

## Boy Scouts of America Bankruptcy

### Frequently Asked Questions and Answers

- Q. Does filing a Proof of Claim protect the local church from future legal liability related to the class action lawsuit against the Boy Scouts of America?
- A. We cannot say that filing a Proof of Claim protects anyone from future legal liability. The Proof of Claim tells the trustee in bankruptcy that the local church has a potential claim against the BSA should the local church be sued along with the BSA. If there is a future judgment against the BSA and the local church, the local church is filing this Proof of Claim to alert the BSA it may seek money from the BSA to pay for any judgment against the local church.
- Q. If a church hires a law firm separately, is there help for the legal fees or is the local church on its own?
- A. The local church is responsible for fees should it choose to retain an attorney separately.
- Q. Even if there is not a current troop, if a local church has ever had a troop should it file?
- A. Yes, if a local church has ever been involved in a charter at any point with the Boy Scouts of America, it should file a Proof of Claim.
- Q. Why do we have a relatively short time to respond?
- A. It has only recently been clarified that Chartering Organizations have potential standing in the BSA bankruptcy proceedings and should file a Proof of Claim to protect their interests before the Bar Date on November 16, 2020. The Bar Date means just that. If you fail to file a Proof of Claim by November 16, 2020, you will be barred from ever filing one (absent extraordinary circumstances).
- Q. What happens if a local church doesn't file a Proof of Claim?
- A. If a Proof of Claim **is not filed by November 16, 2020** and an abuse claim is brought against the Boy Scouts and the local church, the local church may be without any financial recourse against the Boy Scouts and will be responsible for any judgment against it. The Boy Scouts have elected to keep the chartering agreements in place, and those agreements continue to include indemnity language, but that may be a litigated (disputed) matter. Filing a Proof of Claim is a prudent action to take.
- Q. Does my church need to notify any others associated with our chartered Boy Scout troop who may be affected by BSA's bankruptcy?

- A. No. Notification of potential victims and affected others is the responsibility of BSA. If this somehow changes you will be notified via another e-mail communication from the Conference. If the local church believes there are other legal issues, the local church needs to hire counsel.