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January 3, 2003

VIA FACSIMILE

Most Reverend Paul S. Loverde
Diocese of Arlington
Suite 914
200 North Glebe Road
Arlington, VA 22203

Dear Bishop Loverde:

Out of respect for the holy days of Christmas, I delayed responding to your public letter of December 3, 2002, despite how disturbing we found your self-serving comments to the parishioners of the Diocese of Arlington which misrepresented what has transpired with Fr. Haley. Considering your position of high moral authority for the Catholics in this area, this missive borders on the contemptible as it creates a false impression through dissembling of facts. Consequently, a response to your recitation is mandatory so there can be no suggestion that Father Haley acquiesces in your revisionist portrayal of events.

Your first statement that "Father Haley has not been made a pastor because of separate issues "not related to the" misdeeds (he reported to you) of three other priests is belied by past events. We know of no "past conduct" about which any parishioner presently complains concerning Fr. Haley. Your misleading reference appears to be about nothing more than a situation involving a misperception over seven years ago, which event was fully investigated and assessed to the complete satisfaction of Bishop Keating, who indicated then that Fr. Haley would remain on track for being considered for a pastorship. Indeed, this decision was passed on to you and you endorsed it, with full access and knowledge of Fr. Haley's entire personnel records in the Diocese. On May 26, 1999, you even met with Fr. Haley and told him he would be offered the pastorship at Our Lady of Hope, saying he was highly recommended by the

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Personnel Board. Then, in response to an apparent attempt by Fr. Verrecchia to undermine Fr. Haley due to his knowledge of the scandal at All Saints, you later withdrew the assignment. In meeting with Fr. Haley, you were given concrete proof of Fr. Verrecchia's adulterous affair with a parishioner at All Saints, as well as evidence of his harboring of pornography. Instead of rectifying that deplorable situation, you embarked upon your persistent adverse actions against Fr. Haley. And, in pure retaliation for his having brought forth conclusive evidence of the festering scandal at All Saints, you moved Fr. Haley to St. Lawrence. Curiously, someone then tells Fr. Verrecchia of what Fr. Haley gave to you, and thereafter the rectory's computer was purged (in an attempt to destroy the evidence) and accounting files put under lock and key.

Ignoring Fr. Haley, you finally called for a meeting in mid-February 2001 with him, Fr. Mealey, Fr. Rippey and yourself, telling Fr. Haley to bring his attorney (as yours would also be in attendance). It was at that time that I was introduced to you, having been retained just hours before by Fr. Haley to advise him during this meeting with you. At this meeting you raised a suggestion of concern about Fr. Haley's qualification to be a pastor, resurrecting the long-ago settled issue referenced above. It became clear that your objective was to fabricate a reason to move Fr. Haley from the area, rather than address the evidence he provided to you more than a year earlier verifying Fr. Verrecchia's scandalous affair. Your sole purpose appeared to have Fr. Haley go more than halfway across the country for some unnecessary and bogus evaluation, over a matter that had been intensively reviewed and resolved in Fr. Haley's favor years before. For obvious reasons, he refused your invitation.

This is not a matter which we intend to debate further with you, for it is a contrivance on your part designed to create a pretext to justify the adversary action you are now trying to inflict on him. Moreover, because of the perception you have created that a present complaint exists where none does, it raises the potential for our having to invoke the involvement of a person who is not now requesting any action by you. Fr. Haley has no intention of embarrassing innocent bystanders, however, just to prove your nefariousness.

It is noteworthy to recall, though, that when we met and you put the possibility of a pastorship in the balance against Fr. Haley's willingness to leave the area for an unnecessary evaluation, I made it quite clear to him in front of you that there was no reason for me, as his lawyer, to have ever been invited to this meeting since you retained absolute discretion as to his career and assignments, and there was nothing the civil law could do to change that, even if your reasons in assigning Fr. Haley somewhere were capricious and punitive. Curiously, only when you were asked to clarify what this meeting was really intended for did you raise the bogus issue of wanting an evaluation. Most telling was your refusal to give us any particulars of any putative complaint against Fr. Haley (even if it was an event from seven years ago). It soon became evident that the purpose of this gathering was nothing more than a veiled

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attempt to quiet Fr. Haley about the scandal at All Saints. Thus, the meeting ended with nothing but confusion as to what your real motives were with regard to Fr. Haley.

Several months later, at St. Lawrence, Fr. Haley uncovered again another cache of pornography (which appeared to involve young boys, not men, potentially presaging an interest by one of your pastors in pedophilia), as well as a suspicious bank of cash and other evidence indicating that there might be embezzlement of Parish funds taking place. Remaining true to form, your only action was to again transfer Fr. Haley to yet another parish. Even more egregiously, you took no visible action with regard to Fr. Erbacher, for he remained the pastor at St. Lawrence for many months thereafter, while Fr. Haley was sent to St. Mary's in Fredericksburg. Your admonition to Fr. Haley, as you again moved him, was to tell him to essentially "mind his own business," with the inference being that he could fall into disfavor with you if he said anything more about this.

Having received what, at best, is described as a less than responsible reaction by you to these reported scandals, it is easy to understand why Fr. Haley was left both confused and abandoned, if not betrayed, by your inaction and threats to him. Thus, on September 13, 2001, he requested a leave from his duties, for a short period of time, in order to reflect on whether he was comfortable continuing in your Diocese. By letter of October 8, 2001, you refused to grant him that opportunity. In the event you have forgotten, let me remind you that, approximately a month after you denied Fr. Haley this respite you call a "period of discernment," he uncovered still another rectory full of pornography. I can only assume that you thought you had accomplished your purpose in seeking to intimidate Fr. Haley enough so that he would do or say nothing more about the moral, ethical and legal breaches he saw in at least two of your parishes. Fortunately, you were wrong, if that was your assumption, for Fr. Haley was not about to turn a blind eye to what appears to be an epidemic of sordid behavior permeating the Diocese. At St. Mary's, Fr. Haley witnessed another collection of pornography involving she-males, dominatrix and sado-masochism fetishes, and other sexual deviancy extraordinarily demeaning to women. Doing what any responsible person should do, especially a priest, Fr. Haley reported this to you on October 16, 2001. Incredibly, all he received in return was your ire and admonition that you were displeased with his making such a further discovery.

Your response to learning what Fr. Hamilton was harboring in his parish was more telling of your motivation than anything else. Instead of expressing serious concern about this, you reminded Fr. Haley what you could do to him for reporting this when you said, "You better watch out. You have no idea what I am capable of." You then dismissed him from your presence and several days later issued a Decree, taking away his Diocesan Faculties, forbidding him from practicing pastoral ministry or preaching, and imposing a penal precept of silence on him not to communicate about these matters to anyone. If you want to call this a "period of discernment," then so be it, but it was not voluntary. While you presumably believe that your false statements for public consumption may serve you well, you know the truth is different, and so it is

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shameful for you to try to impugn Fr. Haley in any manner with such contrivances. You actually attempted to construct a revisionist view of these events a year ago when you started suggesting in letters to Fr. Haley that his absence from serving as a priest was at his request. In response to your contrived restatement of what had transpired, Fr. Haley wrote to you on June 14, 2002, succinctly stating that "I have never requested a departure from the sacred priesthood." The phrasing of this response to you was not just because you were then erroneously suggesting that he was on a voluntary period of discernment, but was also intended as a reminder that you were still denying him his priestly faculties, which he wanted restored.

Further evidence of your mischief is found not only in your spokesperson claiming Fr. Haley took a voluntary leave of absence, but also in putting out a statement that Fr. Haley had returned to Denver to live with his father. That also was not true for, as you well know, he only went to see his ailing father for a brief period of time. In fact, you were expressly told that he would not be living with him, for he did not want his father to have to suffer further with the knowledge that his son could no longer practice as a priest. Several months ago, I communicated with you and your subordinates about your complaint that you did not know how to contact Fr. Haley since he did not have a permanent residence. We mutually agreed that all correspondence to Fr. Haley would be sent through this office, and we would deliver it to him immediately, as he had no residence since his living situation was very much in flux. Fr. Mealey seemingly welcomed being able to communicate in this fashion and, in fact, did so. Despite this, however, just a couple of weeks after this agreement was confirmed, you issued another Decree against Fr. Haley, seeking to exact further punishment. You deliberately sent this to his father's house in Colorado, knowing that he was not there. It can only be presumed that this was intended to embarrass Fr. Haley with his family, for it was in breach of the very agreement on communication that we had struck weeks before.

Now, through the most recent Decree of October 21, 2002, you have also attempted to fabricate a defense to your actions, by stating as fact events that did not occur. There, you issued an edict advising that you were going to punish Fr. Haley further for his "violation of the penal precept by the public availability of extremely scandalous and defamatory material in his deposition." Much like your false statement in that Decree claiming that you had no way to contact Fr. Haley, your challenge to his deposition testimony is also riddled with inaccuracy.

First, Fr. Haley was required, as every citizen would be, to comply with civil law, even where counter to a penal precept such as you imposed upon him. Moreover, he is also required to tell the truth (need I say that would be expected of every priest/bishop?). You further imply that the responsibility for the "public availability of... the deposition" lies at the feet of Fr. Haley, when you know that not to be true. When your own attorney attempted to quash the deposition and/or have it sealed from public view, the Court denied you that relief, determining that the deposition was properly taken and that there was nothing to merit it being sealed. Once

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that occurred, I understand the Roman Catholic Faithful obtained a copy and put it on their website. Fr. Haley did not disseminate it, nor request this, and so your very reason for seeking further punitive action against him is unwarranted.

When challenged on this, you have attempted to deflect the focus of this entire matter away from you so as not to have to answer the critical questions about what actions you did, or did not, take with regard to the scandals Fr. Haley reported to you. You have done this by implying that Fr. Haley had no "civil law duty to give (his) deposition", suggesting to your public that there was no subpoena served on him. It is obvious that you are trying to parse words and raise a red herring to deflect the scrutiny away from you. While we do not intend to continue to indulge you in these side-bar skirmishes in the future, I will state for the record here the facts regarding Fr. Haley's deposition:

1. A formal "Notice of Deposition and Request for Documents" was served on Fr. Haley in the *Lambert* case, requiring him to appear for his deposition on July 24, 2002, and to bring with him certain documents.

2. As provided for by law, Fr. Haley was personally tendered this summons for his deposition, including a subpoena *duces tecum* to produce documents. That summons (summons, notice, and subpoena are synonymous for these purposes) was issued in accordance with § 8.01-407 of the Code of Virginia which provides, in part, that "If attendance is desired in a civil proceeding pending in a court or at a deposition in connection with such proceeding, a summons may be issued by an attorney-at-law who is an active member of the Virginia State Bar at the time of the issuance, as an officer of the court." Enclosed you will find a copy of the "SUBPOENA FOR WITNESS (CIVIL) - ATTORNEY ISSUED". Process was also accomplished on Fr. Haley independently through service by a person over the age of 18. Consequently, he was more than adequately served with the subpoena for his deposition, legally requiring him to appear and produce documents.

3. Your attorney was well aware of Fr. Haley having been subpoenaed for his deposition, as he called my office and wrote a letter as of July 18, 2002, inquiring as to a possible rescheduling of the deposition to a more convenient date. Your counsel was responding to my invitation of July 12, 2002, where I extended that courtesy, but where I also stated that I was "concerned about Fr. Haley's availability in this jurisdiction." On July 23, your counsel filed an extensive 15 page motion seeking a protective order to bar the public disclosure of any information obtained from Fr. Haley in his deposition. Importantly, your counsel recognized numerous times in its pleading that Fr. Haley would be testifying and producing documents "in response to this subpoena".

Your attorney then later sought to invoke Rule 4:5(d) to the Rules of Court to stop the taking of the deposition. I responded, stating that I disagreed with his interpretation of Rule 4:5 and reiterated my concern about Fr. Haley's unavailability in

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this jurisdiction in the event you, as his Bishop, decided to move him elsewhere. I thus said that I intended to go forward with the deposition on July 24, as noticed. When Fr. Haley appeared for his deposition on July 24, I even called your counsel's office to ask whether anyone intended to appear on behalf of the Diocese for, if so, I would await their arrival before beginning the inquiry. I received no response, so I proceeded with taking the deposition of Fr. Haley.

The next day, your counsel moved to quash the deposition and sought to declare it inadmissible as a result of its being taken in violation of Rule 4:5(d). In the alternative, your lawyer requested a protective order so that the deposition testimony and documents could not be revealed publicly. Suffice it to say that your counsel was wrong in his interpretation of Rule 4:5(d) and should have been in attendance at the deposition on July 24. The Court expressly ruled on August 2, 2002, that "the motion to declare inadmissible the deposition of Fr. Haley taken July 24, 2002, is denied, Rule 4:5(d) applying only after a deposition has commenced." Thus, your counsel's failure to appear and make objections at that time constituted a waiver, and his objecting in advance of the deposition was not proper. Insofar as the motion to put the deposition and its contents under seal pursuant to a protective order, the Court also denied that at the end of the month (after I voluntarily agreed, as a further courtesy, not to release it until the Court ruled).

What is most important about all of these proceedings is the fact that your counsel never once challenged the validity of the deposition subpoena served on Fr. Haley; in fact, he recognized that such had been served. Moreover, as the Court has ruled that the taking of the deposition was proper, any complaint now comes too late. Finally, as I am sure you have read in the deposition, Fr. Haley certainly understood that he was testifying pursuant to a subpoena, and so your suggestion to the contrary is not borne out by either the record or your own attorney's involvement in the airing of these issues before the Court. Consequently, we urge you to stop misleading the public with your attempts to call into question the propriety of the deposition subpoena.

It is also cynical for you to suggest that the *Lambert* case was dismissed as having no "valid legal claim," as if you did nothing improper related to deceiving Mr. Lambert. The truth is that you hid behind canonical law and the constitutional protection of separation of church and state to cover up your actions with regard to Mr. Lambert. It is noteworthy that the Court dismissed the *Lambert* suit as being out-of-time and, therefore, afoul of the statute of limitations, adopting your counsel's argument that everyone should have known that there was an affair going on based on the suspicious activity, despite statements to the contrary by you. What does that say about what you also should have known, but disavowed to Mr. Lambert? The ironies in your legal positions, versus public denials, are extraordinary.

Finally, if you are not invoking the canonical process to "punish (Fr. Haley) for bringing to (your) attention any concerns about the three priests mentioned" herein, then why does your Decree state as its basis Fr. Haley's testifying about these

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matters in his deposition, after you placed him under a penal precept of silence regarding same? If there is something more, we do not know about it and you have not suggested it in your Decrees. If you are now creating a different pretext for your actions, the timing coincident to Fr. Haley's complaints about the conduct of certain of your pastors certainly raises suspicions as to your motives. If it is true, as you state in your letter, that "allegations...that (you) have ignored priestly misconduct are absolutely false", then why not simply explain what actions you did take and when, for that will clear the air? One fact is certain, however, and that is that you gave no indication to Fr. Haley that you did anything about the scandals he reported to you until you were ultimately forced to take some action when the Roman Catholic Faithful made Fr. Haley's deposition public knowledge. Thus, punishing Fr. Haley is totally unjustified, and making false statements about what has transpired is equally reprehensible. If you really want to "grow in true holiness", as you profess, telling the truth might be a good start.

Very truly yours,



Gregory J. Murphy

GLM/adk
Enclosure

cc: Father James Haley

SUBPOENA FOR WITNESS (CIVIL) -

ATTORNEY ISSUED VA. CODE §§ 8.01-407; 16.1-265; Supreme Court Rules 1:4, 4:5
Commonwealth of Virginia

Case No.: Law No. 02-423

July 24, 2002 - 10:00a
HEARING DATE AND TIME

In the Circuit Court for Arlington County, VA Court

ADDRESS OF COURT

Jim A. Lambert v. ~~vs.~~ Bishop Paul S. Laverde

TO THE PERSON AUTHORIZED BY LAW TO SERVE THIS PROCESS:

You are commanded to summon

Father James Haley
NAME

STREET ADDRESS

CITY STATE ZIP

TO the person summoned: You are commanded to appear

in the _____ Court

at St 310, 277 S. Washington St, Alexandria, VA
ADDRESS (DEPOSITION USE IN CIRCUIT COURT ONLY)

on Wednesday, July 24, 2002 at 10:00 m. to testify in the above-named case.

This subpoena is issued by the attorney for and on behalf of

Jim A. Lambert
PARTY NAME

GREGORY L. MURPHY
NAME OF ATTORNEY # 12560
VIRGINIA STATE BAR NUMBER

St 310, 277 S. Washington St
OFFICE ADDRESS (703) 837-6999
TELEPHONE NUMBER OF ATTORNEY

Alexandria, VA 22314
OFFICE ADDRESS glmurphy@vssp.com
FACSIMILE NUMBER OF ATTORNEY

July 12, 2002
DATE ISSUED 
SIGNATURE OF ATTORNEY

Notice to Recipient: See page two for further information.

RETURN OF SERVICE (see page two of this form)

TO the person summoned:

If you are served with this subpoena less than 5 calendar days before your appearance is required, the court may, after considering all of the circumstances, refuse to enforce the subpoena for lack of adequate notice. If you are served with this subpoena less than 5 calendar days before your appearance is required, you may wish to contact the attorney who issued this subpoena and the clerk of the court.

This SUBPOENA FOR WITNESS is being served by a private process server who must provide proof of service in accordance with Va. Code § 8.01-325.

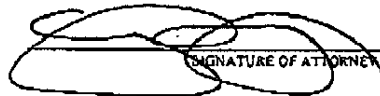
TO the person authorized to serve this process: Upon execution, the return of this process shall be made to the clerk of court.

NAME: <u>FR. JAMES HALEY</u>	
ADDRESS: <u>(served in person)</u>	
<input checked="" type="checkbox"/> PERSONAL SERVICE	Tel. No. _____
Being unable to make personal service, a copy was delivered in the following manner:	
<input type="checkbox"/> Delivered to family member (not temporary sojourner or guest) age 16 or older at usual place of abode of party named above after giving information of its purport. List name, age of recipient, and relation of recipient to party named above:	

<input type="checkbox"/> Posted on front door or such other door as appear to be the main entrance of usual place of abode, address listed above. (Other authorized recipient not found.)	
<input type="checkbox"/> not found	_____, Sheriff
DATE <u>7/12/02</u>	By <u>Donic B. Soto</u> , a person over the age of 18, Deputy Sheriff

CERTIFICATE OF COUNSEL

I, Gregory L. Murphy, counsel for Jim A. Lambert, hereby certify
 that a copy of the foregoing subpoena for witness was i.e. notice of deposition and subpoena duces tecum
Thomas J. Aubrey DELIVERY METHOD
 to Shurt A. Raphael, counsel of record for Bishop Paul S. Laverde
Mark B. Brentano
 on the 12th day of July, 2002



 SIGNATURE OF ATTORNEY