



STATEMENT FROM THE TRUSTEES OF THE CHRISTIAN BROTHERS (OCEANIA PROVINCE)

24 July June 2026

Today the Trustees of the Christian Brothers have advised our creditors, other stakeholders and the court of a development regarding the earlier announced proposal for a scheme of arrangement.

On 24 July 2026, the Trustees entered into a Memorandum of Understanding with the Trustees of Edmund Rice Education Australia (**EREA**) to develop and implement a revised creditors' scheme of arrangement which is expected to provide an outcome for all creditors, including victims and survivors of abuse, which is better than both liquidation and the earlier proposed scheme.

The key principles which will underpin the development of the revised scheme are set out in the Memorandum of Understanding and include:

- The Province Entities' properties will be realised by the Scheme Administrators and a scheme fund will be created, which will be controlled by the Scheme Administrators and used for distribution to creditors.
- All scheme creditors with crystallised monetary claims (including abuse claimants with outstanding settlements or judgments, including claims to legal costs) will be paid in full from the scheme fund as soon as sufficient funds are raised from the realisation of property.
- Abuse claimants with claims which are not yet crystallised will not be required to go through a claims adjudication process under the proposed scheme, and will instead be able to pursue EREA in civil litigation or via the National Redress Scheme.
- EREA will consent to being nominated as the proper defendant in all abuse claims against the Province once the scheme is effective (following creditor and court approval) and EREA, the Province and the Scheme Entities will take all steps required to ensure EREA is nominated as a proper defendant in all abuse claims.
- EREA will be responsible for the management and defence of abuse claims.
- EREA will be liable for settlements and judgments in all abuse claims to which it is a proper defendant.

In summary this means that not only will current claimants with settlements or judgments be paid in full, but EREA will assume responsibility and liability for all current and future legal proceedings as well as for claims before the National Redress Scheme.

An additional period of time is now required to give effect to this development, including to develop the revised scheme proposal in detail and to consult with creditors and their legal advisors in relation to the revised scheme. This is expected to take an additional six to eight weeks.

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Our advisors have already commenced engagement with creditors and their legal advisors to brief them on what is now proposed moving forward. Once creditors have been provided with complete details of the revised scheme, they will be invited to vote on the revised scheme. Our advisors have written to the court with an update on these developments and requesting that a directions hearing be listed so that a revised timetable for the procedural steps can be sought.

Again, as with the earlier proposal, the revised scheme must be approved by both creditors and the court.

The Trustees of the Christian Brothers thanks EREA for engaging in this process and agreeing to a pathway which would provide a substantially better outcome for our creditors, including the victims and survivors of abuse.

Ends.

Notes for media

- ***All comments are attributed to 'Trustees of the Christian Brothers'***
- ***All media enquiries are to be directed in writing only to media@oceaniaprovince.org***