

# Haynes Boone Jointly Represents Boy Scouts of America in Landmark Chapter 11 Reorganization

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June 16, 2025 Ernest Martin, Adrian Azer, Michael Stoner

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**PRACTICES** Bankruptcy Litigation, Insurance Recovery

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Haynes Boone, serving as special insurance counsel, assisted White and Case LLP and their joint client, Boy Scouts of America (formerly BSA and now Scouting America), in its landmark Chapter 11 reorganization and related appeals. BSA, the nation's foremost youth program of character development and values-based leadership training, saw the United States Court of Appeals for the Third Circuit dismiss the widest ranging appeals of the bankruptcy court's plan confirmation order. On June 13, 2025, the Third Circuit denied the petitions for rehearing by the panel or the Court en banc.

Haynes Boone jointly led the BSA's efforts to reach resolution with several of its insurers, resulting in settlements of approximately \$1.6 billion. In addition, Haynes Boone played a key role in establishing the Trust Distribution Procedures that will govern the distribution of assets to claimants. In conjunction with White and Case, Haynes Boone successfully defeated multiple challenges from insurers who contended that the BSA's proposed plan of reorganization was not entered in good faith.

At the Bankruptcy Court, District Court and Third Circuit, each court rejected the insurers' challenge to good faith, with the District Court noting: "I find no support in the record for Certain Insurers' argument that the Plan was proposed with ulterior motives, that the Plan's development process suffered from BSA's unclean hands, or that the Plan process otherwise indicates a lack of good faith." The Third Circuit affirmed the good faith rulings by the Bankruptcy Court and District Court, stating: "But failure to include the Certain Insurers' desired language does not convert the Plan into a bad-faith proposal, especially when the Plan language is otherwise consistent with the Code and background principles of bankruptcy law. Because the Certain Insurers provide no basis to conclude otherwise, we agree with the Bankruptcy and District Courts that the Debtors proposed the Plan in good faith."

The Third Circuit's decision is the culmination of more than five years of tireless efforts by survivors, BSA, local councils, chartered organizations, insurers and other stakeholders to equitably compensate survivors and preserve the mission of Scouting. By dismissing claimants' appeals and affirming the plan as to certain insurers, the court has assured survivors that the settlement trust established under BSA's plan can continue its essential work of providing financial compensation to survivors without interruption.

The settlement fund for abuse claims is valued at more than \$2.4 billion plus insurance rights, which are estimated by the bankruptcy court to be worth at least an additional \$4.2 to \$4.4 billion. Since it was established in April 2023, the trust has distributed more than \$138 million to approximately 20,000 survivors.

The decision also ensures that the organization can continue its congressionally chartered charitable mission of preparing young men and women to become responsible, participating citizens and leaders guided by the Scout Oath and Law.

Since BSA's founding in 1910, more than 130 million Americans have participated in Scouting programs, and more than 2.75 million young men and women have attained Scouting's highest rank of Eagle Scout. In 2024, reflecting the participation of both boys and girls, Boy Scouts of America changed its name and became "Scouting America." More than a million young men and women currently participate in Scouting America's programs, reinforcing the importance of Scouting and its values-based programs to American life.

Haynes Boone attorneys [Ernest Martin](#), [Adrian Azer](#), and [Michael Stoner](#) worked in close coordination with White and Case's trial team, which included Jessica Lauria, Glenn Kurtz, Michael Andolina, Matthew Linder, and Laura Baccash. In addition, other members of Haynes Boone were instrumental both prior to and during the BSA's Chapter 11 proceeding, including partners [Natalie Dubose](#) and [Emily Buchanan](#), counsel [Carla Green](#), and associates [Brittany Parks](#) and [Benjamin Schindler](#).

Haynes Boone's [Insurance Recovery Practice Group](#) helps clients through the entire insurance coverage lifecycle – from obtaining the best available terms and conditions of coverage on the front end of policy procurement to addressing and resolving insurance claim disputes through litigation, arbitration and mediation. The group handles some of the largest, most complex insurance coverage matters in the world. The Practice Group is ranked by Chambers as Band 1 in Texas and Band 3 in Washington, D.C., with several of its partners also ranked by Chambers.