



BOY SCOUTS OF AMERICA®

BALTIMORE AREA COUNCIL

Dear Baltimore Area Council Scouting Family,

As you may have seen recently from national and local media coverage, the Boy Scouts of America has made substantial progress in its Chapter 11 case as part of its ongoing efforts to reach a global resolution that will equitably compensate victims and ensure Scouting's future by resolving past abuse cases for both the national organization and local councils.

The BSA and the Ad Hoc Committee of Local Councils, which has been representing local councils throughout the mediation process, reached an agreement with the major negotiating parties representing the majority of tort claimants that will ensure the overwhelming support of these claimants for the BSA's proposed Plan of Reorganization. Claimant support is a key step in the BSA's path toward emerging from bankruptcy. This agreement in principle marks a major milestone and is the most significant milestone to date as the BSA works toward its dual goal of equitably compensating victims of abuse and preserving the mission of Scouting.

As part of this agreement, all councils have been asked to make a substantial contribution for a combined total amount of \$500 million (cash and/or properties) to a trust that will serve to compensate victims.

The Baltimore Area Council Executive Board voted unanimously to sign and deliver a non-binding letter of intent to the BSA indicating the Council will make an all-cash contribution to a settlement trust which would be created under the BSA's Chapter 11 plan of reorganization. The Baltimore Area Council will not be contributing any real property to the settlement trust but rather the Council's contribution will come from our unrestricted endowment assets. These funds will not include James E. West or other donor-directed gifts. No annual contributions such as Friends of Scouting, special event funding, or program fees are included in this settlement and these funds remain a key source of our annual operating revenue.

We are fortunate as a Council that even after we contribute to the settlement trust, we will have the financial resources to continue delivering a quality Scouting program to the youth of central Maryland.

While there are still many details to be worked out, this encouraging and significant step forward demonstrates the commitment of the BSA to achieve a global resolution. It is the BSA's intention to seek confirmation of the plan this summer and emerge from bankruptcy later this year.

We will continue to keep you informed as progress continues in the weeks and months ahead.

Yours in Scouting,

Kenn Miller
Scout Executive

Mike Sullivan
Council President

Jeff Seymour
Council Commissioner

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