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11 **IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF SAN JOAQUIN**

14 KATHLEEN MACHADO, individually and
in her capacity as Guardian ad Litem for
15 RACHEL LOMAS and AMBER LOMAS,
Plaintiffs,
16 v.
17 FATHER JOSEPH ILLO; FATHER FRANCIS
JOSEPH a.k.a. FATHER FRANCIS ARAKAL;
18 FATHER RICHARD RYAN; BISHOP STEVEN
BLAIRE; THE DIOCESE OF STOCKTON;
19 DOES 1 through 100,
Defendants.

No. CV 018440

**PLAINTIFFS' SETTLEMENT
CONFERENCE STATEMENT**

Date: 7 Feb. 2005
Time: 2:00 p.m.
Dept.: 41

21 **INTRODUCTION**

22 This case involves the sexual molestation of two young girls (ages 11 and 13) by defendant
23 Fr. Francis Arakal, a Catholic priest from India. The alleged molestation took place in July of
24 2001 in the plaintiffs' own home.

25 That is only a small, yet highly significant part of this story, most of which is verified by
26 testimony under oath. What happens next is equally as extreme and outrageous of an act as the
27 sexual abuse itself.

1 On September 11, 2001, the 11-year-old girl went to the rectory of St. Joseph's Parish in
2 Modesto, in confidence to report the sexual abuse to the to the offending priest's Pastor,
3 defendant, Fr. Joseph Illo. Rather than protect, and minister to the 11-year-old who was
4 confused and in pain, Fr. Illo breach the child's confidences by forcing the child to confront the
5 offending priest. The pastor and the offending priest then called the child a "liar", yelled at her
6 and then defamed her mother, by insinuating to the 11 year old that her mother was
7 "fabricating" the allegations against the offending priest because "all she wanted to do was have
8 sex" with the pastor. The child is shocked, humiliated and petrified by what is being said to her,
9 so much so that she begins to hyperventilate, and suffers extreme emotional distress. In short, a
10 sacred breach of trust has now been broken twice, once by way of sexual boundaries being
11 crossed, and a second time by the vicious response of two priest, who in the Catholic faith
12 represent God himself.

13 Immediately after the brow beating by the priests, employees of the church call in a
14 licensed "therapist" to determine if a report of sexual abuse had to be made to the authorities.
15 The therapist in a "handwritten" report, dated September 11, 2001, claimed that the 11-year-old
16 "recanted" the allegations made to the pastor. When the therapist's deposition was taken in
17 October of 2004, she testified that her handwritten report **dated** September 11, **2001** was
18 **drafted** in September of **2004**. Shockingly, the therapist **intentionally destroyed** all prior
19 records of the events of that day upon which the September 2004 handwritten report was based.
20 The destruction of those prior documents were done after the therapist was served with a
21 subpoena to produce her records. Needless to say the therapist's lawyer refused to allow her to
22 continue to testify about the content of the report, and advised her to assert her 5th Amendment
23 Rights, which she obliged.

24 Last but not least in a desperate attempt to silence this extremely devout family, the
25 pastor, and members of his staff with the blessings of church hierarchy orchestrate a systematic
26 campaign to harass and expel the family from the church.
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1 The facts of this case are as if they were contained in a very poorly written movie script;
2 further supported and corroborated by multiple incidents involving other individuals who were
3 also emotionally abused by the pastor Joseph Illo, who's custom and practice it is to preys on
4 single mothers for their love and affection so that he ultimately spurns and controls them.

5 It is further colored by a prior lawsuit against the very same pastor (Illo) who also "outs" a
6 gay choir director, to his parents without his permission, and alleges that the director is a
7 pedophile.

8 The story also involves letters written by the pastor to holy and devout members of his
9 church. The letters threaten and execute expulsion from ministries all who seek to give support to
10 the truth about what happened to this family.

11 And, all of this happens in Modesto, home of Gary Condit and Scott and Laci Peterson,
12 and the Diocese that begat Father O'Grady.

13 This is one of few "fresh" case in the nation, involving a recent molestation and not some
14 50+ year old with repressed memory with few witnesses the majority of whom are dead.

15 This case has been to unsuccessful mediation, and now, once the matter has become
16 public through no fault of plaintiffs' counsel, defendants seek a gag order, falsely accusing counsel
17 of misconduct.

18 After admitting that the children were credible, the Church now denies this and has
19 decided to come after them with their full force and fury. Plaintiffs have repeatedly attempted to
20 take the depositions of Bishop Blaire and Monsignor Ryan to perfect their claim for punitive
21 damages against the Diocese, only to be rebuffed with repeated "conflicts", usually at the last
22 minute.

23 Plaintiffs have always been willing to discuss settlement, but at this late date only have
24 time to prepare for trial. A demand is out there, and the Church can either come to this court in
25 good faith or continue its practice of diversion and bad faith.

26 The choice is theirs.
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II.

FACTS

Kathleen Machado is a survivor of brutal domestic violence. She has three daughters, Rachel, age 16, Amber, age 11, and Kolleen, age 7. When her husband abused her, Kathleen (unlike most victims) terminated her marriage and her and her daughters turned to the Catholic church for help and strength.

Kathleen lives in the small valley town of Hughson, and her parish was St. Anthony's, a part of the diocese of Stockton. At St. Anthony's, Kathleen and her children met an extremely charismatic priest, Father Joseph Illo, who was assistant pastor. Father Illo and Kathleen developed an extremely close relationship, and they exchanged correspondence. From the correspondence, it is obvious that Kathleen fell in love with Father Illo, but in a way that the most devout of Catholics can understand and that does not involve sexual expectations. Father Illo wrote Kathleen reciprocating letters as well, and it is crystal clear that he harbored some strong feelings for Kathleen. This mutual strong attachment was noticeable to others.

Kathleen's children also became extremely close to Father Illo, and they frequently rode bicycles together, and went camping on parish retreats. The children came to trust and depend upon Father Illo.

Father Illo, however, has a dark side that is acknowledged in church documents as well as the testimony of former church employees and the Bishop himself. Father Illo is a cruel and hurtful man when he becomes angry, manipulates and he tends to fits of rage. His former secretary, Mary Mullins, has described Father Illo as a priest who has frequently done hurtful things to others because of his temper, and that he repeatedly does it without abatement. The Bishop has received many written complaints about Father Illo from parishioners, but he has delegated their investigation and resolution to others, and even though Bishop Blaire has come to the belief that Father Illo frequently exercises poor judgment, he has chosen to do nothing about it, and has simply chalked it up to what he described as a common problem when a new priest enters a new parish.

1 Father Illo is also an extremely controlling man, and has attracted several single mothers
2 who have fallen under his spell. Those closest to Father Illo have hinted that he enjoys the
3 attention, and in fact might encourage it. Father Illo's pattern and practice is to gain control
4 over needy women, mostly newly divorced or separated mothers, and then to eventually spurn
5 them in the most humiliating and un-Christian of ways, often resorting to threats of legal action
6 in writing. Father Illo has in fact required a female parishioner to sign a legal document
7 acknowledging that they had never engaged in a sexual relationship.

8 An example of Father Illo's cruelty and megalomania, directed at Kathleen Machado,
9 occurred on a camping trip to Yosemite. Father Illo held the then 2½ year old Kolleen over a
10 railing next to a 1000 foot cliff, a la Michael Jackson, and demanded that a terrified Kathleen
11 promise to him that she trusted her life and the life of her children with him before he would pull
12 Kolleen to safety. This act is corroborated by a photograph of Father Illo holding Kolleen next
13 to the cliff.

14 Father Illo is also a rising young star in the Diocese, and he was promoted from St.
15 Anthony's to the position of Director of Vocations and transferred to the Chancery in Stockton.
16 Kathleen and the family helped him move and Kathleen and the children visited him, went to
17 dinner, and rode bikes together. Because the new pastor at St. Anthony's was somewhat boring,
18 Kathleen and the children began to worship at St. Joseph's in Modesto, the largest parish in the
19 Diocese, and registered there.

20 The extent of this family's devotion is unparalleled. Kathleen attended daily mass even
21 though she suffered from debilitating migraines that caused photo phobia, and she brought her
22 children with her when they were not required to be in school. Kathleen's spiritual life was
23 centered around her Catholicism and the church, and she taught her children the same. The
24 children became altar servers as soon as they were old enough, and they served at both daily
25 mass and Sunday mass. It is undisputed that the children attended and served at mass more than
26 any other children, and it is undisputed that the children were and are pure, simple, and devout.

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1 After a period of time in the Chancery, Father Illo was assigned to St. Joseph's parish in
2 Modesto because its pastor, Father Joe O'Hare, was seriously ill. It became obvious that Father
3 Illo would succeed him as pastor, a true plum of an assignment.

4 When Father Illo came to St. Joseph's, Kathleen attempted to continue her friendship
5 and devotion to Father Illo, and he reciprocated by giving her great attention, and he often
6 publicly touched her, rubbing her back and shoulders. St. Joseph's parish is full of gossips,
7 particularly the parish staff, who noticed this, and there was talk about Kathleen and Father Illo.
8 Being no fool, Father Illo decided his career required that he distance himself from the
9 Machados, and in mid-1999 he wrote Kathleen a letter in which he acknowledged his feelings
10 but essentially "called it off".

11 Father O'Hare eventually passed away, and Father Illo succeeded him. Attempting to
12 cover his tracks, Father Illo told his staff, and in particular his secretary Mary Mullins, that
13 Kathleen Machado was stalking him and that he was troubled by this. He shared letters that
14 Kathleen had sent, but did not share letters showing that he had reciprocated. The effect of this
15 was to turn Mary Mullins against Kathleen Machado, who in turn discussed the matter with
16 staff. Mary Mullins never had a discussion with Kathleen Machado.

17 Kathleen Machado developed friendships within the parish, particularly Elaine Shields,
18 Eva Kristman, and Deanna Watson, all of whom were extremely devout and attended daily
19 mass. Elaine Shields in particular is a saint of a woman who volunteered for several ministries
20 such as administering the sacrament in hospitals and prisons, and was parish sacristan and
21 Eucharistic minister.

22 Eventually, Father Illo contacted Monsignor Richard Ryan, the Vicar General of the
23 Diocese of Stockton. The Bishop of the Diocese, Stephen Blaire, is vested with absolute
24 authority in his Diocese subject only to the edicts of the Pope. The Vicar General is vested with
25 the same absolute authority subject only to the control of the Bishop, described by Bishop Blaire
26 as meaning that Monsignor Ryan acts on his behalf with absolute authority subject only to the
27 veto of the Bishop, and that veto is rarely, if ever exercised, and Bishop Blaire admits that he
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1 engages in infrequent and cursory scrutiny of the Vicar General's actions. Thus, Monsignor
2 Ryan acts with the full authority of the Bishop.

3 When Father Illo contacted Monsignor Ryan, plaintiffs believe he told Monsignor Ryan
4 that he was having difficulty with Kathleen Machado, and sought his guidance. Plaintiffs believe
5 that Monsignor Ryan suggested that a "team" of people and parishioners be assembled to deal
6 with the problem. Father Illo delegated to his Business Manager, Owen Kummerle, the task of
7 assembling the team. Included in this team was an attorney, Ralph Gaarde, and a licensed
8 therapist, Yvonne McLoughlin.

9 Mr. Kummerle met with Ms. McLoughlin behind closed doors for an hour, discussing the
10 situation. Ms. McLoughlin said she would need to contact a legal department, apparently from
11 her therapist's association, to determine if she could be a part of this team. She did so, and let
12 Mr. Kummerle know that she could be a part of the team.

13 Mr. Kummerle was told by Father Illo to try to get close to Kathleen Machado so that he
14 could recommend a meeting with Father Illo and the team. When approached, Kathleen
15 declined.

16 In approximately February 2001, Father Francis Arakal, a Carmelite native of India,
17 transferred into the parish from Fresno for no apparent reason. Father Francis immediately
18 began to pay inordinate attention to Kolleen, who was the most outgoing of the children. Father
19 Francis made Amber and Rachel feel uncomfortable from the beginning, but Kolleen repeatedly
20 brought Father Francis up to Kathleen and the other girls, and at Father Francis' prodding
21 Kolleen asked if Father Francis could come to their home. Eventually, Kathleen gave in and
22 invited Father Francis to the home for dinner.

23 When Father Francis came to the Machado home, he immediately made himself at home
24 by taking off his shoes and wandering freely through the house. He began to refer to the home as
25 "his" home. After dinner, he lifted his shirt up and showed his stomach, talking about how full
26 he felt. This made the family extremely uncomfortable, and they discussed the matter when he
27 left.

1 Father Francis kept asking to come over after mass, and Kathleen always declined. He
2 began calling the house in the afternoon when he knew that Kathleen was not at home and
3 began leaving messages for Rachel. Rachel, a lovely young girl just beginning to blossom and a
4 straight-A student, was extremely uncomfortable, and was very worried. As teenage girls are
5 wont to do, she told nobody about her feelings.

6 One Sunday, the family was bike riding in Hughson near St. Anthony's church when
7 they saw father Francis in a car, and he stopped and talked to them. He then invited himself to
8 their home. Kathleen was stunned, but was too embarrassed to say no to the insistent priest, so
9 he followed them home in his car while they rode their bicycles.

10 When they went inside, Father Francis made himself at home. He began to talk about a
11 mole on his face or neck, and told them that he had heard if you take a hair and wrap it around
12 the mole, it would come off. The girls were disgusted by this, but eventually Rachel tried it just
13 to get rid of him. Father Francis then asked Kolleen to put her hand in his front pants pocket to
14 see what she might find. Father Francis had his collar in his pocket. Kathleen was stunned, and
15 told Father Francis that was inappropriate and asked him to leave. Father Francis left, and the
16 family discussed that this man should not be allowed in their home. Kathleen made no
17 complaint because this was a priest, and her devotion caused her immense conflict.

18 Father Francis continued to call the house, and continued to ask to come over.

19 One day after mass, Kathleen was speaking with a fellow parishioner who asked if
20 Kathleen's house had been blessed. Father Francis overheard this question, and he immediately
21 bounded over to them and repeatedly said that he could do this. Kathleen politely declined, but
22 Father Francis was insistent, and the other parishioner, who knew nothing of the past
23 inappropriate conduct, vigorously encouraged Kathleen to accept. Rather than be rude to a
24 priest in front of the church and parishioners, Kathleen reluctantly agreed.

25 On about 25 July 2001, Father Francis came to the house, and, as was becoming his
26 custom, he made himself at home. He strew pillows over the living room floor and lay down.
27 While Kathleen was in the kitchen, Kolleen began tickling Father Francis, and he reciprocated.
28

1 Amber joined in. Rachel heard what was going on, and she feared for Kolleen, who had seemed
2 to be the target for Father Francis at church. She intervened by tickling Kolleen and tried to lure
3 her away from Father Francis. Father Francis began tickling Rachel, and somehow they ended
4 up on the floor with Rachel on her back. Father Francis was kneeling next to Rachel, and he
5 pinned her hands above her head. He then groped her breast and Rachel let out a yell. He
6 stopped, but then did it again. Rachel yelled out again, this time louder. Kathleen rushed into
7 the room, and Father Francis began to stand, and in a frightened tone of voice said "I didn't do
8 anything!"

9 Rachel ran into her room, and bundled herself up into a ball. Amber followed to see
10 what was the matter, having seen the grope and also having been touched inappropriately herself
11 in the incident. Rachel begged Amber not to tell Kathleen, and Amber promised her sister that
12 she would not tell. Both sisters were deeply troubled, and neither told Kathleen what had
13 happened.

14 Amber and Rachel changed, with both becoming more withdrawn and troubled. Rachel
15 went from straight-A's to failing grades and no activities, and Amber was troubled by the secret
16 and not being able to tell because of her promise to Rachel. Amber's schoolwork suffered as
17 well. Everybody still felt extremely uncomfortable around Father Francis.

18 Finally, Amber could not keep it in any more, and she needed to tell somebody that she
19 could trust with a confidence. The most logical choice for her was Father Illo, the parish priest
20 who was so loving to her and her family, and who was so loved and trusted by her mother and
21 her family. On 10 September 2001, Amber asked Kathleen if she could meet with Father Illo
22 the next morning after mass, and Kathleen, having faith in God and Father Illo, agreed.

23 On the morning of 11 September 2001, Kathleen asked Father Illo if he could speak with
24 Amber in confidence because she wanted to talk with him, and after they were done to take
25 Amber to her day care. Kathleen is a single mother and has a low level job that is not very
26 tolerant of tardiness, so Kathleen needed this favor from Father Illo. Father Illo agreed without
27 hesitation.

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1 Father Illo and 10 year old Amber went back to Father Illo's office, and Amber told
 2 Father Illo about what had happened with Father Francis, including the molestation of herself
 3 and Rachel. Amber viewed this meeting as confidential and in some respects as a form of
 4 confession. Father Illo asked Amber if she would like to talk with Father Francis about it, and
 5 Amber became visibly afraid and said absolutely not. Father Illo then said that he needed to
 6 make a telephone call and would be right back. He left the room, and Amber sat and waited,
 7 holding and reading her bible and prayer book.

8 The window from Father Illo's office looks out onto the courtyard and walkway to the
 9 residence, and Amber saw Father Illo walking back to the office with Father Francis. Amber
 10 began to panic, and it dawned on her that Father Illo had a working telephone on his desk and
 11 that his excuse was a ruse to go get Father Francis. She felt betrayed by the man she trusted the
 12 most - her priest and close friend.

13 Fathers Illo and Francis walked into the office, and shut the door behind them. Blocking
 14 the door, they both began to shout and yell at Amber, browbeating her. Amber was terrified,
 15 and asked them to stop. These two priests refused. Instead, they repeatedly called Amber a liar.
 16 Father Illo was particularly cruel and sadistic; he repeatedly stated that he was never Amber's
 17 friend, never a friend to the family, and made the statement that "All your mother wants is to
 18 have sex with me." Amber became hysterical, and began hyperventilating.

19 Father Illo stormed out of his office and went to his secretary, Mary Mullins, and ordered
 20 her to come to his office and "witness" something. Ms. Mullins had no idea what was going on.

21 When they arrived at the office, she saw Amber huddled in a chair, with Father Francis
 22 sitting in another chair. She could tell that Amber was extremely distraught. In an effort to calm
 23 her down, Ms. Mullins asked her what school she went to. Rather than let her respond, Father
 24 Illo answered for her. Then, Father Illo angrily demanded that Amber repeat what she had said.
 25 A terrified Amber refused Father Illo, in true inquisitorial style, then told Ms. Mullins that
 26 Amber had said that her mother told her to complain about Father Francis showing his stomach
 27 and the mole incident, but conspicuously left out mention of the molest. When Father Illo was
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1 done with his tirade, he asked for Father Francis to begin, and he also began to yell and shout his
2 denials as well as accusing Amber of lying. Mary Mullins has testified that Amber was being
3 "badgered", "browbeaten", and "mistreated", that these priests knew what they were doing, and
4 that they did not care. After Ms. Mullins gained her composure, she angrily told the priests to
5 stop and took Amber from the room and took her to the conference room, and Ms. Mullins
6 ordered Jackie Tucker to sit with Amber, who was still hysterical.

7 Ms. Mullins went back to the office, and chastised Father Illo and Father Francis. Ms.
8 Mullins devotion to Father Illo and hatred of Kathleen Machado ran so deep, however, that she
9 began to focus on the fact that Kathleen had left Amber alone with Father Illo, and she soon
10 began to characterize that as the greater evil. She chastised Father Illo, and then set to work.
11 Father Illo then, by his own admission, left to have some breakfast.

12 Ms. Mullins first called Kathleen and asked her to come to the church immediately to get
13 Amber. The conversation apparently was an angry one.

14 Then, Ms. Mullins got the business manager, Own Kummerle, to accompany her back
15 into the conference room. She saw two photographs that Amber kept in her prayer book: one of
16 her mother and another woman with Father Illo and one of Amber and Kolleen on Father Illo's
17 lap at Yosemite. Ms. Mullins interpreted from those photographs that Kathleen had put Amber
18 up to lying about Father Francis and that Amber was willing to lie because she wanted attention
19 from her mother. Mr. Kummerle immediately realized that something was wrong, that perhaps
20 child abuse was involved, and that something needed to be done. He recommended that they
21 call Yvonne McLoughlin, the therapist he had consulted with months before about the situation.
22 Ms. Mullins agreed, and the call was made. This was, however, not the policy and procedure of
23 the Diocese.

24 As is known by anybody who has ever picked up a newspaper, the Catholic church has
25 been embroiled in a controversy involving sexual molestation of children by its priests. It has
26 reached an epidemic proportion in the United States, and is threatening the very existence of the
27 Church in America. One of the worst cases to reach the light of day involved another Diocese of
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1 Stockton priest, Father O'Grady, which resulted in a \$37,000,000 jury verdict. As a result of the
2 controversy and the problem, the Church in California developed guidelines for handling claims
3 of child abuse in 1998, and the Diocese of Stockton implemented a written policy as well.
4 According to these policies, all mandatory reporters as defined by the Penal Code are to receive
5 training and sign an acknowledgment of their training. To date, Father Francis has never
6 received this training, and although Mary Mullins was aware of it, she never received any
7 training until 2003, and was not even sure if a copy of the policy was available at St. Joseph's in
8 2001. Owen Kummerle, the then-personnel director of St. Joseph's parish, was never informed
9 of the Diocese' policy, its training requirements, the fact that a signed acknowledgment was
10 required to be in every personnel file, that there were mandatory reporting requirements, and
11 that failure to report child abuse was a crime. Deanna Watson, the former religious education
12 director, was never made aware of the policies and mandatory reporting requirements, and
13 related an incident in which a child reported child abuse and for which no mandatory report was
14 made. Ms. Watson was not aware at the time that a report should be made, but felt that the
15 diocese should be notified. When she called the diocese, she was informed that there was policy
16 and that it would be sent to her; it never was, and the abuse was never reported.

17 According to the Diocese policy in effect in 2001, any suspected child abuse, not limited
18 to sexual abuse, must be reported to Child Protective Services and the Vicar General, or, in his
19 absence, the Bishop himself, and the Church is to take care of the accuser regardless of the truth
20 or falsity of the accusation, including offering counseling. With her current understanding, Mary
21 Mullins now believes that the abuse by Fathers Illo and Francis on September 11th should
22 probably have been reported.

23 In any event, on 11 September 2001 Mr. Kummerle called Ms. McLoughlin and asked
24 her to come down because they had an upset child, and also told her that it was Kathleen
25 Machado's daughter. Ms. McLaughlin, a licensed therapist, immediately came to the church
26 and met with Mary Mullins, Owen Kummerle, and eventually Father Illo. During this briefing,
27 Ms. McLoughlin was never told that Amber had been verbally abused by Fathers Illo and
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1 Francis, and instead was told about the shirt-lifting, mole removing, and that Kathleen Machado
2 had inappropriately left Amber at the church, and that Kathleen had apparently put Amber up
3 to it.

4 By this time Amber's aunt arrived, and was allowed to sit alone with Amber in the
5 conference room, eventually moving to the outside plaza. Ms. McLoughlin then came to them,
6 introduced herself as a therapist, and proceeded to ask Amber if anybody had touched her
7 inappropriately that day. Amber said that no inappropriate touching had occurred that day.

8 Ms. McLoughlin then returned to the office and reported that Amber had said that no
9 inappropriate touching had ever occurred, and that no report to Child Protective Services
10 needed to be made. Ms. McLoughlin never asked Amber, or anybody else for that matter, why
11 Amber was so upset so as to be hysterical. Ms. McLoughlin acknowledged in her deposition that
12 had she known what Fathers Illo and Francis had done that day that it might well be considered
13 child abuse that would have necessitated reporting.

14 Kathleen arrived a few minutes later with the daycare provider, and Ms. McLoughlin
15 went back to speak with the family. Again, all Ms. McLoughlin wanted to know was if Amber
16 had been touched that day. When the response was in the negative, Amber was told to leave.
17 Kathleen Machado still did not know that her two daughters had been molested by Father
18 Francis.

19 An intense discussion with Kathleen Machado then occurred, and it was decided that Ms.
20 McLoughlin would "mediate" the situation with Father Illo. The issues to be discussed were
21 Father Illo yelling at Amber, Kathleen leaving Amber with Father Illo and leaving, and Kathleen
22 having named Father Illo as the guardian of the children upon her death. These issues were
23 discussed, and the meeting was concluded. Ms. McLoughlin then discussed with Mary Mullins
24 and Father Illo that they needed to take steps to protect themselves from Kathleen and her
25 daughters, and that Father Illo should never be alone with the girls in the sacristy. Ms.
26 McLoughlin never had a follow-up conversation with Kathleen because that was "not my role".
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1 The pressure at St. Joseph's mounted against Kathleen and the children. Father Illo was
 2 hell-bent to have Kathleen removed from the church, and he engaged his staff to begin a
 3 campaign of harassment against her. Mary Mullins and the parish staff had an extreme dislike of
 4 Kathleen. They considered her to be disruptive at mass because she genuflected inappropriately,
 5 wore sunglasses at mass, chewed gum, fidgeted inappropriately during the consecration, and that
 6 Kathleen did not receive the sacrament frequently enough. Because of this, the staff, at Father
 7 Illo's direction, began a campaign of harassment affectionately now labeled as the "pew squeeze"

8 Most people who attend daily mass sit in the same spot. For Kathleen Machado, it was in
 9 the front pew with Eva Kristman. As a result of the plan, church staff members got to mass early
 10 and all sat in the front row in an admitted attempt to squeeze Kathleen and her family out.
 11 Additionally, at one point after communion the seating was particularly tight, and a hefty staff-
 12 member literally sat on Kathleen's lap, commenting that it must be the devil that kept Kathleen
 13 from receiving the sacrament.

14 Father Illo was not idle during this time period. In October 2001, he focused on a friend
 15 of Kathleen's, choir director Jose Muñoz. Father Illo began to harass Jose, who is a wonderful
 16 man who also happens to be gay. Jose was loved by all, including Mary Mullins, in whom he
 17 had confided that he was having difficulty telling his parents about his sexual orientation. Father
 18 Illo took care of that. He fired Jose from his position as choir director, and then proceeded to
 19 call Jose's father, Jose, Sr., and "outed" him, which caused the family extreme distress. The
 20 choir and other parishioners were up in arms, and Father Illo convened a meeting in which he
 21 claimed that Jose was living the "homosexual lifestyle" and that he had been terminated for
 22 cause. While making his claims, he held up a file, shouting that "it's all in here". That in fact
 23 was a lie, and Father Illo admitted to Mary Mullins and Owen Kummerle that he had lied to the
 24 group in a fit of rage.

25 The choir did not take this lying down, and began a letter-writing campaign to Bishop
 26 Blaire about Father Illo's inappropriate and aggressive behavior and his mistreatment of Jose
 27 Muñoz. Mary Mullins agreed in her deposition that Jose had been abused by Father Illo.

1 Against this backdrop, Father Illo was not content with the progress of the persecution of
2 Kathleen and her family. In December 2001, staff meetings were held on how to turn up the
3 heat on Kathleen. At the direction of Monsignor Ryan, a letter was sent to Kathleen Machado
4 over Father Illo's signature expelling her and her family from St. Joseph's, forbidding her from
5 making statements about him and his associate pastors, threatening legal action, and
6 recommending that she seek counseling. The staff wanted the letter to be more harshly worded,
7 but Monsignor Ryan stated that he feared media attention, that he wanted to save the big guns,
8 defined as legal action by church lawyers, for the next round. Monsignor Ryan directed that
9 Father Illo block his e-mail, and, knowing about how vicious Father Illo was and in the midst of
10 the Jose Muñoz fiasco, directed Father Illo "to be very direct with Kathleen, 'get in her face', tell
11 her to and tell her very forcefully "I don't want you near this parish. I don't want you talking
12 about me, my priests, and my staff." Monsignor Ryan accused Kathleen of using her children,
13 and directed Father Illo to push the children away. Monsignor Ryan suggested the use of 2 or 3
14 "well-balanced" ushers to escort Kathleen from church. Monsignor Ryan made it clear that the
15 Diocese was now in control, and expressed his concern that Kathleen was speaking with Deanna
16 Watson, who had complained about Father Illo to the Bishop, after the "pew squeeze".

17 Father Illo was more than willing to, and capable of, executing this incredibly cruel plan,
18 and he did it to perfection.

19 The children were specifically permitted to continue to receive their Religious Education
20 at St. Joseph's for the expressed reason that to do otherwise might attract media attention, and
21 this disappointed Father Illo and his staff.

22 Upon receipt of the letter, a devastated Kathleen immediately wrote to Bishop Blaire on
23 9 January 2002. She explained her relationship with Father Illo, and emphasized that she never
24 "lost sight" of his collar. She also enclosed a few letters from Father Illo showing that the
25 attraction had been mutual. She explained how Father Francis had repeatedly called Rachel
26 and made them all uncomfortable, and described the September 11th incident. She described her
27 despair, and asked for help. Kathleen still had not been told about the molestation's.
28

1 In late January Deanna Watson, wrote a supportive letter to Bishop Blaire about
2 Kathleen.

3 In February, at Father Illo's instruction, the girls were ordered to disrobe, meaning to
4 take off the vestments, and were forbidden from participating as altar servers at Saint Joseph's.
5 This was another devastating blow to the family. They clearly realized that their church - their
6 rock - was abandoning them. The girls felt extremely uncomfortable in the confessional, and
7 confession is the prerequisite for receipt of the sacrament, and the sacrament is necessary for
8 salvation. This has put the girls in extreme distress. Kathleen wrote again to Bishop Blaire in
9 February and informed him of this, and asked why he had not responded, especially given that
10 he had commented in the Modesto Bee that he wanted to be informed of all misconduct. At
11 about this time Father Illo responded to an inquiry from Bishop Blaire and stated that he had
12 banished the children at the Bishop's direction. Bishop Blaire denies giving this direction.

13 Bishop Blaire, apparently realizing that the situation was fast spinning out of control,
14 decided to open a canonical investigation in March 2002. Kathleen Machado responded with a
15 list of grievances, including inappropriate touching and affection toward children by Father
16 Francis, and Bishop Blaire essentially bifurcated the investigation into one involving the conduct
17 of Father Illo and the other regarding the conduct of Father Francis. The latter was to be
18 handled by Father Skillen and Sister Beverly, while the allegations against Father Francis were to
19 be handled by Monsignor Ryan and Sister Barbara.

20 Kathleen became very concerned about her daughters' religious life, and was unsure
21 whether Rachel would be confirmed and if Kolleen would receive her first communion in April
22 because she had heard nothing from St. Joseph's. Bishop Blaire allowed the children to continue
23 at St. Joseph's. Despite this, and apparently at the direction of Monsignor Ryan and Bishop
24 Blaire, the children's religious education materials and baptismal certificates were returned to
25 Kathleen with a letter instructing her to seek services elsewhere on 7 May 2002.

26 On 13 May 2002, Kathleen and Amber were interviewed by Monsignor Ryan and Sister
27 Barbara regarding the allegations against Father Francis. The interview was tape recorded, and
28

1 Monsignor Ryan speaks with an Irish brogue. With the interview impending, Amber finally told
2 Kathleen about the molestations, and Rachel confirmed it. Rachel was, and still is, suffering
3 immensely, and declined to participate.

4 During the interview, Kathleen and Amber told the interviewers of the inappropriate
5 conduct and molestation by Father Francis. Sister Barbara stated that this would have to be
6 reported to the police. Kathleen also reported the incident where Father Illo had held Kolleen
7 over the cliff. The written report made a passing notation of the allegation of the molestation,
8 but made no mention of the allegation regarding the cliff. The Hughson police department was
9 informed of the allegations.

10 Fearing the worst, Bishop Blaire suspended Father Francis, but chose not to inform
11 Father Francis' superiors in India. He decided to defer all investigation to the police, which is
12 against canon law and church policy. Nobody at St. Joseph's was alerted other than Father Illo.
13 No assistance of any kind was ever offered to Kathleen, Rachel, or Amber.

14 Father Illo was not content to let the investigation take its natural course, and instead
15 copied Kathleen's letters to him and sent them to the police, which was against church policy.
16 He did not send the letters that showed his involvement. Also, against church policy, somebody
17 from the church called approximately every three days asking the police to quickly conclude its
18 investigation because it was having a devastating effect on Father Francis.

19 The girls were interviewed by the Stanislaus County District Attorney, and the
20 interviews were video recorded. The interviews were credible, and the police and district
21 attorney agreed the report was credible. Because of pressure from the church, because the family
22 had a lawyer, and most especially because of the letters written by Kathleen Machado, the
23 district attorney declined to prosecute because he believed that it would be difficult to prove his
24 case beyond a reasonable doubt. The prosecutor and police both have stated that they believe
25 the molestations occurred, but believe that the relationship of Kathleen Machado and Father Illo
26 sufficiently clouded the issue to prevent prosecution.

1 The police informed the church of the decision not to prosecute on 12 July 2002.
2 Immediately, plaintiffs believe Father Illo, a priest with an Irish brogue, most likely Monsignor
3 Ryan, and a lawyer appeared at the police department and requested a letter stating that Father
4 Francis was eligible for immediate reinstatement. This sort of letter is unprecedented in law
5 enforcement, but was written as requested.

6 Father Illo was buoyed by these events, and then made a concerted effort to completely
7 dissociate Kathleen and her family from the church. In July 2002, he took Kathleen's friends,
8 Eva Kristman and Elaine Shields, out to the plaza for a chat. He told Elaine that she was no
9 longer welcome at St. Joseph's because she was a friend to Kathleen, and she would be stripped
10 of her ministries if she supported Kathleen and did not publicly disavow her. Eva was given a
11 simple warning; that fate awaited her if she did not dissociate herself from Kathleen. Kathleen
12 had not been attending St. Joseph's for over 6 months by this time. Both ladies were hurt and
13 distressed. Father Illo followed his threats up with a letter to Elaine Shields on 20 July 2002,
14 explicitly telling her that she had two months to disavow Kathleen or lose her ministries. Elaine
15 did nothing, and two months to the day later, on 20 September 2002, Father Illo stripped her of
16 her ministries by bringing her into the office and proceeding to tirade against her while holding
17 what appeared to be a highlighted copy of the complaint in this case, and, as his style, followed
18 up and confirmed it in writing.

19 Father Francis was immediately reinstated by Bishop Blaire, and at that point Father
20 Francis' superiors in India was informed that there had been an allegation but that he had been
21 exonerated. Today, Father Francis is involved in children's ministries at St. Joseph's.

22 The canonical investigation was concluded by Father Skillen, who concluded that Father
23 Illo had acted inappropriately. Bishop Blaire has declined to conclude that investigation until
24 this lawsuit is terminated.

25 Kathleen Machado and her children remain expelled from St. Joseph's, and have
26 experienced difficulty in finding another parish to accept them. Kathleen has been devastated by
27
28

KATHLEEN MACHADO et al
VS
FR. JOSEPH ILLO et al

FILED
2007 SEP 21 AM 7:36 Case CV018440
FORA... CLERK
BY *Karen Douglas*

84
C-22 / posture

ORDER AND NOTICE OF INTENTION TO DESTROY EXHIBITS

ORDER

On motion of the Court, the Clerk of this Court is here by authorized to dispose of all exhibits introduced in the above stated civil case as soon as practical after the conditions set forth in Section 1952 CCP, have been met.

The Clerk may use an appropriate form to give 60-days notice of proposed destruction as required by law. Such form shall be filed in the action.

Date SEP 21 2007

*Red Am...
Presiding Judge*

NOTICE

To the parties shown below:

You are notified hereby that the exhibits, depositions and any administrative records in the above entitled action are scheduled for destruction in accordance with the above Order, and Section 1952 of the CCP. This destruction shall not occur until 60 days have elapsed from the date of mailing this Order and Notice.

Your attention is invited to the referenced statute for additional information concerning the destruction of exhibits, depositions and any administrative records

Date: SEP 21 2007

*Karen Douglas
Deputy Clerk*

DECLARATION FOR DESTRUCTION OF EXHIBITS

COUNSEL IN THE ABOVE-ENTITLED ACTION HEREBY REQUESTS THE DESTRUCTION OF PLAINTIFFS/DEFENDANTS EXHIBITS NUMBER _____

DATE _____

DECLARANT _____

ADDRESS _____

PHONE _____

DECLARATION FOR RETURN OF EXHIBITS

COUNSEL IN THE ABOVE-ENTITLED ACTION HEREBY REQUESTS THE RETURN OF PLAINTIFFS/ DEFENDANTS EXHIBITS NUMBER _____

DATE _____

DELARANT _____

ADDRESS _____

PHONE _____

Superior Court of San Joaquin County Stockton Branch 222 E Weber Av Stockton CA 95202 Telephone No: 209-468-8248	FOR COURT USE ONLY
Superior Court of California, County of San Joaquin 222 E Weber Av Stockton Ca 95202 Stockton Branch	
Petitioner/ Plaintiff: <p style="text-align: center;">KATHLEEN MACHADO et al</p>	
Respondent/Defendant: <p style="text-align: center;">FR. JOSEPH ILLO et al</p>	
PROOF OF SERVICE BY FIRST -CLASS MAIL-CIVIL	Case Number CV018440

(Do not use this Proof of Service to Show service of Summons and Complaint.)

1. I am over 18 years of age and not a party to this action. I am a resident of or employed in the county where the mailing took place.
2. My residence or business address is: Superior Court of San Joaquin County, Stockton
222 E Weber Av
Stockton CA 95202
3. On (date) SEP 21 2007 I mailed from: Stockton, CA
the following document: **Order and Notice of Intention to Destroy Exhibits**
4. I served the documents by enclosing them in an envelope and:
 - a. depositing the sealed envelope with the United States Postal Service with the postage fully prepaid.
 - b. Placing the envelope for collection and mailing following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service in a sealed envelope with postage fully prepaid.
5. The envelope was addressed and mailed as follows:
 - a. Name of person served: GEORGE J. MACKOUL VLADIMIR F. KOZINA ANTHONY BOSKOVICH
 - b. Address of person served:
 - c.

GEORGE J. MACKOUL 515 SOUTH FLOWER ST 25 TH FL LOS ANGELES, CA 90071-2228	VLADIMIR F. KOZINA 2453 GRAND CANAL BL 2 ND FL STOCKTON, CA 95207-8253	ANTHONY BOSKOVICH 28 N. FIRST ST 6 TH FL SAN JOSE, CA 95113-1210
--	---	---

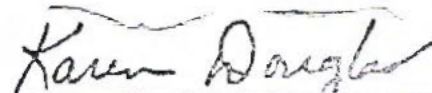
The name and address of each person to whom I mailed the documents is listed in the attachment.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date:

Karen Douglas

(type or print name of person completing this form)



(signature of person completing this form)

RECORD OF EXHIBITS

C-22 pg. 1 of 2
SUB/PSTET

Hon. ELIZABETH HUMPHREYS Clerk: CHARLENE GRAY Case No. CV 018440

Title: Kathleen Machado vs Fr. Joseph Illo, et al

People	Plaintiff	Petitioner	Defendant	Respondent	Court
	X				

Exhibits given to Exhibit Clerk in Superior Court Clerk's Office.

Exhibits returned to: _____ Date: _____

Receipt of exhibits is hereby acknowledged: _____

No.	Description:	Date exhibit introduced:	Admitted:		Date exhibit admitted:
			Yes	No	
1	Letter to Kathleen Machado 12-22-01	MAR 9 2005	X		MAR 10 2005
2	Letter to Bishop Blaire from K. Machado 1-9-02	MAR 9 2005	X		MAR 10 2005
3	Letter to Bishop Blaire - 2nd 2-20-02	MAR 9 2005	X		MAR 10 2005
4	Letter to K. Machado from Bish. Blaire 3-15-02	MAR 9 2005	X		MAR 10 2005
5	Letter to Bish. Blaire from K. Machado 3-26-02	MAR 10 2005	X		MAR 10 2005
6	Letter to K. Machado from Fr. Illo 6-22-99	MAR 10 2005	X		MAR 10 2005
7	Protection of Children 10-30-98	MAR 11 2005	X		MAR 15 2005
8	Diocese of Stockton Policy on Child Abuse Prev.	MAR 11 2005	X		MAR 15 2005
9	Memo to Fr. Illo from M. Mullin 12-20-01	MAR 15 2005	X		MAR 15 2005
10	Letter to Elaine Shields from Fr. Illo 7-5-02	MAR 15 2005		Withdrawn	3-17-05
11	Letter to Elaine Shields from Fr. Illo 7-20-02	MAR 15 2005	X		MAR 17 2005
12	Statement of Fr. Arakal 10-5-01	MAR 15 2005	X		MAR 17 2005
13	Meeting with Fr. Arakal 5-14-02	MAR 15 2005	X		MAR 17 2005
14	Mons. Ryan's handwritten note 9-13-01	MAR 16 2005	X		MAR 17 2005
15	Mons. Ryan's note	MAR 16 2005	X		MAR 17 2005
16	Letter to Kathleen Machado	MAR 16 2005	X		MAR 17 2005
17	Dr. Weedn's report 11-28-04	MAR 17 2005	X		MAR 17 2005
18	Letter to Bish. Blaire from Fr. Illo 3-14-02	MAR 22 2005	X		MAR 23 2005
19	Fr. Illo's message on Ch. Website printed 3-1-05 2-27-05	MAR 22 2005	X		MAR 23 2005
20	Fr. Illo's message on Ch. Website printed 3-6-05 2-27-05	MAR 22 2005	X		MAR 23 2005

RECORD OF EXHIBITS

pg 1 of 2

Hon. ELIZABETH HUMPHREYS

Clerk: CHARLENE GRAY

Case No. CV 018440

Title: Kathleen Machado vs Fr. Joseph Ilio, et al

People	Plaintiff	Petitioner	Defendant	Respondent	Court
			X		

Exhibits given to Exhibit Clerk in Superior Court Clerk's Office.

Exhibits returned to: _____ Date: _____

Receipt of exhibits is hereby acknowledged: _____

No.	Description:	Date exhibit introduced:	Admitted: Yes No	Date exhibit admitted:
101	Rachel Lomas' typewritten note 6-29-01	MAR 8 2005	X	MAR 8 2005
102	Letter from Rachel Lomas to Fr. Joseph 5-9-00	MAR 8 2005	X	MAR 8 2005
103	Typed letter from R. Lomas to Fr. Joseph 3-14-01	MAR 8 2005	X	MAR 8 2005
104	Photo Board of Pltfs' house - interior	MAR 9 2005	X	MAR 23 2005
105	Photo - Plaintiffs' Living Rm.	MAR 10 2005	X	MAR 10 2005
106	Photo - " " "	MAR 10 2005	X	MAR 10 2005
107	Photo - " Kitchen into Living Rm.	MAR 10 2005	X	MAR 10 2005
108	Photo - " Living Rm	MAR 10 2005	X	MAR 10 2005
109	Letter from Amber Lomas to Fr. Ilio	MAR 10 2005	X	MAR 10 2005
110	same as 109 with date 6-28-01	MAR 10 2005	X	MAR 10 2005
111	Copy of inside of Thanksgiving card 11-22-01	MAR 10 2005	X	MAR 10 2005
112	Rachel Lomas' prayer request	MAR 10 2005	X	MAR 10 2005
113	Letter to Fr. Ilio from K. Machado 11-99	MAR 10 2005	X	MAR 18 2005
114	2 pg. Letter from K. Machado to Fr. Joseph 4-30-00	MAR 10 2005	X	MAR 18 2005
115	copy - birthday card, inside 12-4	MAR 10 2005	X	MAR 18 2005
116	3-26-02 letter to Bish. Blaire from K. Machado w/envel.	MAR 11 2005	X	MAR 11 2005
117	letter from K. Machado to Bish. Blaire 4-17-02	MAR 11 2005	X	MAR 11 2005
118	5-7-02 letter from Fr. Ilio to K. Machado re: rel. ed.	MAR 11 2005	X	MAR 11 2005
119	Letter from K. Machado to Fr. Joseph 8-21-00	MAR 11 2005	X	MAR 11 2005
120	letter " " " " " " 10-4-00	MAR 11 2005	X	MAR 23 2005

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):

After recording return to VLADIMIR F. KOZINA (State Bar # 95422)

MAYALL, HURLEY, KNUITSEN, SMITH & GREEN
2453 Grand Canal Boulevard
Stockton, California 95207

TELEPHONE NO.: (209) 477-3833

FAX NO. (Optional): (209) 473-4818

E-MAIL ADDRESS (Optional)

ATTORNEY FOR (Name): Illo, Diocese, Roman Catholic Bishop; Mons. Ryan

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN JOAQUIN

STREET ADDRESS: 222 E. Weber Avenue

MAILING ADDRESS:

CITY AND ZIP CODE: Stockton 95202

BRANCH NAME:

FOR RECORDER'S OR SECRETARY OF STATE'S USE ONLY

PLAINTIFF: KATHLEEN MACHADO

CASE NUMBER:

DEFENDANT: Fr. Joseph Illo, Monsignor Richard J. Ryan, Bishop Steven E. Blaire,
The Roman Catholic Bishop of Stockton, a Corporation Sole

CV018440

FOR COURT USE ONLY

~~ACKNOWLEDGMENT OF SATISFACTION OF JUDGMENT~~

FULL PARTIAL MATURED INSTALLMENT

1. Satisfaction of the judgment is acknowledged as follows:

a. Full satisfaction

(1) Judgment is satisfied in full.

(2) The judgment creditor has accepted payment or performance other than that specified in the judgment in full satisfaction of the judgment.

b. Partial satisfaction

The amount received in partial satisfaction of the judgment is \$

c. Matured installment

All matured installments under the installment judgment have been satisfied as of (date):

2. Full name and address of judgment creditor:*

Amber Lomas, 1816 7th Street, Hughson, CA

3. Full name and address of assignee of record, if any:

4. Full name and address of judgment debtor being fully or partially released:*

Fr. Joseph Illo; Fr. Francis Joseph aka Fr. Francis Arakal; Fr. Richard Ryan; Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, 1105 N. Lincoln, Stockton, CA

5. a. Judgment entered on (date): April 4, 2005

b. Renewal entered on (date):

6. An abstract of judgment certified copy of the judgment has been recorded as follows (complete all information for each county where recorded):

COUNTY

DATE OF RECORDING

INSTRUMENT NUMBER

7. A notice of judgment lien has been filed in the office of the Secretary of State as file number (specify):

NOTICE TO JUDGMENT DEBTOR: If this is an acknowledgment of full satisfaction of judgment, it will have to be recorded in each county shown in item 6 above, if any, in order to release the judgment lien, and will have to be filed in the office of the Secretary of State to terminate any judgment lien on personal property.

Date: 10/10/05

(SIGNATURE OF JUDGMENT CREDITOR OR ASSIGNEE OF CREDITOR OR ATTORNEY*)

*The names of the judgment creditor and judgment debtor must be stated as shown in any Abstract of Judgment which was recorded and is being released by this satisfaction. ** A separate notary acknowledgment must be attached for each signature.

Filed SEP 22 2005
ROSA JUNQUEIRO, CLERK

By Charlene Gray
DEPUTY

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN JOAQUIN

Plaintiffs: KATHLEEN MACHADO, et al

vs.

Defendants: FR. JOSEPH ILLO, et al

CASE NO. CV018440

Corrected Certificate of Service by Mail
Corrected as to G. MacKoul's address

I, the undersigned, declare that I am a Deputy Superior Court Clerk of the County of San Joaquin, State of California, and not a party to the action, and that on **Sept. 22, 2005**, I deposited in the United States Post Office at Stockton, California, true and correct copies of **Amended Order of Correction on Judgment on Special Verdict in Open Court**, a copy of which is hereto attached and made a part hereof, one copy of which being addressed to each of the following named persons at the following names and addresses:

George J. MacKoul
SABBAH and MacKOUL
49 Locust Street
Falmouth, MA 02540

Valdimir Kozina
MAYALL, HURLEY, KNUTSEN, et al
2453 Grand Canal Boulevard, 2nd Floor
Stockton, CA 95207-8253

Anthony Boskovich
LAW OFFICES OF ANTHONY BOSKOVICH
28 N. First Street, 6th Floor
San Jose, CA 95113-1210

Copy of Amended Order sent only to G. MacKoul to avoid excessive mailing to other counsel. Decision re Motion to Vacate and Order of Correction on Judgment on Special Verdict in Open Court also sent to G. MacKoul at correct address with this mailing.

I further declare that each of said copies so mailed and addressed was enclosed in a separate envelope, sealed, with the postage thereon fully paid.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Stockton on the above date

Charlene Gray
Charlene Gray
Deputy Superior Court Clerk

CERTIFICATE OF SERVICE BY MAIL

Filed SEP 12 2005
ROSA JUNQUEIRO, CLERK
By Charlene Gray
DEPUTY

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN JOAQUIN**

Kathleen Machado, et al
Plaintiffs

vs.

Fr. Joseph Illo, et al
Defendants

**Case #CV018440
AMENDED
ORDER OF CORRECTION ON
JUDGMENT ON SPECIAL
VERDICT IN OPEN COURT**

This action came on regularly for Trial. The parties appeared by their attorneys: George MacKoul & Tony Boskovich, Attorneys at Law, on behalf of the Plaintiff Kathleen Machado as an individual and as Guardian ad Litem for Rachel Lomas (hereafter referred to as "Rachel Lomas") and Amber Lomas (hereafter referred to as "Amber Lomas"); Vladimir Kozina, Attorney at Law, on behalf of Defendants Fr. Joseph Illo, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, a corporation sole; Michael Coughlan, Attorney at Law, on behalf of Defendant Fr. Francis Arakal.

A jury of 12 persons was regularly empaneled and sworn to try said action. Witnesses on the part of the Plaintiffs and Defendants were sworn and examined. The jury heard the evidence and the arguments of counsel. The jurors were given instructions at which time they retired to consider their special verdict. Subsequently the jury returned to the courtroom and rendered the following special verdict:

[X] see copy of the verdict attached.

Based on this verdict, the Court renders Judgment as follows:

Judgment for Plaintiff Amber Lomas against Defendants 1) Fr. Joseph Illo, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton for economic damages in the sum of \$12,000.00 with interest at the rate of 7% per annum from September 11, 2001 in the sum of \$2,734.70 for a total sum of \$14,734.70 and 2) Fr. Francis Arakal, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton for economic damages in the amount of \$8,000.00 with interest at the rate of 7% per annum from September 11, 2001 in the

sum of \$1,783.50 for a total sum of \$9,783.50;

that Defendants Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, a corporation sole have judgment that Plaintiff Kathleen Machado and Rachel Lomas take nothing;

that Defendants Fr. Joseph Illo and Fr. Francis Arakal have judgment that Kathleen Machado and Rachel Lomas take nothing;

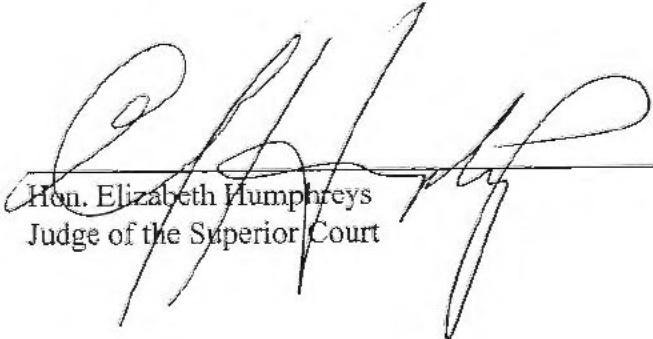
that Plaintiff Amber Lomas recover costs from Defendants Fr. Joseph Illo, Fr. Francis Arakal, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton in the amount of \$9,348.10;

that Defendants Fr. Richard Ryan, Bishop Steven Blair and the Roman Catholic Bishop of Stockton, a corporation sole and Fr. Joseph Illo recover costs from Plaintiffs Kathleen Machado and Rachel Lomas in the amount of \$23,999.54;



that Defendant Fr. Francis Arakal recover costs from Plaintiffs Kathleen Machado and Rachel Lomas in the amount of \$10,246.28.

The Amended Order of Correction on Judgment is *nunc pro tunc* as of April 4, 2005.

Date: SEP 12 2005


Hon. Elizabeth Humphreys
Judge of the Superior Court

CHECKED CLERK: 

 FILED
05 SEP 19 PM 1:23
ROSA ID. CLERK
BY 
DEPUTY

1 **MAYALL, HURLEY, KNUTSEN, SMITH & GREEN**
A Professional Corporation
2 2453 Grand Canal Boulevard, Second Floor
Stockton, California 95207-8253
3 Telephone (209) 477-3833
4 **VLADIMIR F. KOZINA, ESQ.**
CA State Bar No. 095422

5 **NEUMILLER & BEARDSLEE**
A Professional Corporation
6 P.O. Box 20
Stockton, CA 95201-3020
7 Telephone: (209)948-8200
8 **PAUL N. BALESTRACCI**
CA State Bar No. 083987

9 Attorneys for Defendants
10 **FATHER JOSEPH ILLO, MONSIGNOR RICHARD J. RYAN, BISHOP**
STEPHEN E. BLAIRE, and THE ROMAN CATHOLIC BISHOP OF STOCKTON,
11 a Corporation Sole

12 **SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN JOAQUIN**

13
14 **KATHLEEN MACHADO as an individual) CASE NO. CV018440**
15 **and as Guardian Ad Litem for RACHEL)**
LOMAS and AMBER LOMAS,) JUDGMENT
16 **Plaintiffs,)**
17 **vs.)**
18 **FR. JOSEPH ILLO, FR. FRANCIS)**
19 **JOSEPH aka FR. FRANCIS ARAKAL, FR.)**
20 **RICHARD J. RYAN, BISHOP STEVEN)**
BLAIRE and THE DIOCESE OF)
21 **STOCKTON, et al.,)**
22 **Defendants.)**

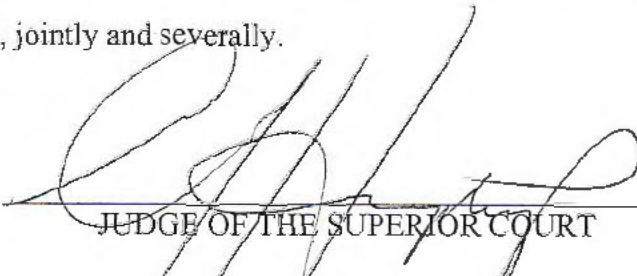
23 The Order Re Defendants' Motion to Tax Costs having been entered by the Court on
24 August 26, 2005, and good cause appearing therefore,

25 IT IS ORDERED, ADJUDGED, AND DECREED and JUDGMENT IS ENTERED on
26 behalf of defendants FR. JOSEPH ILLO, FR. RICHARD RYAN, BISHOP STEVEN E.

AUG 29 2005

1 BLAIRE and THE DIOCESE OF STOCKTON in the amount of Twenty-Three Thousand Nine
2 Hundred Ninety-Nine Dollars and 54/100ths (\$23,999.54) as against plaintiffs KATHLEEN
3 MACHADO and RACHEL LOMAS, jointly and severally.

4 DATED: SEP 19 2005


5
6 JUDGE OF THE SUPERIOR COURT
7 ELIZABETH HUMPHREYS
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Filed SEP 13 2005

ROSA JUNQUEIRO, CLERK

By Charlene Gray
DEPUTY

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN JOAQUIN

Plaintiffs: KATHLEEN MACHADO, et al

vs.

CASE NO. CV018440

Defendants: FR. JOSEPH ILLO, et al

CERTIFICATE OF SERVICE BY MAIL

I, the undersigned, declare that I am a Deputy Superior Court Clerk of the County of San Joaquin, State of California, and not a party to the action, and that on SEP 13 2005, I deposited in the United States Post Office at Stockton, California, true and correct copies of **Amended Order of Correction on Judgment on Special Verdict in Open Court**, a copy of which is hereto attached and made a part hereof, one copy of which being addressed to each of the following named persons at the following names and addresses:

George J. MacKoul
SABBAH AND MacKOUL
515 South Flower Street, 25th Floor
Los Angeles, CA 90071-2228

Vladimir F. Kozina
MAYALL, HURLEY, KNUTSEN, et al
2453 Grand Canal Boulevard, 2nd Floor
Stockton, CA 95207-8253

Anthony Boskovich
LAW OFFICES OF ANTHONY BOSKOVICH
28 N. First Street 6th Floor
San Jose, CA 95113-1210

I further declare that each of said copies so mailed and addressed was enclosed in a separate envelope, sealed, with the postage thereon fully paid.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Stockton on the above date

Charlene Gray

Charlene Gray
Deputy Superior Court Clerk

CERTIFICATE OF SERVICE BY MAIL

Filed ^X SEP 12 2005

ROSA JUNQUEIRO, CLERK

By Charlene Gray

DEPUTY

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN JOAQUIN**

Case #CV018440

AMENDED

**ORDER OF CORRECTION ON
JUDGMENT ON SPECIAL
VERDICT IN OPEN COURT**

Kathleen Machado, et al
Plaintiffs

vs.

Fr. Joseph Illo, et al
Defendants

This action came on regularly for Trial. The parties appeared by their attorneys: George MacKoul & Tony Boskovich, Attorneys at Law, on behalf of the Plaintiff Kathleen Machado as an individual and as Guardian ad Litem for Rachel Lomas (hereafter referred to as "Rachel Lomas") and Amber Lomas (hereafter referred to as "Amber Lomas"); Vladimir Kozina, Attorney at Law, on behalf of Defendants Fr. Joseph Illo, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, a corporation sole; Michael Coughlan, Attorney at Law, on behalf of Defendant Fr. Francis Arakal.

A jury of 12 persons was regularly empaneled and sworn to try said action. Witnesses on the part of the Plaintiffs and Defendants were sworn and examined. The jury heard the evidence and the arguments of counsel. The jurors were given instructions at which time they retired to consider their special verdict. Subsequently the jury returned to the courtroom and rendered the following special verdict:

[X] see copy of the verdict attached.

Based on this verdict, the Court renders Judgment as follows:

Judgment for Plaintiff Amber Lomas against Defendants 1) Fr. Joseph Illo, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton for economic damages in the sum of \$12,000.00 with interest at the rate of 7% per annum from September 11, 2001 in the sum of \$2,734.70 for a total sum of \$14,734.70 and 2) Fr. Francis Arakal, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton for economic damages in the amount of \$8,000.00 with interest at the rate of 7% per annum from September 11, 2001 in the

sum of \$1,783.50 for a total sum of \$9,783.50;

that Defendants Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, a corporation sole have judgment that Plaintiff Kathleen Machado and Rachel Lomas take nothing;

that Defendants Fr. Joseph Illo and Fr. Francis Arakal have judgment that Kathleen Machado and Rachel Lomas take nothing;

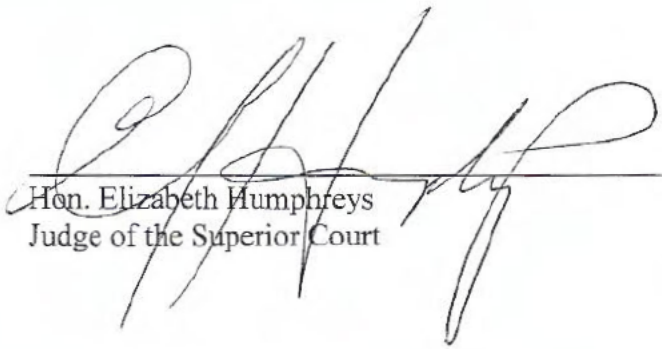
that Plaintiff Amber Lomas recover costs from Defendants Fr. Joseph Illo, Fr. Francis Arakal, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton in the amount of \$9,348.10;

that Defendants Fr. Richard Ryan, Bishop Steven Blair and the Roman Catholic Bishop of Stockton, a corporation sole and Fr. Joseph Illo recover costs from Plaintiffs Kathleen Machado and Rachel Lomas in the amount of \$23,999.54;

that Defendant Fr. Francis Arakal recover costs from Plaintiffs Kathleen Machado and Rachel Lomas in the amount of \$10,246.28.

The Amended Order of Correction on Judgment is *nunc pro tunc* as of April 4, 2005.

Date: SEP 12 2005


Hon. Elizabeth Humphreys
Judge of the Superior Court

SPECIAL VERDICT
A. SEXUAL BATTERY: RACHEL LOMAS

Filed MAR 25 2005
ROSA JUNQUEIRO, CLERK
Charlene Gray
DEPUTY

1. Did Defendant Fr. Francis Arakal do an act with the intent to cause a harmful or offensive contact with an intimate part of Rachel Lomas?

_____ YES X _____ NO

If your answer is YES, go to question 2. If your answer is NO, go to Part B.

2. If you find that Defendant Fr. Francis Arakal did an act with the intent to cause a harmful or offensive contact with an intimate part of Rachel Lomas, did it result in a sexually offensive contact either directly or indirectly?

_____ YES _____ NO

If your answer is YES, go to question 3. If your answer is NO, go to Part B.

3. Did Rachel Lomas consent to the contact?

_____ YES _____ NO

If your answer is NO, go to question 4. If your answer is YES, go to Part B.

4. Did the harmful or offensive contact cause Rachel Lomas to suffer injury, damage, loss, or harm?

_____ YES _____ NO

If your answer is YES, go to question 5. If your answer is NO, go to Part B.

5. Did any of the following ratify the conduct of Fr. Francis Arakal?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

PUNITIVE DAMAGES

6. Has Rachel Lomas proved by clear and convincing evidence that Fr. Francis-Arakal acted with malice, oppression, or fraud?

_____ YES _____ NO

GO TO PART B

B. BATTERY – RACHEL LOMAS

1. Did Fr. Francis Arakal touch Rachel Lomas with the intent to harm or offend her?

_____ YES X NO

If your answer to question 1 is YES, then answer question 2. If you answered NO, go to Part C.

2. Did Rachel Lomas consent to be touched?

_____ YES _____ NO

If your answer to question 2 is NO, then answer question 3. If you answered YES, go to Part C.

3. Was Rachel Lomas harmed or offended by Fr. Francis Arakal's conduct?

_____ YES _____ NO

If your answer to question 3 is YES, then answer question 4. If you answered NO, go to Part C.

4. Would a reasonable person in Rachel Lomas' situation have been offended by the touching?

_____ YES _____ NO

If your answer to question 4 is YES, then answer question 5. If you answered NO, go to Part C.

5. Did any of the following ratify the conduct of Fr. Francis Arakal?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

Go to Question 6.

6. Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question 7 is YES, then answer question 8. If you answered NO, stop here, go to Part C.

8. Was Fr. Francis Arakal acting within the scope of his agency when he undertook the conduct toward Rachel Lomas?

_____ YES _____ NO

PUNITIVE DAMAGES

7. Has Rachel Lomas proved by clear and convincing evidence that Fr. Francis Arakal acted with malice, oppression, or fraud?

_____ YES _____ NO

Go to Part C.

C. BATTERY - AMBER LOMAS

1. Did Fr. Francis Arakal touch Amber Lomas with the intent to harm or offend her?

_____ YES NO

If your answer to question 1 is YES, then answer question 2. If you answered NO, go to Part D.

2. Did Amber Lomas consent to be touched?

_____ YES _____ NO

If your answer to question 2 is NO, then answer question 3. If you answered YES, go to Part D.

3. Was Amber Lomas harmed or offended by Fr. Francis Arakal's conduct?

_____ YES _____ NO

If your answer to question 3 is YES, then answer question 4. If you answered NO, go to Part D.

4. Would a reasonable person in Amber Lomas' situation have been offended by the touching?

_____ YES _____ NO

If your answer to question 4 is YES, then answer question 5. If you answered NO, go to Part D.

5. Did any of the following ratify the conduct of Fr. Francis Arakal?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

Go to Question 6.

6. Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question 6 is YES, then answer question 7. If you answered NO, stop here, go to Part D.

8. Was Fr. Francis Arakal acting within the scope of his agency when he undertook the conduct toward Amber Lomas?

_____ YES _____ NO

Go to Part D.

D. INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS – RACHEL LOMAS

1. With respect to Rachel Lomas, was Fr. Francis Arakal or Fr. Joseph Illo's conduct outrageous?

Fr. Francis Arakal?	_____ YES	_____ NO
Fr. Joseph Illo?	_____ YES	_____ NO

If your answer to question 1 is YES to either defendant, then answer question 2 for that defendant. If you answered NO for both defendants, stop here, go to Part E.

2(a). Did Fr. Francis Arakal or Fr. Joseph Illo intend to cause Rachel Lomas emotional distress?

Fr. Francis Arakal?	_____ YES	_____ NO
Fr. Joseph Illo?	_____ YES	_____ NO

2(b) Did Fr. Francis Arakal or Fr. Joseph Illo act with reckless disregard of the probability that Rachel Lomas would suffer emotional distress, knowing that Rachel Lomas was present when the conduct occurred?

Fr. Francis Arakal? _____ YES _____ NO

Fr. Joseph Illo? _____ YES _____ NO

If your answer to question 2(a) or 2(b) is YES for either defendant, then answer question 3 for that defendant. If you answered NO to each question in 2(a) and 2(b), stop here, and go to Part E.

3. Did Rachel Lomas suffer severe emotional distress?

_____ YES _____ NO

If your answer to question 3 is YES, then answer question 4. If you answered NO, go to Part E.

4. Was Fr. Francis Arakal or Fr. Joseph Illo's conduct a substantial factor in causing Rachel Lomas's severe emotional distress?

Fr. Francis Arakal? _____ YES _____ NO

Fr. Joseph Illo? _____ YES _____ NO

If your answer to question 4 is YES for either defendant, then answer question 5 for the defendant for whom you answered YES. If you answered NO for both defendants, stop here and go to Part E.

5. Did any of the following ratify the conduct of Fr. Francis Arakal /Fr. Joseph Illo?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

Go to Question 6.

6(a). Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

6(b). Was the conduct of Fr. Joseph Illo undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question either 6 (a) or 6 (b) is YES, then answer question 7 with respect to such defendant. If you answered NO, stop here, go to Part E.

7. As to any defendant for whom you answered YES as to question 6, was that defendant acting within the scope of his agency when he undertook the conduct toward Rachel Lomas?

Fr. Francis Arakal _____ YES _____ NO

Fr. Joseph Illo _____ YES _____ NO

PUNITIVE DAMAGES

8. Has Rachel Lomas proved by clear and convincing evidence that Fr. Joseph Illo, Fr. Francis Arakal, Msgr. Richard Ryan, or Bishop Steven Blaire acted with malice, oppression, or fraud?

As to Fr. Joseph Illo:

_____ YES _____ NO

As to Fr. Francis Arakal:

_____ YES _____ NO

As to Msgr. Richard Ryan:

_____ YES _____ NO

As to Bishop Steven Blaire:

_____ YES _____ NO

Go to Part E.

E. INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS – AMBER LOMAS

1. With respect to Amber Lomas, was Fr. Francis Arakal or Fr. Joseph Illo's conduct outrageous?

Fr. Francis Arakal? _____ YES X NO

Fr. Joseph Illo? X YES _____ NO

If your answer to question 1 is YES to either defendant, then answer question 2 for that defendant. If you answered NO for both defendants, stop here, go to Part F.

2(a). Did Fr. Francis Arakal or Fr. Joseph Illo intend to cause Amber Lomas emotional distress?

Fr. Francis Arakal? _____ YES _____ NO

Fr. Joseph Illo? _____ YES X NO

2(b) Did Fr. Francis Arakal or Fr. Joseph Illo act with reckless disregard of the probability that Amber Lomas would suffer emotional distress, knowing that Amber Lomas was present when the conduct occurred?

Fr. Francis Arakal?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Fr. Joseph Illo?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO

If your answer to question 2(a) or 2(b) is YES for either defendant, then answer question 3 for that defendant. If you answered NO to each question in 2(a) and 2(b), stop here, and go to Part F.

3. Did Amber Lomas suffer severe emotional distress?

<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
------------------------------	--

If your answer to question 3 is YES, then answer question 4. If you answered NO, go to Part F.

4. Was Fr. Francis Arakal or Fr. Joseph Illo's conduct a substantial factor in causing Amber Lomas's severe emotional distress?

Fr. Francis Arakal?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Fr. Joseph Illo?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If your answer to question 4 is YES for either defendant, then answer question 5 for the defendant for whom you answered YES. If you answered NO for both defendants, stop here and go to Part F.

5. Did any of the following ratify the conduct of Fr. Francis Arakal /Fr. Joseph Illo?

	YES	NO
Bishop Steven Blaire	<input type="checkbox"/>	<input type="checkbox"/>
Monsignor Richard Ryan	<input type="checkbox"/>	<input type="checkbox"/>
Diocese of Stockton	<input type="checkbox"/>	<input type="checkbox"/>

Go to Question 6.

6(a). Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

6(b). Was the conduct of Fr. Joseph Illo undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question either 6 (a) or 6 (b) is YES, then answer question 7 with respect to such defendant. If you answered NO, stop here, go to Part F.

7. As to any defendant for whom you answered YES as to question 6, was that defendant acting within the scope of his agency when he undertook the conduct toward Amber Lomas?

Fr. Francis Arakal _____ YES _____ NO

Fr. Joseph Illo _____ YES _____ NO

PUNITIVE DAMAGES

8. Has Amber Lomas proved by clear and convincing evidence that Fr. Joseph Illo, Fr. Francis Arakal, Msgr. Richard Ryan, or Bishop Steven Blaire acted with malice, oppression, or fraud?

As to Fr. Joseph Illo:

_____ YES _____ NO

As to Fr. Francis Arakal:

_____ YES _____ NO

As to Msgr. Richard Ryan:

_____ YES _____ NO

As to Bishop Steven Blaire:

_____ YES _____ NO

Go to Part F.

F. INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS – KATHLEEN MACHADO

1. With respect to Kathleen Machado, was Fr. Francis Arakal or Fr. Joseph Illo's conduct outrageous?

Fr. Francis Arakal? _____ YES X NO

Fr. Joseph Illo? _____ YES X NO

If your answer to question 1 is YES to either defendant, then answer question 2 for that defendant. If you answered NO for both defendants, stop here, go to Part G.

2(a). Did Fr. Francis Arakal or Fr. Joseph Illo intend to cause Kathleen Machado emotional distress?

Fr. Francis Arakal? _____ YES _____ NO

Fr. Joseph Illo? _____ YES _____ NO

2(b) Did Fr. Francis Arakal or Fr. Joseph Illo act with reckless disregard of the probability that Kathleen Machado would suffer emotional distress, knowing that Kathleen Machado was present when the conduct occurred?

Fr. Francis Arakal? _____ YES _____ NO

Fr. Joseph Illo? _____ YES _____ NO

If your answer to question 2(a) or 2(b) is YES for either defendant, then answer question 3 for that defendant. If you answered NO to each question in 2(a) and 2(b), stop here, and go to Part F.

3. Did Kathleen Machado suffer severe emotional distress?

_____ YES _____ NO

If your answer to question 3 is YES, then answer question 4. If you answered NO, go to Part F.

4. Was Fr. Francis Arakal or Fr. Joseph Illo's conduct a substantial factor in causing Kathleen Machado's severe emotional distress?

Fr. Francis Arakal? _____ YES _____ NO

Fr. Joseph Illo? _____ YES _____ NO

If your answer to question 4 is YES for either defendant, then answer question 5 for the defendant for whom you answered YES. If you answered NO for both defendants, stop here and go to Part G.

5. Did any of the following ratify the conduct of Fr. Francis Arakal /Fr. Joseph Illo?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

Go to Question 6.

6(a). Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

6(b). Was the conduct of Fr. Joseph Illo undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question either 6 (a) or 6 (b) is YES, then answer question 7 with respect to such defendant. If you answered NO, stop here, go to Part G.

7. As to any defendant for whom you answered YES as to question 6, was that defendant acting within the scope of his agency when he undertook the conduct toward Kathleen Machado?

Fr. Francis Arakal _____ YES _____ NO

Fr. Joseph Illo _____ YES _____ NO

PUNITIVE DAMAGES

8. Has Kathleen Machado proved by clear and convincing evidence that Fr. Joseph Illo, Fr. Francis Arakal, Msgr. Richard Ryan, or Bishop Steven Blaire acted with malice, oppression, or fraud?

As to Fr. Joseph Illo:

_____ YES _____ NO

As to Fr. Francis Arakal:

_____ YES _____ NO

As to Msgr. Richard Ryan:

_____ YES _____ NO

As to Bishop Steven Blaire:

_____ YES _____ NO

Go to Part G.

G. NEGLIGENT INFLICTION OF EMOTIONAL DISTRESS -- RACHEL LOMAS

With respect to Rachel Lomas:

1. Was Fr. Joseph Illo negligent?

_____ YES X NO

Was Fr. Francis Arakal negligent?

_____ YES X NO

Was Msgr Richard Ryan negligent?

_____ YES X NO

Was Bishop Steven Blaire negligent?

_____ YES X NO

If you answered YES in any part of question 1, then answer question 2. If you answered NO to all parts of question 1, stop here, go to Part H.

2. For each defendant that received a "YES" answer in question 1, answer the following:

Was Fr. Joseph Illo's negligence a substantial factor in causing harm to Rachel Lomas?

_____ YES _____ NO

Was Fr. Francis Arakal's negligence a substantial factor in causing harm to Rachel Lomas?

_____ YES _____ NO

Was Msgr Richard Ryan's negligence a substantial factor in causing harm to Rachel Lomas?

_____ YES _____ NO

Was Bishop Steven Blaire's negligence a substantial factor in causing harm to Rachel Lomas?

_____ YES _____ NO

If you answered YES in any part of question 2 with respect to one or more of the defendants, then answer question 3 as to that/those defendants. If you answered NO regarding all persons in question 2, then insert the number zero next to their names in question 3 and answer question 3.

3. What percentage of responsibility for Rachel's harm do you assign to the following? Insert a percentage for only those who received "YES" answers in question 2:

Fr. Joseph Illo: _____%

Fr. Francis Arakal: _____%

Monsignor Richard Ryan: _____%

Bishop Steven Blaire: _____%

TOTAL 100 %

4. Did any of the following ratify the conduct of Fr. Francis Arakal or Fr. Joseph Ilo?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

Go to Question 5.

5(a). Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

5(b). Was the conduct of Fr. Joseph Ilo undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question either 5(a) or 5(b) is YES, then answer question 6. If you answered NO to both, stop here, go to Part H.

6. Was either Fr. Francis Arakal or Fr. Joseph Illo acting within the scope of his agency when he undertook the conduct toward Rachel Lomas?

Fr. Francis Arakal _____ YES _____ NO

Fr. Joseph Illo _____ YES _____ NO

Go to H

H. NEGLIGENT INFLICTION OF EMOTIONAL DISTRESS – AMBER LOMAS

With respect to Amber Lomas:

1. Was Fr. Joseph Illo negligent?

 X YES _____ NO

Was Fr. Francis Arakal negligent?

 X YES _____ NO

Was Msgr Richard Ryan negligent?

 X YES _____ NO

Was Bishop Steven Blaire negligent?

 X YES _____ NO

If you answered YES in any part of question 1, then answer question 2. If you answered NO to all parts of question 1, stop here, go to Part I.

2. For each defendant that received a "YES" answer in question 1, answer the following:

Was Fr. Joseph Illo's negligence a substantial factor in causing harm to Amber Lomas?

 X YES _____ NO

Was Fr. Francis Arakal's negligence a substantial factor in causing harm to Amber Lomas?

X YES _____ NO

Was Msgr Richard Ryan's negligence a substantial factor in causing harm to Amber Lomas?

_____ YES X NO

Was Bishop Steven Blaire's negligence a substantial factor in causing harm to Amber Lomas?

_____ YES X NO

If you answered YES in any part of question 2 with respect to one or more of the defendants, then answer question 3 as to that/those defendants. If you answered NO regarding all persons in question 2, then insert the number zero next to their names in question 3 and answer question 3.

3. What percentage of responsibility for Amber Lomas's harm do you assign to the following? Insert a percentage for only those who received "YES" answers in question 2:

Fr. Joseph Illo:	<u>60</u> %
Fr. Francis Arakal:	<u>40</u> %
Monsignor Richard Ryan:	_____ %
Bishop Steven Blaire:	_____ %
TOTAL	100 %

4. Did any of the following ratify the conduct of Fr. Francis Arakal or Fr. Joseph Illo?

	YES	NO
Bishop Steven Blaire	_____	<u>X</u>
Monsignor Richard Ryan	_____	<u>X</u>
Diocese of Stockton	_____	<u>X</u>

Go to Question 5.

5 (a). Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

YES _____ NO

Bishop Stephen Blaire

YES _____ NO

Monsignor Richard Ryan

YES _____ NO

5(b). Was the conduct of Fr. Joseph Illo undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

YES _____ NO

Bishop Stephen Blaire

YES _____ NO

Monsignor Richard Ryan

YES _____ NO

If your answer to question either 5 (a) or 5(b) is YES, then answer question 6. If you answered NO to both, stop here, go to Part I.

6. Was either Fr. Francis Arakal or Fr. Joseph Illo acting within the scope of his agency when he undertook the conduct toward Amber Lomas?

Fr. Francis Arakal YES _____ NO

Fr. Joseph Illo YES _____ NO

Go to I

I. NEGLIGENT INFLICTION OF EMOTIONAL DISTRESS - KATHLEEN MACHADO

With respect to Kathleen Machado:

1. Was Fr. Joseph Illo negligent?

_____ YES X NO

Was Fr. Francis Arakal negligent?

_____ YES X NO

Was Msgr Richard Ryan negligent?

_____ YES X NO

Was Bishop Steven Blaire negligent?

_____ YES X NO

If you answered YES in any part of question 1, then answer question 2. If you answered NO to all parts of question 1, stop here, go to Part J.

2. For each defendant that received a "YES" answer in question 1, answer the following:

Was Fr. Joseph Illo's negligence a substantial factor in causing harm to Kathleen Machado?

_____ YES _____ NO

Was Fr. Francis Arakal's negligence a substantial factor in causing harm to Kathleen Machado?

_____ YES _____ NO

Was Msgr Richard Ryan's negligence a substantial factor in causing harm to Kathleen Machado?

_____ YES _____ NO

Was Bishop Steven Blaire's negligence a substantial factor in causing harm to Kathleen Machado?

_____ YES _____ NO

If you answered YES in any part of question 2 with respect to one or more of the defendants, then answer question 3 as to that/those defendants. If you answered NO regarding all persons in question 2, then insert the number zero next to their names in question 3 and answer question 3.

3. What percentage of responsibility for Kathleen Machado harm do you assign to the following? Insert a percentage for only those who received "YES" answers in question 2:

Fr. Joseph Illo:	_____ %
Fr. Francis Arakal:	_____ %
Monsignor Richard Ryan:	_____ %
Bishop Steven Blaire:	_____ %
TOTAL	100 %

4. Did any of the following ratify the conduct of Fr. Francis Arakal or Fr. Joseph Illo?

	YES	NO
Bishop Steven Blaire	_____	_____
Monsignor Richard Ryan	_____	_____
Diocese of Stockton	_____	_____

Go to Question 5.

5(a). Was the conduct of Fr. Francis Arakal undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

5(b). Was the conduct of Fr. Joseph Illo undertaken as the agent of:

Roman Catholic Bishop of Stockton, a corporation sole

_____ YES _____ NO

Bishop Stephen Blaire

_____ YES _____ NO

Monsignor Richard Ryan

_____ YES _____ NO

If your answer to question either 5(a) or 5(b) is YES, then answer question question 6. If you answered NO to both, stop here, go to Part J.

6. Was Fr. Francis Arakal or Fr. Joseph Illo acting within the scope of his agency when he undertook the conduct toward Kathleen Machado?

Fr. Francis Arakal _____ YES _____ NO

Fr. Joseph Illo _____ YES _____ NO

Go to J

J. DEFAMATION PER SE – KATHLEEN MACHADO.

1. Did Fr. Joseph Illo make one or more of the following statement(s) to a person or persons other than Kathleen Machado?

“All your mother wants is to have sex with me.”

YES _____ NO

“Kathleen Machado is stalking me.”

_____ YES NO

If your answer to question 1 is YES, then answer question 2 for the defendant for whom you gave a YES answer. If you answered NO, stop here, go to Part K.

2. Did the people to whom the statements were made reasonably understand that the statement(s) were about Kathleen Machado?

"All your mother wants is to have sex with me."

YES NO

"Kathleen Machado is stalking me" ..

YES NO

If your answer to question 2 is YES as to any statement, then answer question 3. If you answered NO to all statements, stop here, and go to Part K.

3. Did these people reasonably understand the statement(s) to mean that Kathleen Machado was an unchaste woman or had committed a crime?

Unchaste woman?

YES NO

Committed a crime?

YES NO

If your answer to question 3 is YES in any respect, then answer question 4 for the statement(s) for which you answered YES. If you answered NO to all, stop here and go to Part K.

4. Did Fr. Joseph Illo fail to use reasonable care to determine the truth or falsity of the statement(s)?

"All your mother wants is to have sex with me."

YES NO

"Kathleen Machado is stalking me".

YES NO

If your answer to any part of question 4 is YES, then answer question 5. If you answered NO, stop here, and go to Part ~~J~~

K

ACTUAL DAMAGES

5. What are Kathleen Machado's actual damages?

a.. Past Noneconomic loss including shame, mortification, or hurt feelings, and harm to Kathleen Machado's reputation.

As to Fr. Joseph Illo:

\$ _____

B. Future Noneconomic loss including shame, mortification, or hurt feelings, and harm to Kathleen Machado's reputation

As to Fr. Joseph Illo:

\$ _____

TOTAL \$ _____

If Kathleen Machado has Not proved any actual damages, then answer question 6.

If Kathleen Machado has proved any actual damages, skip question 6 and answer question 7.

ASSUMED DAMAGES TO REPUTATION

6. What are the damages you award Kathleen Machado for the assumed harm to her reputation? You must award at least a nominal sum.

As to Fr. Joseph Illo:

\$ _____

As to Fr. Joseph Illo:

\$ _____

Regardless of your answer to question 6, answer question 7.

PUNITIVE DAMAGES

7. Has Kathleen Machado proved by clear and convincing evidence that Fr. Joseph Illo acted with malice, oppression, or fraud?

As to Fr. Joseph Illo:

_____ YES _____ NO

K. DAMAGES

If you found in favor of Rachel Lomas, Amber Lomas, or Kathleen Machado on any cause of action, please answer the following. Otherwise, have the foreperson sign and date this form.

1. What are Rachel Lomas's total damages? Do not reduce the damages based on the fault, if any, of others.

- a. Past economic loss, including medical expenses]: \$ _____
 - b. Future economic loss, including medical expenses: \$ _____
 - c. Past Noneconomic loss, including physical pain, mental suffering: \$ _____
 - d. Future Noneconomic loss, including physical pain, mental suffering: \$ _____
- TOTAL \$ 0

2. What are Amber Lomas's total damages? Do not reduce the damages based on the fault, if any, of others.

- a. Past economic loss, including medical expenses]: \$ 0
 - b. Future economic loss, including medical expenses: \$ 20,000
 - c. Past noneconomic loss, including physical pain, mental suffering: \$ 0
 - d. Future noneconomic loss, including physical pain, mental suffering: \$ 0
- TOTAL \$ 20,000

3. What are Kathleen Machado's total damages, not including the damages awarded for defamation, if any? Do not reduce the damages based on the fault, if any, of others.

a. Past noneconomic loss, including physical pain, mental suffering: \$ _____

b. Future noneconomic loss, including physical pain, mental suffering: \$ _____

TOTAL (excluding defamation) \$ _____

+ DEFAMATION DAMAGES \$ _____

TOTAL DAMAGES FOR KATHLEEN MACHADO \$ 0 _____

Dated: 03/25/05



Foreperson

X SEP 2 2005
Filed
ROSA JUNQUEIRO, CLERK
By Charlene Gray
DEPUTY

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN JOAQUIN

Plaintiffs: KATHLEEN MACHADO, et al

vs.

Defendants: FR. JOSEPH ILLO, et al

CASE NO. CV018440

CERTIFICATE OF SERVICE BY MAIL

I, the undersigned, declare that I am a Deputy Superior Court Clerk of the County of San Joaquin, State of California, and not a party to the action, and that on SEP 2 2005 I deposited in the United States Post Office at Stockton, California, true and correct copies of **Order of Correction on Judgment on Special Verdict in Open Court**, a copy of which is hereto attached and made a part hereof, one copy of which being addressed to each of the following named persons at the following names and addresses:

George J. MacKoul
SABBAH AND MacKOUL
515 South Flower Street, 25th Floor
Los Angeles, CA 90071-2228

Vladimir F. Kozina
MAYALL, HURLEY, KNUTSEN, et al
2453 Grand Canal Boulevard, 2nd Floor
Stockton, CA 95207-8253

Anthony Boskovich
LAW OFFICES OF ANTHONY BOSKOVICH
28 N. First Street 6th Floor
San Jose, CA 95113-1210

I further declare that each of said copies so mailed and addressed was enclosed in a separate envelope, sealed, with the postage thereon fully paid.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Stockton on the above date

Charlene Gray
Charlene Gray
Deputy Superior Court Clerk

CERTIFICATE OF SERVICE BY MAIL

X

Filed AUG 31 2005
ROSA JUNQUEIRO, CLERK
By Charlene Gray
DEPUTY

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN JOAQUIN**

Kathleen Machado, et al
Plaintiffs

**Case #CV018440
ORDER OF CORRECTION ON
JUDGMENT ON SPECIAL
VERDICT IN OPEN COURT**

vs.

Fr. Joseph Illo, et al
Defendants

_____ /
This action came on regularly for Trial. The parties appeared by their attorneys: George MacKoul & Tony Boskovich, Attorneys at Law, on behalf of the Plaintiff Kathleen Machado as an individual and as Guardian ad Litem for Rachel Lomas (hereafter referred to as "Rachel Lomas") and Amber Lomas (hereafter referred to as "Amber Lomas"); Vladimir Kozina, Attorney at Law, on behalf of Defendants Fr. Joseph Illo, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, a corporation sole; Michael Coughlan, Attorney at Law, on behalf of Defendant Fr. Francis Arakal.

A jury of 12 persons was regularly empaneled and sworn to try said action. Witnesses on the part of the Plaintiffs and Defendants were sworn and examined. The jury heard the evidence and the arguments of counsel. The jurors were given instructions at which time they retired to consider their special verdict. Subsequently the jury returned to the courtroom and rendered the following special verdict:

[X] see copy of the verdict attached.

Based on this verdict, the Court renders Judgment as follows:

Judgment for Plaintiff Amber Lomas against Defendants Fr. Joseph Illo, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton for economic damages in the sum of \$12,000.00 with interest at the rate of 7% per annum from September 11, 2001 in the sum of \$2,734.70 for a total sum of \$14,734.70 and Fr. Francis Arakal, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton for economic damages in the amount of \$8,000.00 with interest at the rate of 7% per annum from September 11, 2001 in the

sum of \$1,783.50 for a total sum of \$9,783.50;

that Defendants Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton, a corporation sole have judgment that Plaintiff Kathleen Machado and Rachel Lomas take nothing;

that Defendants Fr. Joseph Illo and Fr. Francis Arakal have judgment that Kathleen Machado and Rachel Lomas take nothing;

that Plaintiff Amber Lomas recover costs from Defendants Fr. Joseph Illo, Fr. Francis Arakal, Fr. Richard Ryan, Bishop Steven Blaire and the Roman Catholic Bishop of Stockton in the amount of \$9,348.10;

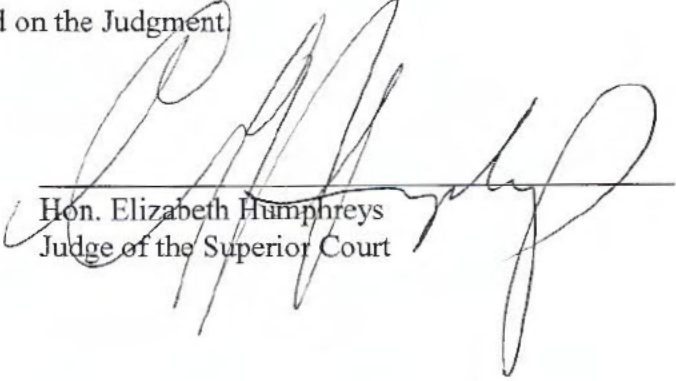
that Defendants Fr. Richard Ryan, Bishop Steven Blair and the Roman Catholic Bishop of Stockton, a corporation sole and Fr. Joseph Illo recover costs from Plaintiffs Kathleen Machado and Rachel Lomas and Amber Lomas in the amount of \$23,999.54;

that Defendant Fr. Francis Arakal recover costs from Plaintiffs Kathleen Machado and Rachel Lomas in the amount of \$10,246.28.

The Order of Correction on Judgment is *nunc pro tunc* as of April 4, 2005.

Costs to be determined by law and entered on the Judgment.

Date: AUG 31 2005



Hon. Elizabeth Humphreys
Judge of the Superior Court