

WSJ Boy Scouts Could Back Out of \$650M Settlement with The Hartford

“The Boy Scouts of America has signaled that it could scrap a \$650 million settlement with property and casualty insurer The Hartford over sex abuse claims if victims groups keep up their opposition to the deal, which they have called inadequate. According to a report from The Wall Street Journal, the Boy Scouts organization on Friday filed documents with the U.S. Bankruptcy Court in Wilmington, Delaware, saying it would seek the counsel of the judge presiding over its bankruptcy proceedings if it cannot get enough abuse victims to sign off on the proposal a stipulation built into the pact when it was announced,” reports Zachary Vasile in Hartford Business.

“A spokesperson for The Hartford told The Wall Street Journal that if the \$650 million settlement isn’t approved by the bankruptcy court, the company is prepared to vigorously defend its position in related coverage litigation. The Boy Scouts, reeling from hundreds of lawsuits alleging the organization’s negligence failed to stop widespread sexual abuse by Scout leaders, sued The Hartford in 2018 in an attempt to recover money for legal fees and settlements in connection with insurance policies it holds. The Hartford had argued that its policies, issued to the BSA in the 1970s, did not cover those claims.”

Read the article.