

August, \_\_, 2013

TO THE LAITY, RELIGIOUS, AND CLERGY OF THE DIOCESE OF GALLUP

Dear Sisters and Brothers in Christ Jesus:

First, I would like to thank all of you for your support of the Diocese of Gallup. Since becoming the Bishop to Gallup, I have worked to seek a way to bring healing to those who were harmed by the sexual abuse. Unfortunately, since becoming Bishop, the number of claims has continued to increase. These claims primarily relate to events that occurred more than 40 years ago. While some of the claims relate to times when the Diocese had some insurance, many relate to times when the Diocese does not appear to have had insurance or the insurance is limited and not likely to cover the damages for which the Diocese might be found liable.

Since taking over as Bishop, I have tried to resolve these claims outside of litigation, unfortunately with limited success. I have also explored the alternatives available to the Diocese which would allow us to treat all of those who have been abused by workers for the Church in a just, equitable and more than merciful manner while at the same time being able to continue the mission of the Diocese which is so important to many of you.

After considering all of the options and consulting with advisors inside and outside the Diocese, I have determined that filing a petition for Chapter 11 Reorganization for the Gallup Diocese of Gallup is the most effective and thoughtful course to take in light of the claims from those who were abused.

The filing of this petition will begin the process of financial reorganization that is provided under Chapter 11 of the federal bankruptcy code. Under Chapter 11, the Diocese will have the opportunity to present a plan of reorganization that provides for a fair and equitable way to compensate all those who suffered sexual abuse as children by workers for the Church in our Diocese – those who are currently known, those who haven't yet made the decision to come forward, and those who might come forward in the future.

Chapter 11 will provide for an orderly process by which those who have been harmed can make a claim, and for the Diocese to propose and confirm a plan that will compensate those who were abused while, at the same time, continue its ministry and mission now and for the future.

It is the mission of the Bankruptcy Court to provide a neutral forum to all who seek protection or require resolution of disputes. In our present circumstances, we need that neutral forum with its protection and fair adjudication so that we can justly and equitably compensate people who have been harmed.

It is very important to me that you all understand that I have not taken this step to avoid responsibility for what happened or to hide anything. On the contrary, I firmly believe that Chapter 11 is the most merciful and equitable way for the Diocese to address its responsibility, to continue to meet its commitment to institute programs and prevent abuse, and to continue its mission to all those who depend on the outreach of the Church. I am also available if any of you would like to meet with me individually or in a group.

I firmly believe that the process of Chapter 11 is the best and only way that will allow us to work constructively with all those who suffered from the sexual abuse. While the process of Chapter

11 may designate them as creditors, they deserve our respect, our compassion, and our love.

We fully realize our responsibility to heal the hurt of those who were abused. We also realize our responsibility to continue the mission that we believe we have received from Jesus Christ: to provide spiritual care, to educate children in the faith, to feed, clothe, and shelter the needy, and to advocate for the least among us. We believe that continuing this mission is essential to our communities and is an expression of our very being as Catholics. Given the financial circumstances of the Diocese, I have come to the conclusion that the only fair, equitable and merciful way to balance these obligations is by filing a Chapter 11 Reorganization.

As you know, the Diocese of Gallup is not the first Diocese to file, nor will it likely be the last. I hope through this process we can meet the needs of those who have been abused within the limited resources of the Diocese and continue to carry on our important mission. I hope that all who will participate in the process can work cooperatively for an early resolution.

In the coming weeks, the process of Chapter 11 will open our Diocese to unprecedented public scrutiny. I believe that is a good thing. We will be open and transparent in this process, and I will do my best to keep you informed as the process continues. I invite you to e-mail and write me to share your reactions to this decision and the process, all along the way.

Please continue to pray. Please pray for one another, and for those among us who are hurting.

Sincerely yours in Christ,