

CERTIFIED TRANSCRIPT

**BOY SCOUTS OF AMERICA
OFFICIAL TORT CLAIMANTS COMMITTEE TOWN HALL
SEPTEMBER 30, 2021**



Court Reporting • Video

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1 **HUMPHREY:** Good evening, folks. We're gonna let people get on, so be patient for a
2 few before we get started.

3 **LUCAS:** Hey, everybody. As we're just opening up things, I see that the chat function is
4 open. And I just want everybody to know that it's real difficult for us to follow and track the
5 chat. And so if you have a question, please put it in the Q&A as opposed to the chat. But hello to
6 everybody in the chat though. We're glad to see you, and we'll let things open up here in a
7 minute.

8 **HUMPHREY:** Just a couple more minutes. All right. It looks like the count is slowing
9 down just a little bit. I want to remind everybody that even though the chat is on, we really can't
10 follow that. So we're not going to be looking at the chat. We're following the Q&A. My name is
11 John Humphrey, chairman of the Tort Claimants Committee. I'm joined by co-chairman Doug
12 Kennedy and our lead counsel Jim Stang and his partner John Lucas. It's the same group that's
13 been here in and out on all these Town Halls.

14 And we're going to cover a few things today. I'm gonna talk a little bit about what's happened
15 recently, what the TCC's mission has been and will continue to be. I'll turn it over to Doug. He's
16 gonna cover some of the recent developments, some of the press that's out there. And then Jim is
17 going to talk to us about the process of the disclosure statement that's being sent out and when
18 the hearing will be to approve or not approve the plan.

19 So a couple of things. There's lots of press releases out there, and there are lots of people being,
20 including yours truly, being characterized as, you know, obstructionists. And all I can tell you is
21 that the plan was approved--

22 **LUCAS:** No, no, no, no.

23 **HUMPHREY:** Excuse me. The disclosure statement was approved by the judge today,
24 and it goes out for vote. And, you know, the way I like to put it crudely is that the sausage is
25 finished, and now survivors really get control of the process. And we're gonna talk a lot about
26 that. Until the disclosure statement is actually mailed to you, we are not allowed to solicit either

1 yes or no votes. So we're not going to be doing that tonight, but we will tell you that as a whole
2 the TCC is not a fan, and there's a lot of reasons. You can read our press release that just went
3 out today. You know, we are the party of more. We think you guys waited 10, 20, 30, 40 years,
4 and we think you deserve a fair and equitable settlement, and in its current construction it is not
5 that.

6 But the really good news is that your voice is finally gonna be heard. And, you know, when we
7 started this 19 months ago in the Delaware courtroom, and the U.S. Trustee selected nine of us,
8 he selected all colors, you've met many of them, all socioeconomic backgrounds, all severely
9 abused as scouts and as young children. And one of the things that we committed to was that we
10 would fight as hard as we could to get the very best settlement for survivors. Now, this thing has
11 taken lots of twists and turns over the last 19 months. We're in the home stretch. And just
12 because we are objectors, and that we may file a competing plan, that does not necessarily mean
13 it's bad news. Because you're gonna get to vote. And if I could say anything to the folks out
14 there today, it's many of you are represented by attorneys. A small number of you are not. If you
15 are not, you're gonna get a packet sent to your house, and Jim's gonna go through that detail. If
16 you are represented by an attorney, you absolutely have the right to make sure that your vote is
17 counted the way that you want to. That is the law. And so we are gonna talk a little bit about that
18 today.

19 But I just want you to know that this group has been working tirelessly in a volunteer capacity.
20 We have tried to make every decision outside of our own circumstances, our own abuse, our own
21 states, our own local councils, and do what's best for all of you. We're proud to represent you.
22 We're honored that you let us carry the torch. It's been an emotional roller coaster. This is not an
23 easy process. But we think we can prevail. We think we can put enough pressure on the parties
24 by trying to either improve the plan or vote it down, and we're gonna get about that as soon as
25 we can.

26 You will see a much-increased frequency of these Town Halls. We're considering having regular

1 Town Halls every week for survivors, and also having some for council, and maybe doing
2 webinars where we can do some real Q&A. We're gonna build a video on how to fill out a ballot
3 and what that means. So there's gonna be a lot of things coming. And with that, I'd like to turn it
4 over to Doug to make a few comments.

5 **KENNEDY:** Thanks, John. I appreciate it. Good evening, everyone. As John alluded to, there's
6 a lot of press out there talking about this plan, and the wonders of the plan, and maybe the TCC
7 doesn't like the plan, and what's going on with the plan. And when the time comes, we're very
8 specifically going to tell you how we think that you should vote. As well, in the packet you get is
9 going to be a letter from the TCC. But we really think it's important for you to understand where
10 the TCC is coming from right now.

11 The TCC got to sit around, our members got to sit around, and some of you were listening to a
12 hearing last week where one of the lawyers for this coalition of six firms that are trying to control
13 this whole process had basically gone online and claimed that he and his other firms knew what
14 was best for survivors. But what concerns us most is that we keep on hearing this mantra of, "We
15 want to put money in the hands of victims as quickly as possible." Quickly as possible. And
16 we're really concerned how manipulative that is.

17 You know, we had to sit there and listen to an attorney talk about how tough this has been for
18 him, and what kind of a toll it's taken. He's gotten so many phone calls from his clients, and, you
19 know, this is difficult, and he hasn't seen a dime from this. And it sickened us to be--quite
20 frankly, you know? How dare any attorney cry about how many phone calls they've gotten from
21 all of the clients this attorney took on? There are thousands of clients. And now he's upset
22 because he can't handle them?

23 So we need to keep something in mind here, gang, and that is the TCC is made up of nine men
24 who represent you. We're volunteers. We're volunteers. We don't stand to make a dime off of
25 this. The attorneys that work for us aren't making a dime contingent upon this settlement. And
26 the firms that are fighting us, well, right now, if this deal were to go through, they stand to make,

1 as it is right now, \$425 million. \$425 million. You know, we've got a lot of problems as
2 survivors, but not one of them is the problem of how to live like a millionaire. So how dare they
3 tell us that this is a historic settlement amount, when the truth is what's historic is the number of
4 survivors of abuse while they were in the Boy Scouts. And what will be, if it's passed, historic,
5 will be how low per person these settlements are.

6 So now that we've had an opportunity for an attorney to tell you how he's representing all these
7 clients and all these survivors, what we'd like to do tonight is remind you of who's representing
8 you. John and I and seven other men are representing you. And we know what it's like to be a
9 survivor of sexual abuse. I know that. Forty-four years and two months ago I was raped and
10 molested repeatedly. There isn't a lawyer in this world that can tell you he knows what it's like
11 to be a survivor. I know what it's like. I know what the impacts are like. I'm not gonna list them
12 out, because all of you have them as well.

13 You know, where I found the strength, all of you have found the strength, I don't know, but bless
14 you for having that strength. So we understand. And you know what else? I'll tell you what else.

15 Through all of this, through the decades, like you, I've done one thing, and that's waited. I
16 waited decades for laws to change, so law enforcement could do something about my abuser.

17 I've waited decades until I could tell the strength to tell my wife and children what happened to
18 me. I've waited decades in my own private hell, wondering if anyone would find out what
19 happened to me. And I've waited decades to find out whether or not the monster that abused me
20 abused anybody else. And you know what? I've waited decades for there to be some kind of
21 resolution to this, the kind of resolution we seek right now.

22 But you know what I haven't waited decades for, and none of you? We haven't waited decades
23 to become a victim again. We want this horrible chapter to be over. But this is the one and only
24 shot we get to make this right, if this goes through the bankruptcy process and eventually there's
25 a settlement. We get one shot. And no one wants to wake up the day after it's over and feel like a
26 victim again. We haven't decades to accept some kind of deal that's gonna amount to less than

1 10 cents on the dollar of what we deserve. We haven't waited decades to be a victim again, so
2 Scouts can continue on as if nothing happened. We haven't waited decades to be a victim again,
3 as insurance companies pay us a fraction of what they should, when we were the ones that
4 contributed to those settlements. And we sure as hell haven't waited decades to be a victim again
5 at the hands of a small number of law firms who are gonna become millionaires, and seek to gain
6 almost half a billion dollars at this point off of this.

7 The TCC reads your email. We know you've waited too. We know you've waited through
8 decades of addiction. We know you've waited through decades of failed careers and failed
9 relationships, mental health issues, and we know you want a resolution. But we know that you
10 want to feel when this is over like you haven't been a victim again. The TCC is going to fight for
11 you. And if you want a quick settlement, we want a plan where there's an opportunity to get that.
12 But if you don't want to be sold out for pennies on the dollar, because you don't want to be a
13 victim again, because you want to have your wait to be worth it, well, we do too. None of us
14 have waited decades to be victims again. We're gonna fight our asses off, everybody. We're
15 gonna fight our asses off to take this plan to task, and to let you know how to vote, and to let
16 you know we will not accept a bad plan. We have your back. All we're asking if that you keep
17 on watching these messages, you let us help you with this process as we start to go through this.
18 John and I will be learning about how to vote as well. And we'd like you to remember that we
19 think that the group that understands what survivors need most is the group that's made up of
20 survivors. So please stay strong, everybody, because we're working on it. Thanks, John.

21 **HUMPHREY:** Yeah, I appreciate that. You know. Sometimes in all of the daily grind we
22 lose fact of the fact that we've been through a lot. You know, and as I reflected today, you know,
23 one of the reasons is when you look at the money that's on the table, just from the BSA and the
24 local councils, it's about \$800 million. And, you know, there's these illusions in the press that
25 the BSA is heading towards, you know, liquidation. That's not gonna happen. That's not what
26 we want. You know, currently, when you take their assets minus their liabilities in the non-profit

1 world, that's a thing called net assets. And when you look at the local councils and the BSA,
2 they're somewhere still in the \$5 billion range. So they have plenty of capital that they haven't
3 used to pay survivors.

4 **KENNEDY:** And John, we have to remind people that the numbers thrown around are big
5 numbers. They're big numbers. But when we divide them by the number of claimants, those big
6 numbers go down pretty quickly.

7 **HUMPHREY:** Yeah, 82,500 of you. So with that, I'm gonna turn it over to Jim to talk a
8 little bit about what a disclosure statement is, unless, John, you have some questions that you
9 want to try to tackle now?

10 **LUCAS:** Well, I've been answering some questions, and I do just want to just say one
11 thing. This is because this is really what this whole next process is about, and we're going to
12 hold Town Hall meetings as often as necessary to answer everybody's question. But from here
13 on out, this is all about the survivors. This is about your voice, and this is about you saying,
14 "Yes, I support the plan," or, "No, I don't support the plan." And so I have got so many
15 questions already asking me questions, "How do I vote?" You know, and so I just want to say
16 out of the gate here, if you are represented by an attorney, your attorney will receive the
17 information. And he or she will send you the information, and give you all the information, and
18 should ask you how you want to vote on the plan. And we want to tell you that you need to
19 confirm with your attorney in writing how you want to vote, "I accept," "I reject." Record it in
20 an email or some sort of writing, so that you communicated to them and you have some sort of
21 record or verification of it, and you send it to them. They must record your vote and take what
22 you want to do, because you are the client. You're the survivor, and it is your voice. And so I
23 have received dozens of already questions about that, and I wanted to--and now, this is in the—
24 we were gonna talk about this today, but I just want to sort of get this out here in front. We will
25 have a Town Hall in the future about ballots, and to get into the details. And we'll have a ballot,
26 and we'll put it up on the screen. But people are asking questions about it already, and we just

1 want you to know that that's how it will be. If you don't have an attorney, all the materials will
2 be mailed to you, and you will get all the materials. And if there's any confusion, then we'll have
3 a Town Hall and we'll discuss the process with you.

4 **HUMPHREY:** And I just want to echo that, you know, this judge, she cares about
5 accurate voting. She's had some questionable voter turnout in other cases. Many of the attorneys
6 that we've talked to are getting--if they're not hearing from their clients in email or some kind of
7 document, they're probably not gonna vote for you, because they're worried that any audit of the
8 votes could be tainted. And so we're working very hard on that. So with that, Jim, why don't you
9 talk to us a little bit about what a disclosure statement is. And, you know, before you go, I'm just
10 gonna warn you guys, it's a lot of paper.

11 **KENNEDY:** It's 1,000 pages.

12 **HUMPHREY:** So if you're representing yourself, you know--

13 **STANG:** So John, after listening to you and Doug, and Doug especially, I'm a little bit at a
14 loss for words. We're going from the sublime to the ridiculous. It's hard to talk about legal
15 procedure after what the two of you have just said to the folks you represent, but we have to do
16 it, because the legal procedure is how your voice is heard.

17 So after five days of hearings that I think each one, or almost all of them, lasted over 10 hours
18 each, the bankruptcy court approved a document called a disclosure statement. This statement
19 has been now found--it's several hundreds of pages. This statement has been found by the
20 bankruptcy court as containing the information that you as survivors need to make an informed
21 decision on whether to vote yes or no on the plan. We--no one is allowed to ask you to vote yes
22 or not on the plan until that disclosure statement is sent to you. Now, of course you can have
23 conversations with your counsel, but we as a committee cannot ask you to vote yes or no on the
24 plan. The Bankruptcy Code is very clear about this.

25 But at the same time, we as a committee have a statutory duty to keep you informed as to the
26 formulation of a plan and our perspective on it. So we're walking a bit of a line tonight, 'cause

1 we're gonna tell you how we feel about aspects of the plan, but we are not gonna ask you to vote
2 yes, and we are not gonna ask you to vote no. When the plan and the disclosure and your ballot
3 for voting have all been distributed, we are able to give you our recommendation with an explicit
4 vote yes or vote no. So please bear with us. Doug and John and the other seven guys are dealing
5 with lawyers who are telling them, "No, not yet." And it's frustrating, but it will preserve the
6 integrity of the voting. Because if that rule is violated, the votes that are tainted by that violation
7 can be disregarded. And the last thing that the TCC wants to do is take away your voice.
8 So the disclosure statement was approved by a court order entered today. You will receive what
9 we call a solicitation package, and the deadline for sending those out is October 15th. As John
10 Lucas said, if you are unrepresented by counsel, or if you indicated that you wanted to be
11 communicated with directly, notwithstanding your hiring a lawyer, you will get to your address
12 on the proof of claim the solicitation package. If you indicated that you wanted your lawyer to be
13 the point of contact, your lawyer will get the solicitation package, and he or she has the court
14 ordered duty to send it to you. So this is not a situation where you will be without information.
15 So what's in the solicitation package? It will be the plan. It will be the disclosure statement. It
16 will be ballots. For those of you who have retained counsel, who've asked for your counsel to be
17 point of contact, you will not get a ballot. You will be expected to communicate your position to
18 your lawyer. You will receive a letter from the coalition, and you will receive a letter from the
19 Tort Claimants Committee. Those letters make recommendations on how to vote on the plan.
20 The committee does not vote on the plan. Doug will. John will. Jorge, Bob, the others, they vote
21 on the plan. The committee is making a recommendation to you. The deadline for responding to
22 vote is December 14th, so in effect you get about 60 days. That's a hard deadline, folks. That is
23 not December 15th. It is December 14th. So your job as survivors is to get comfortable with the
24 material. And I'll, you know, honestly, most lawyers wouldn't be able to figure this stuff out. So
25 we understand that most--a lot of people, I won't say most, but a lot of people are going to look
26 to the committee for guidance. They will look to their lawyers for guidance. And it is very

1 important that when you agree to something, and this is true on practically any aspect of a
2 relationship between a lawyer and a client, that you are entitled to be informed. You are--your
3 lawyer is required by every rule of professional responsibility to make you informed before you
4 are asked to give a decision.

5 Now, as several of you have heard through emails or otherwise, the committee, John Lucas, me,
6 Debra Grassgreen and others, are not your lawyers. But we have a duty as counsel to the
7 committee to give you the best information that we can, so that you can make an informed
8 decision. But that does not excuse any lawyer that you have hired to give you the information
9 that you think you need, not that they think you need, but that you think you need to make this
10 decision. And as John Humphrey said, our bankruptcy judge is extremely concerned about the
11 integrity of the voting process, because she has had a recent case where there were alleged
12 shenanigans about casting votes. And that is why John Lucas said keep a record.

13 If you have had a conversation with your lawyer, and you have told that lawyer how you want to
14 vote, follow it up with an email, and print out that email. Because there will be a report filed as
15 to how each of you voted, and you will be allowed to look on that report. It will be posted with
16 all those other pleadings that are in the bankruptcy docket, and you can see whether your vote
17 was correctly cast. So your lawyer's role here is to make you informed, to communicate with
18 you, and to report to the court, on what we call a master ballot, how you voted. And the court has
19 ordered people, attorneys, we're people, to maintain logs of the communications to back up this
20 master ballot. So in effect, if you want to vote, your lawyer is tabulating your vote. Your lawyer
21 is not voting for you. The lawyer is acting as kind of a bureaucrat almost, or a clerk, simply
22 recording what you have told him or her to do.

23 Now, some of you will say, "I'm not making this decision. I want my lawyer to make the
24 decision for me." If that is the case, the lawyer is allowed to. But you will be asked to sign, and I
25 suspect notarized, I'm not an expert on powers of attorney, but you will be asked to sign a power
26 of attorney specifically giving your lawyer the right to make the decision as to your vote. Not to

1 tabulate your vote, but to make the decision will I vote--am I voting yes or am I voting no. That
2 is different than you voting and getting your lawyer to tabulate the vote in a report.

3 So the judge, on the voting issue, is all about accountability, all about you being informed, and
4 all about creating a trail, so that if people do raise questions about the accuracy of the voting
5 report, that there is a backup to do that.

6 Now, John and I, Deb, and others have received probably hundreds of emails over the last--since
7 the claims deadline saying, "Can you tell me who my lawyer is?" And frankly, I'm sad that we
8 get those questions, but we get them. And so we will--if you don't know who your lawyer is, you
9 can email us. John will give you the email address in a moment. It's probably memorized by
10 some of you. And in the reference line say, "BSA," Boy Scouts of America, "Who is my
11 lawyer?" We're gonna read all of them, but if you said, "Who is my lawyer," "Who is my
12 attorney," it helps us prioritize a little bit. And we will, if you give us your claim number or your
13 name, better the claim number if you have it, but your name if you don't, we will look that up for
14 you, and we will tell you who your lawyer is per your proof of claim. And you should then call
15 that lawyer.

16 And I, folks, I just can't feel strongly enough about this, because we hear these stories. You're
17 not talking to a secretary, okay? Secretaries do not give you information so that you can decide
18 what to do. A paralegal does not give you the information that you are entitled to get. Your
19 lawyer is the one who gives you the information so that you can have what lawyers call informed
20 consent. So I just--this is it, folks. This is the time for you, if you want to, to have your say about
21 this case. It's not getting filtered through me, or through John, or through Doug or anybody else.
22 This is your chance. And if you don't do it by December 14th, you will not be asked again.

23 **HUMPHREY:** Yeah, so there's a thread of questions about should I get a lawyer? If I
24 don't like my lawyer can I change my lawyer?

25 **STANG:** Okay. You can absolutely change your lawyer. You--this is a relationship that you
26 control, and if you want to change your lawyer, you write him a note, or her a note. It should be

1 in writing saying, “Thank you. You are discharged.” If you can find another lawyer, God bless.
2 And really, it should be between the lawyers as to how to divide up the fee, because that
3 shouldn’t be your problem. And you are entitled to know, by the way, how they’re dividing up
4 the fee if that goes on.

5 As to whether you need a lawyer, this is an awful lot of information to process. And the plan, if it
6 is approved, is going to entail more work in terms of you explaining the abuse you suffered,
7 possibly having to document it beyond what you’ve already done in your claim form. And I
8 know from time to time we’ve been asked that question, and we’ve said sometimes, “Not yet.”
9 Then the last one or two of these sessions we said, “Oh, you might be getting a little closer.” If
10 you want to hire a lawyer, the time has come.

11 Now, people who have multiple clients are allowed to take on more clients. They’re not required
12 to, of course. We see people saying, “Hey, I can’t find anyone to represent me.” But you are
13 entitled to an explanation as to how your case might conflict with the other representations they
14 already have. So that’s called a conflict of interest. So lawyers are allowed to represent more
15 than one person, but you are entitled to an explanation of the conflict of interest, if there is one.
16 And you will be asked, if your lawyer is, in my opinion, doing the right job, to waive any conflict
17 as a condition to hiring this attorney, assuming they already have other clients.

18 So yes, you can change your lawyer. You can go unrepresented if you discharge your lawyer.
19 You can hire a new lawyer. The fee issue should really be something they work out between
20 themselves. And as you interview counsel, it is my standard practice to recommend to people
21 that it be lawyers who really understand child sex abuse claims. So John, that’s the best I can do.

22 **HUMPHREY:** Thanks, Jim. Yeah, so and just so you guys know, as soon as those
23 materials are out, we will start having regular Town Halls on what’s a ballot look like, how do
24 you vote on it, what else should be in the packet, all those sorts of things.

25 **KENNEDY:** Yeah, and let me say something too. We’re reading the chat. There’s been a
26 number of questions about who counts the vote, and, you know, even one person, “Does

1 Dominion count the votes?" Our attorneys, attorneys on all sides have really been looking at this
2 to make sure that the votes are going to be counted correctly, and there's a paper trail on all of
3 this. So we are working very hard, and have great confidence that this--that the processes are in
4 place, and we're going to be paying a lot of attention to make sure the votes are getting counted
5 correctly. So we hear you.

6 **STANG:** I want to just say one other thing, because some people will--may wonder. The
7 question if I don't vote--and I haven't looked at the Q&A, so I'm making this one up on my own.
8 If I don't vote, do I lose my claim? And the answer is no. You're not required to vote to assert an
9 already timely filed proof of claim. But what you do lose is a right to be heard on what the
10 settlements will be that will generate the money for your payment.

11 **LUCAS:** Hey, can I jump in here? And Jim, one person, one survivor, had a question.
12 Could we just take a step back for a moment, and just on a very, very high level can you explain,
13 like, what are the big pieces of this plan, and why is it different from the last few? What's on the
14 table now? That's what people want to know. What is it that's being offered right now?

15 **STANG:** All right. I'm gonna try to do this without getting too much in the weeds. We'll
16 have lots of time for weed whacking over the next few weeks. The plan provides for
17 contributions and payments into a settlement fund. And that settle--and the plan has provisions
18 on how that settlement fund is divided up. So the major elements of the plan as of this evening is
19 a contribution by the Boy Scouts of cash and property. That property includes Norman Rockwell
20 paintings, oil and gas interests, some real estate, and cash, though the cash amount depends on
21 how they're doing financially. The local councils collectively are putting up \$500 million of cash
22 and property. I think the cash number is about 400, and the real estate consists of camps and
23 other properties that they've identified as I guess being unnecessary to their mission. In addition,
24 there is a promissory note that the local councils have signed onto, that depending on how the
25 pension plan performs will generate some money for survivors. And that note caps out at \$100
26 million, but that note does depend on how the pension plan performs. So that's the BSA

1 contribution and that's the local council contribution.

2 In addition to that, the local councils and the BSA are turning over their insurance policies to the
3 trust, so that for the insurance companies that haven't settled, those insurance policies and
4 insurance companies can be pursued for recovery. How much those will generate is very much a
5 question mark. The insurance companies are fighting like hell not to pay, and it gets complicated.
6 But there is an assignment of insurance policies to the extent the insurance companies haven't
7 settled. But at least one insurance company has settled, and that's Hartford. Hartford is paying
8 approximately \$785 million into the trust. In addition, one of the chartered organizations is
9 paying. It's the Church of Jesus Christ of Latter Day Saints, known sometimes as LDS or the
10 Mormons. It is paying \$250 million. And that money has been dedicated per the terms of the
11 agreement for Mormon survivors only. So the committee does not support the local council
12 contribution. We think it is woefully short of what local councils can pay and still maintain
13 financial health. We think Hartford is paying a fraction of what its actual risk is, given the
14 number of claims that fall into its insurance. And we think that the LDS is also paying much less
15 than the value of the claims for which it is responsible as a chartered organization.

16 So that's where the money is coming from to date. People talk about, "Oh, there's gonna be a lot
17 more?" You know what? Those words to God's ears. But right now that's the tally of money and
18 property. And some of it's property. Some of it's cash. Cash is king. You know, we'll see how
19 the Norman Rockwell collections collects out.

20 So now the money has gone into a pot, and the claims against the insurance companies have
21 gone into a pot. There will be a settlement trustee appointed. The nominee is a man named Eric
22 Green, who has experience in the asbestos world. And there is a process by which your claim
23 will be valued. Those are called the TDPs, trust distribution procedures. And that includes levels
24 of abuse, ranging from penetration down to non-touching, being shown a porn magazine. There
25 are values established for each tier, and then that amount can go up, depending on certain
26 circumstances, and it can go down. And the go down part most objectively is the statute of

1 limitations adjustment, depending on the state where you suffered the abuse. Not where you're
2 living today, where you suffered the abuse. And all that information is in the solicitation
3 package, and we will digest it, translate it for you on the website of the TCC.

4 How much are you actually going to get? Well, the TDP process may value your claim at--I'll
5 use the base amount for penetration, at \$600,000. Base meaning that's where you start from. It
6 can go up; it can go down. But there's no guarantee that you're going to get \$600,000. Our
7 projection, based on current settlements, is that you will get something short of \$60,000, and if
8 Mr. Green doesn't run up a big bill. That's where we get the 10 cents on the dollar part. Now
9 again, that's starting at a base amount, with adjustment for the statute of limitations, because
10 there's a chart that does that. But other factors that take you up or take you down, we can't
11 predict that as to a given claim. So when you hear cents on the dollar, when we say it to you,
12 we're taking the matrix in the TDP, we're adjusting the claim for the statute of limitations, and
13 then we run the numbers, the dollars through that formula.

14 So from time to time the trustee will send you a check. It depends on how much litigation against
15 the insurance companies is costing him or her. It depends on how much it cost to review the
16 claims to do this adjustment process I'm talking about. But it's not gonna be a single check and
17 you're done. That is unlikely. It will be an initial check of some percentage of your award, and
18 then hopefully more. But now, chickens before they hatch in that regard. So I hope that helps.

19 And how long will this go? Because that's always a question. How much and when? It depends
20 on the fight generally with the insurance companies. And if there are settlements, obviously it
21 makes the money come faster, but settlements are settlements. And you've heard from us we're
22 not happy with those settlements. And so you'll hear about, "Oh, it will be years and years and
23 years of lawsuits." Well, it could be. But the job of the trustee is to evaluate at every point and
24 time is it worth the candle. Is the money I'm spending fighting with this carrier worth the amount
25 that I might get with the additional costs of attorneys fees and the additional time for you? Does
26 it make it worthwhile to continue fighting?

1 **HUMPHREY:** Thanks, Jim. I'm gonna hit three sort of threads that I was hearing. One,
2 there was a lot of questions about the coalition's fees and what happened at the hearing. So in the
3 plan with the BSA--so the coalition hired bankruptcy attorneys Brown Rudnick, and
4 professionals almost replicating what we have done on the TCC. And they petitioned the court to
5 pay for those fees, and then pay \$1 million a month going forward. And the judge, after careful
6 consideration, took that out of the plan, because there is a process at the end of a trial to apply for
7 making a substantial contribution. John?

8 **LUCAS:** Yeah, I just want to say though, and there was a specific question about this, the
9 judge did say yesterday that she wasn't going to approve the coalition's request for professional
10 fees under the plan. You'll--when you read the plan, it's still in there. And what they've done is
11 that they have revised the plan to state that the coalition will file what's called a motion to ask
12 for approval at some point in the future. And so they have tried to sort of split the baby, if you
13 will. They're sort of said that it's not in the plan, but they're still trying to make it part of the
14 plan. And so they've tried to sort of outline the process going forward to be under the plan. And
15 so in the end I think that is a lot of sort of legalese, and--but the court is not going to consider it
16 under the plan approval process, and it will have to be taken up after the plan process is done. So
17 there is some confusion, because when you search for it in those provisions or those sections in
18 the plan that describe the coalition expense reimbursement, it's still there. But they've added a
19 couple of words to change it a little bit. But it's not always obvious to those who aren't lawyers,
20 I should say.

21 **HUMPHREY:** And Jim, there was a couple of questions about I'm in a state that doesn't
22 have a very good statute of limitations for survivors. How long is the window gonna stay open in
23 case that law changes? Is it, you know, if it changes a year down the road, what happens?

24 **STANG:** Yeah, so the chart reflects the evaluation by, frankly, the TCC, the coalition, the
25 future claims rep, and the debtor as to what the appropriate discounts are for the statute of
26 limitations now. That honeymoon period of the cooperation between the coalition and the TCC,

1 which got dashed on the rocks when they took a lowball settlement from Hartford, did at least—
2 there was one surviving element of it, and that was the statute of limitations schedule.

3 My understanding of the plan, and John may correct me if I'm wrong, is that if you want to put
4 your claim on the shelf for a while, and hold off on its evaluation, and also of course the
5 payment, you can do so to see if your state changes its law. And those of you who live in
6 Pennsylvania have heard a lot over the year to 18 months about the possibility of Pennsylvania
7 changing, but there are other states as well. Pennsylvania just sticks out in my mind.

8 And so I believe there is a period for you to kind of sit back and wait to see what happens, but it
9 doesn't go on forever. And we will talk about that in more detail in future Town Halls.

10 **KENNEDY:** Jim, one thing I want to ask is, reading the chats, could you just mention briefly
11 the reason why we right now aren't saying, "And here's our plan. Here's what we're gonna ask
12 you guys to vote for."

13 **STANG:** Sure.

14 **KENNEDY:** Because as a survivor--and John and I know next to nothing about bankruptcy.
15 We're learning. It's like drinking through a fire hose. There are so many things that we've
16 learned that we'd like to do but just can't do.

17 **STANG:** Sure. So I talk a lot about informed consent, your obligation to--your lawyer's
18 obligation to make sure you're informed before you make a decision. Well, the bankruptcy
19 process has kind of a similar concept. The disclosure statement is the key, because it is the
20 document that has the information that enables you to make an informed decision. That's the
21 standard. So I can't ask you to vote yes or no on a plan until that disclosure statement has
22 actually been transmitted to you. That's what the Bankruptcy Code says. No one can solicit you
23 to accept or reject a plan until the disclosure statement has been approved, it has been, and been
24 transmitted, which it has not yet been. Now, you can go onto the court's docket and look at it.
25 But, a little hyper technical here perhaps, it hasn't been transmitted to you.

26 So does the TCC have alternatives? Yes. Can we talk about them? We are very concerned that

1 we don't want to taint votes that would follow the recommendation of the TCC. So soon, folks,
2 really soon, we will be able to tell you what those alternatives are, and tell you why we have
3 come to those alternatives. But for right now, the last thing I want to have happen is say some--is
4 for me or John Lucas to say something that will disqualify votes who act in accordance with our
5 recommendation. So I know it's frustrating, but folks, you have until December 14th, right? You
6 don't have to do this tonight.

7 **HUMPHREY:** Yep.

8 **STANG:** The vote's not today.

9 **HUMPHREY:** And so talk a little bit about the hearing that is scheduled for January the
10 24th.

11 **STANG:** Sure.

12 **HUMPHREY:** And what hap--you know, somebody said, "Hey, if it gets voted down, do
13 we start all over?"

14 **STANG:** Yeah, so the hearing on January 24th is called a confirmation hearing, which is
15 just bankruptcy talk for an approval hearing. There are, I don't know, 20-plus fact things the
16 judge must determine before she can approve the plan, one of which includes how the voting
17 turned out. But it's not the only factor. So she will at that hearing take testimony about a number
18 of things, including the ability of the local councils to pay more. Because we've made no bones
19 about the fact that we think they're--they should, and are--and should be required to. The--she
20 will take testimony about the adequacy of the hearing with Hartford, where we were gonna put
21 up experts to tell her what we think the value of the claims are for the Hartford years, same for
22 the Mormons. And a host of other issues, but those are kind of the highlights, if you will.
23 And at the end of that hearing, which could take multiple days, folks, and not necessarily
24 consecutive days. In our world we sometimes leapfrog days because of the judge's calendar. But
25 she will eventually decide whether to confirm/approve the plan or reject it. And there's a lot of
26 negotiation going on during all of that, because people are trying to read the tealeaves, and you

1 can make some adjustments to the plan without asking you to vote again. But, you know, that's
2 kind of the background.

3 If she disapproves the plan, we don't start all over, because we know what Hartford was willing
4 to settle at, and we try to build on that. Same for Mormons or anyone else who comes forward.

5 There are aspects of the TDPs that the committee would have comments on and seek to enhance
6 to be the committee of more. And so there is a certain starting over part. It would be a different
7 plan. Depending on how significant the differences are, she might require people to vote again.

8 But if they're not considered by her to be significant, or material is the word lawyers often use,
9 then she may not require re-voting. And of course the cost of re-voting, the delay in re-voting, all
10 sometimes help you decide what's material and what's not. But that's kind of, you know, the—
11 sometimes the decision at the end drives the analysis as to whether it's material or not. But that's
12 what happens.

13 Now, the Boy Scouts have some alternatives. They can dismiss, with court approval only, their
14 bankruptcy case if the plan doesn't get approved and the alternative doesn't look good to them.
15 The court could appoint a bankruptcy trustee to essentially take over the case, and knock the Boy
16 Scout management out. The Boy Scouts can go into a liquidation proceeding. But only they can
17 make that decision, no one else can. We cannot compel it. We cannot even ask for it. That's a
18 Chapter 7 you've heard about. Or a new plan can be put up that hopefully would have the
19 support of enough survivors to get court approval.

20 **HUMPHREY:** So guys, I started off by saying there was no way we were gonna get to all
21 your questions tonight, and, you know, so I want to try and put a bow on it. And there's still a lot
22 of questions out there about the LDS church, you know, is that Mormons only. The answer is
23 yes.

24 **KENNEDY:** Well, and it's also--

25 **HUMPHREY:** We will make sure--

26 **KENNEDY:** I'm sorry, John, so I just--

- 1 **HUMPHREY:** Do we have the link to the Omni site out on the site, John Lucas?
- 2 **LUCAS:** Say it again. I'm sorry, John.
- 3 **STANG:** Let's give--
- 4 **HUMPHREY:** A link to Omni. A lot of people have asked, "How do I link to Omni?"
- 5 **STANG:** Yeah.
- 6 **HUMPHREY:** For change of address, and modifying claim form, and--
- 7 **LUCAS:** So they should--you know what? If people have questions, the easiest thing I
8 think to do right now is to email us as bsasurvivors@pszjlaw.com. Email your questions, and
9 we'll get you a response. If you need to amend your claim or your address or something like that,
10 we'll connect you with Omni. If you need help with your proof of claim, we'll help with your
11 proof of claim. If you have some other general questions about the process, we'll help you with
12 those questions. And so--
- 13 **HUMPHREY:** And I will tell you that these guys are all over those emails. I mean, it—
14 you're not gonna get blown off. So they've got people looking at them all day long.
- 15 **STANG:** Yeah, by the way, when John said help you with your proof of claim, that would
16 be to tell you how to do things.
- 17 **LUCAS:** I'm sorry. I meant help you with your ballot, not your proof of claim. I might
18 have misspoke. And the other thing too, I want to qualify something that John Humphrey said.
19 People email us a lot of questions, and sometimes we aren't able to answer all the questions. I'm
20 gonna be completely honest about that. Sometimes they're very specific personal questions that
21 we're not in a position to give you legal advice on. And this is something I'm gonna have Jim
22 Stang talk about here in a second. A lot of people have asked tonight is my law firm, Pachulski
23 Stang Ziehl & Jones, your attorney. Is Jim Stang your attorney? Is John Lucas your attorney?
24 And the short answer is no, but I'll let Jim explain why. But as to the questions, we can help you
25 with the general questions about the process, where to go, how to find answers, where to submit
26 something. We can't always give you legal advice. And that's sort of, I think, a hard thing, and

1 maybe a distinction that's sort of hard to sort of make--figure out the difference from. But ask the
2 question, and we will respond to you in the best way that we can. And Jim, can you respond to is
3 Pachulski Stang your lawyer? Is Jim Stang your lawyer? Who is my lawyer?

4 **STANG:** So Pachulski Stang Ziehl & Jones, John, me, Deb, some of the others you've met
5 in these Town Halls or heard about, we're not your lawyers. We have a client. The client is the
6 Tort Claimants Committee. And I talked about conflicts earlier. I can't be in conflict with my
7 committee client. The committee has--is charged with representing the entire constituency, and I
8 can't tell John Doe 1 that he should write his claim in a certain way to try to get maximum
9 dollars, or how to present the psychological, physical, emotional damages he has suffered,
10 because that will affect one of the other 82,199 people. So that's why we can't represent you. It's
11 a conflict, and we don't represent people when there's a conflict.

12 As John said, we'll do the best we can to take you through this very difficult landscape, but at the
13 end of the day, when you have to put your claim form in, we weren't there for you to fill it out
14 and check the answers to each one you had to fill out. We couldn't tell you what words to use.
15 Whatever future submissions you're gonna be required to make under the TDPs, we can't help
16 you with that. We can tell you when to do it, we can show you the form to do it on, but--one
17 other thing, folks, I know you'll miss us. When the plan is confirmed, it's goodbye. The
18 committee goes away. Now, so we're there for you until the last person sings, but we want to—
19 and we will help you to have your voice heard, but we can't tell you what to say.

20 **KENNEDY:** Let me put a plug in here too, because John Humphrey and I, and the other
21 members of the TCC, we have never voted in something like this before. And the plus is, we are
22 going to continue to put up information at tcbsa.com when--we're gonna create videos and put
23 them up there as soon as--we're gonna meet right after this meeting, and we're gonna talk about
24 when the next Town Hall is gonna be. We're gonna put that date up there. So I wish there was a
25 way that we could send an email or text 82,000 claimants, but nobody wants that, and we can't
26 either. So we're just asking all of you to continually check that website. And everything that we

1 do, even if you're not available at that moment when we have these Town Halls, they'll always
2 be there available for you to view at a later date.

3 **STANG:** Yeah, John, I need to say one thing, if I could. And I'm sorry to backtrack. Either
4 you or I made a comment that the LDS money is for Mormons only. That's not entirely correct.
5 If you were a non-Mormon in a troop that was chartered by the Mormon Church, you could
6 participate in that settlement. You don't have to be by religion a Mormon to participate in the
7 fund. You have to have been someone in a Mormon chartered troop. So I just wanted to make
8 that clear.

9 **LUCAS:** Hey, can I bring up something, John, Doug? I want to sort of pose, I think, an
10 important ques--one question. You know, and again, there have been probably about 300
11 questions so far, but there was one question that I just saw that really stood out. And the question
12 was if there are a lot of deal--and Jim, I'm gonna pose this to you. If there are a lot of deals being
13 made right now, and, you know, there's the 785 deal with the Hartford, and there's the 250 deal
14 with the Mormon church, and there's, you know, a deal with BSA, what are the deals that the
15 TCC are going to bring to the table? How are we distinguishing ourself? And I think that it's
16 important, Jim, to explain sort of the dynamic here when somebody has offered one thing, to
17 close something, and what it is that they're gonna take that's before them. That is, if--when
18 somebody's negotiating with the coalition, for example--

19 **STANG:** Oh, okay. I got it. I got it. I got it. Okay. So we have spent enormous amounts of
20 time, and frankly, money, trying to understand the claims, and I'll just use Hartford as an
21 example, the claims that fall within the Hartford years. We know which ones they are pretty
22 much. You know, not everyone's proof of claim has got great calendar accuracy, but we pretty
23 much know what it is. We have thoroughly reviewed the Hartford policies to understand what is
24 within their coverage and what is not. We have looked at the defenses that Hartford has asserted,
25 such as, "Hey, Boy Scouts, you knew about that guy. We don't insure risks that you know about
26 and won't tell us about." Those are called coverage defenses, something like that.

1 So we make demands upon Hartford, and we make demands upon other parties, monetary
2 demands. We will settle with you if you pay X dollars. Is this what you wanted me to talk about,
3 John?

4 **LUCAS:** It is.

5 **STANG:** Okay. And then I've got somebody else out there who represents a survivor, and
6 that person says to Hartford, "You know what? Stang asked you for X. I'll do it for 80% of X."
7 Who do you think Hartford is going to talk to, folks? They're not talking to me and John. We
8 asked for 100% of X. Someone else said, "I'll settle with you for 80% of X." Now, I want to be
9 fair here. The person who asked for 80% of X looked at us and goes, "You guys are nuts.
10 They're never gonna pay that amount. You're gonna have to go to court to make them pay that
11 amount, or you've misunderstood the strength of a coverage defense, or you've overestimated
12 the value of a penetration in states, open, closed, in between." But in terms of the negotiation
13 dynamic, they're talking to the 80% guy, and that has been a problem that we have encountered.
14 Now, that--when we go to court and challenge the adequacy of the Hartford settlement, we will
15 address this is what we thought the claims were worth. We will have an expert who will talk
16 about how she has surveyed around the country these kinds of claims, and this is what juries say,
17 and this is what settlements produce, and this is the ifs, ands or buts, judge. And we will have a
18 legal discussion about whether Hartford's coverage defenses are really as strong as they say, and
19 whether they did the right count of the number of claims, and whether the policy dollar amounts
20 are what we think they are versus what Hartford might think they are, and then a host of other
21 things. This is why that confirmation hearing could take a little while.
22 But that's part of the dynamic we've been under. The person who demands most from you is the
23 last person you will be speaking to. The person who asks the least of you is the one to whom you
24 will pay attention.

25 **HUMPHREY:** Thanks, guys. Listen, we're gonna have to put a bow on it. I just want
26 Doug to make a few comments, and then I'll kind of wrap us up on kind of what's--where--what

1 are we doing going forward, and what are we looking to accomplish.

2 **KENNEDY:** Yeah, I just want to say I think everybody this week is a little bit more anxious,
3 because after all this time they know that there's gonna be time to--a chance to take a vote. And
4 literally, I know people are checking their mailboxes for that. We have to be patient a little bit
5 more. The TCC is going to speak out specifically about how it feels about this. We're gonna go
6 over the voting issues. So look, gang, John and I live with this every day like all of you do.
7 Please just stay strong and continue to check the website. And we're gonna do our very best to
8 counsel you, and to give you advice on how to make sure your vote is cast. And ultimately your
9 vote is your vote. Whether you approve--you say yes or no to this, we want to advocate for your
10 right to make sure you're comfortable that your vote has been cast. So stay tuned.

11 **STANG:** John, I'm sor--Doug, I'm sorry to follow up that very concise statement. Folks,
12 it's not gonna be in your mailbox tomorrow, okay? It's probably not gonna go out in the mail for
13 at least four or five business days. There's a print job here that's going on. There's a copy to
14 flash drives going on. And so don't--it's not tomorrow morning.

15 **LUCAS:** Hey--

16 **STANG:** It will soo--but it will be soon.

17 **LUCAS:** Hey, Jim--

18 **KENNEDY:** And--

19 **LUCAS:** No, no, no. Wait, wait. I think the best thing to say everybody, to manage
20 everybody's expectations, you should not start to look for it until October 15th.

21 **STANG:** Well--

22 **LUCAS:** You might get it before--

23 **STANG:** Right.

24 **LUCAS:** --but not until October--after October 15th. Because one, if you're not represented
25 by an attorney, it will come directly to you. If you are represented by an attorney, there might be
26 some delay for your attorney to get it out to you after the 15th.

1 **HUMPHREY:** And it is a total of 85 million pages. Listen, guys. I just want to set the
2 record straight. You know, TCC is not looking to blow up the BSA. They have plenty of assets
3 when this thing is over. We just think they should spend more of their assets to help you. And we
4 think that the insurance companies should step up in a way that matches what the claim value
5 and liability is. So we are going to fight for your rights. And we will be characterized as the
6 obstructionists, and the guys trying to slow things down, and keeping you from getting a dollar
7 after all these years. I can assure you that when we think we've gotten the maximum amount, or
8 between now and the confirmation hearing we come to some kind of a compromise, we'll let you
9 know that too. So stay tuned. Always go to the www.tcc.bsa.com. We put almost everything out
10 there. We have a recording out there. That will be out there in the next couple of days on this.
11 And then the bsasurvivors@pszjlaw.com. John?

12 **LUCAS:** Hey, John, John, you misspoke on the website. You had one too many dots in it.
13 It's www.tccbsa.com. But hey, I've emailed the BSA survivors email address a number of times.
14 Again, any questions, you can go there. There it is. There's the email address for everybody. Any
15 questions, please send them there, and we'll get them back to you. And there's the website
16 address there too.

17 **KENNEDY:** And if the five of us could jump on our regular Zoom after this, that would be
18 great.

19 **HUMPHREY:** Hang in there, folks. We get it. It's hard, it's tough, but we're making
20 progress.

21 **KENNEDY:** Good night. Good night, everybody. Stay strong.
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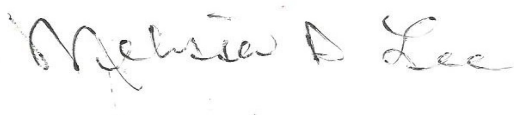
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