On April 22, 2015, the U.S. Bankruptcy Court held a further status conference on the Diocese of Stockton’s reorganization case. The Diocese filed an update advising the Court of the progress made in the past several months. The Diocese’s updates included these recent developments:

* The Court appointed the Honorable Gregg W. Zive to serve as mediator in this case in all contested matters and in all adversary proceedings that may be commenced. The Debtor and the Official Committee of Unsecured Creditors (the "Committee") continue to work on informal discovery in the mediation.
* To date, the Debtor has produced over 80,000 pages of documents in response to the Committee's requests and is finalizing the Debtor's privilege log. The Debtor believes the informal discovery is substantially complete, although the Committee may disagree.
* The Debtor continues to operate post-petition and is current on all monthly operating reports to the Court.
* Of the thirty-four filed abuse claims, one is a duplicate and three have been withdrawn as a result of the Committee's efforts. The Committee and the Debtor continue the process of evaluating the remaining abuse claims and pursuing possible insurance coverage. The Debtor and the Committee have pulled together most of the relevant insurance information, and contacts have been made with the relevant insurance companies.
* The Future Claims Representative filed a claim on behalf of future sexual abuse claimants on February 2, 2015. The claim did not state an amount.
* The extended deadline by which only the Debtor can file a plan of reorganization is July 15, 2015.
* Once the parties have sufficient information regarding the abuse claims, implicated insurance coverage, and the Debtor's assets, the Debtor expects a further mediation session will be scheduled with Judge Zive to work toward negotiating a consensual pot plan of reorganization similar to other dioceses’ bankruptcy plans. Such a plan would: (a) allocate the Diocese’s remaining assets fairly among the legitimate competing interests for such property; (b) provide a process to fully, fairly, and expeditiously liquidate claims of victims of sexual abuse; and (c) permit the Diocese to carry on the Diocese's essential ministries and services so the Diocese can continue to meet the needs of the Non-Debtor Catholic Entities, parishioners, and others who rely on the Diocese's ministry, education, and charitable outreach. In the meantime, the parties are communicating with each other and Judge Zive.

The Court was comfortable with the pace of the proceedings. At the Debtor’s request, the Court continued the status conference to July 22, 2015. It remains our hope that this process will result in the negotiation of a reorganization plan that will compensate victims of sexual abuse as fairly as possible, and permit the Diocese to continue the ministries and services it provides to families, the poor and communities in our region.