

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MINNESOTA**

In re:

The Diocese of New Ulm,

Debtor.

Case No.: 17-30601
Chapter 11 Case

**NOTICE OF HEARING ON CONFIRMATION OF CHAPTER 11 PLAN OF
REORGANIZATION**

PLEASE TAKE NOTICE OF THE FOLLOWING:

I. CHAPTER 11 CASE.

On March 3, 2017, The Diocese of New Ulm filed a voluntary petition for relief under the Bankruptcy Code in the United States Bankruptcy Court for the District of Minnesota.

II APPROVAL OF DISCLOSURE STATEMENT AND VOTING PROCEDURES.

On December 18, 2019, the Diocese and the Committee of Unsecured Creditors filed the Amended Joint Plan of Reorganization. On December 18, 2019, the plan proponents also filed the Amended Disclosure Statement in Support of Amended Chapter 11 Plan of Reorganization. By order dated December 20, 2019, the Bankruptcy Court approved the adequacy of the disclosure statement.

On December 5, 2019, the plan proponents filed a motion seeking approval of solicitation procedures for the plan confirmation process. By order dated December 20, 2019, the Bankruptcy Court granted the relief sought in the procedures motion.

III. HEARING ON CONFIRMATION.

A hearing to consider confirmation of the plan will be held on **March 10, 2020, at 11:00 a.m.** (Central Time) in **Courtroom 305, Brown County Courthouse, 14 South State Street, New Ulm, Minnesota 56073.**

PLEASE BE ADVISED: THE CONFIRMATION HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE PLAN PROPONENTS **WITHOUT FURTHER NOTICE** OTHER THAN BY ANNOUNCEMENT IN OPEN COURT OR BY A NOTICE OF CONTINUANCE FILED WITH THE COURT. THE PLAN MAY BE FURTHER MODIFIED, IF NECESSARY, PRIOR TO, DURING, OR AS A RESULT OF THE CONFIRMATION HEARING, WITHOUT FURTHER NOTICE TO PARTIES IN INTEREST, SUBJECT TO CONTRARY ORDER BY THE COURT.

IV. OBJECTIONS TO CONFIRMATION.

The deadline for filing objections to the plan is **February 19, 2020.** All objections to the relief sought at the confirmation hearing must: (a) comply with Rule 3020-1 of the Local Bankruptcy Rules for the District of Minnesota; (b) be

in writing; (c) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all other case management rules and orders of the Bankruptcy Court; (d) state the name and address of the responding or objecting party and the nature and amount of the claim against or interests in the estates or property of the Diocese; (e) state with particularity the legal and factual basis for the response or objection and, if practicable, a proposed modification that would resolve the objection; and (e) be filed with the Clerk of the Bankruptcy Court, together with a proof of service, so as to be actually received on or before the plan objection deadline.

ONLY THOSE RESPONSES OR OBJECTIONS THAT ARE TIMELY FILED AND SERVED WILL BE CONSIDERED BY THE BANKRUPTCY COURT. OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH ABOVE WILL NOT BE CONSIDERED AND WILL BE DEEMED OVERRULED.

V. ADDITIONAL COPIES OF THE DISCLOSURE STATEMENT AND PLAN.

Additional copies of the disclosure statement, the plan, the order approving the disclosure statement, and additional related materials may be obtained (a) from the Diocese's website at www.hopehealingandpeace-dnu.org/, (b) by writing to the Diocese's counsel at:

Fredrikson & Byron P.A.
Attn: Shataia Stallings
200 South Sixth Street, Suite 4000
Minneapolis, MN 55401

or the committee's counsel at:

Stinson LLP
Attn: Jess Rehbein
50 South Sixth Street, Suite 2600
Minneapolis, MN 55402

(c) by calling the Diocese's counsel at 612-492-7730 or the committee's counsel at 612-335-1831; (d) by emailing the Diocese's counsel at ssallings@fredlaw.com or the committee's counsel at jess.rehbein@stinson.com; (e) by accessing the court's electronic case filing system at www.ecf.mnb.uscourts.gov (a PACER login and password are required to access documents on the court's website and can be obtained through the PACER Service Center at www.pacer.psc.uscourts.gov); and (f) by requesting a copy in person from the Clerk of the United States Bankruptcy Court for the District of Minnesota. If the plan proponents or the plan proponents' counsel receive a request for a paper copy of the documents, the plan proponents will send a copy by U.S. Mail to the requesting party at the plan proponents' expense.

If you are a holder of a claim in a class entitled to vote to accept or reject the plan, an applicable ballot will also be included with this confirmation hearing notice. If you are not entitled to vote on the plan, a ballot will not be included with this confirmation hearing notice. If you have questions regarding the procedures for voting on the plan and/or for objecting to the plan you may contact the plan proponents' counsel at the phone number listed above.

PLEASE NOTE: NEITHER THE STAFF AT THE CLERK'S OFFICE NOR THE PLAN PROPONENTS' COUNSEL CAN GIVE YOU LEGAL ADVICE.

VI. ENTITLEMENT TO VOTE ON THE PLAN.

Only holders of claims in **Class 1**, **Class 2**, and **Class 4** are entitled to vote to accept or reject the plan. Holders of unclassified claims and holders of claims and interests in **Class 3** are not entitled to vote on the plan.

VII. VOTING DEADLINE.

All votes to accept or reject the plan must be actually received by the Clerk of the on **February 19, 2020**. All ballots must be properly executed, completed, and received by the Clerk of the Bankruptcy Court by (a) first class mail, (b) overnight courier, or by (c) personal delivery so that the ballots are actually received by the clerk no later than the voting deadline. Any failure to follow the voting instructions may disqualify your ballot and your vote.

VIII. ALLOWANCE OF CLAIMS FOR VOTING PURPOSES.

Solely for the purposes of voting to accept or reject the plan and not for the purpose of allowance of, or distribution on account of, any claim, except as set forth below, and without prejudice to the rights of the Diocese or the committee in any context, each holder of an impaired class of claims entitled to vote to accept or reject the plan shall be allowed in an amount equal to the amount of the claim as set forth in the Diocese's schedules, subject to the following exceptions:

- (a) Class 1 Claims, Class 2 Claims, and Class 4 Claims shall be temporarily allowed in the amount of \$1.00 solely for voting purposes and not for purposes of allowance, distribution, or classification;
- (b) if a proof of claim has been filed, the amount listed in the proof of claim shall supersede the scheduled claim amount; and
- (c) if the plan proponents have served an objection or request for estimation as to a claim at least 10 days before the voting deadline, the claim shall be temporarily disallowed for voting purposes only and not for purposes of allowance or distribution, except as ordered by the court before the voting deadline.

IX. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Pursuant to Article VII of the plan, the plan proponents seek authority for the Diocese to automatically assume any unassumed executory contracts and unexpired leases as of the Effective Date, pursuant to sections 365 and 1123 of the Bankruptcy Code. The treatment of executory contracts and unexpired leases is more fully described in Article XII of the plan.

X. DISCOVERY.

Unless the parties agree otherwise by written stipulation, Fed. R. Civ. P. 26(a)(1)-(3) and (f) do not apply for the confirmation hearing.

XI. CHANNELING INJUNCTION, SUPPLEMENTAL SETTling INSURER INJUNCTION, AND RELEASES.

Pursuant to Article XIII of the plan, confirmation of the plan will permanently enjoin and bar all claims by any holder of an alleged Survivor Claim against any Settling Insurer and the Protected Parties, including the Diocese and the Parishes, and release the Settling Insurers and the Protected Parties from any further liability relating to (a) any Settling Insurer Policies issued or allegedly issued to the Diocese or the Parishes and (b) Survivor Claims that are asserted, or may be asserted, against the Diocese or the Parishes as part of the Plan. All Survivor Claims, Related Insurance Claims, and Medicare Claims relating to Survivor Claims will be permanently channeled to the Trust created by the Plan, which will solely be responsible for the payment of such Claims.

XII. BINDING NATURE OF THE PLAN.

<p>IF CONFIRMED, THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, HAS FILED A PROOF OF CLAIM IN THE BANKRUPTCY CASE, OR FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR VOTED TO REJECT THE PLAN.</p>
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