

Diocese of Norwich
Office of the Bishop
201 Broadway
Norwich, Connecticut 06360
(860) 887-9294

MOST REVEREND
MICHAEL R. COTE, D.D.

July 15, 2021

My dear brothers and sisters in Christ,

It is with a heavy heart, and out of deep concern for the Diocese and you the faithful, that I regrettably share with you the following information, which is probably the most important news that I have had to deliver in my 18 years as the shepherd of the Diocese of Norwich.

On July 15th, the Diocese of Norwich filed a voluntary petition for bankruptcy and reorganization under Chapter 11 of the U.S. Bankruptcy Code. The decision to file for bankruptcy relief was difficult and only taken after two years of careful deliberation and prayer.

With nearly 60 lawsuits filed against the Diocese relating to abuse alleged to have occurred at the Mount Saint John School – a former ministry of the Diocese and residential school in Deep River to which students were sent, tuitions paid, and annual audits performed by the State of Connecticut – it became clear that the Diocese could not continue to carry out its spiritual, charitable, and educational missions while also bearing the potential costs of litigation associated with these cases.

By filing for bankruptcy relief, the Diocese is seeking to ensure a fair and equitable outcome for everyone involved. That is because the bankruptcy court will centralize all litigation and oversee a settlement that ensures that all survivors are included and treated fairly. Individual private litigation could deplete the Diocese's funds with the first case, leaving other survivors without any possibility of compensation.

Ours is not the first Diocese to experience a reorganization. Our advisors tell me that more than 30 diocesan, archdiocesan, and religious institutions, both large and small have had to take this action in order to fairly compensate victims of abuse while also continuing to carry out the spiritual, charitable, and educational mission of the Church.

While seeking to restructure, Diocesan operations and ministries will continue without interruption. We have worked closely with legal and financial advisors to plan for payment of all post-bankruptcy financial obligations, and to fund normal operations and services during this restructuring process. All employees will continue to be paid their normal wages. Benefit programs will also continue, uninterrupted. Our vendors will be paid for all goods and services and ordinary operations will continue.

We know that most people experience the life of the Church through their parish, so it is important to note that the good work of our parishes and Catholic schools will continue. Because the parishes, schools, and cemeteries within the geographic area of the Diocese are separate legal entities, they are not included in the Diocese's Chapter 11 filing, although because of its bankruptcy filing, the Diocese will presently have fewer financial resources to help schools and parishes.

The practice of our Catholic faith and administration of the Sacraments will not be affected by this legal filing. However, the Diocese will certainly need to prioritize the charitable missions that are essential to our Diocese and parishioners – the work of the Church must continue.

If we can reach a settlement with those persons suing the Diocese, any settlement will be determined based on the assets of the Diocese. Your weekly and monthly offertory gift to your parish will continue to be used to fund your individual parish. Our financial and legal advisors are maximizing the availability of insurance coverage, real estate assets and investment proceeds. It is important to note that in bankruptcy, all assets of the Diocese are part of the court record and therefore publicly available and the process is completely transparent. All public information relating to the filing can be found on a dedicated Chapter 11 website, which can be found by clicking on the Chapter 11 icon found on the diocesan website at www.NorwichDiocese.org.

For the Diocese, fair and equitable treatment for survivors of sexual abuse has always been a priority. That is why we created the Office for Safe Environments, instituted mandatory Abuse Prevention Training programs, published the identities of clergy against whom there are allegations of substance, and continue to provide victim assistance. The Diocese has also settled other abuse claims over the years which has greatly depleted our financial assets leaving us with fewer resources and coverage to be able to defend or settle abuse cases.

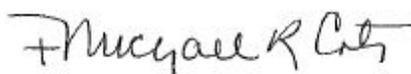
Over the past two years, our financial and legal advisors have studied our situation and concluded that a Chapter 11 filing was the only way to ensure an equitable settlement for abuse survivors, help us manage litigation expenses, and carry out our essential mission and ministries.

We will work diligently with all survivors, creditors, and ministries to maintain open communication while we work toward a settlement and a restructuring plan that includes a comprehensive resolution for survivors.

As we pursue our restructuring efforts, and work to resolve the claims of victims of abuse, I ask every Catholic in our Diocese to embrace the power of the Cross of Jesus Christ and His Divine Mercy, to help others carry their crosses, especially survivors of sexual abuse. All of us, as members of the faithful, are called to find strength in the Word of God and the Sacraments as well as to live Christ's spirit of humility, charity, compassion, sensitivity, and courage.

I am praying for all of you and your families and particularly for the survivors of sexual abuse. I also pray that the Diocese can emerge from this bankruptcy proceeding stronger, having resolved these issues with dignity, fairness, and compassion for all those who have suffered, and that this process can be a significant step towards healing.

Sincerely yours in Christ,

A handwritten signature in black ink, appearing to read "Michael R. Coakley". The signature is written in a cursive, slightly slanted style.

Bishop of Norwich