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## **The Boy Scouts of America Files for Chapter 11 Bankruptcy to Equitably Compensate Victims While Ensuring Scouting Continues Across the Country**

*Local Councils are Not Filing for Bankruptcy as They are Legally Separate and Distinct Organizations*

IRVING, TX – February 18, 2020 – The Boy Scouts of America (BSA) today announced that the national organization has filed for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code to achieve two key objectives: equitably compensate victims who were harmed during their time in Scouting and continue carrying out its mission for years to come. The BSA intends to use the Chapter 11 process to create a Victims Compensation Trust that would provide equitable compensation to victims.

Scouting programs, including unit meetings and activities, council events, other Scouting adventures and countless service projects, will continue throughout this process and for many years to come. The BSA fully intends to maintain its commitments to its members, families, volunteer leaders, employees, retirees, donors and alumni to the fullest extent permitted by bankruptcy laws. The organization also will pay its vendors and partners for all goods and services delivered from today forward.

Local councils, which provide programming, financial, facility and administrative support to Scouting units in their communities, have not filed for bankruptcy. They are legally separate, distinct and financially independent from the national organization.

“The BSA cares deeply about all victims of abuse and sincerely apologizes to anyone who was harmed during their time in Scouting. We are outraged that there have been times when individuals took advantage of our programs to harm innocent children,” said Roger Mosby, President and Chief Executive Officer. “While we know nothing can undo the tragic abuse that victims suffered, we believe the Chapter 11 process – with the proposed Trust structure – will provide equitable compensation to all victims while maintaining the BSA’s important mission.”

### **Establishment of the Victims Compensation Trust and Support for Victims of Abuse**

The BSA has an important duty to keep children safe, supported and protected while preparing them for their futures, and the organization has every intention of continuing to fulfill these important responsibilities.

Tragically, there have been times when individuals took advantage of the BSA’s programs to harm children. The BSA firmly believes that a proposed Victims Compensation Trust structure is the best means of compensating victims in a way that is equitable and protects their identities. The BSA encourages victims to come forward to file a claim as the bankruptcy process moves forward and will provide clear and comprehensive notices about how to do so.

The BSA has, for years, funded in-person counseling for any current or former Scout who was a victim of abuse as well as victims’ family members, by a provider of their choice. As an extension of this commitment to supporting victims, the BSA recently announced a partnership with 1in6, a trusted national resource for male survivors, to expand their services so that victims of abuse are able to anonymously access vital support from trained advocates when and how they need it. Victims can access 1in6 services at [www.1in6.org/BSA](http://www.1in6.org/BSA). This is a multiyear commitment, which the BSA feels is an important component of its ongoing efforts to support victims.

### **Maintaining Programming and Upholding Commitments to All Stakeholders**

Scouting will continue to provide unparalleled programs to young people – keeping them safe, supported and protected as it prepares them for their futures. The BSA today has some of the strongest, expert-informed youth protection policies found in any youth-serving organization, including mandatory youth protection training and background checks for all volunteers and staff, as well as policies that prohibit



one-on-one interaction between youth and adults and require all volunteers and staff to report any suspected abuse to law enforcement.

Additional information about the BSA's multilayered safeguards, our commitment to support victims, and our efforts to be part of the broader solution to child abuse is available at [www.scouting.org/youth-safety](http://www.scouting.org/youth-safety).

Read the BSA's Open Letter to Victims [here](#).

More information and updates about the restructuring are available via the national organization's dedicated restructuring website, [www.BSArestructuring.org](http://www.BSArestructuring.org). Victims, as well as vendors and other potential creditors who have questions about their claims may contact [Restructuring@scouting.org](mailto:Restructuring@scouting.org) or call 1-866-907-BSA1 for the fastest response.

The BSA is represented in the restructuring by Sidley Austin LLP as legal counsel and Alvarez & Marsal North America LLC, as financial advisor.

### **About the Boy Scouts of America**

The Boy Scouts of America provides the nation's foremost youth program of character development and values-based leadership training, which helps young people be "Prepared. For Life.®" The Scouting organization is composed of nearly 2.2 million youth members between the ages of 5 and 21 and approximately 800,000 volunteers in local councils throughout the United States and its territories. For more information on the Boy Scouts of America, please visit [www.Scouting.org](http://www.Scouting.org).

Learn about the BSA's youth protection policies in place today at [www.scouting.org/youth-safety](http://www.scouting.org/youth-safety).

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