3-SETTLE SEX SUIT AGAINST 2 PRIESTS

Case Against Camden Diocese Is Resolved Out of Court

CAMDEN, N.J., Oct. 12 (AP) — An out-of-court settlement has been reached in a lawsuit in which three men, including a Roman Catholic priests said they had been molested by two Catholic clerics and accused the Camden Diocese of covering it up, the people involved in the lawsuit said to-

day.
The plaintiffs declined to discuss any details of the agreement. Their lawsuit, which sought unspecified damages and the establishment of a national registry of priests known to have molested children was dropped last week.

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"The case has been resolved," said
Stephen C. Rubino, a lawyer who filed
the lawsuit in Federal court in Camden
last" June. "Differences between the
parties have been resolved."

A spokesman for the Camden Diocese declined to comment today, saying, only that "both parties have resolved their differences."

Bishops Accused of Cover-Up

The plaintiffs in the case, Steven M. Stolar and Terrence M. Smith of Millville and the Rev. Gary Hayes, who is now a priest in Owensboro, Ky., asserted in June that they were repeatedly molested as youths by two priests in New Jersey and Rhode Island. Their suit claimed sexual battery and "intentional and negligent infliction of emotional distress."

The lawsuit also accused four bishops, including Bishop James T. Mc-High, spiritual leader of the 374,000 Catholics in southern New Jersey's Camden Diocese, of covering up the abuse.

Federal District Judge Jerome B. Simandle signed the order dismissing the case on Thursday.

The lawsuit was the first class-action case involving sexual abuse by priests filed under the racketeering laws, Mr. Rubino said. It sought unspecified damages under those laws, which are usually used to prosecute leaders of organized crime.

The plaintiffs accused the Rev. Joseph H. McGarvey of abusing them while he was pastor of St. Mary's Church in Millville, from January 1965 to, December 1972. At the time, the plaintiffs were 12 to 16 years old.

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The lawsuit also said the Rev. William C. O'Connell, who was last assigned to St. Mary's parish in Bristol, R.L. traveled between the two states specifically to molest Gary Hayes.

Father O'Connell resigned from the priesthood in 1985. In 1986 he was convicted of earlier sexually assaulting three boys in Bristol, and served one year in a prison work-release program.

Father McGarvey is on leave from his current parish in Runnemede, N.J.