

1 **LOWENSTEIN SANDLER LLP**
 2 JEFFREY D. PROL (admitted *pro hac vice*)
 3 jprol@lowenstein.com
 4 BRENT WEISENBERG (admitted *pro hac vice*)
 5 bweisenberg@lowenstein.com
 6 NICOLE FULFREE (*pro hac vice* pending)
 7 nfulfree@lowenstein.com
 8 One Lowenstein Drive
 9 Roseland, New Jersey 07068
 10 Telephone: (973) 597-2500
 11 Facsimile: (973) 597-2400

12 **KELLER BENVENUTTI KIM LLP**
 13 TOBIAS S. KELLER (Cal. Bar No. 151445)
 14 tkeller@kbkllp.com
 15 JANE KIM (Cal. Bar No. 298192)
 16 jkim@kbkllp.com
 17 GABRIELLE L. ALBERT (Cal. Bar No. 190895)
 18 galbert@kbkllp.com
 19 425 Market Street, 26th Floor
 20 San Francisco, California 94105
 21 Telephone: (415) 496-6723
 22 Facsimile: (650) 636-9251

23 *Counsel to the Official Committee of Unsecured Creditors*

24 **UNITED STATES BANKRUPTCY COURT**
 25 **NORTHERN DISTRICT OF CALIFORNIA**
 26 **OAKLAND DIVISION**

27 *In re:*
 28
 THE ROMAN CATHOLIC BISHOP
 OF OAKLAND, a California
 corporation sole,

 Debtor.

)
)
) Case No. 23-40523 WJL
)
) Chapter 11
)

) **OBJECTION OF THE OFFICIAL**
) **COMMITTEE OF UNSECURED**
) **CREDITORS TO THE CLAIM**
) **SCHEDULED BY THE DEBTOR**
) **FOR THE OAKLAND PAROCHIAL**
) **FUND**

) Judge: Hon. William J. Lafferty
)
) Hearing Date: January 22, 2025
) Hearing Time: 10:30 a.m. (Pacific Time)
) Hearing Place: United States Bankruptcy Court
) 1300 Clay Street, Courtroom 220
) Oakland, CA 94

Objection Deadline: January 10, 2025

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

This is an objection to your claim. Any objection to the requested relief, or a request for hearing on the matter, must be filed and served upon the initiating party within 30 days of mailing the notice;

Any objection or request for a hearing must be accompanied by any declarations or memoranda of law any requesting party wishes to present in support of its position;

If there is no timely objection to the requested relief or a request for hearing, the court may enter an order granting the relief by default.

In the event of a timely objection or request for hearing, the tentative hearing date, location and time shall be January 22, 2024 at 10:30 a.m. (Pacific Time) at the United States Bankruptcy Court, 1300 Clay Street, Oakland, California, Courtroom 220 before the Honorable William J. Lafferty III.

[remainder of page intentionally left blank.]

1 **TABLE OF CONTENTS**

2 TABLE OF CONTENTS 3

3 TABLE OF AUTHORITIES 4

4 PRELIMINARY STATEMENT 6

5 JURISDICTION AND VENUE 7

6 BACKGROUND 7

7 I. The Debtor and OPF 7

8 II. The Sham OPF Agreements 8

9 III. The Fraudulent Transfers and the Term Loan Agreement 10

10 IV. The Chapter 11 Case 11

11 LEGAL STANDARD 12

12 ARGUMENT 13

13 I. The OPF Claim Must Be Disallowed Pursuant to Section 502 of the
14 Bankruptcy Code if the Transfers are Avoided. 13

15 A. OPF is Liable for Property That is Avoidable and Recoverable
16 Under Sections 544(b), 548 and 550 of the Bankruptcy Code. 13

17 B. The OPF Claim is Subject to Disallowance Pursuant to Section 502
18 of the Bankruptcy Code. 16

19 II. Alternatively, the OPF Claim Should Be Equitably Subordinated and
20 Reclassified. 16

21 A. The OPF Claim is Subject to Rigorous Scrutiny Because OPF is an
22 Alter Ego And/Or Insider of the Debtor. 17

23 1. OPF is an Alter Ego of the Debtor. 17

24 2. OPF is a Statutory Insider of the Debtor. 19

25 3. OPF is a Non-Statutory Insider of the Debtor. 21

26 B. Equitable Subordination of the OPF Claim is Appropriate Under
27 the Circumstances. 22

28 1. OPF Engaged in Inequitable Conduct. 22

2. The Misconduct Conferred an Unfair Advantage on OPF and
Injured Other Creditors. 23

3. Subordination of the OPF Claim is Not Inconsistent with the
Bankruptcy Code. 23

RESERVATION OF RIGHTS 24

NOTICE 24

1 **TABLE OF AUTHORITIES**

2 **Cases**

3 *Benjamin v. Diamond (In re Mobile Steel Co.),*
4 563 F.2d 692 (5th Cir. 1977) 23

5 *Doe v. Unocal Corp.,*
6 248 F.3d 915 (9th Cir. 2001) 19

7 *Feder v. Lazar (In re Lazar),*
8 83 F.3d 306 (9th Cir. 1996) 23

9 *Flynt Distrib. Co. v. Harvey,*
10 734 F.2d 1389 (9th Cir. 1984) 19

11 *Harris Rutsky & Co. Ins. Servs. v. Bell & Clements Ltd.,*
12 328 F.3d 1122 (9th Cir. 2003) 19

13 *In re Am. Hous. Found.,*
14 785 F.3d 143 (5th Cir. 2015) 21

15 *In re Brugnara Properties VI,*
16 606 B.R. 371 (Bankr. N.D. Cal. 2019) 19

17 *In re Chira,*
18 353 B.R. 693 (Bankr. S.D. Fla. 2006) 21

19 *In re First All. Mortg. Co.,*
20 471 F.3d 977 (9th Cir. 2006) 23

21 *In re Fitness Holdings Intern., Inc.,*
22 714 F.3d 1141 (9th Cir. 2013) 17

23 *In re L. Scott Apparel, Inc.,*
24 2019 WL 1768235 (Bankr. C.D. Cal. Jan. 29, 2019) 18

25 *In re Rexford Props., LLC,*
26 557 B.R. 788 (Bankr. C.D. Cal. 2016) 21, 22, 23

27 *In re Singh,*
28 2019 WL 1231146 (B.A.P. 9th Cir. Mar. 14, 2019)..... 18, 19, 20

In re Universal Farming Indus.,
873 F.2d 1334 (9th Cir. 1989) 24

In re Vill at Lakeridge, LLC,
814 F.3d 993 (9th Cir. 2016) 22

Lundell v. Anchor Constr. Specialists, Inc.,
223 F.3d 1035 (9th Cir. 2000) 14

Matter of Fabricators, Inc.,
926 F.2d 1458 (5th Cir. 1991) 23

Ranza v. Nike, Inc.,
793 F.3d 1059 (9th Cir. 2015) 19

Stoumbos v. Kilimnik,
988 F.2d 949 (9th Cir. 1993) 18

U.S. Bank Nat. Ass’n v. Vill. at Lakeridge, LLC,
583 U.S. 387 (2018) 21

Wright v. Holm (In re Holm),
931 F.2d 620 (9th Cir. 1991) 14

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Statutes

11 U.S.C. § 101.....20, 21
11 U.S.C. § 502..... *Passim*
11 U.S.C. § 510.....7, 8, 17
11 U.S.C. § 544.....4, 14, 16, 17
11 U.S.C. § 548.....4, 14, 15, 16
11 U.S.C. § 5504, 15, 16, 17
11 U.S.C. § 1111.....13
28 U.S.C. § 157.....8
28 U.S.C. § 1334.....8
28 U.S.C. § 14088
28 U.S.C. § 1409.....8
Cal. Civ. C. § 3439.04.....15

Rules

Rule 3007 of the Federal Rules of Bankruptcy Procedure7, 8
Rule 3007-1 of the Bankruptcy Local Rules for the Northern District of California7, 8

Other Authority

Andrew DeNatale, Prudence B. Abram, *The Doctrine of Equitable Subordination as Applied to Nonmanagement Creditors*, 40 BUS. LAW. 417 (1985)24

1 The Official Committee Committee ("Committee") is the official committee in the Chapter 11 Case of the Roman Catholic Bishop of Oakland (the
2 bankruptcy "Debtor" "Diocese"), files this Objection pursuant to section 510 of title 11 of the Bankruptcy Code, the Federal Bankruptcy
3 Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and the Local Rules for the Northern District of California (the "Local Rules").
4 Pursuant to section 502(d) of the Bankruptcy Code and section 3007 of the Local Rules, the Debtor is required to disclose all of its
5 general unsecured claims (the "OPF Claim") in its schedules of assets and liabilities (the "Schedules") filed with the Court.
6 Fund, OPF ("OPF").

7 The Committee objects to the OPF Claim because (i) it should be disallowed pursuant to
8 section 502(d) of the Bankruptcy Code or, in the alternative, (ii) the OPF Claim should be
9 equitably subordinated pursuant to section 510(c) of the Bankruptcy Code.¹ Pursuant to Local
10 Rule 3007-1(a), the OPF Claim is attached hereto as Exhibit A. In support of this Objection,
11 the Committee respectfully states:

12 PRELIMINARY STATEMENT²

13 In preparing to file for bankruptcy, the Diocese perpetrated a fraudulent scheme to funnel
14 substantial assets away from what would soon become its bankruptcy estate, and into the hands
15 of its non-Debtor alter ego. The scheme was straightforward. First, in the months just prior to
16 the Petition Date, the Debtor entered into a series of synthetic management and services
17 agreements with OPF, [REDACTED]
18 [REDACTED]. Then, purportedly in

19 ¹ The Committee filed a motion [Docket No. 1462] seeking standing to file an adversary complaint [Docket
20 No. 1465, see also Proposed Derivative Complaint] and recover \$106 million in transfers made
21 by the Debtor to OPF shortly before the commencement of this case. While the Proposed Derivative Complaint
22 includes a cause of action seeking the disallowance of the OPF Claim under section 502(d) of the Bankruptcy
23 Code, in an abundance of caution, the Committee objects to the OPF Claim under the same section.

24 In addition, the Committee has filed an adversary complaint seeking the substantive consolidation of OPF
25 and the Debtor. See Adv. Pro. No. 24-04051, Docket No. 1.

26 ² Capitalized terms used but not otherwise defined in this Preliminary Statement shall have the meanings
27 ascribed to them in this Objection.

1 connection with the agreements, and within mere months of the Petition Date, the Diocese
2 transferred approximately \$106 million in assets to OPF and then "borrowed" \$35 million back
3 from OPF under an unsecured term loan agreement (t **Term Loan Agreement** .)

4 Through this Objection (and the Proposed Derivative Complaint), the Committee seeks,
5 among other things, to prevent the Debtor from continuing its scheme to elevate the interests of
6 the Diocese enterprise over survivors of sexual abuse. Specifically, the Committee files this
7 Objection to disallow the OPF Claim pursuant to section 502(d) of the Bankruptcy Code, or
8 equitably subordinate the OPF Claim pursuant to section 510(c)(1) of the Bankruptcy Code as
9 an interest that is subordinate to general unsecured claims.

10 **JURISDICTION AND VENUE**

11 This Court has jurisdiction over this Objection under 28 U.S.C. §§ 157 and 1334; the
12 *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24
13 (N.D. Cal.); and Local Rule 5011-1(a). This matter is a core proceeding pursuant to 28 U.S.C.
14 § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The
15 statutory predicates for the relief requested are sections 502 and 510 of the Bankruptcy Code and
16 Bankruptcy Rule 3007.

17 **BACKGROUND**

18 **I. The Debtor and OPF**

19 OPF is a separately incorporated California nonprofit religious corporation formed in
20 2014 to support the missions and purposes of the Diocese. OPF is to b e *operated, supervised*
21 *or controlled by The Roman Catholic Bishop of Oakland*. "See Oakland Parochial Fund, Inc.
22 Articles of Incorporation (h e r e i n **OPF Charter**") at **¶ B**, April 23, 2014 (emphasis
23 added).³

24 Before April 1, 2023, within roughly o n
25 Chapter 11 Case, OPF held no cash or investments and conducted no business of any kind. The
26 Debtor concedes in the disclosure statement [Docket No. 1445] (t **Disclosure Statement**)
27
28

³ A copy of the OPF Charter is attached hereto as **Exhibit B**.

1 for the Plan that the " OPF relies on the Debtor for
2 closing of books and maintaining its Disclosure Statement, Art. IV.F.4. or d
3 Further, the OPF Charter provides that " all corporate property
4 the religious mission and purposes, and teachings, beliefs and activities, of the [Diocese] . . . and
5 is formed, and shall be operated See OPF Charter vis
6 IV.B. While the OPF Charter also provides that
7 controlled, and its b f a d r o f OPF Board t o d p l a y t t o
8 actions by the OPF Board, including the following, *are effective only upon the written consent*
9 *of the Diocese:*

- 10 (i) any borrowing for capital or other similar needs;
- 11 (ii) entering into any transaction outside the ordinary course of the affairs of the
- 12 corporation; or
- 13 (iii) any amendment, restatement, repeal or adoption of the Articles of Incorporation
- 14 or Bylaws of the corporation.

15 See OPF Charter at V.A. The agent and incorporator identified in the OPF Charter is Michael
16 P. Canizzaro, [REDACTED]

17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED] Further, upon information and belief, OPF only has
21 two officers: F a t h e r L a w r e n c e D ' A n j o F u a t a m e d r P D a ' u A n j A o u B
22 General of the Diocese and Mr. Bongiovanni is the outgoing chief financial officer of the Diocese
23 but continues to provide certain services to the Debtor.

24 11 . The Sham OPF Agreements

25 In the two months leading up to the Chapter 11 Case, the Diocese entered into a series of
26 agreements in a transparent attempt to obfuscate its divestiture of estate assets. [REDACTED]
27 [REDACTED]
28 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] "Sham OPF Agreements" .) [REDACTED]

[REDACTED]

[REDACTED]

111 . [REDACTED]

[REDACTED]

[REDACTED]

1 Statement) and RCWC in the Diocese (DLF) and other Diocese general
2 pools (Investment Pools), and other Diocese general

3 On April 1, 2023 and May 5, 2023, [REDACTED]
4 [REDACTED], the Diocese
5 transferred approximately \$106 million (the Shielded Assets) of its property to OPF. More
6 specifically, on April 1, 2023, with hundreds of litigation claims by sexual abuse survivors
7 pending against the Diocese, the Diocese made two transfers of the Shielded Assets to OPF: (i)
8 a \$69,835,616.68 (the First Transfer) of a \$1,171,695.47 transfer (the
9 of Investment Second Transfer). On May 5, 2023, just three days before
10 filing for bankruptcy, the Diocese transferred an additional \$5,002,915.65 of DLF funds to OPF
11 (the Third Transfer, and together with the First
12 Transfers).

13
14 The Transfers total approximately \$106 million, which upon information and belief,
15 included approximately \$92 million in cash and investments and \$14 million in net loans
16 receivable. The \$14 million of net loans received via
17 payment from Diocese churches and RCWC.⁴

18 On April 28, 2023, just after the First and Second Transfers, and just before the Third
19 Transfer, the Debtor and OPF entered into a Term Loan
20 Agreement) under which OPF purportedly loaned the Debtor \$35 million on an unsecured
21 basis.

22 I J . The Chapter 11 Case

23 On May 8, Petition Date (the Diocese filed a
24 under chapter 11 of the Bankruptcy Code.

25 On June 21, 2023, the Debtor filed its Schedules, which (i) list on Schedule G the
26 Investment Agreement, Management Agreement and Parochial Fund Agreement as executory
27

28 ⁴ The Committee understands that the Debtor contends that the Shielded Assets were transferred to the OPF
with liabilities in corresponding amounts, reflecting the amounts purportedly owed by the Diocese to certain affiliates.
Any such purported liabilities are not only illusory, but entirely void of documentary support.

1 contracts to which the Diocese is a party; and (ii) list on Schedule E/F the OPF Claim as a
2 nonpriority general unsecured claim. The basis of the OPF Claim is listed in the Schedules as
3 " Term Loan - Amended, and the OPF Claim was not marked as contingent,
4 unliquidated, or disputed.

5 On November 8, 2024, the Debtor filed the Debt Plan of Reorganization [Dkt. No.
6 1444] Plan, which it will seek approval with

7 The Plan classifies the OPF Claim as an impaired Class 8 Claim entitled to vote on the
8 Plan. See Plan Art. IV.4.9. The Plan provides that the OPF Claim will be paid "in full and in
9 Cash, without a schedule being agreed upon by the Debtor and OPF, provided that
10 the OPF Claim is paid in full no later than 30 years after the effective date of the Plan. See Plan
11 Art. IV.4.9.

12 The Plan provides that claims of sexual abuse survivors—which are classed in Class 4
13 (Abuse Claims) and Class 5 (Unknown Abuse Claims)—are also impaired under the Plan. See
14 Plan Art. IV.4.8.

15 LEGAL STANDARD

16 Section 502(a) of the Bankruptcy Code provides that a "claim
17 is filed under section 501 of this title, is deemed
18 11 U.S.C. § 502(a).⁵ After a written objection to a claim is filed by a party in interest, a
19 bankruptcy court shall determine the allowed amount of the claim after notice and a hearing,
20 unless the court finds that "such claim is
21 debtor, under any agreement or applicable law for a reason other than because such claim is
22 contingent or unmatured," or that these
23 502(b)(1).

24
25
26
27 ⁵ The OPF Claim is a scheduled claim. Pursuant to section 1111 of the
28 interest is deemed filed under section 501 of this title for any claim or interest that appears in the schedules filed under
section 521(a)(1) or 1106(a)(2) of this title, except a claim or interest that is scheduled as disputed, contingent, or
unliquidated." 11 U.S.C. § 1111(a).

1 If an objector raises "facts tending to
2 the allegations of the proofs of claim the
3 "prove the validity of the ec. *Luadellm Anchor Constrp* re p
4 *Specialists, Inc.*, 223 F.3d 1035, 1039 (9th Cir. 2000) (internal citations omitted). Ultimately,
5 "the burden of persuas *Wight v. Holm (In re Walmy)*, 931 F.2d the
6 620, 623 (9th Cir. 1991).

7 ARGUMENT

8 **I. The OPF Claim Must Be Disallowed Pursuant To Section 502 Of The Bankruptcy** 9 **Code If The Transfers Are Avoided.**⁶

10 The Bankruptcy Code requires the court to
11 property is recoverable under section . . . 550 [of the Bankruptcy Code] or that is a transferee of
12 a transfer avoidable under section[s] . . . 544 [and] 548 . . . of [the Bankruptcy Code] unless such
13 entity or transferee has paid the amount, or turned over such property, for which such entity or
14 transferee is liable under § 502(d) . . . 5

15 **A. OPF is Liable For Property That is Avoidable and Recoverable Under** 16 **Sections 544(b), 548 and 550 of the Bankruptcy Code.**

17 The Transfers to OPF were both actually and constructively fraudulent under California
18 state law (applied through section 544 of the Bankruptcy Code) and section 548 of the
19 Bankruptcy Code. Section 544 (b) of the Bankruptcy Code pr
20 transfer of an interest of the debtor in property or any obligation incurred by the debtor that is
21 voidable under applicable law by a creditor holding an unsecured claim that is allowable under
22 section 502 of this title . . . 11 U.S.C. § 544(b). California law provides for both a constructive
23 and actual fraudulent conveyance cause of action. Pursuant to California law:

24 " [a] transfer made or avoidable as to a creditor, i n c
25 whether the creditor's claim arose before or after the transfer was made or the
26 obligation was incurred, if the debtor made the transfer or incurred the obligation
27 as follows:

28 ⁶ The Committee recognizes that the Court's deter
Court's adjudication of the Proposed Derivative Con

1 (1) With actual intent to hinder, delay, or defraud any creditor of the debtor.

2 (2) Without receiving a reasonably equivalent value in exchange for the transfer
3 or obligation, and the debtor either:

4 (A) Was engaged or was about to engage in a business or a transaction for which
5 the remaining assets of the debtor were unreasonably small in relation to the
6 business or transaction.

7 (B) Intended to incur, or believed or reasonably should have believed that the
8 debtor would incur, debts beyond the debtor's ability to pay as they became due."

9 Cal. Civ. C. § 3439.04. In addition, section 548(a)(1) of the Bankruptcy Code provides for both
10 a constructive and actual fraudulent conveyance cause of action:

11 t h e " t r u s t e e m a y a v o i d a n y t h e b e n e f i t o f e r
12 an insider under an employment contract) of an interest of the debtor in property,
13 or any obligation (including any obligation to or for the benefit of an insider under
14 an employment contract) incurred by the debtor, that was made or incurred on or
15 within 2 years before the date of the filing of the petition, if the debtor voluntarily
16 or involuntarily—

17 (A) made such transfer or incurred such obligation with actual intent to hinder,
18 delay, or defraud any entity to which the debtor was or became, on or after the
19 date that such transfer was made or such obligation was incurred, indebted; or

20 (B)

21 (i) received less than a reasonably equivalent value in exchange for such transfer
22 or obligation; and

23 (ii) (I) was insolvent on the date that such transfer was made or such obligation
24 was incurred, or became insolvent as a result of such transfer or obligation;

25 (II) was engaged in business or a transaction, or was about to engage in business
26 or a transaction, for which any property remaining with the debtor was an
27 unreasonably small capital; [or] (III) intended to incur, or believed that the debtor
28 would incur, debts that would be beyond the debtor's ability to pay as they
m a t u r e d . "

11 U.S.C. § 548(a)(1). The Transfers made to OPF on April 1, 2023 and May 5, 2023 were both
constructively and actually fraudulent under California law and section 548 of the Bankruptcy
Code.

The Transfers to OPF were constructively fraudulent because the Debtor received less
than reasonably equivalent value, if any, in exchange for the Transfers of the Shielded Assets.

At the time of the Transfers of the Shielded Assets, *inter alia*, the Debtor (i) had knowledge of
the substantial number of claims being asserted by sexual abuse survivors against it; (ii)

1 conceded its inability to litigate or satisfy those claims and (iii) intended to, or believed or
2 reasonably should have believed, it would incur debts that would be beyond its ability to pay as
3 such debts became due.

4 The Transfers to OPF were actually fraudulent because the Debtor made the Transfers of
5 the Shielded Assets with the actual intent
6 established by some or all of the following factors:

- 7 (i) The Transfers were made as part of a series of bankruptcy-planning transactions
8 to reduce the assets available to ~~insider creditors~~; Debtor'
- 9 (ii) The Debtor made the Transfers with knowledge of significant pending litigation
10 by sexual abuse survivors against the Diocese;
- 11 (iii) The Debtor made the Transfer at a time when it had conceded it had neither the
12 financial means nor the practical ability to litigate and/or satisfy such sexual abuse
13 survivor claims,
- 14 (iv) The Transfers were made to OPF, an insider and/or alter ego the Debtor controls;
15 [REDACTED]
16 [REDACTED]
- 17 (vii) The Transfers at issue substantially depleted the reported assets of the Debtor;
18 and
- 19 (viii) The Debtor received less than reasonably equivalent value, if any, in exchange
20 for the Transfers of the Shielded Assets.

21 As a result of the Transfers, creditors were unable to recover the full amount
22 of their claims, and thus, were substantially harmed. Accordingly, the Transfers are fraudulent
23 pursuant to Cal. Civ. Code §§ 3439.04(a)(1)–(2) (incorporated via section 544(b) of the
24 Bankruptcy Code) and sections 548(a)(1)(A) and 548(a)(1)(B) of the Bankruptcy Code.

25 Section 550(a) of the Bankruptcy Code provides that, to the extent a transfer is avoided
26 under sections 544 or 548 of the Bankruptcy Code, the property transferred or the value of the
27 property transferred may be recovered for the benefit of the estate from either "the
28 transferee of such transfer or the entity for whose benefit such transfer was made" or "any
immediate or mediate transferee." 11 U.S.C. § 550(a). OPF was such an

1 the initial transferee of the Transfers or the entity for whose benefit the Transfers were made and
2 thus the Transfers are recoverable from OPF.

3 **B. The OPF Claim is Subject to Disallowance Pursuant to Section 502 of the**
4 **Bankruptcy Code.**

5 OPF holds property—the Shielded Assets—as a result of a transaction that is avoidable
6 under sections 544 and 548 of the Bankruptcy Code, and recoverable under section 550 of the
7 Bankruptcy Code. The Bankruptcy Code requires the C
8 from which property is recoverable under section . . . 550 [of the Bankruptcy Code] or that is a
9 transferee of a transfer avoidable under section[s] . . . 544 [and] 548 . . . of [the Bankruptcy Code]
10 unless such entity or transferee has paid the amount, or turned over such property, for which
11 such entity or transferee is *Idi §502(d)*e under e r

12 OPF has not paid the amount or turned over any property transferred for which OPF is
13 liable under section 550 of the Bankruptcy Code. Accordingly, the Committee objects to the
14 OPF Claim on the grounds that it should be disallowed pursuant to section 502(d) of the
15 Bankruptcy Code until OPF repays in full, or returns, the property for which it is liable under
16 section 550 of the Bankruptcy Code.

17 **II. Alternatively, The OPF Claim Must Be Equitably Subordinated and Reclassified.**

18 Section 510 of the Bankruptcy Code provides that the court may, after notice and a
19 hearing, "under the principles of equit a
20 distribution all or part of an allowed claim to all or part of another allowed claim or all or part of
21 an allowed interes t 11"U.S.C. § 510(c)(1); *see also In re Fitness Holdings Intern., Inc.*, 714
22 F. 3d 1141, 1148 (9th Cir. 2013) ("Under the
23 allows a court, under equitable lloped claim totalp l e s
24 or part of another allowed claim. ' ") .

25 Where a party seeks to subordinate " a c
26 and an insider, the court will give the insider's actions r i g *Stumbow s* s c
27 *Kilimnik*, 988 F.2d 949, 959 (9th Cir. 1993) (internal quotations omitted). Where material
28

1 evidence of inequitable conduct by an insider or alter ego has been presented, the insider or alter
2 ego's claim is subject to rigorous scrutiny
3 prove the transfer. *In re Scott Apparel, Inc.*, No. 2:13-BK-2682-1-RK, 2019 WL
4 1768235, at *51 (Bankr. C.D. Cal. Jan. 29, 2019), *aff'd*, 615 B.R. 881 (C.D. Cal. 2020) (internal
5 citations omitted) ("if Trustee presents
6 that the transfers to himself and Beyond Basics were fair."

7
8 **A. The OPF Claim is Subject to Rigorous Scrutiny Because OPF Is An Alter
Ego And/Or Insider of The Debtor.**

9 The OPF Claim is subject to rigorous scrutiny under the equitable subordination analysis
10 because OPF is either an alter ego or insider of the Debtor. *See Stoumbos*, 988 F.2d at 959. As
11 set forth herein, there is significant and material evidence demonstrating that OPF—an insider
12 and/or alter ego—has engaged in inequitable conduct that, if not remedied, will injure other
13 creditors in this case. If the OPF Claim is not disallowed in its entirety, equitably subordinating
14 and reclassifying the OPF Claim to an interest that is subordinate to general unsecured claims
15 would be in the interest of justice.

16 **1. OPF is an Alter Ego of the Debtor.**

17 In the bankruptcy context, "an alter ego is a nominal
18 existence separate from the debtor, and property purportedly held by that third party is, therefore,
19 the debtor's own property." *In re Singh*, No. 6:14-BK-19919-SC, 2019 WL 1231146, at *6
20 (B.A.P. 9th Cir. Mar. 14, 2019) (citations omitted). The party asserting that entities are alter
21 egos of one another must establish (1) a unity of interest and ownership such that the separate
22 personalities of the corporation and the individual no longer exist and (2) that failure to disregard
23 the corporation would result in fraud or injustice. *In re Singh*, 2019 WL 1231146, at *6 (citing
24 *Flynt Distrib. Co. v. Harvey*, 734 F.2d 1389, 1393 (9th Cir. 1984)).

25
26 In determining whether the requisite
27 one character. The Ninth Circuit has explained that the unity of interest and
28 ownership prong of the alter ego test is satisfied if one entity controls the other.

1 to such a degree as to render the *Rancho Nike* r t
2 *Inc.*, 793 F.3d 1059, 1073 (9th Cir. 2015) (quoting *Doe v. Unocal Corp.*, 248 F.3d 915, 926 (9th
3 Cir. 2001), *abrogated on other grounds by Williams v. Yamaha Motor Co.*, 851 F.3d 1015 (9th
4 Cir. 2017)). This test "envi[s] by one entity] over the [other], such as when t r o
5 a[n entity]' dictates e[ven] business decisions from broad policy decisions to routine
6 matters of day-to-day operation. *Id.* (quoting *Unocal*, 248 F.3d at 926). Alone, " [t
7 ownership and shared management personnel are insufficient to establish the requisite level of
8 c o n t r o l (citing *Harris Rutsky & Co. Ins. Servs. v. Bell & Clements Ltd.*, 328 F.3d 1122,
9 1135 (9th Cir. 2003)).

10 The Ninth Circuit, California state courts and California bankruptcy courts have
11 identified numerous factors to be considered when determining whether two entities have a unity
12 of interest, namely the following:

- 13 use of the same offices and employees;
- 14 the treatment by an entity of the assets of the affiliate as its own;
- 15 disregard of corporate formalities;
- 16 the total absence of corporate assets, and undercapitalization;
- 17 the use of the same office or business location;
- 18 identical directors and officers; and
- 19 use of one as a mere shell or conduit for the affairs of the other.

20 *See, e.g., In re Brugnara Properties VI*, 606 B.R. 371, 380 (Bankr. N.D. Cal. 2019) (internal
21 citation omitted).

22 Prior to April 1, 2023, OPF had no employees, held no cash or investments and conducted
23 no business of any kind. Upon information and belief, OPF only has two officers: Father
24 L a w r e n c e (the Vice General of the Debtor) and Paul A. Bongiovanni (the outgoing
25 chief financial officer of the Debtor). [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 Several documents establish that OPF is under the dominion and control of the Diocese.
4 For example, the OPF Board needs the written consent of the Diocese to do any of the following:
5 borrowing for capital or other similar needs; entering into any transaction outside the ordinary
6 course of the affairs of the corporation; or amending, restating or adopting the Articles of
7 Incorporation or bylaws. OPF relies on the Debtor for finance and accounting services related
8 to the closing of books and maintaining its accounting records. *It is beyond dispute that all*
9 *corporate property of OPF is operated, supervised, or controlled by the Diocese.*

10 Only on the precipice of bankruptcy did the Diocese elect to use this shell entity to divert
11 assets from creditors. But OPF operates merely to fund the Diocese's cap
12 funds from the Diocese's creditors

13 In addition, a failure to disregard the purported "corporate formalit
14 Debtor and OPF would result in injustice. See *In re Singh*, 2019 WL 1231146, at *6. The
15 Diocese is attempting to use its bankruptcy filing to obtain a litigation advantage over survivors
16 of sexual abuse and to place the assets it owns and controls beyond the reach of those claimants
17 but still within the "corporate formalities" prongs are satisfied and OPF is
18 injustice" prongs are satisfied and OPF is

19
20 **2. OPF is a Statutory Insider of the Debtor.**

21 OPF is also an insider of the Debtor. Section 101(31) of the Bankruptcy Code defines
22 the term "insider" and bankruptcy courts also
23 recognize that "under the Bankruptcy Code, a debtor's insiders are defined in section
24 387, 390 (2018); see also *In re Rexford Props., LLC*, 557 B.R. 788, 794 (Bankr. C.D. Cal. 2016)
25 (explaining that the Ninth Circuit recognizes both statutory and non-statutory insiders).

26 OPF is a statutory insider of the Debtor as defined in section
27 101(2)(C) of the Bankruptcy Code. The Bankruptcy Code defines
28 an entity "whose business is operated under

1 substantially all of whose property is operated
2 11 U.S.C. § 101(2)(C). The "operating agreement" is
3 but is generally an "agreement" which [the ~~the~~ *Am. Hosp. Found.*],
4 785 F.3d 143, 155–56 (5th Cir. 2015) (finding agreement giving general partner control over
5 revenue or income coming to other entities
6 101(2)(C)); see also *In re Chira*, 353 B.R. 693, 724–25 (Bankr. S.D. Fla. 2006) (in the context
7 of equitable subordination, finding the "operating agreement" element under section 101(2)(D)
8 of the Bankruptcy Code satisfied where a purported affiliate represented substantially all of the
9 Debtor's property and operated the business and property of an entity owned by the Debtor at all
10 times when the purported inequitable conduct occurred), *aff'd*, 378 B.R. 698 (S.D. Fla. 2007),
11 *aff'd*, 567 F.3d 1307 (11th Cir. 2009).

12
13 The OPF Charter itself, under which OPF operates, provides that OPF is "formed
14 shall be operated, supervised or controlled by the Roman Catholic Bishop of Oakland, a
15 California corporation sole." "altogether and irrevocably
16 irrevocably dedicated to support the religious mission and purposes, and teachings, beliefs and
17 activities, of the [Diocese] . . . and is formed, and shall be **operated**, supervised or controlled by
18 the Diocese." (emphasis added) OPF is operated by the Diocese through the
19 Management Agreement. Without that agreement, it cannot operate. Period. The laundry list
20 of operational services the Diocese provides, listed above, establish that OPF and its purported
21 property is "operated by the Debtor."

22 **3. OPF is a Non-Statutory Insider of the Debtor.**

23 OPF is also a non-statutory insider of the Debtor. A non-statutory insider relationship
24 exists "where such relationship compels the
25 relationship with the debtor, close enough to gain an advantage attributable simply to *affinity*
26 rather than to the course of *in re Will at Lakewood, LLC*, 814 F.3d 993, 1005 (9th Cir. 2016), *aff'd*, 583 U.S. 387 (2018)). To determine whether an entity
27 is a non-statutory insider, the court must conduct a fact-intensive analysis to determine [a] if a
28

1 creditor and debtor shared a close relationship and [b] negotiated at less than arm's length." *Id.*
2 at 1001.

3 As to the "close relationship" element, the court in *In re Rexford Properties, LLC*, 557 B.R. 788, 797 (Bankr. C.D. Cal. 2016) (citing *In re Vill. At Lakeridge*, 814 F.3d at 1001 n.11 (citing *Black's Law Dictionary* (10th ed. 2014))), stated that "close relationship" is not to be understood as a mere subject-to-some-degree-of-control or having access to (or a D e
4 subject to—some degree of control" or "having subject to—access to (or a D e
5 credit private information) are two "indications that a creditor may be a non-
6 statutory insider," but actual control and access are not required to find non-statutory insider
7 status. *Id.* at 1001–02; see also *In re Rexford*, 557 B.R. at 797 ("control and access
8 factors, and neither control nor access is required in determining insider status.") Here, for all
9 the reasons set forth in section Part II.A.1 of this Objection, it is beyond dispute that the Diocese
10 and OPF share the requisite close relationship. At the time of the Transfers and entry into the
11 Term Loan Agreement, Bongiovanni was the CFO and Secretary of OPF, while simultaneously
12 serving as the CFO of the Diocese. Father D'Anjou, who the Comm
13 other OPF officer, was serving as the Vicar General of the Diocese at the time. OPF is under the
14 clear and complete control of the Diocese. [REDACTED]
15 [REDACTED]

16 [REDACTED]
17 As to the second element of non-statutory insider status, an "arm's length transaction
18 requires a transaction between two parties, however closely related they may be, to be conducted
19 as if the parties were strangers, so that no conflict of interest arises." *In re Rexford Properties,*
20 *LLC*, 557 B.R. 788, 797 (Bankr. C.D. Cal. 2016) (citing *In re Vill. At Lakeridge*, 814 F.3d at
21 1001 n.11 (citing *Black's Law Dictionary* (10th ed. 2014))). All the circumstances discussed
22 herein regarding the Transfers and the Term Loan Agreement indicate a less-than-a r m' s l e n
23 transaction. Were OPF officers truly conducting themselves
24 that no conflict of interest arises," they
25 Diocese less than two weeks before the Diocese filed for bankruptcy. See *In re Rexford Prop.*,
26 557 B.R. at 797.

1 **B. Equitable Subordination of the OPF Claim is Appropriate Under the**
2 **Circumstances.**

3 The subordination of claims based on equitable considerations generally requires three
4 findings: “ (1) t h a t t h e c l a i m a n t e n g a g e d
5 misconduct injured creditors or conferred unfair advantage on the claimant, and (3) that
6 s u b o r d i n a t i o n w o u l d n o t b e i n e q u i t a b l e c i r c u m s t a n c e s . I n r e F i r s t S t a t e M o r t g a g e C o . , w i t h
7 471 F.3d 977, 1006 (9th Cir. 2006) (quoting *Feder v. Lazar (In re Lazar)*, 83 F.3d 306, 309 (9th
8 Cir. 1996) (citing *Benjamin v. Diamond (In re Mobile Steel Co.)*, 563 F.2d 692, 699–700 (5th
9 Cir.1977))).

10 **1. OPF Engaged In Inequitable Conduct.**

11 Inequitable conduct can be established in three primary ways: (i) fraud, illegality and
12 breach of fiduciary duties; (ii) undercapitalization; or (i i i) c l a i m a n t ' s u s e
13 instrumentality or alter ego. *See, e.g., In re Matter of Fabricators, Inc.*, 926 F.2d 1458, 1467
14 (5th Cir. 1991). Although not all three are necessary, OPF acted inequitably in all three ways.
15 First, fraud is established by the Sham OPF Agreements, including the Term Loan Agreement
16 underlying the OPF Claim, where OPF participated in the D e b t r e f a r i o u s s c h e m e t o d i v e r t
17 assets from its estate just *weeks* before filing for bankruptcy protection in this Court.

18 Second, OPF was undercapitalized. I n d e e d , p r i o r t o p a r t i c i p a t i n g
19 it held no assets. It now o p e r a t e s m e r e l y f o r t h e p u r p o s e
20 a n d s h i e l d i n g f u n d s . O P F s o l e l y s e r v e s a s a D o n o r f o r t h e D i o c e s e , c r e a t o r
21 and the Shielded Assets purportedly owned or held by OPF were fraudulently conveyed to OPF
22 by the Diocese.

23 Third, as set forth in more detail in Part II.A.1 of this Objection, OPF is an alter ego, shell
24 entity and/or mere instrumentality of the Diocese.

25 **2. The Misconduct Conferred an Unfair Advantage On OPF And**
26 **Injured Other Creditors.**

27 The Term Loan Agreement and creation of the OPF Claim has expanded the general
28 u n s e c u r e d c l a i m p o o l a n d s e r v e s t o f u r t h e r

1 hands of its insiders. By diluting the unsecured claims pool, the Class 8 Claim removes assets
2 that would otherwise be available to other unsecured creditors—including holders of Class 4 and
3 Class 5 Claims. In addition, in a transparent attempt to secure confirmation of the Plan over the
4 objection of the Committee, the Debtor has classified the OPF Claim—the only claim
5 categorized in Class 8—as impaired.

6 **3. Subordination Of the OPF Claim Is Not Inconsistent With The**
7 **Bankruptcy Code.**

8 The third element of equitable subordi
9 bankruptcy court that, although it is a court of equity, it is not free to adjust the legally valid
10 claim of an innocent party who asserts the claim in good faith merely because the court perceives
11 the result. Andrew DeNatale, Prudence B. Abram, *The Doctrine of Equitable*
12 *Subordination as Applied to Nonmanagement Creditors*, 40 BUS. LAW. 417, 428 (1985). Here,
13 there is no conflicting provision of the Bankruptcy Code that would negate the preceding two
14 elements—particularly given OPF’s status as an insider. See a n
15 *In re Universal Farming Indus.*, 873 F.2d 1334, 1337 (9th Cir. 1989) (holding b a r
16 courts exercise broad equitable power to o s

17 Accordingly, there is significant and material evidence demonstrating that OPF—an
18 insider and/or alter ego—has engaged in inequitable conduct that, if not remedied, will injure
19 other creditors in this case. If the OPF Claim is not disallowed in its entirety, equitably
20 subordinating the OPF Claim to an interest that is subordinate to general unsecured claims would
21 be in the interest of justice. The burden now shifts to OPF to demonstrate the fairness of the
22 Term Loan Agreement and the facts underlying the OPF Claim.

23 **RESERVATION OF RIGHTS**

24 By this Objection, the Committee objects to the OPF Claim for the reasons identified
25 herein, and regardless of whether one or more of the bases for objection stated herein is
26 overruled, or otherwise not sustained, the Committee reserves the right to (i) amend, modify, or
27 supplement this Objection, and to file at a later date additional objections to the OPF Claim
28

1 and/or (ii) seek estimation of the OPF Claim. Further, the Committee reserves its rights to object
2 to any claim (filed through a proof of claim or scheduled), including, but not limited to, the OPF
3 Claim, on any grounds whatsoever at a later date, including, among other things, based on
4 amount, priority, classification, or otherwise.

5 **NOTICE**

6 The Committee will provide notice of this Objection to: (a) the United States Trustee for
7 the Northern District of California; (b) counsel for the Debtor; (c) OPF; and (d) any party that
8 has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief
9 requested, no other or further notice need be provided.

10 **WHEREAS**, for the foregoing reasons, the Committee requests that the Court enter an
11 order disallowing the OPF Claim or, in the alternative, equitably subordinating the OPF Claim
12 as an interest that is subordinate to general unsecured claims, and granting such other and further
13 relief as the Court deems just and proper.
14

15 Dated: December 11, 2024

**KELLER BENVENUTTI KIM LLP
LOWENSTEIN SANDLER LLP**

17 By: /s/ Gabrielle Albert
18 Tobias S. Keller
19 Jane Kim
20 Gabrielle L. Albert

- and -

21 Jeffrey D. Prol
22 Michael A. Kaplan
23 Brent Weisenberg
24 Nicole Fulfree

*Counsel for the Official Committee of
Unsecured Creditors*

EXHIBIT A

Part 2: Additional Page

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page. If no additional NONPRIORITY creditors exist, do not fill out or submit this page.			Amount of claim
3.552	Nonpriority creditor's name and mailing address STELLA HONG 2121 HARRISON STREET ST. #100 OAKLAND, CA 94612	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input checked="" type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Stale Check	\$ 300.00
	Date or dates debt was incurred Undetermined Last 4 digits of account number	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
3.553	Nonpriority creditor's name and mailing address STEVE'S PLUMBING P.O. BOX 5409 WALNUT CREEK, CA 94596	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input checked="" type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Stale Check	\$ 110.00
	Date or dates debt was incurred Undetermined Last 4 digits of account number	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
3.554	Nonpriority creditor's name and mailing address SYLVIA MARTINEZ 2121 HARRISON STREET ST. #100 OAKLAND, CA 94612	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Expense Reimbursement - Amended	\$ 0.00
	Date or dates debt was incurred Undetermined Last 4 digits of account number	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
3.555	Nonpriority creditor's name and mailing address THE OAKLAND PAROCHIAL FUND, INC. 2121 HARRISON ST. STE. 100 OAKLAND, CA 94612	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Term Loan Agreement - Amended	\$ 35,019,178.08
	Date or dates debt was incurred 04/28/2023 Last 4 digits of account number	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
3.556	Nonpriority creditor's name and mailing address TIM SILVA 1367 MONTEREY STREET RICHMOND, CA 94804	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Trade Payable - Amended	\$ 0.00
	Date or dates debt was incurred Undetermined Last 4 digits of account number	Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	

Case: 23-40523 Doc# 1524-1 Filed 06/22/24 Entered 06/22/24 19:53:15 Page 52 of 88

EXHIBIT B

ARTICLE IN CORPORATION

THE OKANIMPAROCH FUND, INC.

FILED
Secretary of State
California

APR 23 2017

I

(L

The above described corporation is known as Okanimparoch Fund, Inc.

II

A. This corporation is being organized and is a private corporation for the purpose of providing financial support to the Roman Catholic Diocese of Los Angeles, California, and its various parishes, schools, and other ministries. The corporation shall be organized and operated for the purpose of providing financial support to the Roman Catholic Diocese of Los Angeles, California, and its various parishes, schools, and other ministries.

B. The general purpose of this corporation is to provide financial support to the Roman Catholic Diocese of Los Angeles, California, and its various parishes, schools, and other ministries. The corporation shall be organized and operated for the purpose of providing financial support to the Roman Catholic Diocese of Los Angeles, California, and its various parishes, schools, and other ministries.

III

This corporation is organized and operated for the purpose of providing financial support to the Roman Catholic Diocese of Los Angeles, California, and its various parishes, schools, and other ministries. The corporation shall be organized and operated for the purpose of providing financial support to the Roman Catholic Diocese of Los Angeles, California, and its various parishes, schools, and other ministries.

IV

A. The undersigned hereby certifies that the above described corporation is a corporation organized under the laws of the State of California.

prograt, er ias e nptii fulee g iel exactip mo vii r e d t i o
5 (h) of e C o d a e n t h i c s r p o s h a l l o p b a n r i d i o p r i a r t e e r i m e c g u d i n
P u b l i c h i i n t b s u t t a i t n e a m e y o t s t a p n i a n t h e h o a d i f o p o s i t t o y n
c a i n d a t p a u b d f i c e x c a e p o r t o v i i s d e e d 5 O r a n f h C o d e .

B. A l c l r o r p t e r i t y r e v d e a d b i t y a t t e o e s t r h A r i c e
l l a b o m e . a o f h e e t n g s f h d i o r a s h a n t o b e n e f i t o f t s
d i r e t t s o t r e f s c , p s r , i s h a t e b d e e m b e r i , d i v i d u a s .

V

A. T e p o w e o f s i c f o r a s h i n k e r c i p s o d e r i n t e a i l d e s
a f a i r s w a n d a d t i e e c e s a i t a d s e r g p u n s t a b a t a w s h e
c o r a t p i r o n i h a e d t i y o a b o a o r d i r e c t b f e s o m a n t s e n b e l
e f e c t n i u p e t e w i t t e n R C B O s a n b y o r o g v i r n a t o a d t s e r i l a r
n e e d i e n t e i r n i a y t a s a c o t u t o n i e d r e d i m a s e f e a f a s t e
c r o a t o i r o n a y a e n d e e s t a t e m e a t d o d f e a r t i c l e s
l c r o r a t y i l o n v s c o r a t i o .


B. T h r e u m b e r , i f a t d e i r o s h i d i r e c t s c r o r a s h a e
a d e t e r i i n t h e y d l a w s .

VI

O t h w e i n d u p a g d s s o l u f t o c r o a t a i f e r a g i o m e u a t e l
p r v g f d t i e d e b t s l , i g a t d i o b i s f i i c s t o i r e o s t a h e o r a n s o a t i s s
c r o a s h o n d l i s t r t i o u c t e s e i d z a d i o g a i z a b i o n a s d e p e r a t e d
e x c u f s r R o n a y C a r t e n o i P u i s c p o v s e t h i d e i o o w n s i c a h e s t a b l i h e
t h e t i a x - e x e a u t e s e c t 5 i o o 3 o f t e C o d w h i h a v e e t a b l i s h e d
c o r e s p t a n x d - i e s x g e a u t p u s h a p p l S t a l l e a e .

VII

T h e n t s t a e t m a i d a i d n d g o e f t s i s s f o r a f i 2 o l n H a r s S h e e t ,
O a a n d a , i 9 4 6 1 2 .



Michael P. Canizzaro
Incorporator