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Proposed Attorneys for The Roman Catholic  
 Bishop of Sacramento

UNITED STATES BANKRUPTCY COURT  
 EASTERN DISTRICT OF CALIFORNIA  
 SACRAMENTO DIVISION

In re:  
 THE ROMAN CATHOLIC BISHOP OF  
 SACRAMENTO,

Debtor in Possession.

Case No. 24-21326

Chapter 11

DCN: FWP-2 (Cash Management)  
 FWP-3 (Payroll)  
 FWP-4 (Insurance)  
 FWP-5 (Utilities)  
 FWP-6 (Limit Notice)  
 FWP-7 (Survivor Assistance)

**OMNIBUS NOTICE OF FINAL  
 HEARING ON DEBTOR IN  
 POSSESSION'S FIRST-DAY MOTIONS**

Date: April 24, 2024  
 Time: 10:00 a.m.  
 Location: Courtroom 35 (Dept. C)  
 Judge: Hon. Christopher M. Klein

1           **OMNIBUS NOTICE OF (1) ENTRY OF ORDERS GRANTING MOTIONS ON AN**  
2           **INTERIM BASIS AND (2) NOTICE OF FINAL HEARINGS ON:**

3           **(FWP-2) DEBTOR IN POSSESSION’S EMERGENCY MOTION FOR INTERIM AND**  
4           **FINAL ORDERS (1) AUTHORIZING CONTINUED USE OF EXISTING CASH**  
5           **MANAGEMENT SYSTEM, OPERATIONAL BANK ACCOUNTS AND RELATED**  
6           **INVESTMENT ACCOUNTS; (2) AUTHORIZING MAINTENANCE OF EXISTING**  
7           **BUSINESS FORMS, (3) EXCUSING COMPLIANCE WITH SECTION 345(b); (4)**  
8           **AUTHORIZING CONTINUED USE OF CURRENT INVESTMENT POLICY; AND**  
9           **(5) SCHEDULING A FINAL HEARING**

10           **(FWP-3) MOTION FOR ORDER: (1) AUTHORIZING PAYMENT OF PREPETITION**  
11           **WAGES, SALARIES, AND EMPLOYEE EXPENSES; (2) TO PAY ACCRUED**  
12           **EMPLOYEE BENEFITS AND TAXES; AND (3) DIRECTING BANKS TO HONOR**  
13           **PAYROLL AND EXPENSE CHECKS**

14           **(FWP-4) DEBTOR IN POSSESSION’S EMERGENCY MOTION TO CONTINUE**  
15           **INSURANCE PROGRAMS**

16           **(FWP-5) DEBTOR IN POSSESSION’S EMERGENCY MOTION FOR INTERIM AND**  
17           **FINAL ORDERS (1) PROHIBITING UTILITY COMPANIES FROM ALTERING,**  
18           **REFUSING OR DISCONTINUING SERVICE, (2) DETERMINING ADEQUATE**  
19           **ASSURANCE OF PAYMENT FOR POST-PETITION UTILITY SERVICES UNDER 11**  
20           **U.S.C. § 366, (3) ESTABLISHING PROCEDURES FOR DETERMINING ADEQUATE**  
21           **ASSURANCE OF PAYMENT, AND (4) SCHEDULING A FINAL HEARING**

22           **(FWP-6) DEBTOR IN POSSESSION’S EMERGENCY MOTION TO (1) ESTABLISH**  
23           **NOTICE PROCEDURES, (2) FILE CONFIDENTIAL INFORMATION UNDER SEAL, AND**  
24           **(3) TEMPORARILY SUSPEND DEADLINE FOR FILING PROOFS OF CLAIMS; AND**

25           **(FWP-7) DEBTOR’S EMERGENCY MOTION FOR INTERIM AND FINAL ORDERS**  
26           **AUTHORIZING THE DEBTOR IN POSSESSION TO (1) PAY CERTAIN PREPETITION**  
27           **INVOICES FOR ABUSE SURVIVORS’ ASSISTANCE AND SAFE ENVIRONMENT**  
28           **PROGRAMS, AND (2) CONTINUE ITS PREPETITION PRACTICE OF PAYING FOR**  
29           **ABUSE SURVIVORS’ ASSISTANCE AND SAFE ENVIRONMENT PROGRAMS**

30           **PLEASE TAKE NOTICE** that The Roman Catholic Bishop of Sacramento, a California  
31           corporation sole, the debtor in possession (“RCBS” or “Debtor in Possession”), in the above-  
32           captioned bankruptcy case (the “Bankruptcy Case”), obtained approval on an interim basis of the  
33           six above-referenced motions (hereafter referred to collectively as the “First-Day Motions”).

34           **NOTICE IS FURTHER GIVEN** that, as further described below, final hearings on the  
35           First-Day Motions will be held on **April 24, 2024, at 10:00 a.m.** in the Courtroom of the Honorable  
36           Christopher M. Klein, United States Bankruptcy Judge, 501 I Street, Courtroom 35 (Department C),  
37           Sacramento, California, 95814 (the “Final Hearings on First-Day Motions”). **Written opposition,**  
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1 if any, to the granting of the First-Day Motions on a final basis shall be filed by April 18, 2024.

2 The Debtor in Possession's reply to any opposition shall be filed by April 22, 2024.

3 **NOTICE IS FURTHER GIVEN** that all matters will be conducted simultaneously: (1) In  
4 Person, at Sacramento Courtroom #35, (2) via ZoomGov Video, (3) via ZoomGov Telephone, and  
5 (4) via CourtCall. You may choose any of these options. Parties who wish to appear at a hearing  
6 remotely should sign up by 4:00 p.m. one business day prior to the hearing. Information regarding  
7 how to sign up can be found on the Remote Appearances page of the court's website at  
8 <https://www.caeb.uscourts.gov/Calendar/RemoteAppearances>. Each party who has signed up will  
9 receive a Zoom link or phone number, meeting I.D., and password via e-mail. If the deadline to  
10 sign up has passed, parties who wish to appear remotely must contact the Courtroom Deputy for the  
11 Department holding the hearing. Telephonic appearances may be arranged at least 24 hours in  
12 advance of calendared hearings through court conference at 1-866-582-6878.

13 The First-Day Motions are supported by the *Declaration of Thomas McNamara in Support*  
14 *of Chapter 11 Petition and First-Day Motions* ("McNamara Background Decl."), the *Declaration*  
15 *of Stephen J. Greene in Support of Chapter 11 Petition and First-Day Motions* ("Greene Decl."),  
16 and the additional declarations of Thomas McNamara in support of each motion. The First-Day  
17 Motions papers were previously filed and served on April 1, 2024. Filed motion papers can be  
18 obtained for free from the website maintained by Donlin Recano, the Debtor's Claims and Noticing  
19 Agent for the Debtor in Possession, at this web address:  
20 <https://www.donlinrecano.com/rcbsacramento>.

21 The titles of each of the First-Day Motions followed by a brief description of the relief  
22 requested, are as follows:

- 23 **I. (FWP-2) DEBTOR IN POSSESSION'S EMERGENCY MOTION FOR INTERIM**  
24 **AND FINAL ORDERS (1) AUTHORIZING CONTINUED USE OF EXISTING**  
25 **CASH MANAGEMENT SYSTEM, OPERATIONAL BANK ACCOUNTS AND**  
26 **RELATED INVESTMENT ACCOUNTS; (2) AUTHORIZING MAINTENANCE OF**  
27 **EXISTING BUSINESS FORMS, (3) EXCUSING COMPLIANCE WITH SECTION**  
**345(b); (4) AUTHORIZING CONTINUED USE OF CURRENT INVESTMENT**  
**POLICY; AND (5) SCHEDULING A FINAL HEARING**

1           1.       On April 4, 2024, the Court granted the relief requested in the *Debtor in Possession's*  
2 *Emergency Motion for Interim and Final Orders: (1) authorizing the continued use of existing cash*  
3 *management system, operational bank accounts and related investment accounts; (2) authorizing*  
4 *the maintenance of existing business forms, (3) excusing compliance with section 345(b);*  
5 *(4) authorizing continued use of current investment policy; and (5) scheduling a Final Hearing (the*  
6 *"Cash Management Motion")* [ECF No. 76] on an interim basis.

7           2.       By the Cash Management Motion, the Debtor in Possession seeks, *inter alia*, entry  
8 of an order: (a) waiving the Bankruptcy Local Rules and United States Trustee Guidelines ("UST  
9 Guidelines") to the extent necessary in order for the Debtor in Possession to continue its use of its  
10 existing cash management system, (b) authorizing the Debtor in Possession to continue using, as  
11 needed, its prepetition Bank Accounts (defined below) and business forms, including a waiver of  
12 the requirement that the legend "debtor in possession" be imprinted on any existing checks and  
13 business forms, and (c) authorizing the Debtor in Possession to continue the use of its existing cash  
14 management system and accounting policies and practices. The Debtor in Possession also seeks to  
15 continue using its commercial pre-funded credit cards, debit cards, and investment policies during  
16 this Bankruptcy Case, without posting any bonds as required under section 345(b) of the Bankruptcy  
17 Code. The Debtor in Possession seeks this authorization to ensure its orderly transition into  
18 bankruptcy and to help administer its operations efficiently while avoiding the disruptions,  
19 distractions, delays, and significant expense that otherwise would inevitably divert the Debtor in  
20 Possession's attention from urgent matters during the initial stages of its bankruptcy case.

21 **II. (FWP-3) MOTION FOR ORDER: (1) AUTHORIZING PAYMENT OF**  
22 **PREPETITION WAGES, SALARIES, AND EMPLOYEE EXPENSES; (2) TO PAY**  
23 **ACCRUED EMPLOYEE BENEFITS AND TAXES; AND (3) DIRECTING BANKS**  
24 **TO HONOR PAYROLL AND EXPENSE CHECKS**

25           1.       On April 4, 2024, the Court granted the relief requested in the Debtor in Possession's  
26 *Motion for Order: (1) authorizing the Debtor in Possession to pay prepetition wages, salaries and*  
27 *employee expenses, (2) authorizing the Debtor in Possession to pay accrued employee benefits and*  
28 *taxes, and (3) directing banks to honor payroll and expense reimbursement checks (the "Payroll*  
*Motion")* [ECF No. 77] on an interim basis.

1           2.     By the Payroll Motion, the Debtor in Possession requests entry of an order that: (i)  
2 authorizes but does not direct the Debtor in Possession to pay Employee Obligations, Employee  
3 Deductions and Employee Expenses (each as defined in the Payroll Motion); (ii) authorizes but does  
4 not direct the Debtor in Possession to continue its practices, programs and policies in effect as of the  
5 Petition Date with respect to all Employee Obligations (including allowing employees to use paid  
6 time off accrued, but unused, as of the Petition Date), Employee Deductions and Employee  
7 Expenses; and (iii) authorizes and directs the bank at which the Debtor in Possession maintains an  
8 account from which the Debtor in Possession's payroll obligations are disbursed and all other banks  
9 or lending institutions maintaining payroll and employee benefits accounts, to honor and pay all pre-  
10 petition and post-petition checks issued or to be issued and fund transfers requested or to be  
11 requested, by the Debtor in Possession in respect of the Employee Obligations, Employee  
12 Deductions and Employee Expenses.

13           **III.   (FWP-4) DEBTOR IN POSSESSION'S EMERGENCY MOTION TO CONTINUE**  
14           **INSURANCE PROGRAMS**

15           1.     On April 4, 2024, the Court granted the relief requested in the *Debtor in Possession's*  
16 *Emergency Motion to Continue Insurance Programs* (the "Insurance Motion") [ECF No. 78] on an  
17 interim basis.

18           2.     By the Insurance Motion, the Debtor in Possession requests entry of the Proposed  
19 Order, pursuant to sections 363, 1112(b), and 105 of the Bankruptcy Code, authorizing the Debtor  
20 in Possession in the ordinary course of business to: (i) continue administering the Insurance  
21 Programs (as defined in the Insurance Motion) for the Debtor in Possession and Insurance  
22 Participating Entities (as defined in the Insurance Motion) in the ordinary course of business  
23 consistent with past practices; (ii) continue funding all premiums, deductibles, reserves, claims  
24 administration costs, loss prevention costs, and service fees related to Insurance Coverage and  
25 receiving reimbursement for same; (iii) renew, amend, supplement, extend, purchase, or terminate  
26 Insurance Coverage in the ordinary course of business; and (iv) pay any and all amounts related to  
27 the Insurance Programs that remained unpaid on the Petition Date; *provided, however*, that no claims  
28

1 arising from, or in connection with, alleged pre-petition sexual misconduct may be paid other than  
2 pursuant to the terms of a confirmed reorganization plan or pursuant to further order of this Court.

3 **IV. (FWP-5) DEBTOR IN POSSESSION’S EMERGENCY MOTION FOR INTERIM**  
4 **AND FINAL ORDERS (1) PROHIBITING UTILITY COMPANIES FROM**  
5 **ALTERING, REFUSING OR DISCONTINUING SERVICE, (2) DETERMINING**  
6 **ADEQUATE ASSURANCE OF PAYMENT FOR POST-PETITION UTILITY**  
7 **SERVICES UNDER 11 U.S.C. § 366, (3) ESTABLISHING PROCEDURES FOR**  
8 **DETERMINING ADEQUATE ASSURANCE OF PAYMENT, AND (4)**  
9 **SCHEDULING A FINAL HEARING**

10 1. On April 4, 2024, the Court granted the relief requested in the *Debtor in Possession’s*  
11 *Emergency Motion for Interim and Final Orders: (1) prohibiting utility companies from altering,*  
12 *refusing or discontinuing service; (2) determining adequate assurance of payment for post-petition*  
13 *utility services under 11 U.S.C. § 366; (3) establishing procedures for determining adequate*  
14 *assurance of payment; and (4) scheduling a final hearing thereon* (the, “Utility Motion”) [ECF No.  
15 79] on an interim basis.

16 2. The Debtor in Possession has multiple facilities and receives utility services from  
17 numerous utility companies. Submitted in support of the Utility Motion is a table listing (a) the  
18 utility companies (as defined in the Utility Motion); (b) the Debtor in Possession’s corresponding  
19 utility company accounts; (c) the property address where the utility is provided (if applicable), and  
20 (d) a description of the location. None of the Utility Companies hold pre-petition deposits. Prior to  
21 the Petition Date, the Debtor in Possession timely remitted payments on monthly utility service  
22 obligations. The sum of all monthly payments to these utilities for these accounts average about  
23 \$70,000.00 per month in the aggregate.

24 **V. (FWP-6) DEBTOR IN POSSESSION’S EMERGENCY MOTION TO (1) ESTABLISH**  
25 **NOTICE PROCEDURES, (2) FILE CONFIDENTIAL INFORMATION UNDER**  
26 **SEAL, AND (3) TEMPORARILY SUSPEND DEADLINE FOR FILING PROOFS OF**  
27 **CLAIMS**

28 1. On April 4, 2024, the Court granted the relief requested in the *Debtor in Possession’s*  
*Emergency Motion to: (i) establish notice procedures, (ii) authorize the Debtor in Possession to file*  
*confidential information under seal, and (iii) temporarily suspend the deadline to file proofs of claim*  
*(the “Bar Date”) (the “Limited Notice Motion”) [ECF No. 80] on an interim basis.*

2. Given the large number of potential creditors and claimants, most of whom consist

1 of abuse survivor claimants, the Debtor in Possession seeks permission to limit notice and also to  
2 file certain confidential information under seal, given the particularly sensitive nature of claims,  
3 survivor identities, and other matters in this Bankruptcy Case. The Debtor in Possession also seeks  
4 to suspend temporarily the Bar Date to provide the Debtor in Possession with sufficient time to  
5 employ a claims agent and formulate a Court-approved, streamlined claims submission process in  
6 consultation with a committee to be appointed.

7  
8 **VI. (FWP-7) DEBTOR'S EMERGENCY MOTION FOR INTERIM AND FINAL**  
9 **ORDERS AUTHORIZING THE DEBTOR IN POSSESSION TO (1) PAY CERTAIN**  
10 **PREPETITION INVOICES FOR ABUSE SURVIVORS' ASSISTANCE AND SAFE**  
11 **ENVIRONMENT PROGRAMS, AND (2) CONTINUE ITS PREPETITION**  
12 **PRACTICE OF PAYING FOR ABUSE SURVIVORS' ASSISTANCE AND SAFE**  
13 **ENVIRONMENT PROGRAMS**

14 1. On April 4, 2024, the Court granted the relief requested in the *Debtor's Emergency*  
15 *Motion for Interim and Final Orders Authorizing the Debtor in Possession to: (i) pay certain*  
16 *prepetition invoices for abuse survivors' assistance and safe environment programs, and (ii)*  
17 *continue to pay certain invoices for such programs in the ordinary course of its business* (the "Abuse  
18 Survivors' Assistance Motion") [ECF No. 81] on an interim basis.

19 2. The Debtor in Possession has an established process for survivors of clergy abuse to  
20 have access to trained professionals who can help them address their trauma. To support these  
21 survivors, among other things, the Debtor pays for the survivors' counseling with licensed therapists.

22 3. In addition, the Debtor in Possession has implemented safe environment programs to  
23 prevent the future occurrence of sexual abuse by clergy or others affiliated with the Debtor in  
24 Possession. These safe environment programs involve, among other things, strict education and  
25 training protocols for all who minister or volunteer within the Diocese and mandatory fingerprinting  
26 and background checks for employees, clergy, and volunteers who have direct contact with children.

27 4. These programs are meant to serve those affected by historical clergy sexual abuse  
28 and to prevent future abuse. They must continue uninterrupted during this Bankruptcy Case. It is  
therefore necessary and appropriate to authorize the Debtor in Possession to pay any outstanding

1 prepetition balances due and owing for these programs and to continue to fund these programs on a  
2 postpetition basis in the ordinary course of business.

3 **NOTICE IS FURTHER GIVEN** that although you are not required to do so, if you wish  
4 to file a written opposition to any of the First-Day Motions explaining your position, you may do  
5 so at:

6 UNITED STATES BANKRUPTCY COURT  
7 EASTERN DISTRICT OF CALIFORNIA  
8 501 I Street, 3rd Floor  
9 Sacramento, CA 95814

10 If you mail your response to the Court for filing, you must mail it early enough so the Court  
will receive it on or before **April 18, 2024**. You must also mail a copy to:

11 The Roman Catholic Bishop of Sacramento,  
12 a California corporation sole,  
13 c/o Felderstein Fitzgerald Willoughby  
14 Pascuzzi & Rios, LLP  
15 500 Capitol Mall, Suite 2250  
16 Sacramento, CA 95814

17 **NOTICE IS FURTHER GIVEN** that you can determine whether the matter has been  
18 resolved without oral argument or whether the court has issued a tentative ruling and can view [any]  
19 pre-hearing dispositions by checking the Court's website at [www.caeb.uscourts.gov](http://www.caeb.uscourts.gov) after 4:00 P.M.  
the day before the hearing. Parties appearing telephonically must view the pre-hearing dispositions  
prior to the hearing.

20 **NOTICE IS FURTHER GIVEN** that this Notice does not contain all the particulars of the  
21 First-Day Motions or supporting documents for the First-Day Motions, nor does it summarize all  
22 the evidence submitted in support of the First-Day Motions. For further specifics concerning the  
23 First-Day Motions and the relief requested, you are encouraged to review the First-Day Motions and  
24 the supporting evidence, including the supporting Declarations, copies of which may be obtained  
25 from the website, <https://www.donlinrecano.com/rcbsacramento> free of charge.

26 You may also access these documents from the Court's PACER system (requires a  
27 subscription). The web page address for the United States Bankruptcy Court for the Eastern District  
28



1 of California is <https://www.caeb.uscourts.gov/>, which includes a link to the Court's Case  
2 Management/Electronic Case Filing System (CM/ECF system) and PACER registration.

3 If you or your attorney do not attend, the Court may decide that you do not oppose the relief  
4 sought in the First-Day Motions and may enter orders granting the relief requested.

5 **NOTICE IS FURTHER GIVEN** that your rights may be affected. You should read these  
6 papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If  
7 you do not have an attorney, you may wish to consult one.

8 Dated: April 5, 2024

FELDERSTEIN FITZGERALD WILLOUGHBY  
PASCUZZI & RIOS LLP

9  
10 By /s/ Paul J. Pascuzzi  
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12 Proposed Attorneys for The Roman Catholic  
Bishop of Sacramento

13  
14 Dated: April 5, 2024

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