
Committee of Parishes and Parishioners



Western Oregon

**ARCHDIOCESE BANKRUPTCY - A MESSAGE
FROM THE COMMITTEE OF PARISHES AND PARISHIONERS
August 11, 2005**

On July 6, 2004, the Archdiocese of Portland in Oregon filed for Chapter 11 bankruptcy protection. The Committee of Parishes and Parishioners formed soon afterward to participate in the bankruptcy case. The Committee seeks a compassionate and forthright resolution of victims' claims while at the same time respect for the rights of parishes and parishioners who seek to ensure that they can continue their charitable, educational and religious missions.

The Bankruptcy Court has been asked to rule that parish property, including real estate, savings, bank accounts and other parish property, belongs exclusively to the Archdiocese and is available to pay creditors of the Archdiocese.

Bankruptcy Judge Elizabeth Perris recently ruled that the questions raised require the involvement of the parishes and parishioners, whom she acknowledged are vital participants in the Church and Chapter 11 process. The Judge ordered that the 124 parishes and 390,000 Catholics in western Oregon be assembled as a class and be represented by six class representatives, each a member of the Committee of Parishes and Parishioners. The Committee of Parishes and Parishioners supported this class structure.

You will soon receive a document in the mail entitled "Notice of Class Action." Please review this document carefully. It has important information about your rights and responsibilities. Regional meetings are also being planned to address questions about the class structure and process.

Q. I am now a "defendant." Does this mean I will be required to personally pay some portion of the settlements or judgments awarded to the survivors of clergy sex abuse?

A. No individual parishioner will be required to pay any judgment or settlement as a result of class participation. The purpose of the class action is to make sure you, as parishes and parishioners, are represented before the Court. The purpose of the lawsuit is not to establish legal responsibility for any person or entity, but instead to determine the legal status of parish property.

Q. Who are the class representatives?

A. The class is divided into two subclasses, parishes and parishioners. The parish subclass is represented by pastors Rev. John Kerns of St. Juan Diego Parish in the Bethany area of Northwest Portland; Rev. Charles Lienert of St. Andrew Parish in Northeast Portland; and Rev. Leslie Sieg of St. Anthony Parish in Tigard. The parishioner subclass is represented by John Rickman, parishioner at St. Pius X in Northwest Portland and retired U.S. Bank president for Oregon; Johnston Mitchell, parishioner at The Madeleine Parish in Portland and an attorney with the firm McEwen Gisvold, LLP; and Glenn Pelikan, parishioner at St. Rose of Lima Parish in Portland and retired Vice President of Research and Development for Spacelabs Medical, Inc. All class representatives also serve on the Steering Committee of the Committee of Parishes and Parishioners.

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Q. Will I have to pay for attorneys?

A. No individual parishioner will have to pay the attorneys. The Perkins Coie Law firm, counsel to the Committee of Parishes and Parishioners, will also serve as counsel to the class. Perkins Coie will be paid from funds contributed by parishes and from funds of the Archdiocese.

Q. What is the Committee of Parishes and Parishioners?

A. The Committee of Parishes and Parishioners was formed in July of 2004 to provide a separate voice in the bankruptcy case for parishes and parishioners, particularly on the subject of ownership of parish property. The Committee has worked cooperatively with the Archdiocese.

Q. Why is it important for parishioners to be represented in the bankruptcy case?

A. The continued use of parish property to fulfill the religious, educational and charitable missions of each parish may be in jeopardy. The Chapter 11 reorganization process has the potential to affect every parish, parishioner and every aspect of the Archdiocese's financial affairs. Parishes and parishioners play vital roles in the workings of the Church and should play an active role in the Chapter 11 process.

Q. Do I have to be part of the class?

A. No. Class members – both parishes and parishioners – have the right to opt out of the class. Information on opting out of the class is contained in the court's notice that you will be receiving in the coming weeks. However, parties who opt out are likely to be named by the Tort Claimants Committee as individual defendants.

Q. If we lose, will our Church or school be sold to pay abuse claims?

A. If Judge Perris concludes that parish assets are owned by the Archdiocese and are not held in trust or otherwise restricted, the value of parish property will be taken into account in determining the funds available to pay claims. After claims are valued, the payment of claims will be addressed in the Archdiocese's plan of reorganization. Few involved in the process expect parish property to be sold in order to pay claims.

Q. Who can I contact for more information?

A. More information is available at www.archdpx.org/bankruptcy and www.parishionerscommittee.org. During the week of August 15, 2005, Perkins Coie will establish a hotline to field questions about the class action. The hotline number will be (503) 727-2121. Perkins Coie will also have an email for written questions at parishclass@perkinscoie.com. Also, for more information about the Committee of Parishes and Parishioners, contact Patrick J. Kurkoski at pjknet@aol.com.

(See other side for more information)