EXHIBIT 10

SETTLEMENT AGREEMENT AND RELEASE OF CLAIM

This Settlement Agreement and Release of Claim ("Agreement") is entered into by and between [redacted] ("Claimant") and The Catholic Bishop of Spokane a/k/a The Catholic Diocese of Spokane, a Washington corporation sole ("Debtor") collectively referred to as the "Parties."

RECITALS

1. On December 6, 2004 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Eastern District of Washington (the "Bankruptcy Court").

2. Claimant filed a confidential proof of claim for sexual abuse with the Bankruptcy Court on March 8, 2006 {BMC number 298} ("Proof of Claim") asserting a claim against the Debtor for damages based upon sexual abuse.

3. The Debtor disputes Claimant's claim.

4. The Parties enter into this Agreement in order to resolve, compromise, and fully settle all claims, demands, differences and disputes that Claimant may have against Debtor involving or in any way relating to claims for sexual abuse involving the Debtor ("Claim"), including without limitation those described in the Proof of Claim. The purpose of this agreement is to establish the allowed amount of Claimant's Claim under 11 USC § 502 ("Allowed Claim").

5. The Parties acknowledge and understand that any distributions to Claimant on account of the Allowed Claim, as set forth in this Agreement, are subject to the approval of the Bankruptcy Court. Specifically, treatment of the Allowed Claim, including the amount and timing of distribution on account of the Allowed Claim, is subject to Bankruptcy Court approval of a plan

of reorganization. **CLAIMANT ACKOWLEDGES AND UNDERSTANDS THAT HE MAY BE PAID ON A PRO RATA BASIS WITH OTHER SIMILAR CLAIMANTS AND MAY BE PAID LESS THAN THE FULL ALLOWED AMOUNT OF HIS ALLOWED CLAIM AS ESTABLISHED HEREIN.**

AGREEMENT

Therefore, for and in consideration of the mutual promises, terms and conditions set forth below, other good and valuable consideration, and in full and complete settlement of any Claim by Claimant against Debtor, the Parties agree as follows:

1. Claimant agrees to reduce the amount of his Allowed Claim to twenty-two thousand, eight hundred dollars ($22,800) and Debtor agrees that Claimant shall have an Allowed Claim in the amount of $22,800 under 11 USC § 502.

2. In consideration of the Debtor agreeing to allowance of this claim for $22,800, Claimant hereby releases, acquits, and forever discharges Debtor, its agents, attorneys, employees, representatives, priests, and associated parishes and/or schools from any and all claims, demands, and damages of any kind, known and unknown, whether now existing or arising in the future. This release shall be effective only on receipt by Claimant of the full amount of Claimant's Allowed Claim, or such lesser amount as provided for in a confirmed plan of reorganization, or as ordered by the Bankruptcy Court, or as agreed to by Claimant.

3. Claimant understands that this Agreement must be approved by the Bankruptcy Court. Claimant agrees to cooperate with the Debtor to satisfy any requirements needed for approval of this Agreement by the Bankruptcy Court. The parties understand and agree that any notice of this Agreement to parties in interest shall, to the extent possible, maintain full

confidentiality as to the name of the Claimant, and unless Claimant directs otherwise, any such notice shall redact the name of the Claimant.

4. If the Bankruptcy Court determines that unliquidated claims against the Debtor shall each have a value of $1 for voting purposes, the Claimant acknowledges that this Allowed Claim shall also have a value of $1 for voting purposes only, notwithstanding the Agreement of the parties to liquidate and allow this claim at a higher amount for distribution purposes.

5. Claimant understands and acknowledges the significance and consequences of this Agreement and acknowledges that he has entered into this Agreement voluntarily and not as a result of any coercion. Claimant further acknowledges that, as of the date of this Agreement, a disclosure statement has not been approved by the Bankruptcy Court, the Amended Plan has not been filed, and the Amended Plan has not been confirmed and may not be confirmed. Claimant further acknowledges that Claimant has been given a full opportunity to review this Agreement and to consult with an attorney regarding its provisions.

6. This Agreement contains the entire Agreement and understanding between the Parties with respect to the subject matter addressed herein. There are no other agreements, covenants, undertakings, representations, or warranties with respect to the subject matter of this Agreement other than those expressly set forth and referred to herein. This Agreement may only be modified or amended by the written consent of all the Parties and with any necessary Bankruptcy Court approval.

7. If any provision or part of this Agreement shall be held to be invalid by a Court of competent jurisdiction, the remaining parts or portions thereof shall remain in full force and effect at the option of the party not asserting the invalidity.

8. This Agreement is binding not only on the parties hereto, individually and collectively, but shall also be binding upon their respective estates, heirs and personal representatives, past, present and future, all of whom are bound hereby.

9. In the event of a dispute between the Parties with respect to the validity, interpretation or enforcement of this Agreement, this Agreement shall be construed and interpreted in accordance with the laws of the State of Washington and the Federal Bankruptcy Code. Venue for judicial action of any dispute concerning this Agreement shall be in the Bankruptcy Court.

10. The Parties represent and acknowledge that, in executing this Agreement, they do not rely and have not relied upon a representation or statement made by any party or any of its agents, shareholders, representatives or attorneys, with regard to the subject matter, basis or effect of this Agreement, other than as specifically stated in this Agreement.

11. This Agreement may be executed in counterparts, each of which shall constitute an original.

12. Claimant and Debtor each acknowledge that this Agreement is a compromise of a disputed claim, and is not to be construed as an admission of liability by either party. Neither the fact of, nor any provisions contained in this Agreement, nor any action taken hereunder shall constitute, or be construed as an admission with respect to any claims or facts alleged by any of the Parties hereto.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and express their intent to be bound by this Agreement effective on the date set forth below.

CLAIMANT

[redacted]

By: [redacted]
Print Name [redacted]
BMC No.: [redacted]298 Date: 1-9-07

THE CATHOLIC BISHOP OF SPOKANE
a/k/a THE CATHOLIC DIOSECE OF SPOKANE,
a Washington Corporation Sole, Debtor

By: Rev. Steven L. Dublinski
Print Name: Rev. Steven L. Dublinski
Its: Vicar General Date: January 19, 2007

[redacted]