

LAW OFFICE OF
DOUGLAS & DOUGLAS
CHRISTIAN MUTUAL BUILDING
6 LOUDON ROAD, SUITE 502
CONCORD, NEW HAMPSHIRE 03301

3727

CHARLES G. DOUGLAS, III
ROLINE G. DOUGLAS
ROBERT J. RABUCK
SUSANNA G. ROBINSON
C. KEVIN LEONARD

TELEPHONE
TTY/TDD
(603) 224-1988
FAX
(603) 229-1988

December 22, 1993

Bradford E. Cook, Esquire
Sheehan Phinney Bass & Green
P.O. Box 3701
Manchester, NH 03105

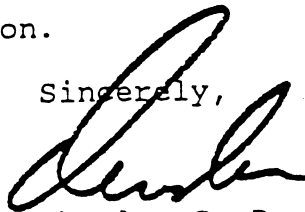
Re: [REDACTED]/Father Shea

Dear Brad:

Following up on our conversation earlier this fall, I am enclosing herewith a demand letter for [REDACTED] of [REDACTED]. The enclosed letter is an attempt to meet your suggestion that the Church would prefer to keep these matters out of the newspaper and have a reasonable settlement as long as there is a reasonable demand. As you know, the Sunday News on page 8 carried my suit against music teacher Hikel and I am sure they would be glad to do the same if I were to sue the Archdiocese and Father Shea. Out of respect for you and the Church, I would very much hope that we could resolve this matter at this time without suit and, therefore, am following your suggestion.

Thank you for your cooperation.

Sincerely,



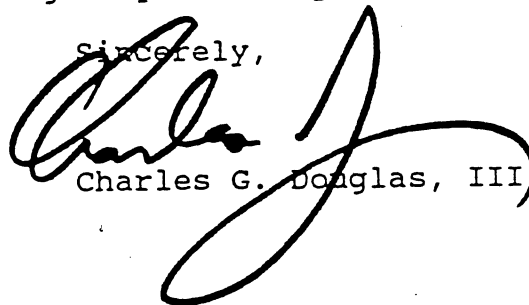
Charles G. Douglas, III

CGD/mr
Enclosure
[REDACTED]

Bradford E. Cook, Esquire
December 22, 1993
Page 2

██████████ would be glad to meet with your board or commission to confidentially repeat his facts to you directly. At this time, without prejudice to any amount later sought by litigation, he makes demand in the amount of \$25,000. I have explained to ██████████ that this possibly may require his appearance and he understands that would be a necessary consideration for resolving this matter. I have also explained to him the likely request for confidentiality and it is in that spirit of working cooperatively that this letter is written.

Sincerely,



Charles G. Douglas, III

CGD/mr
cc: ██████████

SHEEHAN
PHINNEY
BASS +
GREEN
PROFESSIONAL
ASSOCIATION

3729



January 5, 1994

1000 ELM STREET
P.O. Box 3701
MANCHESTER
NEW HAMPSHIRE
03105-3701
FAX 603-627-8121
603-668-0300

Charles G. Douglas, III
Douglas & Douglas
Christian Mutual Building
6 Loudon Road, Suite 502
Concord, NH 03301

RE: [REDACTED] / Father Shea

1 HARBOUR PLACE
SUITE 325
PORTSMOUTH
NEW HAMPSHIRE
03801-3856
FAX 603-433-3126
603-433-2111

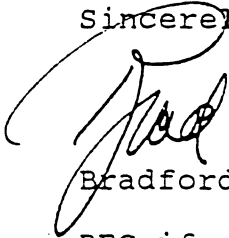
Dear Chuck:

Thank you for your letter of December 22, 1993.

I have sent the letter enclosed with your cover letter to the Diocese of Manchester for consideration. However, in your letter, you do not indicate any basis on which the Diocese could be considered liable or responsible for the alleged action, assuming it occurred. I would appreciate your enlightening me further on the basis of your theory of liability against the Diocese. However, without prejudice and in anticipation of that, I have sent the letter to the Diocese for consideration.

I look forward to hearing from you. When I have heard back from the Diocese, I will give you their initial response.

Sincerely,



Bradford E. Cook

BEC:jf

BEC/6423-DS0

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ASSOCIATION



ATTORNEYS AT LAW

January 5, 1994

1000 ELM STREET
P.O. Box 3701
MANCHESTER
NEW HAMPSHIRE
03105-3701
FAX 603-627-8121
603-668-0300

Monsignor Francis Christian
Diocese of Manchester
PO Box 310
Manchester, NH 03105

RE: [REDACTED] Father Shea

Dear Monsignor Christian:

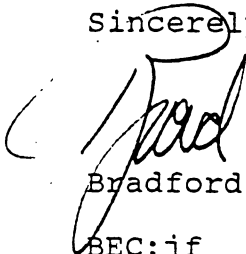
1 HARBOUR PLACE
SUITE 325
PORTSMOUTH
NEW HAMPSHIRE
03801-3856
FAX 603-433-3126
603-433-2111

Enclosed find two letters dated December 22, 1993 from Charles G. Douglas, III to me. Also enclosed find a letter from me to him in response.

Douglas's letter is devoid of any theory of liability against the Diocese. However, his demand is rather modest and should he come up with any theory of liability, we certainly should explore this matter more fully.

After you have had the opportunity to discuss this or review it, please call.

Sincerely,


Bradford E. Cook

BEC:jf

cc: James E. Higgins, Esq.

BEC/6423-DS1

LAW OFFICE OF
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3731

CHARLES G. DOUGLAS, III
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TELEPHONE
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December 22, 1993

PRIVILEGED AND CONFIDENTIAL
PURSUANT TO NHRE 408

Bradford E. Cook, Esquire
Sheehan Phinney Bass & Green
P.O. Box 3701
Manchester, NH 03105

Re: Offer of Settlement on Behalf of [REDACTED]

Dear Brad:

By this letter I am hereby making a settlement offer to resolve a claim on behalf of [REDACTED] of [REDACTED] who was subject to a sexual assault by Father Leo Alfred Shea.

[REDACTED] was assaulted by Father Shea on June 19, 1977, when he was aged 13. [REDACTED]

[REDACTED] Shea who I understand was affiliated with the church in Pelham at the time. The incident involved kissing by Father Shea and placing his hands on [REDACTED] and fondling him while [REDACTED] was upstairs in bed having been put to sleep at the end of a long wedding and party.

[REDACTED] has had a difficult time discussing this matter with anyone and, of course, the recent revelations have brought him to the point where he felt that he could consult and talk about the incident and its effect on him. Until age 13, [REDACTED] had been a devout Catholic with trust and faith both in the Church and in its authority figures. Ever since that evening in 1977, he has had recurring nightmares about it and has great difficulty reposing trust or reliance in anyone or anything connected with the Church. He regrets that he has not been able to separate out his opinion of the Church from what happened to him at the hands of Father Shea and at this time is considering the possibility of counseling so that this repressed emotional overlay could be dealt with by him.

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3732

LES G. DOUGLAS, III
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TELEPHONE
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(603) 224-1988
FAX
(603) 229-1988

February 10, 1994

Bradford E. Cook, Esquire
Sheehan Phinney Bass & Green
P.O. Box 3701
Manchester, NH 03105

Re: [REDACTED]/Father Shea

Dear Brad:

This letter will serve as a response to your January 5, 1994 letter and is sent in the spirit of working cooperatively so that we can resolve this matter at this stage.

To begin, [REDACTED] was assaulted by Father Shea on June 19, 1977, when he was aged 13. [REDACTED]

[REDACTED] Shea who was affiliated with the church in Pelham at the time. The incident involved kissing by Father Shea and placing his hands on [REDACTED] and fondling him while [REDACTED] was upstairs in bed having been put to sleep at the end of a long wedding and party.

The Diocese of Manchester is liable for the assault upon [REDACTED] on the grounds of respondeat superior and negligent hiring and supervision.

I. Respondeat Superior

Under the doctrine of respondeat superior, an employer may be held responsible for those negligent acts of an employee performed while the employee "was acting within the scope of his employment." Daigle v. City of Portsmouth, 129 N.H. 561, 579 (1987); see also Richard v. Amoskeag Manufacturing Co., 79 N.H. 380, 383 (1920). An act is within the scope of employment if it occurs within the time the employee was authorized to act. See Daigle, 129 N.H. at 579; see also Restatement (Second) of Agency, sec. 228(1)(b) (1958) ("Conduct of a servant is within the scope of employment if...it occurs substantially within the authorized time and space limits...."). In addition, the act must have been performed in "furtherance" of the employer's business. Daigle, 129 N.H. at 580.

Bradford E. Cook, Esquire
 February 10, 1994
 Page 2

In the instant matter, Father Shea used the auspices of the Church in assaulting [REDACTED]. Father Shea's sexual assault arose out of and in the exercise of his ministerial duties. Further, upon information and belief, Father Shea engaged in physical assaults against more than thirty other male minors during the time that he served as a priest for the Church in various parishes. In fact, Father Shea used his authority as a priest to facilitate his sexual assault on [REDACTED]. Without his employment he would not have been considered safe to go upstairs to a young boy's bedroom.

II. Negligent Hiring and Supervision

A claim of negligent hiring, training and supervision imposes direct liability on the employer as a result of the employee's misconduct. Cutter v. Town of Farmington, 126 N.H. 836, 840 (1985). The employer may incur liability if it is negligent:

(a) in giving improper or ambiguous orders or in failing to make proper regulations; or

(b) in the employment of improper persons or instrumentalities in work involving risk of harm to others; [or]

(c) in the supervision of the activity....

Id. at 841 (quoting Restatement (Second) of Agency, sec. 213 (1958)).

In Cutter, the Court stated that:

"The basis of a claim of negligent employment or supervision brought against an employer, where the employee harms a third party, is not vicarious liability (citation omitted); on the contrary, such a claim of negligent hiring, training, and supervision can encompass direct liability as a result of the misconduct of the employee."

As the Cutter case indicates, "Comment D (Agent Dangerous) states that is the dangerous quality of an agent causes harm, liability attaches to the principal under the rule that one initiating conduct having an undue tendency to cause harm is liable therefore." Id. at 841.

The Church has a duty to hire and supervise its priests in a prudent fashion so as to reduce the risk of harm to minor children, and its failure to do so in this case has resulted in tremendous

Bradford E. Cook, Esquire
February 10, 1994
Page 3

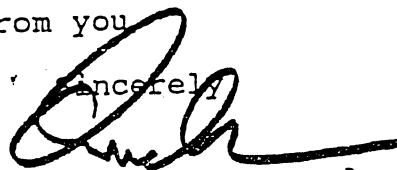
harm to [REDACTED] A screening test or periodic interviews to eliminate pedophiles goes with the fiduciary duty of Church parishing.

It is important to note that the Church has a duty based on the control it and its employees exercise over children. Since the Church and its priests have a special position of trust with children, they must protect them against sexual assaults by its priests. Because of the Church and its employee's control over children, the more foreseeable, and less surprising and unusual, the risk to children. In this regard, it is plain common sense that there is always a serious risk of child abuse with an all male priesthood and the Church must take steps to guard against that risk.

Because the Church employed Father Shea and directed his activities and failed to supervise him adequately, the Church created the risk of harm to [REDACTED]

I look forward to hearing from you

Sincerely



Charles G. Douglas, III

CGD/mr

cc: [REDACTED]

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ASSOCIATION



ATTORNEYS AT LAW

February 14, 1994

PERSONAL & CONFIDENTIAL

1000 ELM STREET
P.O. BOX 3701
MANCHESTER
NEW HAMPSHIRE
03105-3701
FAX 603-627-8121
603-668-0300

Monsignor Francis Christian
Diocese of Manchester
PO Box 310
Manchester, NH 03105

RE: [REDACTED] Father Shea

1 HARBOUR PLACE
SUITE 325
PORTSMOUTH
NEW HAMPSHIRE
03801-3856
FAX 603-433-3126
603-433-2111

Dear Monsignor Christian:

Enclosed find a letter dated February 10, 1994 from Attorney Charles G. Douglas, III in connection with the above captioned matter and in response to my earlier letter to Mr. Douglas.

You will recall Mr. Douglas contacted me concerning possible quick settlement of this claim and I responded to him asking the basis on which he thought the Diocese was liable. I do not think his legal theories other than possible negligent hiring have any basis in law but given all the publicity and other current activities, we probably want to consider possibly resolving this matter. I am sending a copy of this letter to Ray Dumont at Gallagher Bassett and have provided a copy to Jim Higgins, as well.

Sincerely,

Bradford E. Cook

BEC:jf

cc: Ray Dumont, Personal & Confidential
James Higgins, Esq., Personal & Confidential

BEC/6423-DT1

SHEEHAN
PHINNEY
BASS -
GREEN

PROFESSIONAL
ASSOCIATION

3736



ATTORNEYS AT LAW

April 22, 1994

1000 ELM STREET
P.O. BOX 3701
MANCHESTER
NEW HAMPSHIRE
03105-3701
FAX 603-627-8121
603-668-0300

Raymond Dumont
Gallagher, Bassett Insurance
Bedford Commons
Bedford, NH

RE: [REDACTED] v. Roman Catholic Bishop of
Manchester

1 HARBOUR PLACE
SUITE 325
PORTSMOUTH
NEW HAMPSHIRE
03801-3850
FAX 603-433-3126
603-433-2111

Dear Ray:

On Thursday, April 21, 1994, Monsignor Francis Christian and I met with [REDACTED] his wife [REDACTED] and their attorney, Charles G. Douglas, III of Concord, NH. You may recall that [REDACTED] through Douglas had written to the Diocese claiming abuse in 1977 when he lived in Pelham, NH. Father Leo Shea was the pastor at the church there at that time and [REDACTED] claims to have been molested by Shea following [REDACTED]. The claim was that Shea, while intoxicated, asked [REDACTED] then twelve, if he could "kiss him good night", proceeded to do so, continued to do so vigorously and then engaged in other inappropriate sexual activity. This activity stopped when [REDACTED] father entered the room but could not see what Shea was doing.

[REDACTED] claims that his life thereafter was affected by being alienated from the Church, failing in school and engaging in the abuse of drugs. Only after meeting his now wife did his life apparently straighten out and, during counselling with a priest prior to marriage did he make the connection between the abuse by Shea and his problems. He has proceeded to attempt to straighten out his life.

While there is certainly some doubt in the mind of Monsignor Christian (and, for that matter, me) as to the responsibility or liability of the Church for these actions which are claimed by [REDACTED] and Douglas to be the responsibility of the Church, they have offered to settle the matter without bringing suit on the following bases:

1. Payment to [REDACTED] of \$25,000.00.
2. Receipt by [REDACTED] of a letter of regret from the Church.
3. Execution of a Confidentiality Agreement in which neither side will reveal the terms of the settlement or talk about the circumstances.

Monsignor Christian and I believe the settlement should be accepted. First, Douglas is vigorous in his representation of such plaintiffs and could create great notoriety in the press as well as cause extensive legal fees through discovery, responses, process and procedure, etc. Second, the distraction to the Church and notoriety would be disadvantageous. While the legal defenses to the action whether because of the statute of limitations, proof or other might lead to victory, Douglas is famous for appeals and is close to the Manchester Union Leader which has been following the Shea case closely through Father Shea's guilty plea and incarceration.

The event in question occurred on June 19, 1977 when [REDACTED] was just short of thirteen years of age. He is now twenty-nine. I would ask that you evaluate this matter and if you agree with us, let me know as expeditiously as possible so that we can advise Douglas that the settlement is possible. We told him we had to check with you. Again, it is our collective judgment that the practicalities of the situation argue in favor of this settlement, especially in light of the willingness to enter into a confidentiality agreement. Frankly, we believe [REDACTED] truthfulness and that the events probably occurred, regardless of the legal merits of the case.

I look forward to hearing from you. If this matter can be wrapped up quickly, that would be helpful.

Sincerely,



Bradford E. Cook

BEC:jf

cc: Monsignor Christian

BEC/6423-DW4

July 6, 1994

[REDACTED]
c/o Attorney Charles G. Douglas, III
6 Loudon Road, Suite 502
Concord, New Hampshire 03301

Dear [REDACTED]

As I stated to you at our meeting, any pain and trauma or other sorrow which you have experienced in your life as a result of your interactions with your Church are truly regrettable. On behalf of the Diocese of Manchester I express our sorrow and regret concerning them. As you know, as people we are all imperfect, and certainly when those imperfections are expressed as you experienced them in a clergyman, the situation is even more regrettable.

I hope that our expressions of sorrow, as well as the ability to resolve matters between us, will allow you to go through a process of healing, and also become reconciled with the Church which cares deeply about you.

Sincerely,

(Msgr.) Francis J. Christian
Chancellor

Copy - for your records.

3739

GENERAL RELEASE

KNOW ALL MEN BY THESE PRESENTS, that [REDACTED] AND [REDACTED] husband and wife of HUDSON New Hampshire, for and in consideration of ONE DOLLAR (\$1.00) in hand paid and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and by these presents, do for themselves, their heirs, executors, beneficiaries, administrators, successors and assigns (the foregoing releasing parties being hereinafter referred to as the "Releasor") hereby release, remise and forever discharge fully and finally, The Roman Catholic Bishop of Manchester, a corporation sole, and its past, present and future officers, directors, agents, servants, representatives, employees, subsidiaries, affiliates, partners, predecessors and successors in interest and assigns, and all other persons and/or entities to the extent that such other person and/or entity is liable or could be deemed liable by, through, or under them (the foregoing released parties being hereinafter referred to as the "Releasee") of and from any and all past, present or future cause and causes of action, all manner of actions, suits, demands, claims, debts, sums of money, accounts, reckoning, bonds, bills, specialties, covenants, controversies, judgements, agreements, premises, variances, trespasses, damages, execution, and liabilities of whatsoever kind and nature, including, but not limited to, any and all claims for breach fiduciary duty, breach of obligation to supervise or select clergy, breach of duty of loyalty, and any and all damages and expenses of any nature whatsoever, past, present and future, foreseen or unforeseen, known or unknown, which have been incurred or which may be incurred in the future, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of these presents. Without limiting the generality of the foregoing, this release specifically pertains to all events complained of concerning contact between [REDACTED] and Rev. Leo Shea, including all claims which have been or could have been raised in connection with the aforementioned contact.

The Releasors shall not bring, commence, maintain or prosecute, directly or indirectly, any action at law or proceeding in equity or any legal or administrative proceeding or other claim for damages or other relief against Releasee based in whole or in part upon any act or omission of Releasee, anywhere in the world, including, without restricting the generality of the foregoing, any claim, demand, cause of action, obligation, damage or

liability, based upon, arising out of, or connected in any way whatsoever with any act, cause, matter or thing whatsoever by, or on behalf of, Releasee.

This release may and shall be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach hereof anywhere in the world.

This release is in no way to be considered an admission of any liability on the part of any party, by whom any and all liability is specifically denied.

Each of the Releasors hereto acknowledges that he or she has been represented by counsel in connection with the matters contained in this General Release, that each has had an opportunity to fully discuss these documents with such counsel prior to executing the same, that each understands the effect of this document, and that each has executed such documents voluntarily.

The terms of this release are contractual and not a mere recital. This release may be executed in any number of counterparts, all of which when taken together shall constitute a single release.

IN WITNESS WHEREOF, [REDACTED] AND [REDACTED] having read carefully the foregoing release and knowing and understanding its content, and with the advice of counsel, sign the same as their own free act and deed this 6 day of July, 1994.

WITNESS:

Jaqueline Longley
Jaqueline Longley

[REDACTED]
[REDACTED]

STATE OF NEW HAMPSHIRE
COUNTY OF

The foregoing instrument was acknowledged before me
this 6th day of July, 1994 by

Jean C. Latour
Justice of the Peace / my comm exp 5/24/99
Notary Public

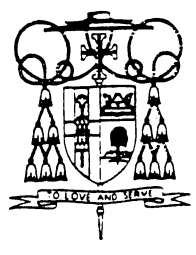
STATE OF NEW HAMPSHIRE
COUNTY OF

The foregoing instrument was acknowledged before me
this 6th day of July, 1994 by

Jean C. Latour
Justice of the Peace / my comm exp 5/24/99
Notary Public

F. Leo Shea

3741



OFFICE OF THE BISHOP
DIOCESE OF MANCHESTER

MOST REVEREND LEO E. O'NEIL, D.D.

November 21, 1994

The Reverend Leo A. Shea
P.O. Box 14 - South
Concord, NH 03302-0014

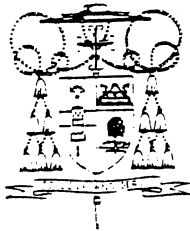
Dear Leo:

For administrative purposes, it has been necessary to change the effective date of your retirement to December 1, 1994. I am sure that you will understand.

Assuring you of my prayerful best wishes, I am

Your friend in Christ,
+ Leo E. O'Neil
Bishop of Manchester

Sorry about that Leo - paper work!



3742

OFFICE OF THE BISHOP
DIOCESE OF MANCHESTER

MOST REVEREND LEO E. O'NEIL D.D.

November 10, 1994

The Reverend Leo A. Shea
P.O. Box 14 - South
Concord, NH 03302-0014

Dear Leo:

In response to your letter of November 5, 1994 and for the reasons that you have indicated, I hereby grant you permission to retire from active ministry, effective September 1, 1994.

Please accept my sincere thanks for all that you have done for the People of God during your many years of service in this diocese.

May God grant you health, happiness and His peace in your retirement.

Your friend in Christ,

A handwritten signature in cursive script that reads "Leo E. O'Neil".

Bishop of Manchester

November 5, 1994
 The Most Rev. Bishop G. E. O'Drill
 Diocese of Manchester
 P.O. Box 310
 Manchester, NH 03105-0310

Dear Bishop,

According to diocesan policy, it is possible for someone attaining the age of 68 to request retirement.

I reached the age of 68 on August 25, 1994, so because of my age and my present situation I am hereby requesting your permission to retire as of September 1, 1994.

Be assured that if my health allowed me and when my situation changes, I will be more than willing to be of assistance if needed.

Sincerely
 Geo. A. Shea

~~F. Shea~~ Fr. Leo Shea

3744

Parole conditions

1. You must begin based sexual offenders counseling within 30 days.
2. You may not come in contact with any minor at any time.
3. You must refrain from alcohol at all times.
4. You may stay in Bennington for only two weeks.
5. Bennington police will take breathalyzers per parole requests.
6. You must report to Bennington Police Station on the day you arrive in Bennington. If no one is there, you must call from the rectory and return to the Police Station as soon as someone answers.

Received by: Leo A. Shea

Gives by: Sister Pauline Lebel for Mr. Brian
Maguire

Date: January 17, 1998

Fr. Shea is on parole until December 4, 1998.

