

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

THE PEOPLE OF THE STATE OF NEW YORK
by LETITIA JAMES, Attorney General of the State
of New York,

Plaintiff,

v.

DIOCESE OF BUFFALO, RICHARD J.
MALONE, EDWARD M. GROSZ, and MICHAEL
WILLIAM FISHER, in his capacity as Bishop for
the Diocese of Buffalo,

Defendants.

No. 1:21-cv-00189-RA

STIPULATED FINAL ORDER

This stipulation of settlement is entered into by and between Plaintiff, the People of the State of New York, by Letitia James, Attorney General of the State of New York, and Defendants Diocese of Buffalo; Michael W. Fisher, in his capacity as the Bishop of the Diocese of Buffalo (the “Diocese”); Bishop Richard J. Malone; and Bishop Edward M. Grosz (Bishop Malone and Bishop Grosz, collectively, the “Individual Defendants”).

WHEREAS, pursuant to the provisions of New York’s Not-for-Profit Corporation Law (“N-PCL”); Estates, Powers and Trusts Law (“EPTL”); and Religious Corporations Law (“RCL”), the Attorney General conducted an investigation concerning the Diocese’s response to allegations of clergy sexual abuse of minors and vulnerable adults that focused on the Diocese’s compliance with standards to address and prevent the sexual abuse of minors by clergy that were established by the U.S. Conference of Catholic Bishops (“USCCB”) and the Diocese and embodied in the *Charter*, the *Essential Norms*, and the *Policy & Procedures* (as those terms are defined below);

WHEREAS, such investigation of the Diocese included the sworn testimony of Bishop Malone and Bishop Grosz as well as the Attorney General's review of Diocesan records produced in response to the Attorney General's subpoena, including priest assignment histories, personnel files, letters of good standing, documents in the *archivum secretum*, public announcements, communications to and from the Congregation for the Doctrine of the Faith, internal memoranda personally prepared and/or reviewed by Bishop Malone and Bishop Grosz, and investigative records;

WHEREAS, based on findings from the investigation, the Attorney General commenced, through the filing of a complaint on November 23, 2020, the above-captioned lawsuit in the Supreme Court of the State of New York, New York County (the "Action"), asserting claims against the Diocese pursuant to section 112(a)(1) of the N-PCL and section 8-1.4 of the EPTL and against Bishop Malone and Bishop Grosz pursuant to section 8-1.4 of the EPTL and sections 717 and 720 of the N-PCL;

WHEREAS, the Individual Defendants have been retired since before the time that the Attorney General's complaint was filed;

WHEREAS, the Attorney General's complaint sought, among other remedies, injunctive relief relating to allegations in the complaint concerning the *Charter*, the *Essential Norms*, the *Policy & Procedures* (as those terms are defined below), and the N-PCL, EPTL, and RCL;

WHEREAS, the Attorney General's complaint also sought the appointment of an independent compliance auditor, which would be selected by the Diocese with the approval of the Attorney General, to monitor and audit the Diocese's compliance with the injunctive relief sought by the Attorney General in the complaint;

WHEREAS, on January 9, 2021, the Diocese and the Individual Defendants removed the Action to the U.S. District Court for the Southern District of New York;

WHEREAS, on February 22, 2021, the Attorney General filed a motion to remand the Action to the Supreme Court of the State of New York, New York County; the Diocese has opposed that motion and, in its opposition, objected to and contested the Attorney General's jurisdiction and authority to assert the claims and seek the relief it has sought in this action pursuant to the provisions of the N-PCL, EPTL, and RCL; and the Attorney General's motion to remand remains pending before the U.S. District Court for the Southern District of New York;

WHEREAS, after the Office of the Attorney General commenced its investigation, the Diocese developed a *Priest Supervision Program* (as defined below) that addresses monitoring of individual priests identified as having substantiated claims of abuse against them;

WHEREAS, the Diocese's *Policy & Procedures*, *Code of Conduct*, and *Priest Supervision Program* (as those terms are defined below) incorporate and apply key terms and obligations of the *Charter* and the *Essential Norms* regarding the response to allegations of clergy sexual abuse;

WHEREAS, Bishop Fisher was installed as the Bishop of the Diocese on January 15, 2021, and has prioritized and continued to strengthen the Diocese's institutional governance to protect children and vulnerable adults;

WHEREAS, the Diocese's College of Consultors has reviewed and approved the Diocese's operative *Policy & Procedures* and *Code of Conduct*, and the adoption of the *Priest Supervision Program* and this Stipulated Final Order;

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