

Stinson Attorneys Bring Millions into Bankruptcy of Archdiocese of Agaña in Groundbreaking Decision

Press Release

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Stinson LLP attorneys, [Edwin Caldie](#) and [Drew Glasnovich](#), represented the Official Committee of Unsecured Creditors in the Chapter 11 bankruptcy of the Archbishop of Agaña, a corporation sole, in a case involving the Archdiocese of Agaña, 33 of its parishes and schools, and more than 280 survivors of clergy sexual assault.

On the last day of the seven-day trial, the Hon. Frances Tydingco-Gatewood, chief judge for the District Court for the District of Guam, in announcing her judgment in favor of the Committee rejected the Archdiocese's contention that its parishes and schools were not part of the bankruptcy estate. The court found that 100 lots of real property, 70 cars, and dozens of bank accounts were property of the Archdiocese's bankruptcy estate and available to pay the survivors.

Even though all of the disputed assets were titled in the name of the Archdiocese, the Archdiocese argued that these disputed assets were held in a resulting trust for the benefit of the parishes and schools. In rejecting the Archdiocese's defense, Chief Judge Tydingco-Gatewood found that the Archdiocese had not proven that each item of disputed property was intended to be owned exclusively for the parishes and schools to the exclusion of the Archdiocese. With a judgment entered in favor of the Committee, Stinson partner [Robert Kugler](#), along with trial team Caldie and Glasnovich will pursue a plan that allows the Archdiocese, including its parishes and schools, to reorganize through a reasonable and fair settlement for survivors.

Following the Archbishop on the witness stand plea for forgiveness, the Committee's chairperson, Leo Tudela, testified and explained how the abuse perpetrated against him in the late 1950's shattered his dream of becoming a priest and affected his Catholic faith. The parties and the judge agreed that the trial was painful, but a necessary time of healing, and that it created hope for future atonement and

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reconciliation.

Since 2015, Stinson's Bankruptcy and Creditors' Rights attorneys have led the nation in the representation of committees of unsecured creditors consisting of the survivors of sexual abuse. They understand all dimensions of insolvency issues, whether in bankruptcy cases and adversary proceedings, state court receiverships, or out-of-court restructurings. Additionally, the attorneys within this practice group have considerable experience representing the full range of parties, including secured and unsecured creditors, landlords and tenants, official and ad hoc committees, asset purchasers and lenders, as well as trustees and other estate representatives.

Caldie plays a leading role in the representation of survivors of sexual abuse as well as a variety of large and often groundbreaking bankruptcy cases, representing a range of clients in Chapter 11 cases, workouts, civil lawsuits and commercial disputes.

Kugler is a leader in the representation of survivors of sexual abuse in enforcing their claims in bankruptcy, securing the largest ever recovery in a Catholic diocese bankruptcy in the Archdiocese of St. Paul and Minneapolis case.

Glasnovich has served as counsel to creditors' committees in multiple diocesan bankruptcy cases as well and is rapidly becoming a critical member of Stinson's team.

CONTACTS

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