

CERTIFIED TRANSCRIPT

**BOY SCOUTS OF AMERICA
OFFICIAL TORT CLAIMANTS COMMITTEE TOWN HALL
OCTOBER 14, 2021**



Court Reporting • Video

310.230.9700 • els@elitigationervices.com
www.elitigationervices.com

1 **HUMPHREY:** Hey, folks, I know a bunch of you are joining. We're gonna do the same
2 ritual. We're gonna wait until 7:05 or 7:04 and a half, and we'll just be muted and staring at you
3 for the next five minutes. So grab a Coke, or a drink, or an adult beverage, 'cause you've noticed
4 that we've changed our background. So we'll be back here in about five minutes to get started.
5 For those of you who are jumping on the call, we typically wait until about five minutes after the
6 hour to get started to give everybody a chance to get on, so we'll be doing that tonight as well. If
7 you're just jumping on, we have a couple more minutes. I have 7:03 by my watch, and we're
8 gonna start here in about a minute or two.

9 Okay. Why don't we go ahead and get started? Welcome, everybody. I know folks are still
10 joining. I see the ticker sort of still ticking up, so I'll sort of go a little bit slower in the
11 introduction. I'm sorry if you're seeing my checkered shirt all blurry. It's--I'll have to wear solid
12 colors like my colleague, Doug Kennedy. He's sporting his Steve Job--his best Steve Jobs look.
13 And we'd like to welcome you all to the Tort Claimants Committee weekly Town Hall. I'd also
14 like to introduce Jim Stang and John Lucas, who you've come to know over the last year and a
15 half, and Deb Grassgreen, who's behind the scenes making it all happen. And then we have
16 Steve and Malhar, who are gonna help us answer the questions. So the Q&A is open. You can
17 see that we've already had a little over 20 questions.

18 I would like to really welcome the folks that are joining for the first time tonight. We seem to be
19 getting more and more interest in what the TCC is doing and why. And you can always go to
20 tccbsa.com for the recording and the transcript of this Town Hall, and then we put lots and lots of
21 information that's up there. We're gonna be doing these every Thursday until we tell you
22 otherwise. And then if you have questions, specific questions, you can do
23 bsasurvivors@pszjlaw.com. So Doug, you want to take us through what we're gonna try to cover
24 tonight?

25 **KENNEDY:** Yeah. Good evening, everyone. And I just want to reiterate that if this is your first
26 time, we do have questions and answers, and we have a couple of attorneys that are handling

1 those. But please remember, they can't address specific issues related to your case. They can deal
2 with sort of the high-level bankruptcy issues, but please consult your attorney, if you have one,
3 for individual questions.

4 But we're gonna talk tonight about youth protection and elimination of abuse, and why we
5 believe that the current plan doesn't do enough to address it. We're gonna talk a little bit about
6 statute of limitations. We're gonna spend time talking about voting, because the ballots are on
7 their way out. Also, we're going to continue to have our Town Hall meetings every Thursday, so
8 we'll send out notices, and we'll post notices. And we really want you to pay attention to the
9 website tccbsa.com where all this information--tonight's webinar will be posted there, so you
10 don't need to furiously scribble things down. You can go back and look at that video after it's
11 posted, as well as a transcript, and all the Town Halls are posted there as well.

12 So tonight's a big night for us, because we are gonna be talking about voting. And we're gonna
13 be talking tonight specifically about some more reasons why we can now say, because the ballots
14 are going out, that the Tort Claimants Committee believes and wants survivors everywhere to
15 vote to reject this plan.

16 **HUMPHREY:** Yeah, so if you remember last week we told you that the bankruptcy rule
17 prohibits us from soliciting any votes, and so we followed that to a tee. We told you what our
18 personal preferences are, and now you'll notice that Doug and I have on our TCC backgrounds
19 the "Vote no or reject." And so we're gonna go through a little bit of why we think that is. But
20 each one of these Town Halls going forward is gonna have a very specific topic.

21 So I don't know how many of you saw the press conference of the former director of youth
22 protection, but it was timely because one of our hot buttons is keeping scouts safe. And we're
23 gonna talk about that first, and then we're gonna turn it over to John and Jim to talk about
24 statutes of limitations. And we're not gonna talk about everything in the plan. We're just gonna
25 focus on those two topics and how to vote. So with that, Doug, why don't you take the first half
26 of the youth protection issue and address that specifically?

1 **KENNEDY:** Sure, John. And as John said, we just want to go through the high level on this,
2 why we just don't think it's enough for this plan. For those of you who have never heard this,
3 and a little bit of a trigger warning here, I have to tell you that I'm a survivor. I was abused in
4 1977. For years I was groomed by my abuser, and then I was brutally raped on multiple
5 occasions. And after that my abuser continued to torment me, and knew that he could use his
6 power over me to keep from saying anything. So my story is like probably most of yours in one
7 way or another. But I have to tell you too that since then I've had not so bad days, and I've had
8 bad days, but to be honest with you, today's one of the bad days.
9 Today was not an easy day, and I think it wasn't easy because of the press conference yesterday,
10 and it's never easy when I'm thinking about these Town Halls. But what we keep on coming
11 back to on the TCC is we want to eliminate these bad days. We want to let you know why we
12 think the Boy Scouts is not doing enough in these plans to protect our youth. We want you to
13 reject this plan, because we want to eliminate what happened to us.
14 So yesterday the former director of youth protection of the Boy Scouts, former director, no
15 longer employed by them, he spoke. And part of his press conference was his call to Congress to
16 look into and investigate the Boy Scouts to figure out what's going on. And his words yesterday
17 was, "No child is safe in scout BSA programs. The institution as it stands today continues to be a
18 high-risk organization for child sexual abuse due to the accessibility and opportunity the program
19 presents to a range of sex offenders." Again, this is the former director of youth protection.
20 After the meeting I had the opportunity to talk to him, and I asked him point blank, "Would you
21 put your children in scouting today?" And he said, "No." So with that in mind, the Tort
22 Claimants Committee is looking for a plan that is going to address the problem head on and
23 eliminate it.
24 So when we look at the plan, we try and summarize it, and the things that I want to leave you
25 with are three main points to this plan. The first point: It relies on a committee that will consult
26 with an outside agency the Boy Scouts selects. So it's a little bit like the wolf guarding the sheep,

1 right? So this is a committee that the Boy Scouts are gonna say, “This is the experts that you’re
2 going to be consulting with.” The committee is gonna have no experts, only the child abuse
3 prevention entity appointed to it.

4 The second thing is it mentions that the committee is going to be in place for three years. Three
5 years. Then what? There’s been decades of abuse. In three years this problem’s gonna be
6 magically solved? And no guarantee what happens after the three years. Maybe we go back into
7 the secrets business.

8 And the third thing is there is no mention in the plan of guaranteed annual reporting. The Boy
9 Scouts reminds us all the time they have a charter from the Congress. Well, you know what?
10 Maybe it’s time Congress says, “We want to have your rates of abuse and your progress on this
11 reported to us. We want to know how safe our children are.”

12 So what do we have? We have the start of a committee that might recommend some changes, an
13 unknown outside entity the Boy Scouts is gonna choose, but the Boy Scouts are completely in
14 control of this process.

15 What happened to us is horrible. The BSA still isn’t taking it seriously. How could they, when
16 adults without any background screening can still be on trips with scouts for three days? That’s
17 right. They have a 72-hour policy. You can go on a scouting trip without any background check.
18 How can that be? How are they taking this seriously? This is the best they can do after 18
19 months in bankruptcy, after 82,000 claims against them? And this is after 10 months since their
20 director of youth protection was let go, and they still haven’t hired a replacement.

21 So listen, I wanted to be fair. I like to do my background on all of this. So last night I took the
22 youth protection training. It’s an online training. Anybody can go to it right now and sign up.

23 And I sat there last night, and I took the training, and just a couple of things I want to share with
24 you guys. And let’s keep in mind now that the Boy Scouts continue to hold this out to be an
25 incredible training.

26 Here’s the first thing. It takes 72 minutes. That’s not my time. That’s what the Boy Scouts says

1 that it takes. It says right on there it's gonna take 72 minutes long. Seventy-two minutes, and
2 adults are required to take it once every two years. So that breaks down to a little over a half an
3 hour a year that they think is fair for adults to be trained in youth protection. I don't know about
4 you, but I think I'm worth a whole lot more and my kids are worth a whole lot more than on
5 average about a half an hour a year.

6 But as I was taking it, within the first few minutes they had an expert on there. His name was
7 Victor Vieth, and I'm probably getting his name wrong, but he said--on this training Victor Vieth
8 said, "Most people won't report when they suspect abuse." That's right. The BSA's own
9 training, and an expert on it, says most people won't report what happened to us. And then I'm
10 thinking why is this name familiar, Victor Vieth? And then I remember he was standing next to
11 Michael Johnson, the former director of youth protection for the Boy Scouts. He was standing
12 next to him yesterday. And in this press conference what he said was he said, "Mike, it was a
13 good day when the Scouts hired you, and now the Scouts is headed in another direction." Their
14 own expert on their youth protection training said yesterday now the Scouts is headed in the
15 wrong direction. I could go on, but the bottom line here is that the committed that's going to be
16 created as part of this plan we don't believe is going to change things. And it's a reason why we
17 should obje--why we need to reject this.

18 And as I sat there taking this training yesterday, I also want you to know one other thing. The
19 training is made up of a series of modules, and you're not allowed to take the final exam to be
20 certified in youth training. It's a whopping 25 questions to show that I now am trained in youth
21 protection. You can't take the final exam until you take all the other modules. Well, guess what?
22 Yesterday I took the training, and by accident I managed to skip one of the modules, and you
23 probably can't see this, but I was allowed to take the final exam without completing the whole
24 course, and I passed it. So the Boy Scouts own training allows people to just take a 25 question
25 multiple-choice exam without sitting through all of it. There's no way that we can accept a plan
26 that's so weak that relies on things like this.

1 **HUMPHREY:** Thanks. Thanks, Doug. And you know, we know sexual predators are
2 highly intelligent. That's why we call them predators. You know, just to remind you why we're
3 voting against this, you know, the plan that you're being asked to vote on is the recipe for the
4 Boy Scouts to come out of bankruptcy and never face another claim from a historical sexual
5 abuse issue. And so if it doesn't say it in this document, they don't have to do it. And--

6 **KENNEDY:** Yeah, John, and let me mention something that's really critical to this that the
7 TCC has been demanding from the beginning, and we're gonna continue to demand, and that is
8 not only third party intervention and oversight of the Boy Scouts, but also public reporting. And
9 we're gonna request public reporting to Congress, as part of them keeping their charter on an
10 annual basis, so the public knows exactly whether or not abuse is being eliminated in the Boy
11 Scouts.

12 **HUMPHREY:** Yeah, I mean, you guys have heard me tell my story, but I was abused
13 between 1973 and really late '72 and '74, at the peak of when most of the abuse was taking
14 place. And my abuser had unfettered access to me for three years, probably over 200 times. You
15 name it, he did it. And, you know, we've got this topic of the I.V. files, and I just want to read to
16 you this couple of words of the first sentence: "The BSA will propose, and the child protection
17 committee will consider, a protocol." So once again, no hard, fast rules on how to handle the
18 ineligible volunteer files, how they get reviewed, what independent body is taking a look at
19 them. You know, we've been asking for discovery on these files for 19 months, and they haven't
20 been produced. And it's just one, you know, obfuscation after another.

21 And when I think about my job on the TCC, it's to protect the current and next generation of
22 scouts. If you look at the data, there's over 18,000 claims of the 82,000 claims that happened
23 after youth protection was in place. That's 22%, folks. That's pretty bad. And so the reason we
24 put this on the top of the list is because you told us in many cases, "This is more important than
25 the money." Now, the money is important, but we're gonna make a big deal out of this, and it's
26 the big reason that we'd like you to vote no. So with that, I'd like to turn it over to Jim and John

1 Lucas to talk about statutes of limitations. You're still muted, Jim.

2 **STANG:** John, before--John Lucas, before we start, I was looking at the Q&A, and I saw a
3 comment there that I've seen before and that I've seen in some emails. And the comment was
4 that, "Our lawyers are telling us that the TCC is not being straight with us." And that we're not
5 being accurate in the information that we're giving out.

6 So just to remind everyone, John Humphrey, Doug Kennedy, and the seven other men that are on
7 the committee, are volunteers. They have volunteered their time to this cause for the last year and
8 a half. They have not received a penny in compensation for their work, and they will not receive
9 a penny in compensation for their work. Both of--I think we may have wanted two retirees on the
10 committee. These nine men have spent literally hundreds and hundreds of hours in meetings and
11 in time looking over documents and analyses that we have provided to them. So the suggestion
12 that these nine guys are not giving accurate information, they have no financial incentive to spin
13 this one way or another.

14 As to me and my firm, I have been practicing law for 30 years. I've never been the subject of a
15 disciplinary complaint, much less a disciplinary proceeding. But most lawyers haven't, which is
16 a good thing. I have been representing creditors committees in sexual abuse cases since 2004.
17 This--approximately 20. It might be 19. You don't get called upon by lawyers specializing in
18 sexual abuse cases 19 times because you're untruthful, or because you spin it one way or
19 another.

20 So y'all are watching us. We've got over 1100 people on tonight's program. Regularly we were
21 having 500 to 600 people. Y'all can evaluate whether we're being straight with you. Some of
22 you have received responses to the questions you've directed at us. Everyone who's posed
23 questions are getting responses regularly. You decide whether we're being straight or not. And
24 so I just needed to say that, because my reputation is important, but more importantly, your
25 confidence in the information that you're getting is critical to you being making an informed
26 decision. So we can go to the substance now, John, if you like.

1 **LUCAS:** And wait. One thing I just wanted to add, or actually correct, Jim's credentials.
2 Jim's been doing this for 41 years, not 30 years. He misspoke. And so I think it's important,
3 because he's got a good amount of time under his belt doing this, and more than I have. And I'm
4 proud to be his partner, and working side-by-side and helping to advance the cause for the TCC.

5 **KENNEDY:** Yeah, and I just want to say, on behalf of John and the rest of the TCC, everyone
6 out there needs to know wh--John and I speak daily. We speak with members of the rest of the
7 TCC. We meet all the time. Gang, this is our life right now, like it is yours. And whatever
8 happens, we need to be able to sleep at night, and we can't let any of you down. We just can't,
9 period. And it's as Jim said. The only way we're going to get anything out of this is if you do,
10 and--because we're survivors too. And this is probably gonna go down for John and--I think I
11 can speak for John--as the single most important thing, other than raising kids, we're ever gonna
12 do in our lives.

13 **STANG:** All right. John, let's go to the mundane issue of statute of limitations.

14 **LUCAS:** Yeah, so Debra, could you please put that document on the screen?

15 **STANG:** Okay. There we go.

16 **LUCAS:** Okay. Again, my name is John Lucas, and I'm going to talk about the proposed
17 statute of limitation scaling factors that you'll find in the plan. We're discussing it tonight
18 because it's probably in the past few Town Halls, and in the questions that we're receiving
19 tonight it is, like, the number one question. People are trying to understand what is this? How
20 does it apply to me? How does it work? Where can I get more information?
21 And so one thing that I will say right off the bat is that we're not gonna be able to answer
22 everybody's questions with respect to statute of limitations scaling factors. While there's a law
23 for a particular state or other location, or a territory, it's really driven by the facts of your case.
24 When were you born? When were you abused? And when did you sort of find out? And it's
25 very, very, very fact determinant. But there are some sort of bright line type contours that we can
26 try to describe to you to let you know sort of where they are.

1 So what is a statute of limitation? So it's the amount of time in our--in the case with respect to
2 sexual abuse when you're under 18, that occurs after the time you become 18 years old, and to
3 the point where the claim that you have is no longer enforceable. And so if we were to sort of
4 make this like a contract, and you were to enter into a contract with somebody, and the contract
5 was breached by the other side, there will be a period of time that you have after the contract is
6 broken that you have to go and sue the other person. And if you don't do it within that time, the--
7 and then you do do it after the time, the person has a defense. And they'll say, "Hey, you were
8 too late. You waited too long, and your claim is not enforceable anymore."

9 And so obviously all of you were abused when you were minors, and so that time period does
10 not begin to run or elapse until you turn 18. And then in other situations it sometimes doesn't
11 even begin to run until you recognize, or you should have recognized, that you were injured by
12 the abuse that you suffered when you were a kid.

13 So it's different in almost every location here, every state, or rather, territory in the country, but
14 there are some states and territories or locations where there is no statute. For example, in Maine
15 and in Guam they abolished the statute, and those are considered, if you can see the chart there,
16 what we call open states. There are other states, like Arizona, and California, and North Carolina,
17 and Arkansas and Louisiana, and a handful of others, that have created windows by the
18 legislatures in the state. And what they said was there will be a one-year period, or a two- or a
19 three-year period, where the old claims that were non enforceable anymore are revived, and you
20 have a chance to enforce them again. And those windows open, and then they close. And so for
21 all the states that are listed there in the open category, if the abuse occurred in one of those states,
22 and you filed your claim before the bar date in the Boy Scouts case, then you have an
23 enforceable claim against the Boy Scouts.

24 And so as I said just a minute ago, it's not possible for us to tell you definitively whether or not
25 your statute has expired or passed, or whether or not your claim is enforceable today, because it
26 will be different for everybody. Because it depends upon the facts of your case, you know, unless

1 your claim arose in an open state, and then if you filed your claim by the bar date, you have a—
2 sort of a very good idea of where your claim stands.

3 But the next thing is--

4 **STANG:** John, can I just--

5 **LUCAS:** Yeah.

6 **STANG:** --interrupt for a moment?

7 **LUCAS:** Yeah, yeah.

8 **STANG:** As you said, windows open, windows close. So we have under open, New York. So
9 the New York statute of limitations window closed--

10 **LUCAS:** August 13th of 2021.

11 **STANG:** Thank you. So if you did not sue your local council by that date, and you wanted to
12 sue that local council today, you can always consult your attorney, but I think the general rule
13 would be you can't do that successfully. The window is still open in New Jersey, though I think
14 it's closing very soon. In California I believe there's at least another year left. And so I would
15 say to people who are in jurisdictions where the window is still open, and you should consult
16 with an attorney regarding this, not us, you need to consult an attorney who specializes in these
17 kinds of claims, whether you still have the opportunity to sue someone other than the Boy
18 Scouts. Because the Boy Scouts can't be sued, by virtue of the fact they're in bankruptcy. But
19 there are other entities that may be responsible for the abuse you suffered, so go talk to a lawyer.
20 And if you have the opportunity to still file a claim within the statute of limitations, you and that
21 lawyer will make a decision, you and your lawyer, not necessarily the first one you talk to. But
22 you and your--and an attorney can make the decision of whether you want to proceed. But I just
23 want to make clear that for people who still want to enforce their rights against third parties, this
24 list of states that we have under open, some of them have closed. But if you filed your claim in
25 the Boy Scout case, these states would have--would not have a statute of limitations bar.

26 **LUCAS:** Yeah, and Jim, I want to sort of clarify something you said, and I'm gonna use

1 California as an example. The window in California goes all through the end of next year, so
2 through December of 2022. And so some people might be saying, “Well, I might need--I need to
3 go file my case today.” And it would--I would not be surprised if your counsel came back to you
4 and said, “Hey, hold your horses. I don’t necessarily need to file my action today, because, you
5 know, we don’t know exactly what’s going to happen with the Boy Scout case. It costs money
6 and other expenses and other resources to file your claim, and I think that you need to sort of
7 take a step back.” And for places like California, where you have sufficient time, and not waste
8 money or time of filing the action.

9 We’ve received many questions from attorneys representing survivors making that point, and
10 just wanting us to understand that, hey, California might be a little bit different because, you
11 know, there’s a year and three months, or two months or so, before that time period expires. New
12 Jersey is another question, because it’s going to expire later this month. And North Carolina is
13 another question. It expires at the end of this year. And so I wanted to at least temper or sort of
14 qualify it like that.

15 **STANG:** Thank you, John.

16 **LUCAS:** Yeah. So which statute do I use? You use the statute of the state or territory or other
17 location in which you were abused. And so the law of the state or location in which you were
18 abused controls, not where you live now. And so somebody will say, “I live in Michigan now,
19 but I was abused when I lived in Texas.” It’s Texas is the one, Texas’ statute, the one that
20 governs. I was abused in California, but now I live in Colorado. It’s California. That’s one of the
21 questions that we get all the time.

22 And so where do you find the statute of limitation information?

23 **STANG:** John, I’m sorry. I need to--

24 **LUCAS:** Yeah.

25 **STANG:** --interrupt for just a second. I’d seen some questions from time to time about, “I
26 was--my parents were military. I was involved with a troop that was related to the army or the

1 military branch of service. Which applies?” This is really why you need to go talk to a lawyer.
2 Someone gave an example of they were abused in the Panama Canal zone, when there was a
3 Panama Canal zone, and now there isn’t. It was turned back over to Panama. You need to talk to
4 a lawyer about this. This gets a little complicated. Is it the law of the--of France, or England, or
5 wherever the Boy Scout troop may have been that was related to Boy Scouts of America? Is it a
6 militar--is there a federal statute of limitations? Please consult with a lawyer if you have
7 questions about jurisdictions or places that don’t show up on the chart. Sorry, John.

8 **LUCAS:** No, no. Thanks, Jim. And so where do you find out more information about the
9 statute of limitations? So first, I mean, as we said before, you should consult an attorney if you
10 have one. Second, if you go to our website www.tccbsa.com, near the bottom of the page there’s
11 a link to BSA’s modified fifth plan of reorganization, which has a docket number of 6443. The
12 plan is the document that the BSA wants the court to approve, and it outlines how survivors and
13 other creditors are going to be paid. Exhibit A to that document is what’s called the Trust
14 Distribution Procedures, and so there are pages at the bottom of the document that run
15 consecutively with the plan, and then they start over with Exhibit A at the Trust Distribution
16 Procedures. But it’s an easy way to sort of find it if you just use the PDF page numbers, and the
17 Trust Distribution Procedures starts at page 135. And that document is--are the procedures of
18 how claims are going to be evaluated and paid. And the scaling factors, and the statute of
19 limitations is just one of the scaling factors, that discussion begins at page 13 of that document,
20 or PDF page 148. And it will go through a various of all the things about what will increase the
21 amount of your claim or decrease the amount of your claim, depending upon the information that
22 you have about your claim, and the facts and circumstances to support your claim.
23 And then finally, the last two pages of the Trust Distribution Procedures there’s a chart that’s
24 similar to the one here at the top of this page at PDF page 164 that outlines which states are the
25 open states, the gray 1, the gray 2, gray 3, and the closed. And I’m gonna just--here before I
26 close on this topic I’m gonna go back up to the top. And people are going to say, “Well, what

1 does it mean if I have a claim in, let's say, gray 3?"

2 So let's assume that they deter--they decided after everything was all said and done that you had
3 a claim and it was worth \$1,000. I'm just using \$1,000 just as an example. In gray 3--and we'll
4 say it was a claim from Alaska. The trustee would determine what factor you would use within
5 25% to 10% to get to the final value of the claim. And so if, let's say, they decided it was on the
6 low end. That would be that your claim would be--\$1,000 claim would be worth \$100. And if it
7 was on the high end, your \$1,000 claim would be worth \$250. And so that's how the application
8 of those percentages work.

9 **STANG:** I'd like to just make sure everyone understands. We're talking about the value of
10 your claim, not the amount you will be paid on that claim. So people have heard a lot of talk, and
11 we'll get into it, if not in this session, in further sessions, "Well, what percentage of my claim is
12 getting paid?" This is a discount for the face amount of your claim based on the jurisdiction
13 you're in.

14 I'd also like to say that you're seeing ranges. You know, why isn't it a fixed percentage? Why do
15 I have a range? Well, we didn't want to--statutes of limitation are complex. And we and the other
16 plaintiff representatives, including people from the coalition, sat down and said, "Well, we've
17 got to put this in some buckets just to make this workable." And so through discussion with the
18 coalition representatives, the future claims representative, and the Boy Scouts, we came up with
19 these buckets, if you will. And so the Alaska statute is not the same as the Florida statute, and it's
20 not the same as the Michigan one. But they were close enough that we felt they should be in the
21 same category, but different enough that we gave a range to the scaling factors. That's it, John.

22 **LUCAS:** Yeah, and so we will put this document on the www.tcbsa.com website, so that
23 people could peruse. And as always, if you have further questions, we have our email address
24 there where you can email us questions. And we will do our best to try to answer your questions.
25 And I think that's all I have here on the statute of limitations.

26 **HUMPHREY:** Thanks, John. We want to talk about voting and the ballot now?

1 **STANG:** Sure. So Deb, if we could, put up the “How do I vote” slide. Thank you. So there
2 are essentially two ways that your vote is communicated to the court. One way is through the
3 master ballot, and the other way is through an individual ballot. So let’s start with the master
4 ballot.

5 Your solicitation package is probably just going into the mail today. I don’t know when it’s
6 going to be received. Probably a few days. So you haven’t the--unless you got on the website,
7 you haven’t seen this ballot. It’s what, John, almost--over 20 pages?

8 **LUCAS:** The individual ballots are 22 pages.

9 **STANG:** Okay. So in an effort to try to maybe save some trees, the parties decided that
10 people who are represented by attorneys could elect, could decide for themselves, whether they
11 wanted to communicate their vote through their attorney or do it individually. And there was a
12 process that occurred a few months ago, where your attorney was contacted to say, “Do you want
13 to be the vehicle for getting this vote communicated to the court, or is your client going to be the
14 person who communicates it with the court?” And I say court. There’s actually a company,
15 Omni, that’s gonna collect the ballots. But it eventually finds its way to the judge in terms of a
16 report on how the voting came out.

17 So if you are represented by an attorney, and your attorney indicated to Omni and the debtor that
18 your attorney was going to tabulate your vote, then your attorney is getting the solicitation
19 package, and will communicate it to you without a ballot. You’ll get the plan, you’ll get the
20 disclosure statement, you’ll get our letter urging you to vote no, but your package from your
21 attorney will not have a ballot in it. That doesn’t mean you don’t vote. You do vote. But you
22 have to be in touch with your lawyer to tell your lawyer how you want to vote. And then it is up
23 to your lawyer to take an Excel spreadsheet and mark did you vote to accept, did you vote no,
24 did you vote to take the \$3500 distribution? We’ll get to that in a moment. But that’s what you
25 have to communicate to your attorney.

26 A lot of you said, “Don’t communicate with me, BSA. Communicate through my lawyer.” So

1 that's where this master ballot concept came from. But I want you to understand that this does
2 not take away from you your decision making power. Your attorney is simply recording what
3 you want to do. And in fact, the court is requiring that attached to the master ballot that your
4 attorney will be submitting will be a log indicating how the attorney communicated with you, to
5 confirm that there's a trail, if you will, to make sure these votes are accurate, the master ballot is
6 accurate.

7 We urge you to communicate your vote to your attorney in some documented form. Email is
8 fine. Keep a copy of the email, so that you can be sure when the master ballot is produced that
9 the vote reflects what you told your attorney to do.

10 Now, some people may say, "I'm not making this decision. I want my attorney to make the
11 decision." That is different than tabulating the vote. This is, "Attorney Jim, you decide for me
12 whether I should accept or not accept." If you do that, and you're allowed to do that, if you do
13 that, your attorney is going to ask you for something called a power of attorney, which means
14 that you have given the attorney the power to make this decision for you. And that power of
15 attorney has to be attached to the master ballot as well.

16 **LUCAS:** Yeah, and Jim, I think it's important--a power of attorney is an agreement,
17 basically, between the survivor and the attorney, that is written and signed by the survivor. You
18 can't just say, "Okay," in an email, or have the attorney send you an email saying something
19 like, "I'm gonna have--vote yes unless I hear otherwise from you." You need to have signed
20 something giving that power to the attorney.

21 **STANG:** Right. Now, we have heard from some people, some attorneys, they're using
22 powers of attorney even in this role of simply tabulating the vote. We're not trying to get in
23 between you and your lawyer. We're not telling you to tear up a power of attorney that you may
24 have already executed. We just want you to know that when it's a master ballot that the attorney
25 is either tabulating your vote, which you should document by written instruction to your lawyer,
26 or you have given the attorney the power to make the decision for you, and giving him or her that

1 power will require a separate power of attorney.

2 So if your attorney is not responding to your inquiry regarding the voting, you are allowed to cast
3 your own ballot. You don't--and we're not telling you you shouldn't use the master ballot
4 approach, but if you're not having that communication, which we hope you do in fact have,
5 you're not kept out of the voting process. You can still cast your own ballot. How do you get it?
6 Well, you can email Omni, I'm still on the top of this slide, at BSAballots@omniagnt.com. But
7 you can also get it, and regularly print it off yourself by going to the other webs--the other
8 address that's at the top of this slide, which has the https designation.

9 **LUCAS:** Yeah, and we will put this document, like the other one, up on the www.tccbsa.com
10 website, so that you don't have to scramble to write all this stuff down. But the link to print out
11 blank copies of ballots is supposed to be live tomorrow under the plan and solicitation tab under
12 the BSA website at Omni.

13 **STANG:** Right. So if you're using the master ballot, you need to communicate whether you
14 are voting no, per our recommendation, or yes. And you have to tell your attorney whether or not
15 you want to make the \$3500 election.

16 So suppose you don't have an attorney, or you've decided you want to vote on your own. You
17 can download the ballot. That's what those two highlighted blue addresses give you access to.
18 And now we're in the section that says, "Individual ballots." And again, you vote to reject or
19 accept the plan. Our recommendation is to reject. If you want to make the \$3500 election, you
20 check the box. If you do not make the \$3500 election, don't check the box. Leave it blank. Don't
21 write no. Check the box if you want it. Leave it blank if you don't.

22 And then finally, there is a request that you, if you don't want to grant certain releases of non-
23 abuse claims against the Boy Scouts, then you can opt out and not give the release. And that's
24 number three where it says, "If you have other claims against BSA," other claims means non
25 abuse claims, and you don't want to give BSA's directors and officers a release for that, you
26 have to opt out. I think in almost every case you probably don't have rights for other claims

1 against BSA, and whether you leave that--there's no reason to check that. But again, you know,
2 that's--

3 **LUCAS:** Well, it--

4 **STANG:** --something you have to decide.

5 **LUCAS:** Yeah, you do have to decide. You should consult with your attorney. But if you
6 don't know, then check the box and opt out. There's nothing that's going to restrict your rights,
7 restrict the payments that you're going to receive or anything. Out of an abundance of caution,
8 opt out. That's the easiest thing to do.

9 **STANG:** Okay. So--

10 **HUMPHREY:** Okay. We're at about 7:05.

11 **STANG:** --John, John, just one second. You have to fill out all the information on the ballot,
12 folks. If the information is not complete, your ballot may not be counted. And you've got to sign
13 it. Find the signature line. Sign it. If it's not signed, it's not going to count. And the other thing
14 that's most important, it has to be received by 4:00 p.m. Eastern on December 14th. If you put it
15 in the mail slot on December 14th, there's a very strong possibility your vote will not be counted.
16 So give yourself--we all know it's going to be holiday time, holiday season. We're hearing
17 reports that the postal service is cutting back on service because of--it is. Do not delay this to the
18 last minute if you can make your decision so that--beforehand.

19 **LUCAS:** Yeah.

20 **STANG:** We want you to be fully informed, but this December 14th deadline is a hard
21 deadline. So fill it out, complete the information, and sign it.

22 **LUCAS:** Yeah, and Deb--and so Jim just went through a lot, but we have some sample pages
23 here of the ballot. You know, so this is page three from the ballot, and it has the claim amount in
24 there of \$1. That's just a nominal amount. Everybody doesn't--nobody knows what their claim
25 is, and so the bankruptcy court has decided temporarily that you're voting on \$1. It is very
26 standard in cases like this where you don't have claims with an amount that has been determined;

1 so don't be put off by there being \$1. And then at the bottom--

2 **STANG:** Well, hold up, John. What should they fill out where it says "Debtor"?

3 **LUCAS:** They should just put Boy Scouts.

4 **STANG:** Right, or BSA.

5 **LUCAS:** Yeah, yeah. You should--at the bottom here is where you make the election to
6 accept the plan or reject the plan. Just check one. Checking one will make the ballot so it is not—
7 well, so that it doesn't count. Check one. And as Jim said, and as John and Doug say, they're—
8 they vote to reject, and we urge you to reject too. Deb, let's move on.

9 **HUMPHREY:** So we've got some questions.

10 **STANG:** Well, John--

11 **LUCAS:** Wait. One thing.

12 **STANG:** --do you want to--

13 **LUCAS:** It's just two more pages--

14 **STANG:** --can we just finish this?

15 **LUCAS:** --and we'll be through.

16 **HUMPHREY:** Oh, I'm sorry. I'm sorry. I'm sorry.

17 **STANG:** It's okay.

18 **LUCAS:** Now, the box there at the top, this is the box for the election if you want the \$3500.
19 If you don't want it, walk away, leave it blank, and move on to the next page. And this is about
20 the opt out, so all this language here is about the opt out. As we said before, nothing hurts to just
21 do the opt out if you don't know. If you don't know if you have other claims, it's not going to
22 affect your rights on what you get in payment wise.

23 And then the last page that we're gonna focus on is--this is the page you need to fill out all your
24 information. This is so that they know who you are, and they can match your vote to your proof
25 of claim. And so do all that, sign it, send it in.

26 **STANG:** Okay. John Humphrey, back to you.

1 **HUMPHREY:** Yeah, so a lot of questions. Obviously we've had--we've answered 207,
2 and we still have 233 open. But I think I misspoke in one of my answers, and so I want to read
3 this timeline just to make sure that everybody has it. So the packages have to be out by October
4 15th. That's tomorrow. The final plan supplement is done by November 30th. That's the small
5 edits that BSA has to do to the plan to clean it up. I think I said December 15th. It's the 14th.
6 And as Jim has said ad nauseam, there's no negotiation on December 14th.
7 On January the 7th is the plan objection deadline, and on January 24th is the confirmation
8 hearing. That could go three or four days. It could go all week. And there's really no timeline
9 after that. Because the judge is gonna look at the votes, and she's gonna listen to the arguments,
10 and she's either going to approve the plan, cram down the plan, if we vote it no and she says that
11 it's gonna happen, or she'll force us back to mediation to make the plan better.
12 And a lot of people have asked, "If we vote no, how much longer does it take?" I don't think we
13 know that answer. But, you know, the last time you bought a car, you know, did you take the
14 first offer that the dealership offered you? I mean, that's what we're doing here. We're--no,
15 we're--we want to go do the back and forth with the manager, because we think we can get a
16 better deal. That's what we're fighting for, getting the better deal.

17 **KENNEDY:** Yeah, and let me make a comment to that, John. I'm looking at the questions as
18 well, and one of the questions I've seen repeatedly is, "Are you gonna release your plan
19 tonight?" And we can't by law even talk about there being another plan. And what I think is
20 important to mention is that all of us are voting on this plan. This plan. So this is what you have
21 to focus on right now is whether or not this plan has a degree of acceptability, not only for
22 money, but the non-monetary things we talked about.

23 And the other thing is so many of the questions--look, gang. This is complicated. It's incredibly
24 complicated. And it's complicated not only by the fact that it's the Boy Scout national
25 organization, but also your case potentially locally within your state. And that's why we continue
26 to say to people, "You need to speak to your attorney." And the people that say, "My attorney

1 won't return my calls," well, we've given you the information now of how you can request your
2 own ballot, if that's what you want to do. But please, send your questions to the email address on
3 the website that was up, and will be up at the end of this, because your questions help to inform
4 us for next week's Town Hall about what we want to talk about. And we'll debrief after this one
5 and talk about what those themes are gonna be.

6 **STANG:** John, I just want to make a comment. You mentioned that there was an objection
7 deadline. I want everyone to know that you can vote no on the plan and not--and you don't have
8 to object separately. The objection deadline is more for legal objections, why the plan doesn't
9 meet the legal standards set forth by the Bankruptcy Code. You do not have to vote and object.
10 You can vote no and no object. But don't not vote. Did that come out all right? Don't not vote--

11 **HUMPHREY:** Double negative.

12 **STANG:** --and then object. The way your voice is heard is through your vote. It's also heard
13 through an objection, but the objection doesn't count as a reje--the objection does not count as a
14 no vote. It's a separate matter for the court to consider. So don't confuse the voting deadline with
15 the objection deadline, and don't think that because you object, that you have been ca--you have
16 cast a no vote. It doesn't work that way. And if you cast a no vote, you don't have to separately
17 object. You can, but you don't have to.

18 **LUCAS:** And I'd like to--John and Doug, could I say one thing? Another, like, important
19 type question that somebody was asking that I saw earlier was, "In the plan the Boy Scouts are
20 making a distinction between claims that happened before 1976, or January 1, 1976 or after.
21 What's all that about?"

22 So what's that abou--what that is about is (inaudible). It's that if you were abused on January 1,
23 1976 or any time thereafter, through the time that the Boy Scouts filed for bankruptcy, then the
24 claim that you have against your chartered organization for the sponsoring organization is going
25 to be released, so long as that chartered or sponsoring organization doesn't object to the plan.
26 And so that church, police department, school, civic center, Kiwanis club, whoever it was that

1 sponsored the troop and created the troop, is not going to have to pay a dime towards this plan.
2 They're getting a free ride. And this is one of the many reasons that the TCC is objecting to the
3 plan is because we believe that in addition to the Boy Scouts and the local councils, that
4 everybody that was part of a--responsible for the abuse that occurred to all 82,200 of you, they
5 are required to pay something, and not just stand down and be quiet and let BSA sort of move
6 forward and go forward with its plan. That's why the TCC here is saying no is because we're
7 wanting everybody to be responsible and to pay in towards this plan.

8 **STANG:** And to be clear, 'cause we're accused of not giving you the whole story, those
9 organizations that John just mentioned for the abuse claims after January 1, '76, are kicking in
10 their insurance policies. Now, they didn't pay for those insurance policies. The--yeah, BSA did.
11 If they did pay for their insurance policies, it was part of a larger insurance program they had.
12 But they're not taking any money and putting it into the pot. They are only assigning their
13 insurance, and there may not be an agreement with their insurance company to pay anything. So
14 what they're doing is giving the settlement trust the right to pursue the insurance company. But
15 with the exception of the Church of Latter Day Saints, which has a proposed settlement, not one
16 of those charter organizations has a binding agreement with the BSA to put a dime into the
17 settlement trust.

18 And by the way, the LDS settlement is proposed. It hasn't been approved by any--by the court
19 yet, so that's still up in the air too. And we'll address that at another Town Hall meeting.

20 **HUMPHREY:** Hey Jim, I'm gonna give you a series of questions, and let you address
21 them in the most logical--'cause they're all sort of similar. Somebody asked about--concerned
22 about fraud, so maybe it's important to talk about what happened yesterday in another case.
23 Understanding what a cram down is, and why we might be worried about that. And then we had
24 a couple of questions on this concept of substantial contribution, and the arguments that you guys
25 will be making at the hearing.

26 **STANG:** Okay. So let's first deal with the fraud issue. The issue is are the claims that are

1 voting for the plan legitimate real claims? The insurance companies have said without pause that
2 the vast majority of the claims are fraudulent, 'cause how could you go from having a couple of
3 hundred or maybe low thousand claims going into the bankruptcy, and you end up with 82,000?
4 So that's the message they keep on pounding on.

5 Judge Silverstein, who is the judge in this case, is presiding over a mass tort case involving the
6 use of Johnson & Johnson talcum powder. And in that case there were allegations that some of
7 the votes that were important votes were being cast by people who didn't have claims at all, and
8 by attorneys who were not consulting with their clients. And she ruled yesterday that a particular
9 block of claims would not be coun--votes would not be counted because of--well, would not be
10 counted. She is very, very concerned about the integrity of the voting process, which is why she
11 required that for those of you who've decided to let your attorneys make the decision on whether
12 or not you accept or reject, there would be a power of attorney attached to the ballot, the master
13 ballot. And for those of you that are letting your lawyer simply tabulate the vote, that there be a
14 log kept attached to the master ballot as to the communications that you've had with your
15 attorney. Now, we don't have a form of that log. I don't know that it will reflect every
16 conversation you've had, but it will document that you've communicated your vote to your
17 attorney.

18 So integrity of the vote is important. In this other case I'm referring to, literally the difference
19 between the plan being accepted and the plan being rejected, or not having sufficient
20 acceptances, was I believe four to five percentage points. So this is really--the integrity is really
21 important, and this judge is very, very concerned about it.

22 Omni will produce something called a voting report after the voting deadline, and people will
23 have the chance to review that report, kick the tires on it, and challenge it if there is a basis for
24 challenging. You don't just challenge it because you don't like the outcome. You challenge it
25 because something doesn't seem right and it doesn't work. So yeah, we don't--there have been
26 pleadings filed by some of the insurance companies that have raised questions about the

1 legitimacy of some voting. The concrete evidence, frankly, is not enough to, as we say
2 sometimes, move the needle. But there is ongoing--are ongoing proceedings in the court to
3 investigate the validity and authenticity of claims. But this is not resolved yet. We'll have to see
4 how the voting report comes in.

5 **LUCAS:** Hey Jim, we said this last time. In any bankruptcy case that's this big, where there
6 are literally tens of thousands of claims, there's always a few bad eggs here. And there will be
7 some people that submit some faulty claims. But we just want you to know that from the TCC
8 that we believe you, and that your claims are valid. And that's why we're here fighting for more,
9 because we believe in the survivors and making sure that their voices are heard.

10 **STANG:** So the next thing--should I go to cram down, John?

11 **HUMPHREY:** Yeah.

12 **STANG:** Okay. Cram down. Creditors are put into classes under the plan. The survivor class
13 in this plan is class 8. And the court, amongst lots of other things, looks at how did the class vote.
14 Did it vote yes? Did it vote no? In order for the Boy Scouts to have their plan approved, they
15 must have at least 66% of the creditors voting vote yes. Because remember that dollar that John
16 talked about on the ballot? It's 66% of the people voting, not of the entire group, of the people
17 voting have to vote yes.

18 We are still discussing whether the people who elect \$3500 should be counted in that group or
19 not. That's a big of a side issue. But if you don't get the 66% for class 8, which is the survivor
20 class, can the court still approve the plan? We're not the only creditors in the case. J.P. Morgan
21 holds a security interest and mortgage on the high adventure facilities. There are trade creditors
22 who sold goods and services to the Boy Scouts that were not paid that are another class of
23 creditors.

24 So if the survivor class votes no, the court can still approve the plan. And the process of
25 essentially ignoring the no vote is called cram down. The court can cram down on the survivor
26 class, that has not met the 66% threshold, and approve the plan. And that's because some

1 creditors are supporting it. The trade creditors are likely to support it. J.P. Morgan is supporting
2 it. And so given that support from some other voices, although relatively minor voices--we all
3 know why the Boy Scouts filed, right? It wasn't because of J.P. Morgan. It wasn't because a
4 uniform vendor didn't get paid for some merit badges. It was about you.

5 So would she cram down and force the acceptance of this plan if the--if there isn't at least 66%
6 support? And the answer is she can technically do it. She can legally do it. But I've been
7 involved in almost every sexual abuse oriented Chapter 11 case filed in the United States, not
8 every single one, but most of them. And I've followed all the others. No judge has ever
9 confirmed a reorganization plan over a group of sexual abuse survivors who didn't at least meet
10 the 66%. There's never been a cram down on the survivors of a sexual abuse case ever. So would
11 Judge Silverstein do it? I don't know. But in order for the cram down scenario to occur, at least
12 34% of the people have to vote no, right? 66% have to vote yes. So if 40% of the people vote no,
13 you don't have that margin.

14 So that's what cram down is. It's a process by which the court approves a plan over the
15 survivors, if that class has not achieved at least a 66% vote.

16 **HUMPHREY:** So we don't think that's gonna happen. The last thing--

17 **STANG:** We don't.

18 **HUMPHREY:** --the last question is--

19 **STANG:** John? Substantial contribution?

20 **HUMPHREY:** Yeah, let's do that, and then I think we're gonna have to wrap. We'll
21 have--

22 **STANG:** Okay.

23 **HUMPHREY:** --to wrap up.

24 **STANG:** So we know that the Boy Scouts are not the only people who are benefiting from
25 this plan. The local councils are benefiting, because they are proposing a deal that gets them
26 released of all of their liability for the abuse you suffered. Chartered organizations, as John

1 pointed out, for at least the post January 1, '76 abuse, are getting released under this plan. And
2 they haven't filed bankruptcy, and the local councils haven't filed bankruptcy. So there are
3 provisions in this plan which help entities who are responsible for your abuse who haven't filed
4 bankruptcy.

5 How do they do that? How do they ride those coattails? Well, there are certain legal
6 requirements to make them eligible to do so. But what they have to do once they're eligible for
7 the bankruptcy court's order to protect them is to make a substantial contribution towards the
8 payment of the claims.

9 So what is substantial? Is it in the eyes of the beholder? Well, it depends a little bit on how many
10 people support the plan. If only 66.6% of the people who vote support the plan, that substantial
11 contribution is gonna be a lot more substantial than if 99% of the people support the plan. So
12 what we're focused on at the TCC is how much can the local councils pay. Are they paying a
13 substantial amount when you look at their own assets? The answer is no, they're not. Are they
14 paying enough, given the liabilities that they are facing, the claims they're facing? No, they're
15 not. And so we were challenging whether the local councils, who are trying to ride the coattails
16 of the Boy Scouts in this plan, are making enough of a contribution so that they can get off the
17 amount of money they owe.

18 And the same is true for the charters, which we told you aren't paying a dime. They're simply
19 saying, "Here's our insurance policy. Go chase our insurance carriers."

20 **HUMPHREY:** Yeah. Hey, the reason I think it's important is regardless of the vote, we
21 think there's a legal problem with this plan that doesn't meet some of the thresholds that are set
22 by the bankruptcy law; is that correct?

23 **STANG:** Right. That's correct.

24 **LUCAS:** Yeah. And hey, John, Malhar told me that there was a little bit of follow-up about
25 my before '76, after '76 discussion. So under the plan, if you were abused January 1, 1976 or
26 thereafter, your sponsoring organization that set up your troop is getting a release. So I think the

1 questions were, “Well, what if I was abused in 1970 or 1968, before 1976?” Your sponsor is not
2 getting a release under the plan, and as things stand now, that sponsor is going to have to make a
3 contribution, a substantial contribution, in exchange for the release that it wants.

4 There--it is the TCC’s view that the BSA and the coalition and others are trying to negotiate that
5 with the charters or sponsors for the pre ‘76 period in whole. And so we wouldn’t be surprised if
6 something develops between now and the confirmation hearing that deals with some sort of
7 treatment. But as things stand now, they’re going to have to make a contribution, a substantial
8 one, and that’s where things stand. I’m sorry about the confusion on that.

9 **HUMPHREY:** Okay, guys. We’re kind of at time. Doug, you want to--

10 **KENNEDY:** I--

11 **HUMPHREY:** --put a wrap on some of your--

12 **KENNEDY:** Well, the only thing I want to say is, again, we went over a lot tonight, gang. And
13 I can guarantee you one thing. Next week we’re gonna go over voting again. We’re going to read
14 your email, and we’re gonna talk about the question and answer tonight, and we’re gonna try and
15 address whatever is most topical. So we’ll be back again next Thursday night. And please,
16 please, please reach out to your attorneys, and likewise, if your attorney has gone missing in
17 action, please email us and let us know about that as well.

18 **HUMPHREY:** I had somebody ask me about how to amend a claim. Tccbsa.com has a
19 link to the Omni site where you can do that. The bsasurvivors@pszjlaw.com is a great place to
20 put questions. We’ve gotten a lot of your feedback tonight, and that will drive what we focus on
21 next week. So--

22 **KENNEDY:** Yeah, and one last--

23 **HUMPHREY:** --hang in there.

24 **KENNEDY:** Yeah, John, I just want to say thanks to everybody. I mean, we had over 1,000
25 people on tonight, and there’s a lot of strength. There’s a lot of strength in those 1100 people.
26 And John and I feel that strength, and other members of the TCC are watching tonight as well.

1 So we really appreciate everyone staying strong and being informed by this.

2 **HUMPHREY:** Yep.

3 **STANG:** And please, pass on to anyone you know who has an abuse claim that these forums
4 are occurring. And hopefully you're finding them useful and accurate, because this is how we
5 communicate with you and how you communicate with us.

6 **HUMPHREY:** Okay, folks. Hang in there. Be well. Be nice to each other. Have a great
7 evening.

8 **LUCAS:** Thank you.

9 **STANG:** Thank you.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

1 I hereby certify that the foregoing is a true and correct transcription of the audiotape labeled
2 GMT20211015-000117_Recording_2560x1440.

3 .

4 .

5 .

6

7

8

9 10/26/2021

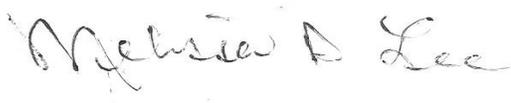
10

Melissa D. Lee

11 Date

Printed Name

12



13

14

15

Signature

16

17

18