

URGENT NOTICE TO ALL LOCAL CHURCHES REGARDING THE BOY SCOUTS OF AMERICA

If your church has ever hosted a Boy Scout Troop, you need to be aware of the following information and a November 16, 2020 filing deadline.

As you are likely aware, the Boy Scouts of America (the “BSA”) is going through a bankruptcy process stemming from a multitude of sexual abuse claims filed against the organization. Local churches that serve as “Chartering Organizations” for Troops are responsible for much more than just giving a Troop some space to meet. The “Annual Charter Agreement” each church signs suggests that the church is effectively responsible for conducting the Scouting program in its entirety, including the selection and screening of adult volunteers. As such, a local church that serves as a Chartering Organization could clearly be on the hook for a sexual abuse claim.

If a sexual abuse claim arises, a Plaintiff is likely going to sue the national BSA organization, the local Council of the BSA, the local Troop and the Chartering Organization (like a local church). You are likely familiar with the idea that bankruptcy can eliminate the debts of a debtor. Bankruptcy can also extinguish judgements and future claims against the debtor – particularly if the future claim is based on an act that happened before the bankruptcy proceeding.

Accordingly, if the BSA goes through the bankruptcy process and extinguishes liabilities related to sexual abuse claims, a Chartering Organization (like a local church) may be the last entity standing with potential liability. The fear is that Chartering Organizations may lose any right to indemnification from the BSA because of the bankruptcy.

The way to try and avoid this outcome is to file a Proof of Claim with the Bankruptcy Court. This puts the Bankruptcy Trustee on notice of a potential claim and allows the Trustee to decide whether the claim will be honored. This needs to be done on or before **5:00 p.m. EST on November 16, 2020**. Importantly, the Conference cannot file Proofs of Claim on behalf of local churches. Instructions for filing a Proof of Claim as well as a sample Proof of Claim are included with this Notice.

The Conference highly recommends that your church consult with a bankruptcy lawyer as soon as possible if the church currently charters a Troop **or has ever chartered a Troop in the past**. If you have a particular lawyer with whom you wish to consult, please do so.

If you do not have counsel readily available, the Conference has engaged the Bradley Firm of Tampa, Florida to assist in the filing of Proofs of Claim. If you wish to work with the Bradley Firm via the Conference, please complete the attached Memorandum of Understanding and return it, via email, to bsa@vaumc.org with the requested information **no later than November 2, 2020**. Local churches may contact the Treasurer’s Office at 804-521-1100, Option 2 with questions.

The Treasurer's Office will be staffed the following times:

- Tuesday, October 27 through Thursday, October 29 until 7:00 p.m.
- Sunday, November 1, from 1:00 p.m. to 5:00 p.m.
- Monday, November 2 until 7:00 p.m.

According to attorneys for the BSA, most of the sexual abuse cases coming up now are related to actions that happened 30+ years ago. It may not matter if the abuse happened in the 1970s, and it may not matter if you think your church has nothing to do with a Troop other than allowing them to use space for meetings. Even if you are currently unaware of any potential claims against the Troop your church charters, you have probably seen commercials from law firms actively seeking clients who have not yet brought up their claims. With all the media attention, a claim could easily pop up tomorrow. Even churches who have been closed or discontinued should file claims.

TIME IS OF THE ESSENCE. If you choose to authorize the Bradley Firm to file a Proof of Claim on your behalf, the attached Memorandum of Understanding and all required information must be **returned to bsa@vaumc.org by 5:00 p.m. on November 2, 2020.** If you choose not to work with the Bradley Firm or a bankruptcy attorney, instructions for filing a Proof of Claim are attached as well.

Again, please note the deadline for filing a Proof of Claims form is **November 16, 2020 at 5:00 p.m. EST.**

This communication is intended solely to provide information to local churches about an important issue. By sharing this information, the conference is not engaged in providing legal advice, and no attorney-client relationship has been created. If your local church determines it needs legal advice on this issue, it should seek the services of a licensed attorney.