the undertakings of the Settling Insurers pursuant to their respective Insurance Settlement Agreements, including the payment of each Settling Insurer's Insurance Settlement Amount, and the Settling Insurers' purchase of Settling Insurer Policies and Related Insurance Claims free and clear of all Claims and Interests under section 363(f) of the Bankruptcy Code, and pursuant to sections 105, 363, 1123 and 1129 of the Bankruptcy Code, this Plan hereby incorporates by reference, adopts, and endorses (and the Confirmation Order shall adopt and endorse) the Settling Insurer Injunction set forth in the Insurance Settlement Approval Order(s) in all respects.

For the avoidance of doubt, the Settling Insurer Injunction prohibits any Person (including all Abuse Claimants, whether Consenting Class 5 or 6 Claimants or Non-

Consenting Class 5 or 6 Claimants) from asserting, enforcing, or attempting to enforce any Barred Claim against any Settling Insurer Releasee or the property or assets of any Settling Insurer Releasee.

I. Gatekeeper Injunction (Section 12.3.6 of the Joint Plan)

To the extent permitted by law, and subject in all respects to Section 12.3.2 of this Plan, no Enjoined Party may commence or pursue against any Released Party (a) an Abuse Claim or (b) any other Claim or cause of action that arose, arises from, or is related to an Abuse Claim, the Chapter 11 Case, the negotiation of this Plan, the administration of this Plan or property to be distributed under this Plan, the wind-down or reorganization of the business of the Debtor, the administration of the Trust, or the transactions in furtherance of the foregoing without the Bankruptcy Court (i) first determining, after notice and a hearing, that such Claim or cause of action represents a colorable Claim against a Released Party and (ii) subject in all respect to the Channeling Injunction and Settling Insurer Injunction, specifically authorizing such Enjoined Party to bring such Claim or cause of action against any such Released Party. The Bankruptcy Court will have jurisdiction to determine whether a Claim or cause of action is colorable and, to the extent legally permissible and as provided for in Article XIII of this Plan, have jurisdiction to adjudicate the underlying colorable Claim or cause of action. For the avoidance of doubt, the Gatekeeper Injunction does not apply to (i) Claims commenced for the purpose of seeking recovery from Non-Settling Insurers; and (ii) the prosecution of Abuse Claims with respect to Abuse that occurred, or is alleged to have occurred, on or after the Effective Date.

J. Permanence

All injunctions and stays provided under the Joint Plan are permanent, remain in full force and effect following the Effective Date, and are not subject to being vacated or modified.

K. Exculpation Provision

An exculpatory clause in a Chapter 11 plan is a provision that shields key stakeholders—such as debtors, creditors' committees, lenders, and their professionals—from liability for actions taken during the bankruptcy case. Section 12.2 of the Joint Plan provides for the exculpating or limiting the liability of certain parties, including the Debtor, the Reorganized Debtor, the Committee, and other parties. The Exculpation Clause may affect the rights, Claims, and/or Causes of Action of Holders of Claims, including Holders of Abuse Claims, in relation to the exculpated parties.

The exculpation states that from and after the Effective Date, none of the Exculpated Parties shall have or incur any liability for any Claim by any other Exculpated Party, by any Holder of a Claim, or by any other party in interest, for any act or omission (i) that occurred from the Petition Date through the Effective Date in connection with this Chapter 11 Case or (ii) in connection with the formulation, negotiation, or pursuit of confirmation of this Plan, except for Claims arising from the gross negligence, willful misconduct, fraud, or breach of the fiduciary duty of loyalty of any Exculpated Party, in each case subject to determination of such by Final Order of a court of competent jurisdiction and provided that any Exculpated Party shall be entitled to reasonably rely upon the advice of counsel with respect to its duties and responsibilities (if any) under this Plan. Without limiting the generality of the foregoing, the Exculpated Parties shall be entitled to and granted benefits of section 1125(e) of the Bankruptcy Code and the Channeling Injunction.

The "Exculpated Parties," receiving the benefit of the exculpation clause are defined as: (i) the Debtor; (ii) the Reorganized Debtor; (iii) the Debtor's Professionals; (iv) the Definitorium, solely in its capacity as an oversight board of the Debtor; (v) the Committee; (vi)

the Committee's Professionals; (vii) the Mediator; (viii) the Unknown Abuse Claimants Representative; (ix) the Unknown Abuse Claimants Representative's Professionals and (x) the Protected Parties; provided, however, that notwithstanding anything to the contrary herein, no Excluded Party may be an Exculpated Party

Dated: October 26, 2026

BINDER MALTER HARRIS & ROME-BANKS LLP

By: */s/ Robert G. Harris*
Robert G. Harris
Julie H. Rome-Banks
Reno Fernandez

Attorneys for Debtor and Debtor in Possession, Franciscan Friars of California, Inc.

LOWENSTEIN SANDLER LLP
KELLER BENVENUTTI KIM LLP
BURNS BAIR LLP

By: */s/ Gabrielle L. Albert*
Tobias S. Keller
Gabrielle L. Albert

-and-

Jeffrey D. Prol
Brent Weisenberg

-and-

Timothy W. Burns
Jesse J. Bair

Attorneys for the Official Committee of Unsecured Creditors