



UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF VERMONT

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In re:

Roman Catholic Diocese of Burlington,  
Vermont,

Case No.: Case No.: 24-10205-HZC  
Chapter 11 Case



Debtor.

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**INTERIM ORDER (I) AUTHORIZING THE CONTINUED MAINTENANCE OF THE  
DEBTOR'S INSURANCE PROGRAM AND (II) AUTHORIZING PAYMENT OF  
PREPETITION OBLIGATIONS IN RESPECT THEREOF**

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This matter comes before the Court on Debtor's Emergency Motion for an Order (I) Authorizing the Continued Maintenance of the Debtor's Insurance Program and (II) Authorizing Payment of Prepetition Obligations in Respect Thereof (doc. #7) (the "Motion"), the Affidavit of Bishop John J. McDermott (doc. # 13), and the statements of counsel and evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"). The Court finds that (i) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) due and proper notice of the Motion was provided to the Notice Parties pursuant to Local Bankruptcy Rule 9013-3; (v) notice of the Motion and the Hearing was sufficient under the circumstances; and (vi) there is good cause to waive the 14-day stay imposed by Bankruptcy Rule 6004(h) to the extent it is applicable. After due consideration, the Court finds that the relief, on an interim basis, as requested in the Motion is in the best interests of the Debtor, its estate, and its creditors and is necessary to prevent immediate and irreparable harm to the Debtor and its estate. Therefore, for good cause shown, **IT IS HEREBY ORDERED THAT:**



1. The Diocese's Motion is **GRANTED** on an interim basis as set forth in this Order.
2. The final hearing (the "Final Hearing") to consider entry of the Final Order on the Motion is scheduled for November 26, 2024 at 10:30 a.m. (prevailing Eastern time) before this Court at the following location: Federal Building, 11 Elmwood Avenue, Burlington, Vermont 05401.
3. The Diocese's request for emergency relief is granted.
4. The Diocese is authorized to maintain its self-insurance program on an interim basis until the Final Hearing on the Motion (the "Interim Period").
5. The Diocese is authorized to pay from the self-insurance fund all premiums and administrative expenses payable under the self-insurance program, whether incurred prepetition or postpetition, that are payable during the Interim Period.
6. The Diocese is authorized to pay from the self-insurance fund all claims against any additional insured, whether incurred prepetition or postpetition, that are payable during the Interim Period.
7. For the avoidance of doubt, the Diocese is not authorized to pay from the self-insurance fund any insurance claim or deductible that relates to a prepetition claim against the Debtor.
8. All applicable banks and other financial institutions are authorized on an interim basis, when requested by the Debtor, to receive, process, honor, and pay all checks, drafts, wires, check transfer requests or automated clearing house transfers evidencing amounts paid by the Diocese pursuant to this Order whether presented prior to or after September 30, 2024 to the extent the Diocese has sufficient funds in the relevant account. Such banks and financial institutions are authorized to rely on the representations of the Diocese as to which checks are issued or authorized



to be paid pursuant to this Order without any duty of further inquiry and without liability for following the debtor's instructions.

9. The Diocese is authorized to take any and all actions necessary to implement the provisions of this Order.

10. To the extent Fed. R. Bankr. P. 6004(h) applies, this Order is deemed effective and immediately enforceable upon its entry.

11. On or before October 11, 2024, the Debtor shall serve, by United States mail, first-class postage prepaid, notice of the entry of this Interim Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Interim Order and the Motion, on: (a) the parties having been given notice of the Interim Hearing, (b) any party which has filed prior to such date a request for notices with this Court, and (c) the 20 largest unsecured creditors in this chapter 11 case or counsel for the official committee of unsecured creditors (the "Committee"), if one has been appointed. The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed Final Order shall file written objections with the Clerk of Court no later than November 19, 2024, which objections shall be served to be received on or before such date by: (a) proposed counsel to the Debtor, Fredrikson & Byron, P.A., Attn: James L. Ballie, Steven R. Kinsella, Samuel M. Andre, Katherine A. Nixon, 60 South Sixth Street, Suite 1500, Minneapolis, MN 55402-4400; proposed co-counsel to the Debtor, Obuchowski Law Office, Attn: Raymond J. Obuchowski, 1542 Route 107, PO Box 60, Bethel, VT 05032; (c) the Office of the United States Trustee, Attn: Lisa M. Penpraze, [lisa.penpraze@usdoj.gov](mailto:lisa.penpraze@usdoj.gov); and (d) counsel for the Committee, if one has been appointed.



12. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

October 7, 2024  
Burlington, Vermont

  
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Heather Z. Cooper  
United States Bankruptcy Judge